IOWA RACING COMMISSION MEETING
MINUTES
January 8, 1988

The State Racing Commission met on Friday, January 8, 1988, at 2:00 p.m. at the Holiday Inn, Council Bluffs. Present were: Chairman, Bud Pike; Vice Chairman, Sally Prickett; and members Leo Monaghan, Larry Scalise and Lavonne Mydland. The Chair called the meeting to order.

The Chair recognized Lawrence Beckman, Chairman of Council Bluffs Chamber of Commerce. Mr. Beckman welcomed the Commission to Council Bluffs and stated that Council Bluffs was very proud to have one of the top five tracks in the nation, Bluffs Run.

Chairman Pike then entertained a motion to approve the minutes of the November 23, 1987, Commission meeting. Commissioner Mydland so moved, with Commissioner Monaghan seconding the motion, with all in favor. See Order (88-1).

The Chair introduced Tom Ruxlow, Director of the Division of Criminal Investigation (DCI). Mr. Ruxlow introduced members of the Kansas DCI, who were in Iowa to observe how the Iowa DCI operated. The Chair welcomed them to Iowa.

The Chair called up the next agenda item, report on the 1987 racing season at Bluffs Run, and called on John Nelson, President of Iowa West Racing Association. Mr. Nelson stated that they had a very successful season. Of 415 performances, total attendance was 1.1 million, resulting in an average attendance of 2727; and a total mutuel handle of $123 million. Per capita wagering was $109. Mr. Nelson advised the Commission that $6.1 million had been paid in state taxes and $1.2 million was paid in city and county tax. Purses were paid totalling $3.7 million with a total breakage of $450,000. Mr. Nelson said that he was proud of Bluffs Run and very appreciative of the Commission working with them.

The Chair then recognized Jack Ketterer, Administrator for the Racing Commission, for approval of the following items: Iowa Bred Purse Supplement, Multiple Wagering Format, Grading System, Racing Officials, Performance Bond and Minimum Purse. Mr. Ketterer informed the Commission that everything will remain the same with the exception of the purse structure. They will hold out $1 per race for the funding of the American Greyhound Council which will be matched by the track.

Chairman Pike asked Paul Bryant Jr., President of AIM, Incorporated, if he had anything to add. Mr. Bryant said no but thanked the Commission for their continued support.

Commissioner Scalise moved that the Iowa Bred Purse Supplement Program, Multiple Wagering Format, Grading System, Racing Officials, Performance Bond and Minimum Purse be approved. Commissioner Prickett seconded the motion with all in favor. See Order (88-2).

The Chair then recognized Stan Bowker, Consultant for Racing Association of Central Iowa (RACI), for an update. Mr. Bowker said that they are planning on trimming the debt by $5 million. He said that they are able to reduce the debt because of revised projections and changes to the track itself. Mr. Bowker stated that it will be the same type of facility, just at a lower cost. Staffing plans are to have the president and general manager on board by March 1 with the rest of the key management positions by September.

Mr. Bowker stated that they have finished with the deep foundation and will hopefully start with the steel the first of February. As of this date, they have not missed a day of construction.

Chairman Pike asked if there would be any problem with the traffic. Mr. Bowker said the track is in a good location, right off the interstate. The people will be able to exit out of three gates in three different directions.

Chairman Pike then asked about the barns and off-track housing of the horses. Mr. Bowker stated that they have added to the barn area what the horse people wanted but it did cost them stalls. He said they wanted it right in the first place because it is easier to add stalls than to try to change the existing ones. He said that they are looking into off-track housing.

Keith Hopkins, member of RACI, stated that all of Iowa should perceive that Altoona is a track for Iowa not just Polk County and central Iowa.

The Chair called up the next agenda item, report on direct payments to greyhound owners, and called on Gloria Sanders, District Representative of the National Greyhound Association. Ms. Sanders stated that direct payment of commissions by the track was very important. Kennel operators are holding commissions and most owners either are delayed in being paid their commission or don't receive their commission at all. Most owners are afraid to come forward about this because they are afraid of not getting their greyhounds back. She stated that in 1981 a resolution was passed by the National Association of State Racing Commissioners in support of direct payment. She asked the Commission to mandate direct payments by the tracks to the owners, to assure the owners are getting their fair share.

The Chair then recognized Bob Hardison, President of the Iowa Greyhound Association. He stated that the owners are being cheated out of their commissions. People are afraid to say anything because they don't want to get the kennel in trouble. Tracks will make an effort to help owners get their commissions if they know there is a problem. Kennels are guaranteed money, owners should be too.

Mr. Ketterer suggested that the track managers meet with Mr. Hardison and Ms. Sanders to discuss the problem and hopefully come up with a solution.

Commissioner Monaghan asked what problems the track managers would have with direct payment, to which Mr. Hardison replied, cost.

Commissioner Prickett agreed with Mr. Ketterer's suggestion and ask that they meet and come back with a report to the Commission at the next meeting, to which they agreed.

The Chair recognized Roy Berger, General Manager of Dubuque Greyhound Park, for the next agenda item request for additional 1988 racing dates at Dubuque Greyhound Park. Mr. Berger requested to extend Dubuque Greyhound Park's 1988 racing season by one week, until November 13, 1988. Augie Masciotra, General Manager of Waterloo Greyhound Park, said he had no objection.

Commissioner Scalise moved to grant the additional week of racing to Dubuque Greyhound Park. Commissioner Mydland seconded the motion. The vote was unanimous. See Order (88-3).

The Chair then called on Mr. Masciotra for the next agenda item, request for additional 1988 racing date at Waterloo Greyhound Park. Mr. Masciotra requested a twilight performance on Sunday, April 17. Mr. Berger had no objection.

Commissioner Scalise moved to grant the twilight performance on Sunday, April 17. Commissioner Monaghan seconded the motion with all in favor. See Order (88-4).

Chairman Pike then said a few words. He stated that there had been a lot of controversy over racing dates and we need to put that all behind us and move forward. He said that racing dates for all four tracks should be set at the same time, and that fairness was the cornerstone of thinking of the Commission. If we pull together, the pari-mutuel industry will be the winner. Horses and dogs can be partners. We need to be supportive of each other.

The Chair then recognized Mr. Berger for the request for Daily Triple Wagering at Dubuque Greyhound Park. Mr. Berger explained that it was a daily douple plus one. There would be no carryover, a payout every day. They would run the Daily Triple in the 4th, 5th and 6th race.

Mr. Ketterer said that these rules were based on the California rules and have been successful. He stated that both tote companies operate in California so their system should be able to handle the daily triple. He recommended approval of the request.

Commissioner Scalise moved to approve the Daily Triple Wagering at Dubuque Greyhound Park and file a Notice of Intended Action. Commissioner Prickett seconded the motion. The vote was unanimous. See Order (88-5).

The next item on the agenda was recommendation for approval of FY 88 research proposals. The Chair recognized Commissioner Prickett. Commissioner Prickett moved to approve $50,000 for equine research and $50,000 for canine research (see attached). Commissioner Scalise seconded the motion with all in favor. See Order (88-6).

The Chair then recognized Mr. Ketterer for recommendation on the selection process for 1988 racing chemist. Mr. Ketterer said that they are satisfied with Iowa State University, Veterinary Diagnostic Lab. He said they will negotiate the fee schedule each year, and as long as Iowa State is competitive, they be retained as racing chemist. He recommended that the Commission enter into a three year contract subject to negotiation of fees annually by January 1.

Commissioner Scalise moved to enter into a three year contract with Iowa State University, Veterinary Diagnostic Lab subject to negotiation of fees annually by January 1. Commissioner Monaghan seconded the motion with all in favor. See Order (88-7).

The Chair introduced Keith Hermanson, United Tote, for a report from United Tote. Mr. Hermanson briefed the Commission on the incidents that had taken place at Waterloo Greyhound Park and what they have done to rectify the problem so it will not occur again. He said that they are now going to check the prices before each season to make sure everything is working properly. The Chair thanked him for his report.

The next item on the agenda was a proposed resolution in support of "Uniform Licensing for Pari-Mutuel Sports Act." Commissioner Scalise moved that the resolution (see attached) be adopted as written. Commissioner Mydland seconded the motion. The vote was unanimous. See Order (88-8).

It was decided that the next meeting be February 11 in Des Moines.

Commissioner Scalise moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Prickett seconded the motion. All in favor. See Order (88-9).

Following Executive Session, the meeting was adjourned.

MINUTES TAKEN BY

Karyl Schoff

Karyl Schoff

IOWA RACING COMMISSION

TERRY E. BRANSTAD, Governor

COMMISSIONERS

L.C. "BUD" PIKE, Chair
SALLY BROWN PRICKETT, DVM, Vice-Chair
LAWRENCE F. SCALISE
LAVONNE MYDLAND
LEO K. MONAGHAN

JACK P. KETTERER
Administrator

LUCAS STATE OFFICE BUILDING
DES MOINES, IOWA 50319
(515)281-7352

RESEARCH PROPOSALS FOR THE IOWA STATE RACING COMMISSION FOR 1988-89

EQUINE

$10,000	Controlled Biossay Evaluations - Equine Racing Chemistry - Hyde/Osweiler
$15,000	Etiology of Viral Scours in Foals - From Paul
$25,000	Integration of Immunologic Chemical Analysis into Standard Equine Drug Testing - Hyde
$50,000	

CANINE

$24,000	Evaluation of the Effects of Drugs on Racing Performance Using Behavioral Procedures - Hopper/Hyde
$26,000	Influence of Age/Diet/Training on the Physiological Conditioning of Longevity of the Racing Greyhound - Engen
$50,000	

RESOLUTION

WHEREAS there has been introduced in the Congress of the United States, S1345 and HR2611, companion bills entitled "Uniform Licensing for Pari-Mutuel Sports Act", and

WHEREAS this legislation provides for the authority of the National Association of State Racing Commissioners to receive criminal history information from the Federal Bureau of Investigation, and

WHEREAS this would enable the NASRC to act as a central receiving body for license applications and fingerprint cards from those desiring to be participants in racing throughout the United States and,

WHEREAS individual state racing commissions would have access to all information received by the NASRC and complete autonomy in granting or denying licenses to participants in racing in their own states, and

WHEREAS duplication of effort and paperwork for the license applicants, a situation which has plagued the racing industry in the past, would thus be avoided;

NOW THEREFORE the Iowa Racing Commission resolves to give every effort in support of the passage of the Uniform Licensing Pari-Mutuel Sports Act and communicate this resolve to the Iowa Congressional Delegation.

IOWA RACING COMMISSION MEETING
MINUTES
February 11, 1988

The State Racing Commission met on Thursday, February 11, 1988, at 9:30 a.m. at the Wallace Auditorium, Des Moines. Present were: Chairman, Bud Pike and members Leo Monaghan and Lavonne Mydland. The Chair called the meeting to order.

Chairman Pike then entertained a motion to approve the minutes of the January 8, 1988, Commission meeting. Commissioner Mydland moved with Commissioner Monaghan seconding the motion. All in favor. See Order (88-10)

The Chair then recognized Stan Bowker, Consultant for Racing Association of Central Iowa (RACI), for an update. Mr. Bowker stated that as of the end of January, RACI had spent $3.1 million with 11% of the project completed. The steel should be underway by the end of February. Mr. Bowker informed the Commission that the RACI office will be moving from the site to an office building in Altoona March 1. Mr. Bowker stated that interviewing will begin next week for the general manager.

Chairman Pike asked what the cost of the track was going to be to which Mr. Bowker said he was unable to say at this point because there are still some bids outstanding. The Chair asked if it would be under $50 million to which Mr. Bowker replied yes.

The Chair asked about the backstretch area and the barns. Mr. Bowker stated that this was still up in the air because there were still areas to be resolved. The Chair thanked Mr. Bowker for his report.

The next item on the agenda was rule changes and the Chair recognized Jack Ketterer, Administrator for the Racing Commission. Mr. Ketterer explained that Waterloo Greyhound Park had requested a rule change to allow for a $1 minimum wager on the twin trifecta for the rest of their racing season. They were also requesting a change in the contingency payoffs in the twin trifecta to conform with the trifecta rules. Mr. Ketterer recommended that these rules be filed emergency and implemented followed by a Notice of Intended Action.

Mick Lura, Director of Administration for the Racing Commission, added that another option needs to be added to the rules reflecting a refund to both the trifecta and twin trifecta rules.

Commissioner Monaghan moved that these rules, with Mr. Lura's addition, be filed emergency and implemented followed by a Notice of Intended Action. Commissioner Mydland seconded the motion with all in favor. See Order (88-11).

Mr. Ketterer then stated that they are changing rule 7.2(9), paragraph "b," concerning owners' lessors being allowed in compound from "owners" to "kennel owners".

Commissioner Mydland moved that this rule change be adopted and a Notice of Intended Action filed. Commissioner Monaghan seconded the motion. The vote was unanimous. See Order (88-12).

The Chair then recognized Judy Roland for the next agenda item, request for 1988 harness racing dates. Ms. Roland said that the Iowa Fair Horse Racing, Ltd., was requesting the following dates.

Iowa State Fair Des Moines, Iowa	June	3, 4, 5 9, 10, 11 16, 17, 18, 19 23, 24, 25, 26 30
	July	1, 2, 3, 4 8, 9, 10
Keokuk County Fair What Cheer, Iowa		

Commissioner Monaghan moved to approve the 1988 harness racing dates as requested. Commissioner Mydland seconded the motion with all in favor. See Order (88-13).

The next item on the agenda was a report on direct payments to greyhound owners. The Chair called on Mr. Ketterer. Mr. Ketterer stated that he had met with track representatives and the greyhound association. Mr. Ketterer stated that at this point there had been no resolution of the direct payment issue. The Chair asked for comments from each track and the Iowa Greyhound Association. Following their comments, the Chair asked Mr. Ketterer to continue working with the tracks and the association to work something out and report to the Commission at its meeting next month.

Mr. Ketterer then asked to bring up a non-agenda item. Waterloo Greyhound Park was requesting an extra performance on Monday, March 21, 1988, to make up for the performance they had cancelled on December 28, 1987. The request was received in the Commission office February 8 after the agendas had been mailed. Roy Berger, General Manager for Dubuque Greyhound Park, said he had no objection to this but did object to the fact that it was brought up without being on the agenda.

Commissioner Monaghan moved to approve an additional racing performance for Waterloo Greyhound Park on March 21, 1988. Commissioner Mydland seconded the motion. All in favor. See Order (88-14).

The Chair then called up the administrative portion of the meeting and recognized Mr. Ketterer. Mr. Ketterer briefly commented on the brochure "Racing in Iowa". He stated that it told the story of Iowa racing, what has been accomplished in Iowa, and what contributions racing has made to the communities. Mr. Ketterer said that special recognition for this goes to Jean Cook, Administrative Assistant for the Racing Commission.

Ms. Cook then briefly explained other promotional items upon which the Racing Commission has been working. She said that a phamphlet with the racing dates of all the tracks had been distributed to chambers, county seats, hotels, motels and other interested party. She said a video tape which will be half still and half live is being developed and will be available for speeches by late March. Ms. Cook said a Commission booth has been booked at several tradeshows.

Jim Heywang, General Manager of Bluffs Run, complimented the Commission on their working relationship with the tracks.

Commissioner Monaghan then gave a brief report on the 14th Annual University of Arizona Racing Symposium held December 9-12 in Tucson, Arizona. Commissioner Monaghan stated that they discussed current day issues and what has been going on in the racing industry.

The next item on the agenda was a proposed resolution in support of $1 deduction from purses, matched by the tracks to fund the American Greyhound Council. Commissioner Monaghan moved that the proposed resolution (see attached) be adopted as written with Commissioner Mydland seconding the motion. The vote was unanimous. See Order (88-15).

It was decided the next Commission meeting would be held Monday evening, March 7, in Des Moines, and the Legislators will be invited to attend. The April meeting will be held in Dubuque on Thursday, April 7.

Commissioner Monaghan moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Mydland seconded the motion with all in favor. See Order (88-16).

Following Executive Session, Commissioner Monaghan moved that the meeting be adjourned. Commissioner Mydland seconded the motion. The vote was unanimous. See Order (88-17).

MINUTES TAKEN BY

Karyl Schoff

Karyl Schoff

IOWA RACING COMMISSION MEETING
MINUTES
APRIL 6, 1988

The State Racing Commission met on Wednesday, April 6, 1988, at 9:30 a.m. at the Midway Motor Lodge, Dubuque. Present were: Chairman, Bud Pike; Vice-Chairman, Sally Prickett; and member Leo Monaghan. The Chair called the meeting to order.

Chairman Pike then entertained a motion to approve the minutes of the March 7, 1988, Commission meeting. Commissioner Prickett so moved with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-22).

The Chair called up the next item on the agenda, final adopt rule 8.2(4)(l) and recognized Jack Ketterer, Administrator for the Racing Commission. Mr. Ketterer informed the Commission that this is a daily triple wager patterned after the California rule for that type of wagering. Commissioner Monaghan moved to final adopt rule 8.2(4)(l) as proposed. Commissioner Prickett seconded the motion with all in favor. See Order (88-23).

The next item on the agenda was a progress report from the Racing Association of Central Iowa. Mr. Ketterer informed the Commission that a representative was unable to attend because of last minute bill filings in the Legislature.

Mr. Ketterer said that Bill Masterson was hired as the General Manager for the Altoona track. He suggested that the next meeting be held in Des Moines and be dedicated to the latest plans and progress of the horse track and make an on site visit after the meeting. Commissioner Mydland will be back and the new Commissioner should be on board.

Chairman Pike suggested that be put on the agenda for the next meeting.

Mr. Ketterer then gave a brief legislative report bringing the Commission up-to-date on legislative activity.

The next item on the agenda was Dubuque Greyhound Park requests for their 1988 season. The Chair recognized Roy Berger, General Manager for Dubuque Greyhound Park. Mr. Berger stated that the grading system, performance bond, purse supplement, officials and minimum purse will remain the same.

Mr. Ketterer asked about the carry-over. Dan Luciano, Director of Racing for Dubuque Greyhound Park, responded that there was no carry-over last year from previous years. There will be one half this year with the

balance the following year.

Chairman Pike asked who gets the interest from the carry-over to which Mr. Luciano replied the greyhound owners and breeders. The Chair then asked the amount of the purse supplement. Mr. Luciano said the purse supplement last year was $175,000.

Mr. Ketterer recommended approval of the purse supplement, grading system, racing officials, performance bond and minimum purse conditioned upon DCI findings of officials to be discussed in closed session. Commissioner Monaghan so moved with Commissioner Prickett seconding the motion. All in favor. See Order (88-24).

Mr. Berger said their goal this year was to increase attendance by one person per performance and one dollar per person. He stated that two substantial improvements have been added, that being the "Pub" which has seating for 144 and total reconstruction of the racing surface to help insure consistency for greyhounds.

Mr. Ketterer stated that it is nice to be able to show the public that the money does go back into making the facility better. After the initial struggles with financing, the benefits of the non-profit corporation restriction for track licensees will become apparent.

Commissioner Prickett asked about the debt retirement. Arnie Honkamp, Treasurer of the Board of Directors of Dubuque Racing Association, stated that the initial debt was $10.3 million. They have paid off all debt except the $7.9 million general obligation bond issue. The outstanding principal on those bonds is currently $7.7 million.

Commissioner Monaghan stated that he had attended an orientation for trainers and kennel owners last week in Dubuque. He felt it helped enable them to learn what is available in terms of assistance to them. It is one of the things that make a park go.

The next item on the agenda was Iowa Fair Horse Racing Ltd, and the Chair recognized Marion Lucas, Director of the Iowa Fair Board. Mr. Lucas stated that the harness dates were June 3 thru July 4 which were approved previously. He said the Sunday post time had been changed to 6:00 p.m. instead of 1:00 p.m. Mr. Lucas said they were soliciting sponsorships and they were trying to get all 19 performances sponsored. There would be a $1 admission charge.

Mr. Lucas informed the Commission that additional limestone had been added to the track, new betting windows put in and they are trying to remodel the stalls. Mr. Lucas asked if it would be possible to allow people into the stable area. Mr. Ketterer thought it would be a good idea.

Chairman Pike asked if there would be horse people there to visit with to which Mr. Lucas replied yes.

The Chair then called up the administrative portion of the meeting and called on Dr. Merrill Vanderloo, Veterinarian at Dubuque Greyhound Park. Dr. Vanderloo gave a brief report on the International Greyhound Symposium followed by reports on the Harness Tracks of America and American Greyhound Track Operators Association Conferences by Mr. Ketterer.

A video presentation was then made outlining the Commission's responsibilities.

Commissioner Prickett moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a" Commissioner Monaghan seconded the motion with all in favor. See Order (88-25).

Following Executive Session, the following Commission meeting dates were established: May 12, Des Moines; June 2, Des Moines; and July 19, Des Moines.

Commissioner Prickett then moved to emergency adopt and implement rule 8.2(4)(l), in addition to the regular adoption in order for the implementation of Daily Triple Wagering to coincide with the opening of Dubuque Greyhound Park's season. Commissioner Monaghan seconded the motion with all in favor. See Order (88-26).

Commissioner Monaghan then moved to adjourn the meeting with Commissioner Prickett seconding the motion. The vote was unanimous. See Order (88-27).

MINUTES TAKEN BY

Jean Cook

JEAN K. COOK

TRANSCRIBED BY

Karyl Schoff

KARYL L. SCHOFF

IOWA RACING COMMISSION MEETING
MINUTES
MAY 11, 1988

The State Racing Commission met on Wednesday, May 11, 1988, at 7:00 p.m. at the Adventureland Inn, Des Moines. Present were: Chairman, Bud Pike, Vice-Chairman, Sally Prickett; and members Leo Monaghan and Lavonne Mydland. The Chair called the meeting to order.

Chairman Pike welcomed everyone to the meeting and thanked the Racing Association of Central Iowa (RACI) for the tour of the Altoona facility prior to the meeting.

The Chair then entertained a motion to approve the minutes of the April 6, 1988, Commission meeting. Commissioner Prickett so moved with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-28).

The next item on the agenda was a presentation to former commission member Larry Scalise. The Chair called on Jack Ketterer, Administrator for the Racing Commission. Mr. Ketterer recognized Mr. Scalise and presented him with a plaque. Mr. Ketterer said that Mr. Scalise resigned from the Commission in April aftering serving five years beginning from the time the Commission was formed in 1983. He recognized Mr. Scalise for his leadership and strong hand in making difficult decisions on controversial issues in the formative years of the Commission. Mr. Ketterer told Mr. Scalise that he had the gratitude of the Commission and the pari-mutuel industry.

Mr. Scalise thanked the Commission for their friendship, help and support while he served as Chairman of the Commission. He was proud and glad to see the track at Altoona finally getting underway and the dog tracks doing so well. He thanked the Division of Criminal Investigation (DCI) for their outstanding job in keeping the racing industry clean.

Chairman Pike thanked Mr. Scalise for getting the Commission started and for the leadership he provided.

The Chair then informed the Commission that the report on the 1987-88 season for the Waterloo Greyhound Park had been postponed until next month.

The Chair called up the next agenda item, final adoption of rules and called on Mr. Ketterer. Mr. Ketterer informed the Commission that final adoption was needed on the twin trifecta rules allowing a $1 minimum wager and changing certain contingency payoffs to conform with the

trifecta rules and final adoption on allowing access to kennel by greyhound owner when in the company of kennel owner or trainer. He said that emergency adoption and implemention and final adoption was also needed for the claiming rule for the Fair Harness Racing this summer.

Commissioner Mydland so moved with Commissioner Monaghan seconding the motion. All in favor. See Order (88-29).

Tom Ruxlow, Director of the DCI, then introduced two dignitaries from the Texas DCI who were visiting Iowa to learn of the procedures used by the Iowa DCI in the pari-mutuel area. The Texas dignitiary stated that they are probably a year away from opening their first track. No licenses have been issued to date.

Chairman Pike then introduced Janet Chub from the Kansas Attorney General's Office who was visiting Iowa learning their procedures for the pari-mutuel industry.

The Chair called up the next agenda item, requests for the 1988 season by the Iowa Fair Horse Racing Ltd and called on Judy Roland. Ms. Roland asked for approval of their racing officials; minimum purse; multiple wagering format, deleting the trifecta from their original request; Iowa Bred Purse Supplement Program, changing their original request from Iowa Bred/Registered horses to just Iowa Registered horses; and their performance bond.

Commissioner Prickett moved to approve the Iowa Bred Purse Supplement Program, Racing Officials, Performance Bond, Minimum Purse and Multiple Wagering Format as requested by the Iowa Fair Horse Racing Ltd. Commissioner Mydland seconded the motion with all in favor. See Order (88-30).

Ms. Roland told the Commission that their season would begin in Des Moines June 3. She stated that their goal is to educate the public in wagering and to build interest for the new track.

Chairman Pike asked if the backstretch would be open to the public to be able to visit with the horse people, to which Ms. Roland replied yes.

Next on the agenda was a construction and operations report by RACI and the Chair recognized Rich Wilkey, President of RACI. Mr. Wilkey informed the Commission that the nine member RACI Board had been in existence since

March of 1987. All original members are still on the Board with the exception of Lloyd Clarke who was replaced by David Kauf. RACI has begun to build staff and have hired Bill Masterson as Executive Director and General Manager and Kevin Swartz as Vice-President of Finance. They are on budget and on time. They are still looking at a March 1, 1989, opening and they have been fortunate for the weather and have taken advantage of it. Mr. Wilkey recognized Bill Masterson for a report on the construction.

Mr. Masterson said that it was a pleasure to be back in Iowa and was looking forward to working with the Commission. Mr. Masterson told the Commission that the one mile oval track has been brought up to sub-base. He informed the Commission that no decision had been made on the safety rail or the distance poles but they would comply with rules when making their decision. No decision has been made on the type or who will build the tote board. A decision will hopefully be made within the next 60 days.

The grandstand facility will have five levels. The first level or main level will be the track, administration, service and support level. The next level up will be the grandstand level. It will have bleacher and table seating, mutuel windows, and food and beverage areas.

The mezzanine level is a half floor between the grandstand level and clubhouse level. This area will be primarily for concession use and support for the clubhouse.

The clubhouse level will have table dining for 778 patrons, box seats, VIP room, lounge and mutuel windows. Above that is the roof which will house the press box and room, announcer, judges and photo finish.

The paddock will have two horse paths to the barns, jockey facilities and a judges stand.

In the barn area there will be 19 barns, two dormitories, administration building, detention barn and maintenance building. The administration building is under construction and will be located adjacent to the stable gate. The maintenance building will be located in the stable area and will be used to stock-pile equipment. The detention barn will have 34 quarantined stalls, four test stalls and a wash room. The dormitories will house 100 people each. They will be two stories and have a laundry area, pay phones, bathroom facilities and vending machines. There will be

52 stalls per barn. They are fire protected. There will be no parking around barns and that will be strictly enforced. There are windows in each stall and a lot of ventilation. Mr. Masterson said that construction was on schedule.

Mr. Masterson then introduced Kevin Swartz for a report on equipment and budget. Mr. Swartz told the Commission that equipment is budgeted for $7 million. They had hired three consultants to help in the collecting of the specs and putting out to bid the different equipment needed. The main areas of equipment are: concession, phone, tote, sound and close circuit TV. He said they are getting specs in line room by room as not to leave anything out.

Financing of the track is as follows: $40 million in bonds, $4 million from the Des Moines Development Corporation, $5 million from Piper Jaffrey, approximately $2.7 million interest on bonds, and $500,000 in accrued interest at the sale of bonds. $6.9 million has been expended thus far being 24% complete. They expect to spend $1.5-2 million a month and expect that to grow to $4-5 million this summer. There are 120-125 construction workers there full time now and expect that to grow to 250 a day June-August. Twenty million dollars worth of bids have been accepted and of that only two contracts are out-of-state.

Right now for marketing they are seeking an advertising agency, working on a logo and a name for the track. The next key people to be hired will be the marketing person, general manager for concessions, director of operations, racing secretary and human resource person. They expect major staff expansion in September and October. They are hoping to have their marketing agency by the first of July.

Mr. Masterson said that they are working with the State Fair on promotions and educational campaigns. They have a good on-going relationship with Polk County Board of Supervisors and the City of Altoona.

Commissioner Prickett asked if they have looked into Equitrack, a new racetrack surface material. Mr. Masterson replied that they are aware of it but have not placed the call to inquire about it. Mr. Masterson said that they will look into it but their main concerns for the track surface was acceptance by the horsemen and the budget constraints.

Commissioner Prickett then asked if most of the material for the barns was on-site. Mr. Masterson said about 50% is on-site but all has been bought.

She then asked if it would be possible to exchange the material for the doors to match the color of the roof. Mr. Masterson said that they would look into it as far as what has been purchased and what can be exchanged.

Commissioner Prickett asked if the wood in the stalls would be treated. Frank Sedlacek, Project Manager, said that the bottom of the stall and the wood in the ground would be treated. Commissioner Prickett said that the wood not being treated all the way concerned her and she said they should look into treating it all from a maintenance standpoint.

Commissioner Monaghan asked how many people would be employeed to which Mr. Masterson replied 350 on their payroll during the season and approximately 50 full-time permanent employees. Commissioner Monaghan said that he encouraged a training track and maybe a fundraiser could be held to raise money needed for the training track.

Mr. Ketterer asked about the perimeter fence. Mr. Masterson said that a bid has been let and they are working on getting easements from the adjoining property owners to take down their existing fence and put theirs up. They are going to begin the fencing on Monday, May 23. There will be a seven foot fence by the racetrack and a 42" fence around the rest. They are looking at $250,000 for fencing.

The Chair then called up the administrative portion of the meeting. He informed the Commission that the National Association of State Racing Commissioners (NASRC) had changed their name to Association of Racing Commissioners International because there are members from all over the country. He then gave a brief report on the NASRC convention held in Louisville, Kentucky. He said the Uniform Licensing Bill was discussed and hopefully this will be passed by Congress this year. Uniform medication bill is being worked on along with the use of microchips for identification. Commissioner Prickett then commented on the medical issues that were discussed and Commissioner Monaghan on the safety issues.

The next Commission meeting will be held in Des Moines, June 2.

Commissioner Monaghan moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Mydland seconded the motion with all in favor. See Order (88-31).

Following Executive Session, Commissioner Mydland moved to adjourn the meeting with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-32).

MINUTES TAKEN BY

Karyl Schoff

KARYL SCHOFF

IOWA RACING COMMISSION MEETING
MINUTES
MAY 26, 1988

The State Racing Commission met on Thursday, May 26, 1988, at 9:30 a.m. at the Ramada Airport Hotel, Des Moines. Present were: Chairman, Bud Pike; Vice-Chairman, Sally Prickett; and members Leo Monaghan and Lavonne Mydland. The Chair called the meeting to order.

Chairman Pike then entertained a motion to approve the minutes of the May 11, 1988, Commission meeting. Commissioner Mydland so moved with Commissioner Monaghan seconding the motion. All in favor. See Order (88-33).

The Chair then called up the next item on the agenda, approval of 1989 racing dates. Chairman Pike said that the granting of racing dates is a give and take situation and requires cooperation on everyones part. The Commission is looking at what is best for the state of Iowa. This will be the first year for both horse and greyhound racing in the state and the Commission wants to be fair to all. The Chair wished each track much success.

The Chair then called on Commissioner Prickett for a committee report on racing dates. Commissioner Prickett said that Commissioner Pike, Jack Ketterer, Administrator for the Racing Commission and herself met with each of the licensees to discuss their proposed racing season. After meeting with all the licensees, they found that all licensees were willing to accept each others' requests.

Chairman Pike then called on Augie Masciotra, General Manager for Waterloo Greyhound Park, for the request for dates by the National Dairy Cattle Congress. Mr. Masciotra said that they submitted three proposals in order of their preference but any would be acceptable since what they really wanted was six months of racing in succession.

Commissioner Prickett gave the committee recommendation which was to begin racing Thursday, September 28, 1989, through Sunday, April 1, 1990, for 222 performances. This would overlap 39 days with Dubuque and 31 days in the spring and 39 days in the fall with the Racing Association of Central Iowa (RACI). Chairman Pike asked if there were any objections from any of the other tracks on the proposed racing dates. There were none.

Commissioner Mydland moved to approve racing dates for National Dairy Cattle Congress for the period from September 28, 1989, to April 1, 1990. Evening performances will be held on Tuesday, Thursday, Friday and Saturday and afternoon performances on Wednesday, Friday, Saturday and Sunday. Additional evening performances will be held on November 22, December 11, December 18 and December 31, 1989, as well as January 1, January 14 and February 18, 1990. Additional matinee performances will be

held November 23, 1989 and January 15, and February 19, 1990. There will be no racing on November 23 or December 24. This motion is for 222 performances. Commissioner Monaghan seconded the motion. A roll call vote was taken with all Commissioners voting aye. See Order (88-34).

The Chair then called on Roy Berger, General Manager for Dubuque Greyhound Park, for the request for dates by the Dubuque Racing Association. Mr. Berger said that they were requesting April 1, 1989, through November 5, 1989, amounting to 238 performances. He also asked the Commission if they would be flexible with the post times to which they agreed.

Commissioner Prickett gave the committee recommendation which was to begin racing on Saturday, April 1, 1989, through Sunday, November 5, 1989, for 238 performances. Chairman Pike asked if any track had objections to these dates to which there were none.

Commissioner Monaghan moved to approve racing dates for Dubuque Racing Association for the period from April 1, 1989, to November 5, 1989. Evening performances will be held on Tuesday, Thursday, Friday and Saturday and afternoon performances on Wednesday, Saturday and Sunday with Friday matinees from June 2 until September 1. Additional performances will be held for May 28, evening; May 29, matinee; July 3, matinee and evening; July 4, matinee; September 3, evening and September 4, matinee. No racing will be held on Tuesday, May 30; Tuesday evening, July 4; or Tuesday, September 5. This motion is for 238 performances. Commissioner Prickett seconded the motion. A roll call vote was taken with all voting aye. See Order (88-35).

Chairman Pike then called upon Bill Masterson, Executive Vice-President for RACI. Mr. Masterson informed the Commission that the name for the Altoona track would be Prairie Meadows. He also said that both types of racing can co-exist in Iowa if they all worked together. Mr. Masterson informed the Commission that the construction of the facility was on schedule and they are looking for a March 1, 1989, opening.

Mr. Masterson said that RACI was requesting the dates of March 1, 1989, through November 6, 1989, for 169 performances.

Commissioner Prickett gave the committee recommendation which was to begin racing with a mixed meet on Wednesday, March 1, 1989, through Sunday, May 14, 1989; a quarterhorse meet Friday, May 26, 1989, through Sunday, August 6, 1989; and a mixed meet Thursday, August 17, 1989, through Sunday November 5, 1989, for a total of 169 race days.

Commissioner Prickett moved to approve racing dates for RACI for the period from March 1, 1989, to November 6, 1989. Racing will be conducted

on a Wednesday through Sunday basis with additional performances on May 29, July 3, July 4, and September 4. There will be no racing July 5 and July 6.

The March 1 through November 6 period will be divided as follows:

1. 55 days of thoroughbred and quarterhorse racing from March 1 through May 14

2. 54 days of harness racing from May 26 through August 6

3. 60 days of thoroughbred and quarterhorse racing from August 17 through November 5

Commissioner Mydland seconded the motion. A roll call vote was taken with all voting aye. See Order (88-36).

Next the Chair called on John Nelson, President of Iowa West Racing Association for their request for dates. Mr. Nelson said that Iowa West was requesting racing from January 6, 1989, through December 31, 1989, with no racing from December 18 through December 25.

Commissioner Prickett gave the committee recommendation which was to begin racing on Friday, January 6, 1989, through Sunday, December 31, 1989, with no performances December 18 through December 25 for a total of 462 performances.

Commissioner Pike moved to approve racing dates for Iowa West Racing Association for the period from January 6, 1989, to December 31, 1989. Evening performances will be on Sunday, Tuesday, Wednesday, Thursday, Friday, Saturday and afternoon performances on Sunday, Wednesday and Saturday. Additional performances will be held on May 29, matinee and evening; July 3, evening; July 4, matinee; September 4, matinee and evening; and November 24, matinee. There will be no racing from December 18 through December 25. This motion is for 462 performances. Commissioner Prickett seconded the motion. A roll call vote was taken with all voting aye. See Order (88-37).

Chairman Pike thanked the tracks for their efforts, feeling of good will and spirit of cooperation.

Commissioners Pike and Prickett thanked Mr. Ketterer for his leadership toward working with the tracks to get the racing dates resolved.

Commissioner Prickett also thanked Chairman Pike for all his time and leadership put forth toward the granting of racing dates.

The Chair then called upon Mr. Ketterer for the next Commission item, hearings on the Appeals of Stewards' Rulings by James Zimmerman and Marvin Anderson.

Mr. Ketterer informed the Commission that in the matter of the Appeal of James Zimmerman, one of his greyhounds was found to have had trimethoprim which is a medication for kennel cough not really a medication which affects the speed of a greyhound or which masks or delays the testing procedure. The Board of Stewards from Bluffs Run issued a Ruling upon which Mr. Zimmerman appealed. A Hearing Officer's Ruling overturned the Stewards' Ruling and a request was filed by Mr. Ketterer for further review by the Commission. Jake McIsaac, Director of Racing and Mr. Ketterer met with Mr. Zimmerman and reviewed a proposed order that was stipulated to by the parties involved. This Order (see attached) will vacate the Hearing Officer's Decision and modify the Stewards' Decision and Mr. Ketterer asked that the Commission enter this order as stipulated to by the parties.

Gary Hayward, General Counsel for the Racing Commission explained to the Commission the issues with which he disagreed on the Hearing Officer's Decision. He informed the Commission that any foreign substance, according to statute, is a prohibited substance and as a matter of law he believed the Hearing Officer erred on the burden of proof by placing it on the Commission rather than the licensee. He felt that this order should be entered as a matter of precedence for future rulings.

Commissioner Prickett moved to approve the order and enter it as a matter of record. Commissioner Monaghan seconded the motion with all in favor. See Order (88-38).

Mr. Ketterer then explained that the Appeal by Marvin Anderson had similar facts and Mr. Anderson first agreed with the proposed order at the meeting attended by Zimmerman and then reversed himself by letter the day before the Commission meeting. Therefore, Mr. Ketterer asked the Commission for a continuance of his Appeal. Commissioner Monaghan so moved with Commissioner Mydland seconding the motion. See Order (88-39).

Mr. Ketterer then brought up a non-agenda item, the Appeal by Steven Thompson. Mr. Ketterer explained that this Appeal has similar facts but Mr. Thompson did not show up for his hearing, so therefore, the Hearing Officer affirmed the Stewards' Ruling. Mr. Ketterer said in order for consistency with the previous appeals, he would like to enter an Order (see attached) upholding the Stewards' Ruling as modified. Commissioner Mydland so moved with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-40).

Commissioner Prickett moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Monaghan seconded the motion with all in favor. See Order (88-41).

Following Executive Session, Commissioner Monaghan moved to adjourn the meeting with Commissioner Mydland seconding the motion. The vote was unanimous. See Order (88-42).

MINUTES TAKEN BY

Karyl Jones

KARYL JONES

IOWA RACING COMMISSION MEETING
MINUTES
JULY 19, 1988

The State Racing Commission met on Tuesday, July 19, 1988, at 9:30 a.m. at the Wallace Building Auditorium, Des Moines. Present were: Chairman Bud Pike; Vice-Chairman, Sally Prickett; and members Leo Monaghan, Lavonne Mydland and Richard Canella. The Chair called the meeting to order.

The Chairman introduced the new Commission member, Richard Canella from Fort Madison. Commissioner Canella will replace Larry Scalise who resigned from the Commission in April. The Chair welcomed Commissioner Canella aboard.

Chairman Pike then entertained a motion to approve the minutes of the May 26, 1988, Commission meeting. Commissioner Prickett so moved with Commissioner Mydland seconding the motion. All in favor. See Order (88-43).

The Chair then introduced Bill Masterson, Executive Vice-President for the Racing Association of Central Iowa for a progress report. Mr. Masterson stated that the project was on schedule and within budget. He said that Prairie Meadows is 55% complete.

Mr. Masterson stated that the 177,000 square foot grandstand was enclosed on three sides and most of the glass should be installed by Labor Day so the interior finish work can begin. The stable area will hopefully be completed by the middle of October. The perimeter fencing is complete and they have hired off-duty Altoona police as security. The track is completed except the 5-1/2 inch of thoroughbred condition for the top layer.

Mr. Masterson had a meeting with the Equi-Track people about material and said it was most attractive but the economics were just not there. They are working on finalizing the equipment agreements. They are in the process of hiring a vice president of concessions, marketing director, racing secretary and human resource person. They are down to seven advertising agencies and hope to select one this week.

They are working on negotiating with the different horsemen and have begun to affiliate themselves with different trade groups. Mr. Masterson said that 35 of the 37 contracts let thus far have been with Iowa companies. This should be a positive note for the state. An advisory committee of 25 people from across the state has been developed to help promote the track.

Jack Ketterer, Administrator for the Racing Commission, asked Mr.

Masterson if the track would offer bus trips for Aksarben and Canterbury Downs' horsemen to visit the track this summer. Mr. Masterson replied that he would like to have buses come to the track for a tour of the facility and a little program. If that is not possible, then they will take a slide show to the surrounding states to help promote the track.

The Chair asked which tote company they had selected to which Mr. Masterson replied United Tote. The Chair then asked about the infield. Mr. Masterson said that they are going to seed the infield this fall, landscape around the tote board, paddock area and where people come in and add other landscaping as they go along.

Chairman Pike asked Mr. Masterson what he felt about the thoroughbred industry in the state. Mr. Masterson said that he has visited with people around the state. He stated that just because the horses are Iowa breds, that does not guarantee them a stall. He stressed the need for quality and not quantity. There are enough horses between Iowa and the surrounding states to fill the stalls at the track.

Mr. Masterson stated that the harness season this year at the State Fair was successful and that helped a lot in marketing Prairie Meadows. He is very encouraged.

The Chair then called upon Roger Roland for a report on this year's harness season. Mr. Roland explained that this year they had a handle of $2,251,285 of which $2,154,158 came from Des Moines for an increase of 31% over last year. The attendance was 34,897 with 33,061 coming from Des Moines for an increase of 34% over last year. Their per capita wagering was $65.16 and they paid out purses of $145,100. Twenty-six percent of the races were won by Iowa breds. This year's renovations included upgrading the restroom areas and adding new stalls at the state fairgrounds, and lighting in the barn area at What Cheer.

Mr. Ketterer then thanked Roger and Judy Roland and Jim and Lenora Coulter for all they have done over the past four years. Mr. Ketterer said they had the best interest of racing at heart and what they couldn't provide physically, they provided in spirit.

Mr. Roland then asked for approval of $109,836.64 in tax credit. Commissioner Mydland so moved with Commissioner Monaghan seconding. The vote was unanimous. See Order (88-44).

The Chair then called up the next item, Notice of Intended Action on

Chapter 10, Thoroughbred Rules," and called on Mr. Ketterer. Mr. Ketterer explained that they had taken a copy of the Uniform Rules from the National Association of State Racing Commissioners and sent them to the Thoroughbred Owners and Breeders, Jockey Guild and Horsemen's Benevolent and Protective Association for comment. Mr. Ketterer stated that rules change all the time but this was a place to start. After some discussion on the rules, Commissioner Monaghan moved to file a Notice of Intended Action to renumber Chapter 10, "Application for Tax Credit by Horse Racing Licensees," to Chapter 11 and adopt a new Chapter 10, "Thoroughbred Racing," subject to changes made today. Commissioner Mydland seconded the motion with all in favor. See Order (88-45).

The next item on the agenda was a report on the 1987-88 season at Waterloo Greyhound Park (WGP) and the Chair called on Augie Masciotra, General Manager at WGP. Mr. Masciotra said that he was pleased with their season. The handle was up 10%, however, the attendance dropped by 8%. He stated that the first couple of months they were ahead of last year but in January a snap of cold weather hit and the handle and attendance went down. Mr. Masciotra said that for a winter racetrack they have only lost one day of racing in the last two years. He credits that to the track heating system as the track was always safe to run the greyhounds.

Mr. Masciotra stated that they implemented, nine dog races on superfecta and twin trifecta; $1 wager on twin trifecta; mutuel employees with portable tote machines; and early bird wagering this past season.

Their per capita wagering was $111, $20 above last year. There was also a growth in Iowa breds. Forty-eight percent more on the tracks, 144% increase over last year of races won and 116% increase over last year for the number of starts.

Mr. Masciotra said Waterloo Greyhound Park will be the host site for the Jerry Lewis Labor Day Telethon. He said this is a good cause and good exposure for the track. This season they are also going to have fund raisers. Once a week the proceeds from the gate will go to a charity.

Mr. Masciotra said that the second season was easier to deal with thanks to Mr. Ketterer; Mick Lura, Director of Administration for the Racing Commission; and Jake McIsaac, Director of Greyhound Racing for the Racing Commission. He stated that Jim Gibson, state steward, was very highly respected around the track and he also thanked the Division of Criminal Investigation for all their work. He said they are looking forward to a good season.

Chairman Pike congratulated Mr. Masciotra on a good season and wished them luck on the new season.

Commissioner Canella asked Mr. Masciotra how sensitive marketing was to racing. Mr. Masciotra stated that was in local support. Mr. Masciotra was hopeful the charity nights would generate more local involvement.

Commissioner Monaghan asked what facility improvements were done this year to which Mr. Masciotra replied, an $80,000 air conditioning system, painting and landscaping, and remodeling an office wing.

Commissioner Prickett asked if Mr. Masciotra would come back next month to answer any questions the Commission may have on their annual report to which Mr. Masciotra agreed.

The Chair then called upon Mr. Ketterer for the next Commission item, a hearing on the Appeal of Stewards' Ruling by Marvin Anderson. Mr. Ketterer informed the Commission that in the matter of the Appeal of Marvin Anderson, one of his greyhounds was found to have had trimethoprim which is a medication for kennel cough not really a medication which affects the speed of a greyhound or which masks or delays the testing procedure. The Board of Stewards from Bluffs Run issued a Ruling upon which Mr. Anderson appealed. A Hearing Officer's Ruling overturned the Stewards' Ruling and a request was filed by Mr. Ketterer for further review by the Commission. An Order (see attached) was proposed to vacate the Hearing Officer's Decision and modify the Stewards' Decision and Mr. Ketterer asked that the Commission enter this order.

Gary Hayward, General Counsel for the Racing Commission said that Mr. Anderson was sent a notice about the meeting and did not appear and therefore waives his right to a hearing before the Commission.

Commissioner Prickett moved to approve the order and enter it as a matter of record. Commissioner Monaghan seconded the motion with all in favor. See Order (88-46).

Next on the agenda was the National Greyhound Association (NGA) and the Chair called on Gloria Sanders. Ms. Sanders stated that on behalf of the NGA, she wished to withdraw their request to be heard on the matter of mandatory direct payment of commissions and requested a decision be made at the August meeting on this matter. Ms. Sanders then read a petition (see attached) and said they are requesting at the August meeting, a

decision be made for or against their request and reasons given for the Commission's decision.

Chairman Pike asked Mr. Ketterer to work with the greyhound people and tracks and give a report next month on the findings of the direct payment issue to which Mr. Ketterer agreed.

The Chair then asked Jim Heywang, General Manager at Bluffs Run, to give a report on the damage done to the facility by a recent tornado which struck Council Bluffs. Mr. Heywang stated that the tote board went down, siding on the south side of the building was torn off and windows were broke. The races were cancelled for that evening but with the cooperation of everyone, racing resumed the next day. The handle on Saturday was around $750,000.

The next item on the agenda was election of Chair and Vice-Chair of the Racing Commission. Commissioner Mydland moved to elect Commissioner Pike as Chair and Commissioner Prickett as Vice-Chair. Commissioner Canella seconded the motion with all in favor. See Order (88-47).

Commissioner Prickett moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Monaghan seconded the motion with all in favor. See Order (88-48).

Following Executive Session, Commissioner Canella moved to adjourn the meeting with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-49).

MINUTES TAKEN BY

Karyl Jones

KARYL JONES

IOWA RACING COMMISSION MEETING
MINUTES
AUGUST 29, 1988

The State Racing Commission met on Monday, August 29, 1988, at 9:30 a.m. at the Wallace Building Auditorium, Des Moines. Present were: Chairman Bud Pike; Vice-Chairman, Sally Prickett; and members Leo Monaghan and Richard Canella. The Chair called the meeting to order.

Chairman Pike then entertained a motion to approve the minutes of the July 19, 1988, Commission meeting. Commissioner Canella so moved with Commissioner Prickett seconding the motion. All in favor. See Order (88-50).

The Chair then introduced Dan Fick, Executive Director, American Quarterhorse Association (AQHA). Mr. Fick explained to the Commission that the AQHA has the largest equine breeding program in the United States with three million horses and 155,000 members. They publish two magazines and have a weekly television show. The AQHA is based out of Amarillo, Texas, and is one of the largest employers there with an annual budget of $14 million. Mr. Fick said that the AQHA uses guidebooks, articles, films, bi-monthly newsletters, weekly news releases, educational programs and marketing seminars to promote the industry.

The AQHA believes that a mixed meet format is a better way of establishing quarterhorse racing because the bettors are not as familiar with the quarterhorse as thoroughbred and it helps to broaden the fan base. Mr. Fick felt that Iowa has a very bright future for horse racing and will have a very marketable base. He did not feel Iowa would have any trouble getting horses. He felt there were enough quarterhorses in Iowa to run Iowa-bred or Iowa-owned races.

Chairman Pike asked what the position of the AQHA was on the human drug testing issue. Mr. Fick replied that as a registration organization they have no policy but are in favor of drug testing if there is probable cause rather than random testing.

Commissioner Monaghan asked if there are enough horses to support all the tracks in the United States to which Mr. Fick replied that there is an over abundance.

Jack Ketterer, Administrator for the Racing Commission, asked what the feeling was for quarterhorse races of a 1,000 yards. Mr. Fick said that horsemen have been favorable and are willing to run if the purse money is high enough.

Larry Wessels, Iowa Quarterhorse Association, said that he felt Iowa horses were competitive. He stated that it will be nice to bring their horses home to run.

Chairman Pike asked if there was any training tracks for quarterhorses in Iowa to which Mr. Wessels replied yes.

The Chair thanked Mr. Fick for coming to Iowa and speaking to the Commission.

Next the Chair introduced Bill Masterson, Executive Director for the Racing Association of Central Iowa for a progress report. Mr. Masterson told the Commission that Prairie Meadows was 65% complete and construction was ahead of schedule. They will begin putting in the rail this week and hopefully will be completed by October so the final layer can be placed on the track. The barns are built and roofed and they are now working on building the stalls and the finish work on the inside. They are looking at the end of October to have the barns finished.

They are in the process of finishing their equipment and service contracts. They are looking at 531 positions on their payroll. There will be 101 full-time, 12 months; 43 full-time, 9 months; and 387 part-time positions. Most of their employment decisions will be made the end of November or first of December after all the key positions have been filled. Mr. Masterson said that they have named people for their advisory board and have begun working with them.

Commissioner Canella asked what purpose the advisory board served. Mr. Masterson said that it was a board to which the members went back to their own community to stimulate interest in racing and serve as a contact person for Prairie Meadow personnel. Mr. Masterson said that it was on a volunteer basis as there was no funding.

Commissioner Canella then asked who would be running their concessions to which Mr. Masterson replied that they will be operating their own.

Commissioner Monaghan asked if there would be enough thoroughbreds to race. Mr. Masterson said that there is enough of any breed to race.

Mr. Ketterer informed the Commission that he had spoken with horsemen from Aksarben last week during a luncheon and bus tour that Prairie Meadows had sponsored and asked Mr. Masterson what type of feedback he had received. Mr. Masterson said that the horsemen were very positive and pleased with

what they saw. There were good constructive comments on the facility.

The Chair thanked Mr. Masterson for his report.

Chairman Pike then informed the Commission that Congress had passed the Uniform Licensing Bill which allows people to be licensed and fingerprinted for racing in all states once.

Next on the agenda were requests for the 1988-89 season by Waterloo Greyhound Park (WGP) and called on Augie Masciotra, General Manager at WGP. Mr. Masciotra said that the Iowa bred purse supplement program would be uniform to what the Commission requires, grading system would stay the same changing just one of the letter grades, no change in racing officials, $50,000 performance bond, 3% minimum purse, and the multiple wagering format would remain the same except a request for two superfectas on Saturday and no trifecta for scheduled four or six dog races. Mr. Ketterer informed the Commission that the staff had no problems with the requests.

Commissioner Canella moved that they approve the Iowa bred purse supplement program, grading system, racing officials, performance bond, minimum purse, and multiple wagering format for WGP's 1988-89 season. Commissioner Monaghan seconded the motion with all in favor. See Order (88-51).

Commissioner Canella asked about the 1988-89 projections to which Mr. Masciotra replied that they are looking at this year as a hump year. Their cash flow should be the same as the beginning of last year.

Commissioner Monaghan asked how many Iowa kennels they have booked for their season to which Mr. Masciotra replied three.

Chairman Pike wished them luck on their 1988-89 season.

The next item on the agenda was petition for rulemaking, rule mandating direct payments to greyhound owners. The Chair called on Mr. Ketterer. Mr. Ketterer informed the Commission that he had sent a questionnaire to the tracks asking for their response to the direct payment petition. Waterloo Greyhound Park and Dubuque Greyhound Park offer a voluntary direct payment program with 35% going to the owner and 65% to the trainer. The cost to the track for direct payment is $2-$3. Bluffs Run has no direct payment program. He said that the Racing Commission was not aware of any owners not getting their money at this time. Mr. Ketterer said

that the question was raised, "has the National Greyhound Association (NGA) filed petitions in other states that do not have mandatory direct payments or only Iowa?"

Gloria Sanders, representative from the NGA said that the NGA is helping states that are just getting started in racing have direct payment be mandated into their legislation and they are starting on a state to state basis to get non-direct payment states to mandate it.

Chairman Pike asked why the NGA was petitioning the Commission and not the Iowa Greyhound Association (IGA) to which Ms. Sanders replied that the IGA did petition the Commission in 1985 but was asked to table it until after a season of racing.

Commissioner Canella asked if there was really a need for direct payment to which Ms. Sanders said that 99% of the greyhound owners were in favor.

Bev Yates, a greyhound owner from Underwood, Iowa, told of how she was not receiving her money from the kennel owner with whom she had contracted with. Ms. Yates said that she had not received any money since the first of the season at WGP so in January she went to see Dan Hartmann at WGP to get a printout of all the races her greyhounds had won and the amount of money to which she was entitled. When she did not receive the printout, she contacted Mick Lura, Director of Administration for the Racing Commission. When she still didn't get any response she again contacted Mr. Lura to see what progress had been made and a check came in the mail. She stated that she still had not received payment for the first two weeks in October.

Commissioner Prickett stated, "so there is no means by which a breeder knows what the purse was," to which Ms. Yates replied no.

Bob Hardison, President for the IGA, stated that there is no way for a greyhound owner to know what amount of money is due them from the kennel. There is no documentation for purse money to which a greyhound owner can subscribe.

Ms. Yates stated that many greyhound owners are not even aware of the Iowa bred purse supplement money.

Mr. Hardison said that there have been problems since the inception of racing with greyhound owners not getting their money. The IGA let the NGA file the petition because the IGA supports the NGA.

The Chair asked if the same effort was being made in other states with the direct payment issue. Mr. Hardison replied that the NGA is helping states get mandatory direct payments in their legislation.

Mr. Hardison said that there is good cooperation from the tracks when they are aware of the problem.

Commissioner Monaghan asked why the current system was not working. Mr. Hardison said that many of the greyhound owners are not aware of the regular purse money, Iowa bred money and surplus funds, available at the end of the season. They are not aware they have the money coming.

Commissioner Monaghan said that he does not feel right to step in and tell the kennel owners that they have to have direct payment when it is a small number of kennels that are not paying.

Roy Berger, General Manager for Dubuque Greyhound Park, stated that if the problem is called to their attention, they would work to rectify the situation. If it is not called to their attention, they can't be expected to deal with it. Jim Heywang, General Manager for Bluffs Run, echoed Mr. Berger's comment.

Chairman Pike said that unless the greyhound owners are willing to register a complaint, the Commission can't be expected to make a decision on hearsay. You need input from everyone to make a system work.

Commissioner Canella said that you can't change something that isn't a problem.

Mr. Lura stated that this was the first he was aware that Ms. Yates had not received all of the money that was due her. As far as the Commission and WGP knew Ms. Yates had received all her money.

Chairman Pike told NGA to come back to the September meeting with some hard evidence. He also said that a decision on the mandatory direct payment issue would be made at the next meeting.

The Chair called up the next agenda item, hearing for Danny N. Simmons and the appeal of Stewards' Ruling No. 38 at Bluffs Run and called on Mr. Ketterer. Mr. Ketterer explained that the facts of the case are not in dispute. A greyhound under Danny Simmons' (Licensee) care was raced with polyethylene glycol (PEG) in its system. The Bluffs Run Board of Stewards

fined the Licensee $150 and ordered the purse money be redistributed. The Licensee appealed this ruling and it was sent to a Hearing Officer. The Hearing Officer lowered the fine to $100 because the Licensee did not know that a food product given to the greyhound contained PEG. Mr. Ketterer asked "Whose responsibility is it if not the trainers to be aware of what is being fed to a greyhound." The Hearing Officer also reversed the order that the purse money be redistributed because the purse had already been paid. "Section 99D.23(3) of the Iowa Code would have to permit redistribution of purses," Mr. Ketterer stated.

"This was the Licensee's third polyethylene glycol violation this year and in light of all the evidence, the increased fine was certainly consistent with Commission policy and should stand."

The Licensee raised the problem of collecting a purse previously distributed and paid by the kennel to a greyhound owner. This places a hardship on the kennel operater according to the Licensee in his appeal. The Commission should determine whether or not purses should be withheld pending final clearance from the Racing Chemist. Withholding of purse money would not apply to samples frozen and stored for future analysis.

Mr. Ketterer recommended that the decision of the Hearing Officer be vacated and the decision of the Board of Stewards affirmed and direct the Administrator to review Commission policy on the timeliness of purse payments and report to the Commission (see attached Order).

Commissioner Prickett so moved with Commissioner Canella seconding the motion. A role call vote was taken with all voting aye. See Order (88-52).

Next on the agenda were administrative rules and the Chair called on Mr. Ketterer. Mr. Ketterer explained that Chapter 11 contained rules for application for tax credit by horse racing licensees. The amendments to Chapters 4, 5, 7 and 8 have been agreed to by all the tracks and Chapter 3 contains rules involving open records which are required of all state agencies. Chapter 9 contained Harness rules and was based upon the Uniform Rules of the Association of Racing Commissioners International. Mr. Ketterer briefly reviewed some changes to Chapter 9.

Commissioner Prickett moved to file a Notice of Intended Action to rescind Chapter 9, "Harness Racing," and adopt a new Chapter 9, "Harness Racing," incorporating today's changes. Commissioner Monaghan seconded the motion. All in favor. See Order (88-53).

Commissioner Monaghan moved to file a Notice of Intended Action to rescind Chapter 11, "Application for Tax Credit by Horse Racing Licensee," and adopt a new Chapter 11, "Application for Tax Credit by Horse Racing Licensee." Commissioner Canella seconded the motion. The vote was unanimous. See Order (88-54).

Commissioner Canella moved to file a Notice of Intended Action to adopt amendments to Chapters 4, 5, 7 and 8 and also Emergency Adopt and Implement the amendments to rules 7.8(2)"b," 7.10(1) and 7.10(9). Commissioner Prickett seconded the motion with all in favor. See Order (88-55).

Commissioner Prickett moved to Emergency Adopt and Implement rules to combine Chapter 2 and 3 and adopt a new Chapter 2, "Rulemaking and Declaratory Rulings," and a new Chapter 3, "Fair Information Practices," and file a Notice of Intended Action simultaneously. Commissioner Canella seconded the motion. The vote was unanimous. See Order (88-56).

Next on the agenda was the Administrative portion of the meeting. The Chair called on Mr. Ketterer. Mr. Ketterer said the dates for the Commission meetings for the remainder of the year are as follows: September 28, Waterloo; November 1, Des Moines; and December 14, Council Bluffs.

Jean Cook, Administrative Assistant for the Racing Commission gave a brief report on the booth at the Iowa State Fair. Ms. Cook stated that most comments were favorable and a lot of people were interested in the weekend packages given away by the tracks.

Commissioner Prickett moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Monaghan seconded the motion with all in favor. See Order (88-57).

Following Executive Session, Commissioner Prickett moved to adjourn the meeting with Commissioner Canella seconding the motion. The vote was unanimous. See Order (88-58).

MINUTES TAKEN BY

Karyl Jones

KARYL JONES

IOWA RACING COMMISSION MEETING
MINUTES
SEPTEMBER 28, 1988

The State Racing Commission met on Wednesday, September 28, 1988, at 9:30 a.m. at the Holiday Inn Civic Center, Waterloo. Present were: Chairman Bud Pike; Vice-Chairman, Sally Prickett; and members Leo Monaghan, Lavonne Mydland, and Richard Canella. The Chair called the meeting to order.

The Chair introduced Bernie McKinley, Mayor of Waterloo. Mayor McKinley welcomed the Racing Commission to Waterloo. He said that Waterloo was thankful for the dates the Commission granted Waterloo Greyhound Park as the track was a good economic boost for the community and the state.

Chairman Pike thanked Mayor McKinley for inviting the Commission to Waterloo and wished them much success in the future.

The Chair entertained a motion to approve the minutes of the August 29, 1988, Commission meeting. Commissioner Canella so moved with Commissioner Monaghan seconding the motion. All in favor. See Order (88-59).

Next on the agenda was a progress report by the Racing Association of Central Iowa (RACI) and the Chair called on Bill Masterson, Executive Director for RACI. Mr. Masterson reported that the Grandstand was completely enclosed with the exception of two fire doors and 20% of the dry wall is up. They are now in the process of dealing with the purchase of inside equipment.

Paving is complete with the exception of Prairie Meadow Drive. They just received a $175,000 federal block grant to complete that. Landscaping in the public area will begin next week. The winner's circle, jockey tunnel, horse path and fencing is 75% complete. Cushion of the track should be complete the second or third week of October. The stable area will be complete by the end of October.

The concession equipment has been purchased. They are in the process of screening applicants for vice-president of concession, director of human resources, track superintendent, director of public safety and security and racing secretary.

They conducted a tour of the facility taken by 11 counties throughout central Iowa and received very positive response back.

Mr. Masterson thanked Jean Cook, Administrative Assistant for the Racing Commission, for taking the time and effort to promote the horse track

during the trade shows.

Commissioner Canella asked if there was going to be sufficient horses to open to which Mr. Masterson replied that they are not concerned at this time with getting enough horses. The racing secretary will be the key person in securing horses.

Commissioner Pike asked what they were going to do about the hay. Mr. Masterson said that they are circulating requests for proposals to set up shop to sell hay on the grounds. They are trying to keep the price of hay as low as possible. Commissioner Prickett stated that central Iowa has good quality hay and hopefully the price will go down.

Commissioner Prickett asked how they are going to maintain the quality of the track surface when they move it. Mr. Masterson replied that they would screen the material when it was replaced and would change the mixture with the weather. When you add new material, you screen out the old. It will be costly but they are committed to keep the track in as good a condition as it will be opening day.

Chairman Pike thanked Mr. Masterson for his report.

Joe Brummel, President of the National Cattle Congress, welcomed the Commission to Waterloo and thanked them for coming.

The Chair then called up the next item on the agenda, rule mandating direct payments to greyhound owners. Chairman Pike give a brief background and then opened the floor for discussion. Bob Hardison, President of the Iowa Greyhound Association stated that they were ready to accept the decision of the Commission.

Commissioner Monaghan moved that the Iowa Racing Commission draft a rule for promulgation as requested by the National Greyhound Association to mandate direct payments to greyhound owners. Commissioner Prickett seconded the motion.

Commissioner Monaghan stated that he had visited with track management and greyhound owners on the direct payment issue. He realizes there is a problem with record keeping for a greyhound owner but that should be between the owner and kennel operator. Voluntary direct payment is always an option, therefore he was opposed to mandatory direct payment.

Commissioner Prickett said that there should be a compromise between

owners and the track. If the owners want a service provided to them by the track, they should expect to pay for it. She also felt that the greyhound breeders need to back each other.

Chairman Pike stated that government should not interfere with private industry. He felt there was not enough evidence to warrant mandatory direct payments.

A role call vote was taken with all voting nay. Motion died. See Order (88-60).

Chairman Pike urged Bluffs Run to institute a voluntary program similar to those at Dubuque Greyhound Park and Waterloo Greyhound Park. He stated that there needs to be an accounting system between the kennel and greyhound owner. If the owners are not getting paid, they need to report this to the track manager.

Mr. Hardison said that he would put this information in the next newsletter to let the breeders and owners know that help is there if they are willing to come forward and ask for it.

Commissioner Prickett said that they need to go to track management first, but make the Commission aware a problem exist.

Next on the agenda was Chapter 10, Thoroughbred Rules and the Chair called upon Mr. Ketterer. Mr. Ketterer reviewed a few of the substantive changes to Chapter 10. Mr. Masterson then stated the following objections to the rules:

10.2(6) He felt that trifecta wagering should be allowed if fewer than nine horses in a race. He said that if the Commission did not lower the number it would have a negative impact and would take away the wager in many races.

10.3(13) He felt that the admission section was overly restricted. He stated that under this section press people or delivery people would not be allowed tax exempt status unless they were licensed by the Commission.

10.3(15) He felt that the approval of the Commission for changes to the facility should have a dollar amount so it was clear what they could do without Commission approval.

10.5(18) Should be deleted because there would be problems enforcing.

10.5(20) Would like to be able to have split sampling.

10.6(3)(i) Opposed. See attached letter.

Mr. Ketterer responded to Mr. Mastersons objections as follows:

10.2(6) Leave the rule as is and after the first year review to see if a problem exists.
10.3(13) Media people need not be licensed by the Commission.
10.3(15) Common sense interpretation would require approval of capital improvements or facility changes but not repairs and maintenance.
10.5(18) We are restricted by statute which spells out our responsibility. We need a starting point the first year and as the season progresses modifications can be made if amending legislation is passed.
10.5(19) Supported split samples - nothing in the rules prohibiting it.
10.6(3)(i) Said that it should be referred to Counsel.

Chairman Pike postponed the final adoption of Chapter 10 and appointed a committee of Commissioner Prickett, Commissioner Monaghan and Mr. Ketterer to review the rules.

The Chair called up the next item on the agenda, request for additional 1988 racing dates, December 26-31 by Iowa West Racing Association. Commissioner Prickett read a letter (see attached) from Waterloo Greyhound Park in opposition to the additional requested dates.

Jim Heywang, General Manager for Bluffs Run, stated that they are requesting the additional dates because of the competition from Nebraska, and financially, they would like year round racing.

Commissioner Monaghan said that Bluffs Run benefits both Iowa and Council Bluffs but date setting should be once a year and he was opposed to the Commission reestablishing racing dates.

Commissioner Prickett asked about time off for the employees if they were racing year round. Mr. Heywang said that they give employees ample time off by scheduling vacations and not having them work every performance.

Mr. Ketterer told Mr. Heywang that the Racing Commission office has received complaints from people that are not able to cash their tickets at the end of the season. With only a week between seasons, all the employees leave and there is no way for the patrons to get their money right away. Mr. Heywang agreed that this was a problem and needed to be addressed.

Commissioner Mydland moved to approve the request of Iowa West Racing

Association for seven additional performances, December 26, 1988, through December 31, 1988. Commissioner Canella seconded the motion. A role call vote was taken: Mydland, Canella, Pike, Prickett, voting aye; and Monaghan, voting nay. Motion carried. See Order (88-61).

The Chair brought up the administrative portion of the meeting. Commissioner Pike and Mr. Ketterer each gave a brief report on their visit to Remington Park in Oklahoma.

Ms. Cook then gave a report on the 1988 trade show activities of the Racing Commission. She stated the shows are a good way to help support the tracks and receive public comment.

Commissioner Prickett then reported on the Quality Assurance Program. She felt it was a worthwhile program in which the Commission should be involved.

Commissioner Prickett moved that the Commission enter into the proposed contract with the Association of Racing Commissioners International to participate in the Quality Assurance Program for a one year term commencing October 1, 1988, to September 30, 1989, with Commissioner Pike seconding. The vote was unanimous. See Order (88-62).

The Chairman then brought up the simulcast study that was performed for the Commission by Christianson/Cummings Associates and called on Mr. Ketterer. Mr. Ketterer stated that the direction the study was to take was to protect the investment in the licensed track facilities, generate additional revenue and to respond to the public's questions.

Mr. Ketterer said that the conclusions of the study revealed that simulcasting would generate more revenue for the State but the tracks would only break even or lose money unless the State also assumes a portion of the expenses. He said that the study contained valuable suggestions for interested parties. The Commission is finished with the study and it is available for others to view.

Commissioner Prickett stated that Iowa is going to have to participate in some form of simulcasting and the tracks need to be the driving force.

Commissioner Canella said that it was an interesting study and the tracks need to give it serious consideration but protect what they have first.

Mr. Masterson said that he agreed with the conclusion of the study but

requested that the Commission remain neutral on the simulcast issue.

Chairman Pike said that the study is complete and the Commission's work is finished unless the tracks come to the Commission asking for their support. It is up to the tracks to take it from this point forward.

Commissioner Prickett moved that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a". Commissioner Monaghan seconded the motion with all in favor. See Order (88-63).

Following Executive Session, Commissioner Mydland moved to adjourn the meeting with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-64).

MINUTES TAKEN BY

Karyl Jones

KARYL JONES

IOWA RACING COMMISSION MEETING
MINUTES
NOVEMBER 1, 1988

The State Racing Commission met on Tuesday, November 1, 1988, at 9:00 a.m. at the Wallace Building Auditorium, Des Moines. Present were: Chairman, Bud Pike; Vice-Chairman, Sally Prickett; and members Leo Monaghan, Lavonne Mydland, and Richard Canella. The Chair called the meeting to order.

The Chair entertained a motion that the Commission go into Executive Session pursuant to Iowa Code Chapter 21.5(1)"a." Commissioner Mydland so moved with Commissioner Canella seconding the motion. All in favor. See Order (88-65).

Following Executive Session, the Chairman entertained a motion to approve the minutes of the September 28, 1988, Commission Meeting. Commissioner Monaghan so moved with Commissioner Mydland seconding the motion. The vote was unanimous. See Order (88-66).

Next on the agenda was comments from Jack Ketterer, Administrator for the Racing Commission. The Chair called on Mr. Ketterer. Mr. Ketterer informed the Commission that he was resigning effective January 1, 1989, to take a position with the American Greyhound Racing, Inc., in Phoenix, Arizona. Mr. Ketterer was the first Administrator for the Racing Commission taking the position in December 1983. Mr. Ketterer said, "It's a sad day for me. I've met a great many friends and met some terrific people." Mr. Ketterer shared some of the highlights and accomplishments of his position over the years and thanked everyone for the support that they had shown him in the formative years of the Commission.

Chairman Pike said that this was a historic moment for the Commission and thanked Mr. Ketterer for all that he had done. He has taken the Commission through the initial years and now they are ready to move forward. His assistance was invaluable to the Commission and they are sorry to see him go.

The Chair then called upon Mr. Ketterer for the next item on the agenda, final adoption of rules. Mr. Ketterer informed the Commission that there were no additional changes to the amendments to Chapters 4, 5, 7, and 8; Fair Information Practices Rules; or Chapter 11, Application for Tax Credit by Horse Racing Licensees since they were last adopted. He stated the committee met with Mr. Masterson concerning the changes to Chapter 10 and asked Commissioner Monaghan to give a committee report.

Commissioner Monaghan outlined each of the areas that were in question and gave the committee recommendation. Bill Masterson, Executive Director for the Racing Association of Central Iowa (RACI) responded to the committee recommendations with which he was not in agreement. Mr. Masterson stated that he felt that trifecta wagering should be allowed with eight horse fields instead of nine, even though language was proposed that nine horse fields could be lowered if extenuating circumstances were shown by the

track. He also felt that the cost of the chemical testing should be paid by the state and not by the track. He stated that the greyhound tracks pay for testing but that is a separate issue. This is the first time it has been addressed for horse racing. They were not aware of this expense when they were granted their license. This cost was not budgeted for and would be a great expense to the track.

Commissioner Mydland moved to final adopt amendments to Chapters 4, 5, 7 and 8. Commissioner Canella seconded the motion with all in favor. See Order (88-67).

Commissioner Canella moved to final adopt rules to combine Chapters 2 and 3 and adopt a new Chapter 2, "Rulemaking and Declaratory Rulings," and a new Chapter 3, "Fair Information Practices," with Commissioner Monaghan seconding the motion. The vote was unanimous. See Order (88-68).

Commissioner Monaghan moved to amend language to 10.2(6)c(2) by adding, the Commission may approve smaller fields for trifecta wagering if extenuating circumstances are shown by the licensee. Commissioner Canella seconded the motion.

Commissioner Pike moved to amend the motion to allow for eight horse fields in trifecta wagering. Commissioner Canella seconded the motion.

Commissioner Prickett asked Commissioner Pike if his amendment to the motion allowed for trifecta wagering on no lower than eight horse fields to which Commissioner Pike replied yes.

A roll call vote was taken on the amendment with Commissioners Prickett, Pike, Mydland and Canella voting aye and Commissioner Monaghan voting nay. See Order (88-69).

A roll call vote was taken on the original motion as amended. Commissioner Prickett, Pike, Mydland and Canella voted aye and Commissioner Monaghan voting nay. See Order (88-70).

Commissioner Prickett moved to final adopt rules to renumber Chapter 10, "Application for Tax Credit by Horse Racing Licensees," to Chapter 11 and adopt a new Chapter 10, "Thoroughbred Racing," incorporating the changes discussed and voted upon today. Commissioner Monaghan seconded the motion with all in favor. See Order (88-71).

Commissioner Prickett moved to final adopt rules to rescind Chapter 11, "Application for Tax Credit by Horse Racing Licensee," and adopt a new Chapter 11, "Application for Tax Credit by Horse Racing Licensee," with Commissioner Mydland seconding the motion. The vote was unanimous. See Order (88-72).

The Chair then called upon Chuck Schott, President, Iowa Thoroughbred

Association. Mr. Schott stated that the excitement about Prairie Meadows is growing every day. Management at the track has done a fine job and they have been able to work very well together. Mr. Schott stated that there are 665 mares registered in the state which is about 50% higher than in the last two years and 550-575 Iowa bred are eligible to race.

Mr. Schott said that they are concerned about the training centers. Some are built and open and others are in the works but will not be open before the 1989 meet. Trainers are also in demand.

Mr. Schott stated they are concerned about the exotic wagering. He feels that too much exotic wagering will have a negative impact on breakage and the breeder's fund. It might not the first two years but down the road it will.

Mr. Schott asked about trainers' licenses. Mr. Ketterer stated that licensing will begin in early February. If a trainer has been licensed in another state, they will not be required to take a test. It will be the responsibility of the stewards to administer the test.

Next on the agenda was a progress report from RACI and the Chair called upon Mr. Masterson. Mr. Masterson stated that the racing strip was completed and they are now putting on the top cushion which should be completed in the next two weeks. All the roadways are complete into the facility. The track lights are mounted and the poles are ready to be installed. The Fontana rail is complete. The grandstand is completely enclosed and the finishing work on the inside is moving along. The barns, dormitories, maintenance building, detention barn and administration building is almost complete. Landscaping of the facility continues.

Mr. Masterson stated that a director of operations and director of human resources is on board. The search still continues for a vice president of concessions, director of public safety and security, and a racing secretary. Mr. Masterson said they invited neighbors (residents of property adjoining Prairie Meadows) to view the facility. He said everything went well and neighbors said that RACI kept their word on the type of facility that would be built. They made a trip to Canterbury to give a presentation on the facility and will travel to Lincoln next week for a presentation there. They are in the process of a 30 city blitz through Iowa and surrounding states to promote the track. David Kauf is heading up a committee to seek corporate sponsorship for purses on special events.

Mr. Ketterer said that corporate sponsorship of purses is a positive influence for the racing industry.

Commissioner Prickett asked about the windows in the judges stand. Mr. Masterson replied that the windows are not complete and probably won't be for about 30 days but changes are in the works.

Mr. Masterson asked that a letter requesting 20% deduction from exotic wagering be entered into the record (see attached). They are asking for an increase from 18% to 20% to make the purses more attractive. He stated that this would be consistence and competitive with other states.

Commissioner Pike asked how the increase would affect the wagering public to which Mr. Masterson replied it is hard to assess with a startup track. They had ran studies and felt it would be a positive move.

Mr. Schott stated that they were in favor of the 20% take out. He said that $25,000 purse structure was low and not favorable for trainers. Purses closer to $30,000 would be more attractive.

Larry Bolten with the Iowa Quarterhorse Association asked Mr. Masterson if quarterhorses would be running at Prairie Meadows. The Association took an active part in getting the track and would like the opportunity to race their horses there. Mr. Masterson replied that the track is set up to run all breds and all distances. Once a racing secretary is on board, a decision will be made and they will sit down with the Quarterhorse Association to discuss it.

Chairman Pike said that good lines of communication need to be established with the track.

The Chair called up the Administrative portion of the meeting. The Chair set up a Legislative Committee of Commissioners Mydland and Canella and a Committee to replace the Administrator consisting of Commissioners Pike and Prickett. Commission meetings for 1989 will be the third Thursday of each month except for December which will be the second Thursday. The next meeting will be December 14 in Council Bluffs.

Commissioner Monaghan moved to adjourn the meeting with Commissioner Pike seconding the motion. All in favor. See Order (88-73).

MINUTES TAKEN BY

Karyl Jones

KARYL JONES

IOWA STATE RACING COMMISSION
MINUTES
TELECONFERENCE MEETING
NOVEMBER 18, 1988

On November 18, 1988, the Iowa State Racing Commission held a teleconference call pursuant to Iowa Code Section 21.8. The meeting was conducted by telephonic means due to the urgency of the matter to be decided.

Participating in the call were: Chairman, Bud Pike; Vice-Chairman, Sally Prickett; members Leo Monaghan, Richard Canella, and Lavonne Mydland; Director of Administration, Mick Lura; and Executive Vice-President, Racing Association of Central Iowa, Bill Masterson.

The purpose of the meeting was to act upon the request by the Racing Association of Central Iowa for a 20% takeout on exotic or multiple wagering. The Chair called the meeting to order at 8:30 a.m.

Chairman Pike gave a brief history of the request and opened the floor for discussion.

Commissioner Canella stated that according to the handle figures from the greyhound tracks, 90% of the handle comes from exotic wagering. Mr. Masterson stated that they are projecting a split of 40% going to exotic wagering and 60% going to the win, place and show pools the first year.

Chairman Pike restated what was said at the last meeting that increasing the takeout by 2% would increase the purses around $5,000.

Commissioner Canella stated that most tracks exceed the 20% takeout to which Mr. Masterson replied the majority of the states takeout between 20% to 25%.

Chairman Pike said that he supported the additional 2% takeout.

Mr. Masterson stated that they felt it was in everyones' interest and he did not feel that the 2% increase would be detrimental to the track. They did a survey but most of the tracks surveyed had been in existence for a long time. It is hard to judge the impact with a startup track.

Commissioner Prickett said that it is a business decision and she supports the extra 2% but would like to add an amendment that the increase to 20% be for one year and then evaluated after the first year. Mr. Masterson had no objection to the amendment.

Commissioner Mydland was a little uncomfortable with what it might do to the handle but supported it with the stipulation it was evaluated after one year.

Mr. Lura agreed that it was a business decision by Prairie Meadows. Staff

has no objections to the 20% takeout, but reservations. Staff is not sure the churn affect will accomplish what they want.

Commissioner Monaghan agreed with what had been said. He supported the extra 2% as long as it went toward the horsemens' purses and as long as the horsemen were in support.

Chairman Pike stated that he had received a phone call from Chuck Schott, President of the Iowa Thoroughbred Owners and Breeders Association, giving their support of the extra 2% takeout.

Commissioner Canella said that the extra 2% might help get good quality horses at the track.

Chairman Pike asked if the dog tracks at 18% takeout created a competitive problem for the horse track. Mr. Masterson replied that there is a different motivation between people who go to the dog tracks versus the horse tracks. They will just have to sell themselves on other things.

Commisssioner Monaghan moved that the takeout be set at 20% for the first year to be reevaluated next year with the extra 2% going to supplement horsemens' purses. Commissioner Prickett seconded the motion. A roll call vote was taken with all voting aye. See Order (88-74).

Mr. Masterson stated that they had met with the Quarterhorse people and he was 90% sure they would be running a mixed meet in the spring and fall. The quarterhorse people made a very strong case stating that they need a chance to prove themselves. Unless they started from the beginning, they would never be on the same footing. Mr. Masterson said that he was pleased with the meeting.

Commissioner Prickett asked if this would increase the race card to 10 races instead of nine to which Mr. Masterson replied yes. They would drop one thoroughbred race and add two quarterhorse races.

MINUTES TAKEN BY

Karyl Jones

KARYL JONES