

Racing Commission Meeting

July 17, 2023

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**Full Commission Meeting
Tuesday, July 17, 2023, 4:00 p.m.
Nutrena Conference Center
1801 Dudley Avenue Saint Paul, MN 55108**

AGENDA

- 1) Call to Order
- 2) Roll Call
- 3) Adoption of Agenda
- 4) Approval of Minutes from the June 26, 2023, meeting
- 5) Committee Reports
 - a. Finance Committee
 - b. Aftercare Committee

New Business – Action Items

- 6) Authorizing Resolution to Proceed with Rulemaking and Publish Request for Comments: Proposed Amendments to Rules Governing Horse Racing, Minnesota Rules, Parts 7869-7897; Revisor's ID Number R-04816
- 7) Request from Running Aces to Modify Floor Plan

New Business – Informational Items

- 8) Status Reports
 - a. Canterbury Park Entertainment
 - b. Running Aces Casino, Hotel, and Racetrack
- 9) Staff Reports
 - a. Chief Commission Veterinarian's Report
 - b. Chief State Steward's Report
 - c. Presiding Judge's Report

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10) Executive Director's Report

- a. Contract Approval
- b. HISA/HIWU Update
- c. Personnel Update
- d. ADW Report
- e. Licensing Report
- f. Other

11) MQHRA/MTA/MHRI/MNHBPA Reports

12) Future Meetings – Full Commission Meeting August 21, 2023

13) Adjourn

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Item 4 –
Minutes from
June 26, 2023
Meeting

Full Commission Meeting
Monday, June 26, 2023 – 4:00 p.m.
Nutrena Conference Center
1801 Dudley Avenue, St. Paul, MN 55108

MINUTES

Call to Order:

Agenda Item 1 – Call to Order

Chair McArdle called the meeting to order at 4:03 p.m.

Roll Call:

Agenda Item 2 – Roll Call

Present – Chair McArdle Vice Chair Colombo, Second Vice Chair Johnson, Commissioners Goodman, Koob, Dehn, Erhart, Gingold and Idelkope. A quorum was acknowledged.

Other participants – Kyle Gustafson (Executive Director, Minnesota Racing Commission), E. Joseph Newton (General Counsel, Minnesota Racing Commission), Dr. Lynn Hovda DVM (Chief Veterinarian Minnesota Racing Commission), Chris Merz (Sr. Director of Racing, Canterbury Park and Entertainment), Taro Ito (President/CEO, Running Aces Casino, Hotel, and Racetrack), Steve Carpenito (Director of Racing, Running Aces Casino, Hotel, and Racetrack), Mike Cronin (Minnesota Horsemen's Benevolent and Protective Association), Kay King (Executive Director, Minnesota Thoroughbred Association), Cathy Dessert (Vice President, Minnesota Harness Racing, Inc.).

Adoption of Agenda:

Agenda Item 3 – Approval of Agenda

Commissioner Dehn motioned to approve the agenda; Second by Commissioner Johnson; Motion carried.

Approval of Minutes:

Agenda Item 4 – Approval of Minutes

Motion to approve the May 15, 2023, minutes by Commissioner Colombo; Second by Commissioner Dehn. Motion passed.

Agenda Item 5 – Committee Reports

A. Racehorse Aftercare Committee

Mr. Gustafson presented. The June 12, 2023, Aftercare meeting did not have a quorum so the presentation of materials is informational only. Distributed an additional spreadsheet on resources and distributions. Commissioner Goodman requested an audit of expenses, grants, and balances. Commissioner Johnson would like to get a better handle on total amount required to do the job based on the triage analysis of where the horses fall to get a handle on what does it cost per head and how is this accumulating for horses that are going to be in one of the three categories that we have identified.

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Chair McArdle commented that she supports getting the details and working the costs out to know what they want, what they need and why. She continued she would like to see that this be an industry wide effort. The industry pulling together to have a central process where funding request to go to for disbursement to cut time and cost to each.

Agenda Item 6 — Chief Commission Veterinarian Report

Dr Hovda presented – additional materials handed out. Both tracks have had weather-air quality related issues - hard stop @ air quality of 200. Running Aces races canceled due to Ozone not Particle Mater (smoke). Canterbury Park races canceled due to Particle Mater (smoke). Running Aces new Big Ass Fan's delivered Thursday waiting to be installed in the detention barn. Canterbury Park - HISA – Training drills in the Paddock and Track, over 40 people involved. HISA/HIWU issues: they have their own vet list and does not talk to the MRC vets list; MRC vets cannot get horses off the vets list. What used to take 2-3 days now takes 14 days minimum. Emergency meeting tonight to try to solve some of these issues.

Agenda Item 7 - Action Items (none)

Agenda Item 8 - Racing Surfaces Reports

A. Running Aces Casino and Racetrack

B. Canterbury Park Entertainment

Mr. Merz from Canterbury commented regarding the track surface, trainers and jockeys have said this is the best surface in 5 years. Dust Control will be done in the next week on the backside roads.

Agenda Item 9 – Status Reports

A. Canterbury Park Entertainment

Mr. Merz from Canterbury gave this report. New dorms opened a week ago, slowly moving people in. Cap Agency providing food to the backside every Friday, great turnout every week. Canceled last Wednesday races after the 3rd due to air quality. Attendance so far this year is up over last year, on track handle has been trending upwards. Expect with Lonestar Park closing in July some horses will be coming to Canterbury.

B. Running Aces Casino, Hotel and Racetrack

Mr. Carpenito from Running Aces gave this update. Please with 2023, stronger horse population, 85 in the box for each draw, 11% increase, 3-way tie for leading trainer in the standings, 4 new track records. June 4th incident on the tack, thankfully June 18th the driver returned, horse fine and has raced twice since. Handle slight gain on tack, off tack up 17%. Dan Patch Free for All Night July 23, 2023.

Mr. Ito commented on Running Aces financials. Attendance and drop are holding steady but per capita spending is down, not as much as anticipated. Sports betting update – no changes. Does feel it will be a top priority 2024. The industry has 6 months to bring pressure to get a seat at the table and help the industry.

Agenda Item 9 – Executive Director's Report

- A. Legislative Update
- B. Contract Approvals
- C. HISA
- D. Personnel Update
- E. ADW Report
- F. Licensing Report
- G. Other

Mr. Gustafson, Executive Director presented.

- A. Legislative Update - The \$1 Million one-time appropriation for the HISA Assessment passed, setting up account for that.
- B. Contract Approvals – Running Aces, Amendment to contract for their Baccarat Player Stations.
- C. HISA – Nothing
- D. Personnel Update – New Contact Procurement Lynette Podritz
- E. ADW – Commissioner Gingold asked for more details and Mr. Gustafson will provide at the next meeting.
- F. Licensing Report – Offices are slowing down but still getting surge when Quarter Horses started and ship ins.

Item 11 – MQHRA/MTA/MHRI/MNHBPA Reports

MTA – Kay King – The Leg Up Luncheon is June 27 to explain the new expended benefits to the Leg Up Fund. Leg Up Fund night is July 22nd and will include a raffle. 2022 MTA Awards will be after the races 7/16/23 with a special speaker. MTA Ownership seminar before the races 8/10/23. Backside Annual BBQ 8/13/23. Confirmation/Pedigree class with the MRC's own Commissioner Johnson will be 8/19/23. MTA Yearling sale will be 8/26/2023 & 8/27/2023, 35 consigned.

MHRI – Cathy Dessert – Many new people, trainers, and horses this year, getting settled in now. Still searching for an Administrative Director. Dan Patch Night July 23, 2023.

MNHBPA – Mike Cronin – CAP provided food to the Chaplaincy for breakfast for the backside Friday & Saturday. Christmas in June 75 new bikes were given away to the backside children. Negotiations have started for 2024 purse's, 2023 purse money down \$3 million and that has affected horse population and has crushed handle. Example the Northern Stars Turf Festival 2022 \$4.7 million, 2023 \$2.5 million.

Item 12 – Future Meetings

Next meeting – Monday July 17, 2023. Meeting place is Nutrena Conference Center 1801 Dudley Avenue Saint Paul, MN 55108.

Commission Chair McArdle, Commissioners Johnson and Erhart commissions will be ending June 30, 2023.

Commissioner Colombo acknowledged the passing of Steward David Hooper, May 28, 2023.

Item 13 Closed Portion of the Meeting Pursuant to Minn. Sta. § 13D.05 subd. 2

Item 14 – Adjournment

Motion to adjourn by Commissioner Johnson, 2nd by Commissioner Dehn.

Chair McArdle adjourned the meeting on Monday, June 26, 2023, at 5:56 pm.

THESE MEETING MINUTES HAVE BEEN APPROVED ON THIS ____ DAY OF _____, 2023 BY A QUORUM OF THE MINNESOTA RACING COMMISSION.

DRAFT

Item 7 –
Running Aces Casino
and Racetrack
Request to Modify
Floor Plan

MRC Executive Staff
Minnesota Racing Commission
Date: May 18th, 2023
Subject: Casino Table Layout Exhibit A, C and D - V1.11

Dear MRC Executive Staff:

Running Aces Casino, Hotel and Racetrack respectfully submits, for your review and approval, changes to the current Floor Plan in our Plan of Operations.

At the present time our dealer assist layout contains one Stadium Three Card Poker with 7 player stations, one Multi-Hand Blackjack with 11 player stations and one Aces Live 5 Card Draw Poker with 4 player stations. In total, there are 22 player stations and three dealer assist tables.

As part of this request, Running Aces would like to change the current layout to include one Stadium Three Card Poker table with 11 player stations, one Aces Live 5 Card Draw Poker table with 11 player stations, and one Multi Hand Blackjack and Baccarat table that will share 11 player stations. In total, there will be 33 player stations and four dealer assist tables.

This floor change request includes (4) dealer assist games with a total of 33 player terminals, (60) pit tables and (14) poker tables for a total of 78 out of our approved 80 tables.

As well as ensuring proper surveillance coverage, the requested changes will be implemented upon your approval.

Please review the attached:

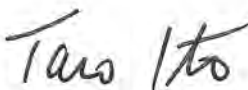
- Building Layout, Exhibit A
- Main Floor Layout, Exhibit C
- Entryway Layout, Exhibit D

If approved the new layouts will replace pages #292, 294 and 295 contained within the Plan of Operations.

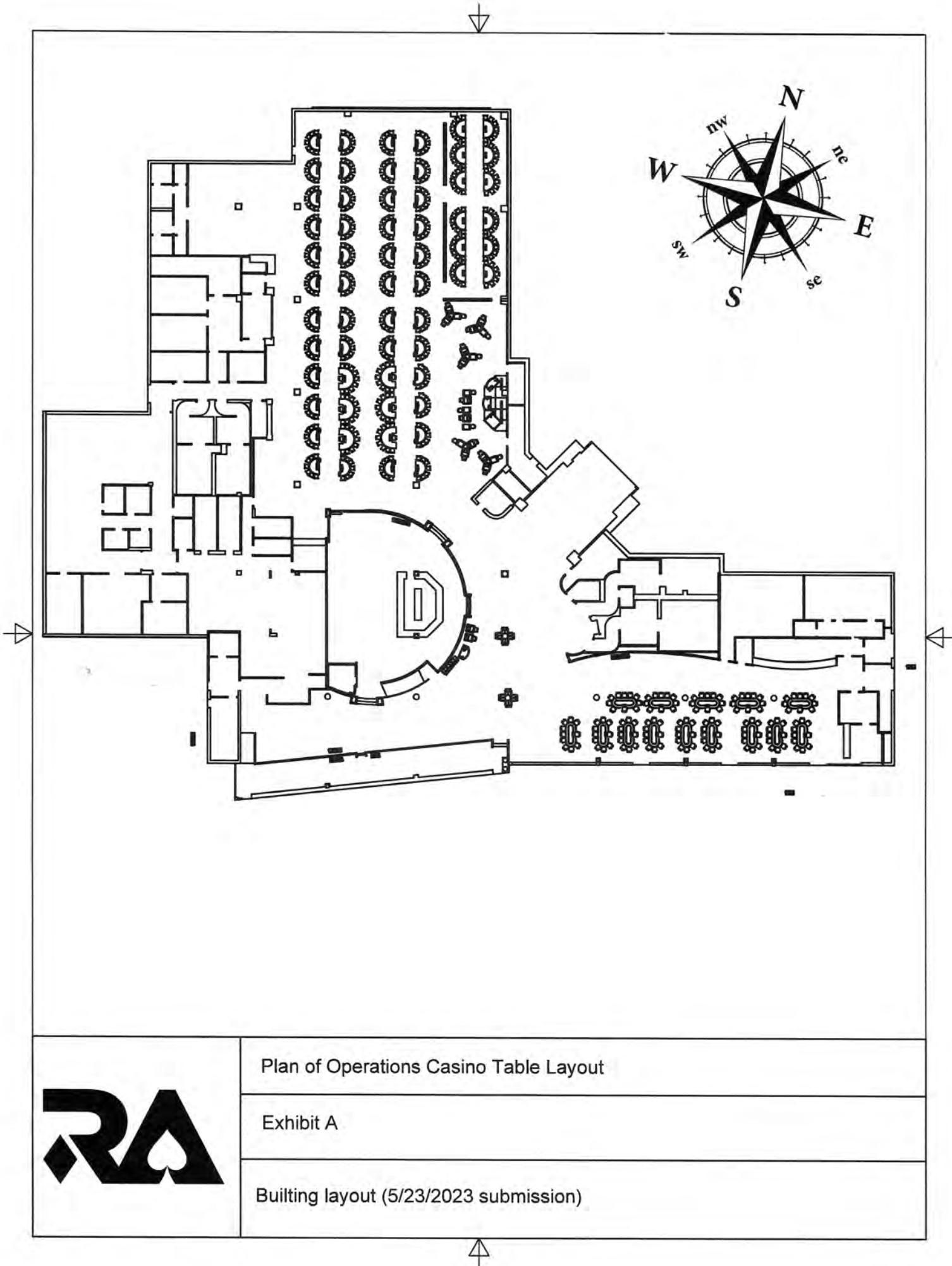


Thank you in advance for your consideration to these changes. We'll be happy to review these with you and answer any questions you may have prior to your approval.

Sincerely,



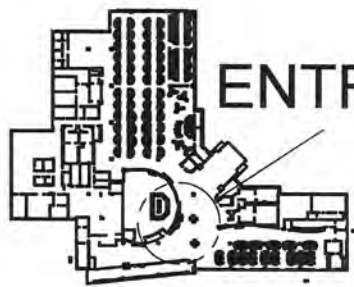
Taro Ito
President & CEO
Running Aces Casino and Racetrack



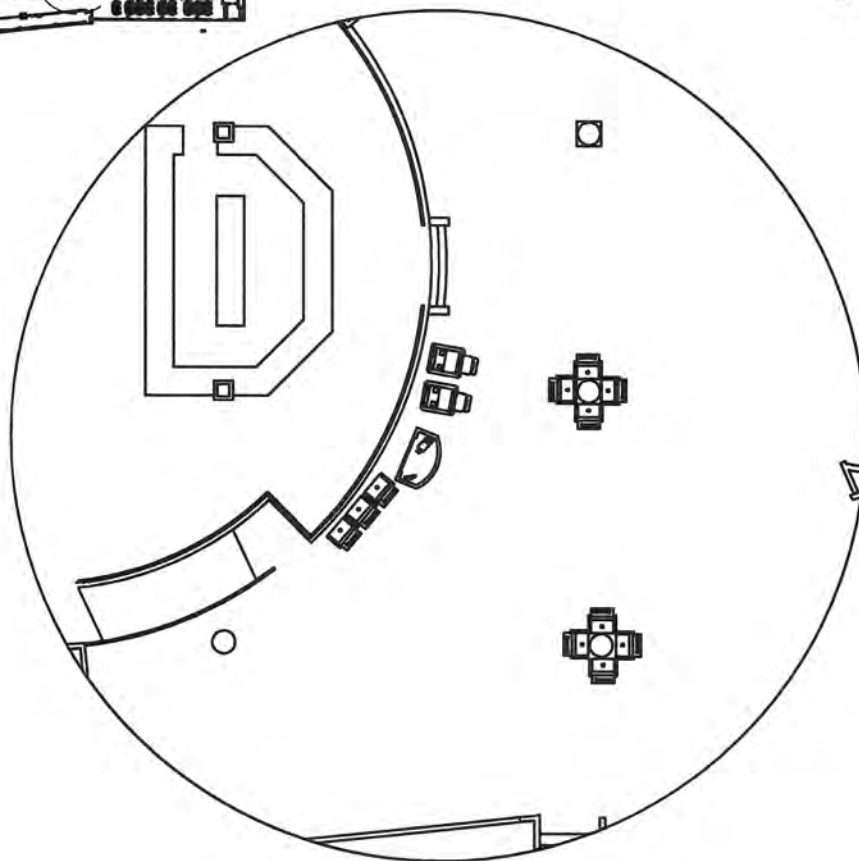
Plan of Operations Casino Table Layout

Exhibit A


Building layout (5/23/2023 submission)



ENTRYWAY

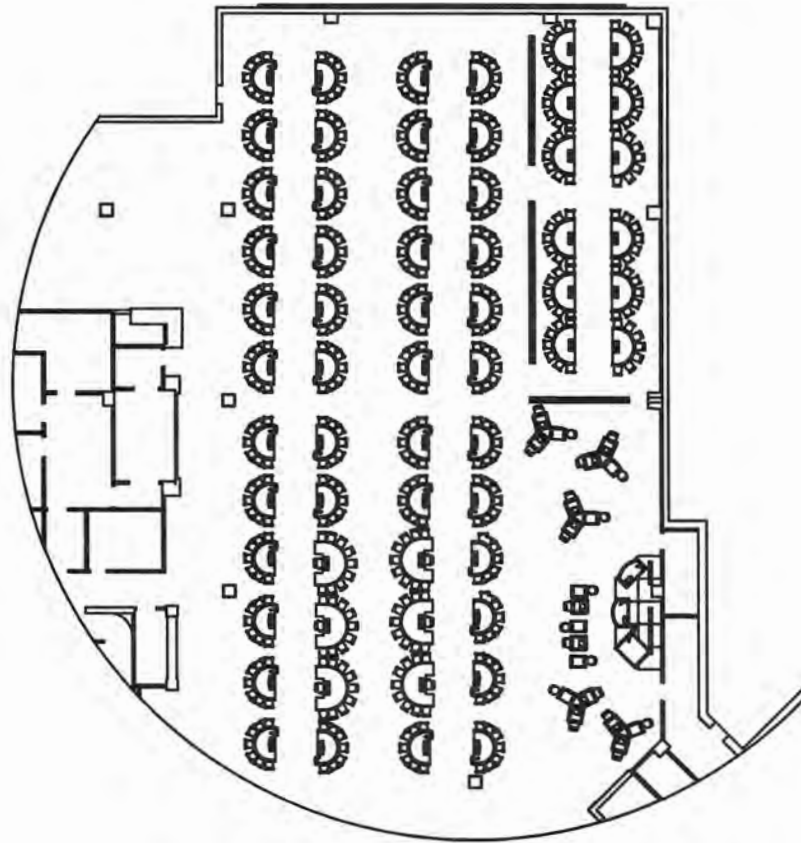


DETAIL ENTRYWAY
SCALE 1/16" = 1'-0"

	Plan of Operations Casino Table Layout
	Exhibit D
	Entryway (5/23/2023 Submission)



MAIN FLOOR



DETAIL MAIN FLOOR SCALE 1/32" = 1'-0"



Plan of Operations Casino Table Layout

Exhibit C

Main Floor layout (5/23/2023 Submission)

Item 8a- Status
Report
Canterbury Park

Pages 9-11 have been
omitted under 2020
Minnesota Statutes Chapter
13D.05

Item 8b-
Status Report
Running Aces
Casino, Hotel, and
Racetrack

Pages 12-15 have been
omitted under 2020
Minnesota Statutes Chapter
13D.05

Item 9 – Staff Reports

- a. Chief
Commission
Veterinarian's
Report

**Veterinarian's Report
Canterbury Park
June 18 through July 5, 2023**

Medication Violations -

- Racing - 1
 - **Confirmed -**
 - NSAIDS
 - CORTICOSTEROIDS
 - Dexamethasone
 - Betamethasone
 - Triamcinolone
 - Methylprednisolone
 - OTHER
 - **Split sample or appeal - HIWU**
- Workout - 0
- Other - 0

DVM Violations - 0

Samples Submitted

- TB Post-race testing - HIWU
 - Blood and Urine
 - Blood only
- QH Post-race testing
 - Blood and Urine - 19
 - Blood only - 0
- Deceased Horses - 6
 - Blood - 0
 - Hair and Blood - 5
 - Hair only - 1
- Out of Competition Testing - HIWU
- Research - 0
- Special (needles, syringes, bottles, etc.) - 0
- TCO2 - HIWU
- Workout - 24
- AQHA Challenge Hair - 3

Current Veterinarian's List

- **Total - 184**
 - Bled - 6
 - Ill - 11
 - Injured - 26
 - Medication Problem - 3
 - Non-Ill - 23
 - Unsound - 78
 - Workout Needed - 37
 - Put on AFTER May 1 and have no off date (lame, unsound, etc.) - 33

Horses Working for DVM

- **Total - 24**

**Veterinarian's Report
Canterbury Park
June 18 through July 5, 2023**

- Off greater than one year - 3
- 4-Year-old and greater first-time starters - 7
- On Vet's List (MN and other states) - 14
- Cornell collar - 0
- Steward's List - 0
- Other - 0

Ambulance Use

- **Total - 14**
 - Backside - 2
 - Detention Barn - 1
 - Racetrack - 10
 - Main - 7
 - Turf - 3
 - Paddock - 1
 - Training Track - 0
 -

Deceased Horses

- **Total - 6**
 - Racing - 2
 - Dirt Track -
 - Turf Track - 1
 - Starting Gate -
 - Paddock - 1
 - Training - 2
 - Illness/Other - 2 -

Claims (Total) – 31 (24 successful)

Claims Voided Due to Veterinary Reasons - 7

Veterinarian's Report
Running Aces Harness Park
June 19 - July 5

Medication Violations Reported by Industrial Laboratories

- Racing - 1
 - NSAIDS – 0
 - CORTICOSTEROIDS – 0
 - OTHER – 1 (Cobalt: Level 41.10 ppb)
 - Out for split sample or appeal - 0
- Workout – 0
- Other – 0

DVM Violations – 0

Post-race Testing – 132 (all race)

- Blood Only - 45
- Blood and Urine – 87

Pre-Race – 7 (blood only)

Workout Samples – 0

Research Samples – 0

OCT – 0

TCO2 tests - 21

Current Veterinarian's List – 16

- Bled - 0
- Ill – 4 (2 Heart Issues, 2 Tie-Up)
- Injured – 6 (3 AM Injuries, 2 PM Injuries, 1 Postrace Injury)
- Non-Ill - 0
- Unsound – 5 (2 AM Lamé, 1 PM Lamé, 1 Postrace Lamé, 1 from 2022 meet)
- Medication Problem – 1 (Cobalt overage)

Horses Working for DVM

- Off > year - 0
- On Vet's List – 4 horses have worked to be removed from the Vet's List this month
- Cornell collar - 0

Ambulance Use – 0

- Backside - 0
- Racetrack - 0

Deceased Horses – 1 (cumulative total)

- Racing - 1
- Illness/Other – 0

Other – There have been 2 claims at RAHP this month.

Item 9 – Staff Reports

b. Chief State Steward's Report

Board of Stewards Monthly Report Through July 3, 2023

Since the beginning of the race meet, there have been a combined total of 9 MRC and HISA rulings.

From the start of the season through July 3rd, 2023, there have been a total of 24 claims. Compared to the 2022 season at this time there were 121 claims, and 2021 at this time there were 129 claims. Claims are notably down this year over the past 2 years.

The Turf Festival on June 21nd was an excellent day of racing at Canterbury Park even though the handle of \$2,522,805 was down from last year. In addition, there were many top national stables and jockeys who shipped in to participate in the 2023 Turf Festival which added to the excitement.

July 3rd 2023 was a successful race day with a handle of \$1,780,7011, which was down from last year, The on track handle was \$289,659. The program featured an impressive fireworks display after the live racing.

Canterbury Park saw its first HIWU violation, and we will wait and see how they rule and what penalties they elect to apply in this case since their schedule of penalties is significantly more severe than what we have historically applied.

Randy Blaseg

A handwritten signature in black ink, appearing to read "Randy Blaseg", with a long, sweeping horizontal line extending to the right.

Item 9 – Staff Reports

c. Presiding
Judge's
Report

Judges Report - June 2023


The 2023 harness racing meet at Running Aces has 21 race days in the books as of the end of June. The June 20th racing program was canceled due to poor air quality in the region.

The number of entries in the box has remained stronger than in years past, thus resulting in more horses per race and more races per program.

The judges issued 20 rulings during the month of June that brings the season total to 37. 8 of those rulings were for interference or impeding the progress of another during the race. 3 were for slow quarters or not setting and maintaining a proper pace for that class of horses. There were only 2 whipping violations this month. Strict enforcement of the whipping rule and utilizing the shorter more "horse friendly" whip implemented last racing season has significantly reduced the number of whipping violations occurring here at Running Aces. There was one minor medication violation (Lasix Overage) which necessitated a \$500 fine and lose of purse money for the responsible trainer.

Stats For 2023

	May	June	Meet
Avg Entries/Day	82	87.2	85.2
Avg Starters/Program	73.8	80.9	78.2
Avg Races/Program	9.8	10.1	10
Avg Starters/Race	7.6	8.0	7.8
Avg Purses/Program	\$96,813	\$113,531	\$107,162
Avg On Track Handle	\$14,094	\$14,285	\$14,208
Avg Total Handle	\$259,905	\$261,087	\$260,614
Total Handle	\$2,079,236	\$3,133,040	\$5,212,276


Robert Corey
Presiding Judge


Peter Hanley II
Associate Judge

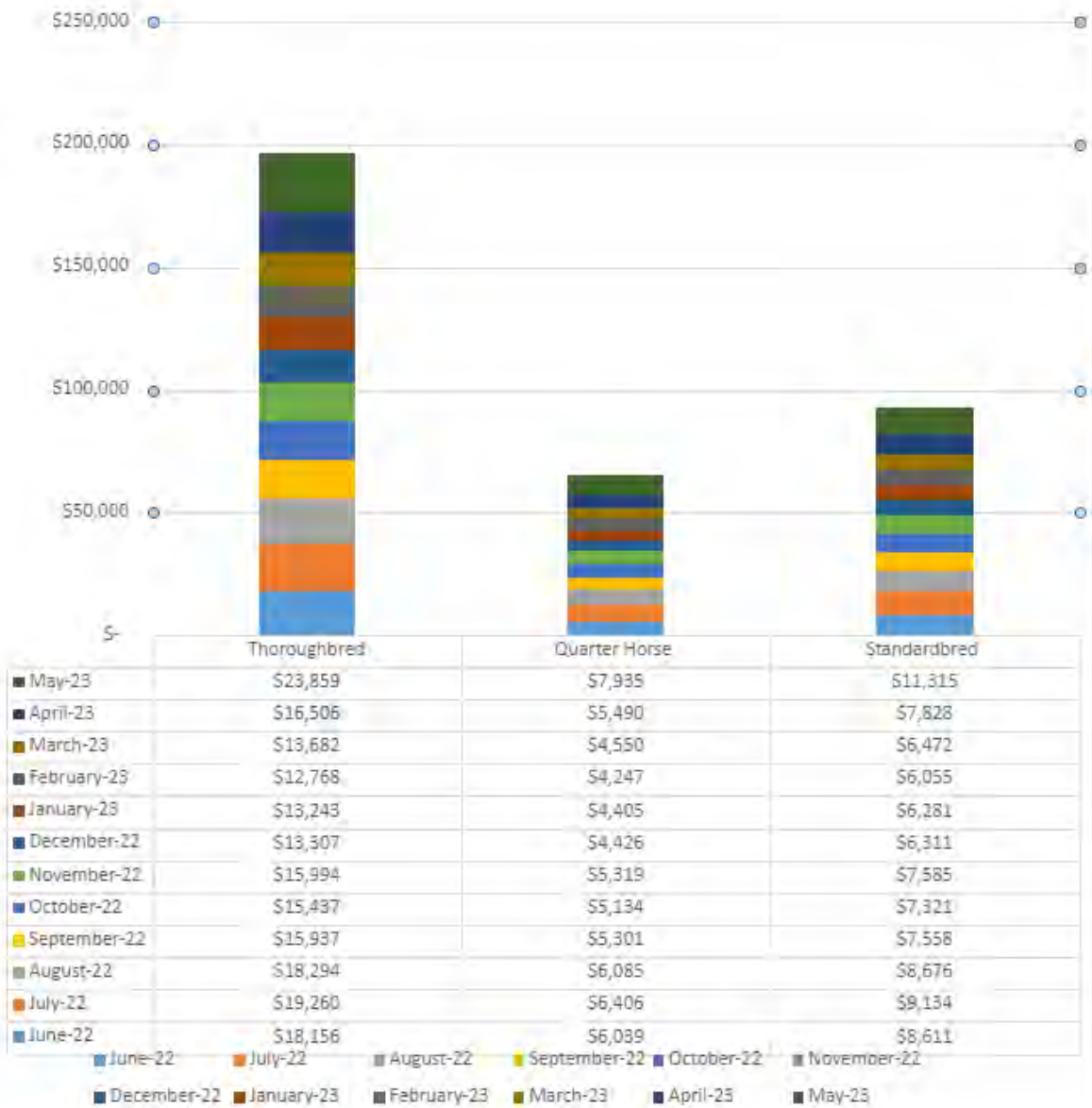

Casey Larson
Associate Judge

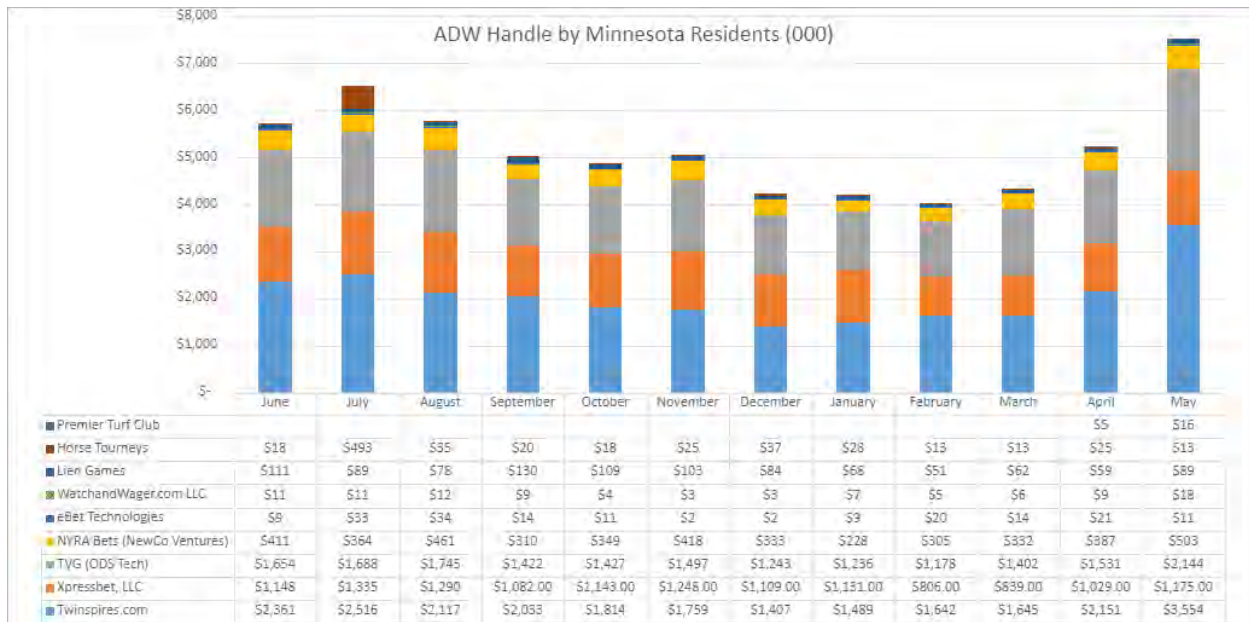
Item 10 - Executive Directors Report

- a. Contract Approvals
- b. HISA Update
- c. Personnel Update
- d. ADW Report
- e. Licensing Report
- f. Other

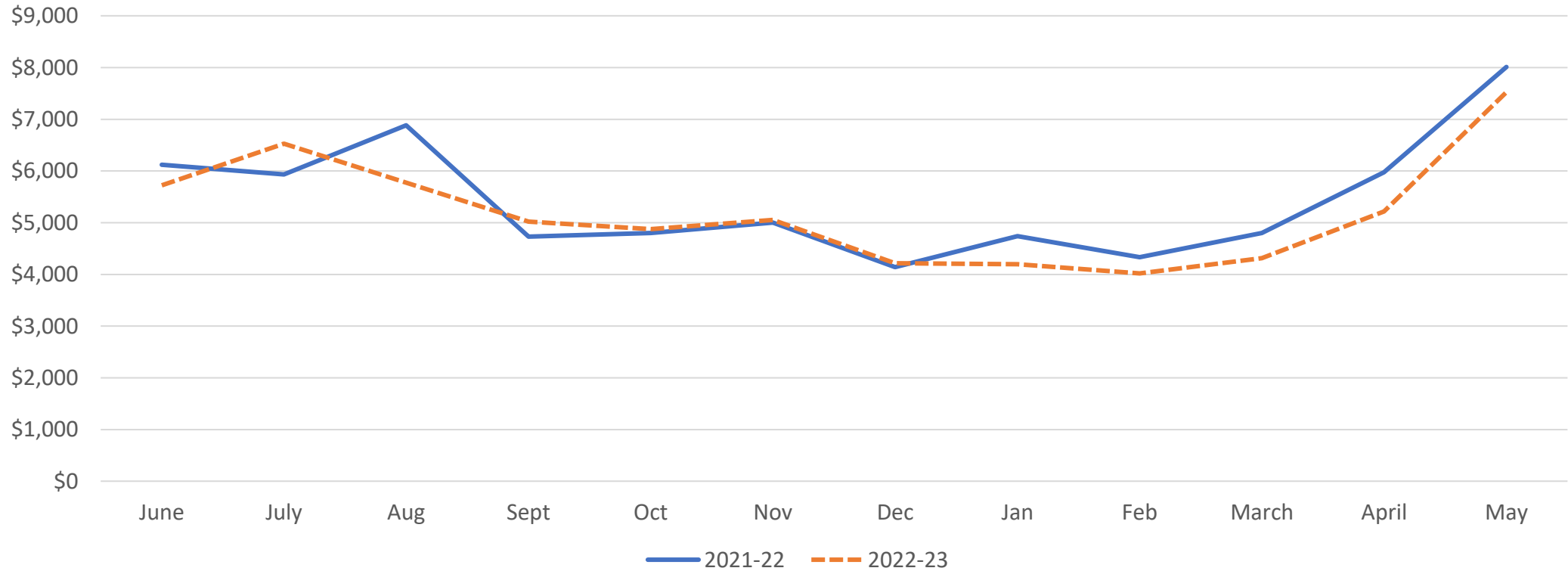
Item 10 d –
ADW Report

Incremental Breeders Awards via ADW





ADW Monthly Handles (in 000s)



Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
\$6,119	\$5,933	\$6,883	\$4,731	\$4,803	\$5,000	\$4,140	\$4,740	\$4,334	\$4,801	\$5,975	\$8,009

Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
\$5,723	\$6,529	\$5,772	\$5,020	\$4,875	\$5,055	\$4,218	\$4,196	\$4,020	\$4,313	\$5,217	\$7,523

Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
-6%	10%	-16%	6%	1%	1%	2%	-11%	-7%	-10%	-13%	-6%

Item 10 e.-
Licensing Report

Minnesota Racing Commission

June 2023 Licensing Report

Class C Applications Processed at Canterbury Park: **363**

Class C Applications Processed at Running Aces: **69**

Class C Large Racing/Gaming Vendors: **0**

Class C Small Racing/Gaming Vendors: **0**

Class C Non-racing/Gaming Vendors: **6**

Class C Licensing Fees for June: **\$18,590**

Fingerprint Fees for June: **\$4,775**

(Fingerprint fees are forwarded to Public Safety for processing reports)

Fines Collected during 2023 Racing Season: **\$4,850**