

NORTH DAKOTA RACING COMMISSION

**Live and Telephone Meeting
Thursday, April 24, 2008
10:00 a.m. (central time)
500 North 9th Street, Bismarck, ND**

Call to Order:

Chairman, James Clement, called the meeting to order at 10:01 a.m. Roll call was taken by Director Blaseg. Chairman Clement, Commissioners Frederick, Secrest and Weir were in attendance. Commissioner Pladson attended by phone.

Present:

Commissioners: James Clement, Mandan; Clarence Frederick, Belcourt; DeAnn Pladson, Fargo; Tom Secrest, Hettinger; and Patrick Weir, Medora; Director of Racing, Randy Blaseg and Administrative Staff Officer, Helen Tessmann.

Legal Counsel, Bill Peterson was absent.

Others Present: Sherry Neis, Edward Erickson, Beth Baumstark, Janell Cole, Mike Cichy, Scott Horst, Roger Thompson, John Bubel, Leon Glasser and Heather Benson.

AGENDA

1. **Approval of Minutes** – March 31, 2008 Meeting
2. **Approval of the draft proposal in the matter regarding Melissa Peach, Randy Schwartz and the horse, Major Splash Bac Jet.**
3. **Request an Attorney General's opinion**
 - Use of Breeders' Fund dollars to supplement purses.
4. **Administrative Services for the ND Bred Registry and ND Breeders' Fund**
 - Vendor's Resignation.
 - Procurement Office's Bid Specs presentation.
5. **ORDA and Horse Race ND – Insurance Coverage**
 - Report by Director Blaseg.
6. **Any other business which may PROPERLY come before the commission**
7. **Adjournment**

1. **Approval of Minutes – March 31, 2008 Meeting**

Copies of the March 31st meeting minutes had previously been provided to all commissioners for their review.

A motion was made to approve the March 31st minutes by Commissioner Secrest and seconded by Commissioner Frederick. (Secrest/Frederick/unanimous) The motion passed.

2. **Approval of the draft proposal in the matter regarding Melissa Peach, Randy Schwartz and the horse, Major Splash Bac Jet.**

A draft proposal had previously been provided to all commissioners for their review. Chairman Clement asked Assistant Attorney General Edward Erickson to speak. Mr. Erickson stated he had been directed by the commission to develop the proposal stating the commission's findings and at this meeting the proposal should be reviewed and acted on.

A motion was made by Commissioner Secrest and seconded by Commissioner Weir to approve the proposal presented regarding the matter of the horse, Major Splash Bac Jet.

Attorney Beth Baumstark, representing Melissa Peach and Randy Schwartz, addressed the commission regarding this matter. Commissioner Weir made comments and asked questions of Ms. Baumstark which were answered. Chairman Clement made a comment regarding the Commission's legal counsel's previous advice in this matter. Commissioner Secrest asked the Chairman to clarify his comments. Commissioner Weir then asked Mr. Edward Erickson to respond to Attorney Baumstark's statements. Further discussion included comments from Ms. Baumstark. Chairman Clement asked for Mr. Erickson's clarification in the duties as Chairman since his vote will be against this proposal. The Chairman asked the vote be taken. **(Secrest/Weir) Secrest-Y, Weir-Y, Pladson-Y, Frederick-N, and Clement-N. Motion carried.**

3. **Request an Attorney General's opinion**

- Use of Breeders' Fund dollars to supplement purses.

Director Blaseg stated that in current audit of the State Auditor's Office, the auditors requested that the commission request an Attorney General's opinion of the use of Breeders' Fund dollars to supplement purses.

A motion was made by Commissioner Secrest and seconded by Commissioner Weir to request an Attorney General's opinion as to the use of Breeders' Fund dollars to supplement purses. (Secrest/Weir/unanimous) The motion passed.

4. **Administrative Services for the ND Bred Registry and ND Breeders' Fund**

- Vendor's Resignation.

Director Blaseg informed the commission that Staiger Consulting Firm has submitted a resignation letter effective May 7, 2008. The Procurement Office has been contacted to submit a bid for such services. A question was asked for the reason for the resignation. Director Blaseg stated there was no reason given for the resignation and no reason is necessary under the contract which was signed. Administrative Staff Officer Helen Tessmann explained the duties that were completed by the contractor for the bill for services that was submitted by Staiger Consulting Firm.

- Procurement Office's Bid Specs presentation.

Sherry Neas, State Procurement Manager of the State Procurement Office, gave a presentation relating to the bidding process for the Administrative Services for the ND Bred Registry and the ND Breeders' Fund.

5. ORDA and Horse Race ND – Insurance Coverage

- Report by Director Blaseg.

Director Blaseg gave his report of findings regarding insurance coverage for both the race tracks in Belcourt (ORDA) and Fargo (HRND). Discussion was held regarding insurance coverage and premiums for Workmen's Compensation, jockey insurance and liability insurance.

Commissioner Weir expressed the Commission's need to know exactly who the insurance company is, what the coverage is, what the premiums are, the deductibles and how extensive or how broad the coverage is for the employees, jockeys and spectators for the race tracks.

Heather Benson, General Manager of the ND Horse Park in Fargo, gave general information regarding the jockey insurance coverage.

6. Any other business which may properly come before the commission

Ms. Benson handed out a document that she has presented to other entities entitled "Stability Is Key for Horse Racing in ND". She stated in order for the race industry to grow within the state everyone needs to work together for this to happen. It is all about having stability for the racing industry.

Mike Cichy handed out copies of the Thoroughbred Style to all commissioners and asked them to note page 109 for information on play sites.

7. Adjournment

A motion was made to adjourn the meeting by Commissioner Weir. Commissioner Frederick seconded the motion. All voted aye. The meeting was adjourned at 12:20 p.m.