

**KENTUCKY HORSE RACING COMMISSION**  
**MINUTES OF THE MEETING**

Date: November 1, 2016 at 1:30 PM

Place: Rolex Hospitality Room, 4039 Iron Works Parkway, Lexington, KY 40511

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman John C. Roach; Commissioner Stuart E. Brown, II; Commissioner Douglas A. Hendrickson; Commissioner Brereton C. Jones, Jr.; Commissioner Foster Northrop, DVM; Commissioner Mark Simendinger; Commissioner Gerald W. Holt; Commissioner James Gatewood Bell, Jr.; Commissioner Kenneth A. Jackson; Commissioner Kiki Cortelis; Commissioner Kerry T. Cauthen; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Secretary David Dickerson, representing the Public Protection Cabinet; Caroline Baesler, by proxy and on behalf of Acting Secretary Erik Dunnigan, Cabinet of Economic Development; and Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Director, Division of Incentives and Development; John L. Forgy, General Counsel; Barbara Borden, Chief State Steward; Bruce Howard, DVM, Chief Racing Veterinarian; and Steve May, Director of Pari-Mutuel Wagering

Others Participating: Susan B. Speckert, Executive Director, Fayette Alliance

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<b>I. Call to Order and Roll Call</b>	4 – 5	Meeting called to order and roll call performed by Chairman Kling. A quorum was recognized.	No action taken.
<b>II. New Business</b>  <b>Tab 1 Keeneland Backside Improvement Request</b>	5 – 6	Chairman Kling requested a motion to approve Keeneland’s backside improvement expenditure of \$173,508.54.  Ms. Eads presented Keeneland’s request dated October 6, 2016 for approval to use funds in the Backside Improvement Fund for the following projects:	Motion to approve as presented by Vice-Chairman Roach. Second by Commissioner Bell. Motion carried with no objections or abstentions.

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		<p>Training center shed row panel repair;            Training center stall screen replacement;            Keeneland barn/roof framing and repair;            Paint for barn/roof repairs;            Electrical tack room heaters for barn #38; and            Gas wall furnace heaters for tack rooms.</p> <p>Staff has inspected the areas and confirms the need for the repairs. Keeneland has also specifically requested the ability to have discretion with the amount allocated to each project and the time to complete each project.</p> <p>KHRC staff has confirmed that Keeneland has a balance of \$335,476.47 in backside improvements funds. Upon completion of the project, KHRC staff will inspect the projects and confirm completion. Copies of all invoices, photographs and communications will be kept on file at the KHRC office. Staff recommends approval.</p>	
<p><b>Tab 2 Turfway Park            2016 Holiday Meet and 2017            Winter Spring Meet KTDF            Allotments</b></p>	<p>6 – 7</p>	<p>Chairman Kling requested a motion to approve the KTDF purse structure for Turfway Park’s 2016 Holiday meet and 2017 Winter Spring meet.</p> <p>Ms. Eads presented Turfway Park’s KTDF purse structure request. By letter dated October 20, 2016, Turfway Park requested approval of its KTDF purse structure for the 2016 Holiday meet and 2017 Winter Spring meet and the ability to pay out KTDF purses on eligible horses first through last place.</p> <p>Turfway Park has projected to card KTDF purses in the range of \$1,172,082, which is based on a payout of approximately 65% of</p>	<p>Motion to approve as presented by Commissioner Brown. Second by Commissioner Richardson. Motion carried with no objections or abstentions.</p>

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		<p>the amount carded.</p> <p>The KTDF Advisory Committee approved recommendation of Turfway Park's request at its October 25, 2016 meeting. Approval is recommended.</p>	
<p><b>Tab 3 Turfway Park 2016 Holiday Meet and 2017 Winter Spring Meet Race Officials</b></p>	<p>7 – 9</p>	<p>Chairman Kling requested a motion to approve Turfway Park's roster of racing officials and dates preference system for the 2016 Holiday meet and 2017 Winter Spring meet.</p> <p>Ms. Borden presented Turfway Park's request dated October 15, 2016 for approval of its roster of racing officials and dates preference system for the 2016 Holiday meet and 2017 Winter Spring meet. All stewards are ROAP accredited and all officials have previously performed the duties for which they are listed and will be licensed before the meet openings. Staff recommends approval.</p>	<p>Motion to approve by Vice-Chairman Roach. Second by Commissioner Richardson. Motion carried with no objections or abstentions.</p>
<p><b>Tab 4 Amendments to Regulations Approved by the Rules Committee on 08/24/16</b></p> <ul style="list-style-type: none"> <li>a. 810 KAR 1:004</li> <li>b. 810 KAR 1:007</li> <li>c. 810 KAR 1:008</li> <li>d. 811 KAR 1:055</li> </ul>	<p>9 – 20</p>	<p>Chairman Kling requested a combined motion to approve the proposed amendments to thoroughbred racing regulations 810 KAR 1:004 (Stewards); 810 KAR 1:007 (Owners); 810 KAR 1:008 (Trainers); and harness racing regulation 811 KAR 1:055 (Declaration to start; drawing horses).</p> <p>Mr. Forgy presented the proposed amendments noting that the proposed amendments to these regulations eliminate outdated language and terms and modify the responsibilities of the stewards, judges, owners, and trainers to current needs and methods of operation at the racetracks.</p> <p>The Rules Committee considered these amendments at its August 24, 2016 meeting and approved recommendation of the</p>	<p>Motion to approve by Commissioner Northrop. Second by Commissioner Richardson. Motion carried with no objections or abstentions.</p>

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<p><b>Tab 5 Approval of Additional Wagering Types and Pools at Kentucky Downs</b></p>	<p>20 – 22</p>	<p>proposed amendments to the full Commission for approval.</p> <p>Chairman Kling requested a motion to approve Kentucky Downs' request for additional wagering types and pools.</p> <p>Mr. May presented Kentucky Down's request dated October 24, 2016 for 4 additional pari-mutuel wagering pools (1035, 1037, 1200 and 9001) offered through Exacta Systems. Compliance with Kentucky statutes and regulations of the additions and amendments to the proposed wagering pools has been confirmed through testing by Gaming Laboratories International and review by KHRC staff.</p> <p>Approval is recommended.</p>	<p>Motion to approve by Commissioner Richardson. Second by Commissioner Simendinger. Motion carried with no objections or abstentions.</p>
<p><b>Tab 6 Tote Company Applications</b></p>	<p>22 – 24</p>	<p>Chairman Kling requested a motion to approve the 2017 license applications of AmTote International, Inc., Sportech Racing, LLC, and United Tote Company to provide totalizator services.</p> <p>Mr. May presented the 2017 Kentucky Horse Racing Commission Initial/Renewal License Applications to Provide Totalizator Services submitted by AmTote International, Inc., Sportech Racing, LLC, and United Tote Company. These renewal applications have been reviewed by KHRC staff and the Wagering Integrity Committee and all three totalizator providers have been cooperative and forthcoming with requests for additional information.</p> <p>Approval is recommended.</p>	<p>Motion to approve by Vice-Chairman Roach. Second by Commissioner Bell. Motion carried with no objections or abstentions.</p>
<p><b>Tab 7 Reports</b>  <b>a. Thoroughbred Rulings</b>  <b>b. Standardbred Rulings</b></p>	<p>25 – 29  29 – 30</p>	<p>a. Ms. Borden presented the thoroughbred ruling report.</p> <p>b. Mr. Guilfoil presented the standardbred ruling report.</p>	<p>Informational items only. No action taken.</p>

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<p>c. Veterinary Division</p> <p>d. Pari-Mutuel Wagering Division</p> <p>e. Confidential - Litigation and Regulations</p>	<p>30 – 31</p> <p>31 – 35</p> <p>35</p>	<p>c. Dr. Howard presented the veterinary reports for Churchill Downs' 2016 September meet.</p> <p>d. Mr. May presented the pari-mutuel wagering reports for live racing, account deposit wagering and historical horse racing.</p> <p>e. Status Report on Litigation and Regulations – For Informational Purposes Only.</p>	
<p><b>III. Other Business</b></p> <p><b>Presentation – Fayette Alliance</b></p>	<p>37 – 50</p>	<p>Chairman Kling introduced Susan B. Speckert, Executive Director, Fayette Alliance.</p> <p>Ms. Speckert presented an overview and summary of the Fayette Alliance's history and mission of promoting sustainable growth in Fayette County through land use advocacy and education and how the Alliance's mission is important to the racing industry.</p>	<p>Informational item only. No action taken.</p>
<p><b>IV. Adjournment</b></p>	<p>50</p>	<p>Chairman Kling requested a motion to adjourn.</p>	<p>Motion to adjourn by Vice-Chairman Roach. Second by Commissioner Cauthen. Motion carried with no objections or abstentions.</p>

**NOTE:** The Agenda materials and any amendments thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.