

MINUTES
WV RACING COMMISSION
Wednesday, July 31st, 2024
WV Racing Commission Conference Room

The WV Racing Commission met on July 31st, 2024, to conduct business and consider administrative matters. Roll call was taken, and present was Commissioner Ken Lowe Jr. and Commissioner Chip Urling

Agenda Item #1 – Approval of June 6th meeting minutes

Commission has approved the minutes from the last meeting.

Motion made by Commissioner Urling.
Motion passed.

Agenda Item #2 – Executive Director's Report

Director Joe Moore updated the commission that the internal audit for fiscal year 2024 is going as planned and on schedule. The outside auditors will be in the office for final fieldwork. The commission is receiving resumes for the position of Investigator for the Charles Town track. The job closed today and the process of review of resumes and interviews in short order. The Mountaineer Park HPPA has submitted a couple of proposals and the Kennel Association's Steve Serris on the greyhound side. The governor has reinstated a rule moratorium this year, but rule could be pushed due the the strict categories they would fall into. MR. Moore hopes to convene a rulemaking committee for both greyhounds and thoroughbreds in January to consider any rule changes.

Agenda Item #3 – Legal Update

Mr. Eates updated the committee on HISA decisions. He spoke with Mr. Williams this week and here's two different pending cases addressing HISA, addressing the constitutionality of it, and one on the administrative rules' aspect of it. On the constitutional challenge the Sixth Circuit issued an unfavorable ruling and then subsequent to that, the Fifth Circuit issued a favorable rule. West Virginia is a part of, in the challenge to the constitutionality of HISA, filed a petition for rehearing of the unfavorable Sixth Circuit decision. They filed that just a couple weeks ago on July 18th. The timing of that allowed them to cite the conflict between the 5th Circuit and the 6th Circuit and whether that will lead the court to do something different remains to be seen. Chairman Lowe asked what time frame we are looking for with the cases and would it be pushed back if the supreme court would become involved. Mr. Eates responded that he would look for this to be resolved by fall. Chairman Lowe stated that we certainly thank you and the AG's office and Mike Williams for what you're doing. And believe me, folks, around the country, without being too spread out here, I constantly hear how people are appreciative of what West Virginia and Louisiana have done. I mean that sincerely. From one side of the country to the other. It's not about me, it's not about, it's about everybody. It's about the industry. Believe me, there are tens of thousands of people and thousands and thousands of horses that are at stake and jurisdictions that are involved. And I can't tell you, folks, the somewhat pleasure it's given me when somebody calls and says, how did West Virginia do this? So we'll keep the fight.

Agenda Item #4 – Request approval of Occupational Permit - Danielle Covell

Ms. Covell is on the call today for questions, she is before you today because he has a felony conviction. She has been interviewed by Charles Town board of stewards for the approval of the occupational permit. The steward's recommendation, which is to recommend that we approve Ms. Covell application at Charles Town. Ms. Covell stated that I would just like to say that I appreciate everything that the stewards of Charlestown have done for me and the recommendation and them interviewing me and taking into account. But this did happen years ago and all I can do is move forward from it and just move on from my past.

*Motion made by Commissioner Urling
Motion passed.*

Agenda Item #5 – WVBC Requests approval of BC XXXVIII purses

Mr. Moore would like to present the request for \$950,000. The money is available to fulfill this request.

*Motion made by Commissioner Urling
Motion passed.*

Agenda Item #6 – HCCTR Requests approval of wagering format for CT Classics/Oaks Day

Mr. Moore would like to present the request in essentially the same format that they had last year to include a \$100,000 guaranteed late pick four and pick five. In addition, requesting approval to make a pick six a mandatory payout. All races include a win plus show, exacted trial effectiveness, and should protect the wagering. As this request suggested, it's very similar to the request that we approved last year for the Classics and Oaks Day. Charlie stated It's primarily the same as last year's wagering format, although I forgot to mention to Joe, we did add an early pick five, early, so we're going to have three pick fives, early, middle, and late. I failed to mention that but pick five obviously is a very popular wager. The guarantees worked well last year. As you know, we had a very good day. We were just \$23,000 short of \$8 million, so we didn't want to change the format too much because it seems to be working and I think we'll have another great day on the 23rd.

*Motion made by Commissioner Akers. Seconded by Chairman Lowe
Motion passed.*

Agenda Item #7 – MP Requests approval of Capital Improvement - Intercom Equipment

Mountaineer Park requests approval to replace the surface mount intercom equipment at a total cost of \$474. The equipment that will be replaced, old broken equipment to allow security to check licenses and IDs to keep a stable area secure. The money is available for this project and unless there are any questions. Chairman Lowe had a question for Chris about the elevators at the park. Chris wanted the commission know, obviously this has been back and forth with some of our vendors and CKE, who is our licensed vendor here to fix our elevators. I've really taken their time on this thing. First, we thought they were going to have to shut down the whole elevator, fix the board, and then maybe a month later bring it back online. However, just yesterday I did get an email from TKE that they have found, they talked to Schindler who is the actual manufacturer, the elevator, yeah, the manufacturer. Thank you. And they have found a workaround that they should be able to get done quickly now. And I apologize that it's taken so long. It's not for lack of effort, RRM, I promise you that. But we are going to stay right on top of it to get it done. Chairman Lowe stated that this issue is ongoing and he has received complaints. Chris commented that Unfortunately, we're at the mercy of the vendors. And we've not only contacted TK, we've reached directly out to Schindler and another company as well, but TK finally got back to us with this proposed fix. So I should have good news fairly soon. That's very concerning that that would take a year for this, and later on, and I don't want to jump around either, but the same vendor, TK, is interested in doing a project in wheeling, and that really concerns me that they have drug their feet on something like this. Well, and I don't know the particulars behind it. All I know is this is a 20-year-old elevator, and the parts apparently are obsolete, and they're having to come up with a workaround for the main board to drive this thing, is what I understand.

*Motion made by Commissioner Urling.
Motion passed.*

Agenda Item #8 – MP Requests approval of Capital Improvement - Barn Repairs

Mr. Moore would like to present the request for Barn roof repairs. Mr. Moore stated. You may or may not recall there was a severe storm at Mountaineer D, E, and I believe I, to suffer roof damages. we had to do this in an emergency situation, but now will you please reimburse us request. Jimmy said there was a delay we actually started the barn work last week but yes it's ongoing. The request for these repairs is \$90,000. The money is available for reimbursement of this project. Commissioner Urling asked if there any insurance funds to be available here? Jimmy respond with unfortunately, we have a very extremely high deductible. And honestly, our deductible wouldn't even kick in until the range of like \$300,000.

*Motion made by Commissioner Urling.
Motion passed.*

Agenda Item #9 – WI Requests approval of Capital Improvement - Elevator Modernization Project

Mr. Moore would like to present the request for the Wheeling Island. In April, the track flooded a couple of times, lost much of their months of racing, but as part of that, the flood affected the functionality of the elevator on the racing side. That elevator is some 30 years old, and is in need of complete replacement. Mr. Moore would recommend to the commission in our motion that we approve their request in a not to exceed cost of \$142,401.13. With the full expectation that they are going to receive some portion of that money back on an insurance claim and what they submit to the Racing Commission with receipts per payment will be some number less than that total. Mr. Harrison stated that we're still working with the insurance company to finalize our claim, we are going to get something. I don't even want to try to estimate yet, but it will be significantly less than the \$142,000 for the replacement value. Commissioner Urling asked if this is the same elevator vendor. Mr. Harrison stated yes, we made a 50% deposit back at the end of April for the repair. We have been told parts are going to be shipped to our location the second week of September with installation to begin after that. And right now we are being told that installation will be completed by the middle of October. Chairman Lowe asked Mr. Moore to remind this company we're aware of what's happened? Are they aware of what's happened at Charles Town? Because we are. That's not a threat. That's not a promise. We're aware of who we're dealing with and we can't let this happen anymore. We have concerns about their ability to perform. He also thinks we, as the third party in this project, keep a watchful eye on the progress of it.

*Motion made by Commissioner Urling
Motion passed.*

Agenda Item #1 – Public Comments

Mr. Moore would like to take the time to let Mr. Colvin make comments. I think we obviously Sunday is the what you need Derby for the entire card. We have field sizes of 8.89 which is almost 9 so our field size is honestly looking great. We are well represented with Chris Hartman and the ex-rider Kent DeSormo, they're all bringing horses, along with Brad Cox, who may be, again, he has a very good chance of being the first trainer because he has a horse in the governor's race and a horse in the derby, to win both races on the same day. And that's never happened in the state of West Virginia here on Derby Day. Along with, you know, we talking about festivals and stuff, we do have, we work with the city of Newell. The city of Newell was having a city festival on Saturday, the day before, to coincide with our Derby. Obviously, we'll have a couple of live acoustical bands on the deck leading up to the Derby itself. So as a whole, I mean, honestly, we're trying to present a very good day of racing. And as long as Mother Nature cooperates with us, you know, it's been a few years since we've run on the turf on Derby Day, but as it stands right now, it looks like we have a very good chance of running on turf.

Agenda Item #19 – Adjournment
Motion to adjourn made by Chairman