

## RECORD OF PROCEEDINGS

The regularly scheduled meeting of the Colorado Racing Commission was held on Tuesday, July 14, 2015 in the Directors' Room at Arapahoe Park, 26000 East Quincy Avenue, Aurora, Colorado. Chairwoman Mary Sharon Wells called the meeting to order at 9:55 a.m.

### Members Present

Mary Sharon Wells, Chairwoman  
Sean Beirne, Vice-Chairman  
Pam Inmann, Member  
Lori Scott, DVM, Member

Commissioner Cindy Day was present via teleconference at the outset of the meeting, but was subsequently excused.

### Staff Present

Dan Hartman, Director, Division of Racing Events  
Mark Brown, Agent-in-Charge/Enforcement Supervisor  
Mary McAllister, Division Veterinarian  
Zach Ceriani, Legal Assistant  
Charmaine Rose, Assistant Attorney General representing the Division of Racing Events  
Sherry Gunnell, Assistant to the Division Director

### Also Present

An attendance sheet is attached hereto and made a part of these minutes.

### Introduction of and Welcome to Newly Appointed Commissioner Lori Scott, DVM

Chairwoman Mary Sharon Wells introduced Dr. Lori Scott, who was recently appointed by Governor Hickenlooper to serve a four-year term on the Commission as a representative of veterinarians licensed in Colorado for at least five years. Dr. Scott's term of service will remain in effect until 2019.

Dr. Scott, who is a practicing Veterinarian, offered a brief autobiographical sketch in which she advised that she and her husband, both graduates of Colorado State University's School of Veterinary Medicine, had operated their own veterinary clinic, North Denver Animal Clinic, for 27 years. She observed that she had previously served as the Division of Racing Events' regulatory veterinarian at various Colorado greyhound racetracks for approximately twenty years. Additionally, she commented that she and her husband have been actively involved in overseeing animal welfare and medication usage at the National Western Stock Show, specifically with the young persons' program. Further, Dr. Scott noted that she has received foreign animal disease training. She stated that she was very pleased to have been chosen to serve as a Commission member.

Each of the Commissioners and meeting attendees welcomed Dr. Scott and congratulated her on her appointment and expressed their collective belief that she would be a great contributor and asset to the Commission.

#### Election of Officers

Commission Chairwoman Wells announced that, after serving in this capacity for two years, she would decline to be re-nominated and would be stepping down from her position. She expressed her appreciation for all that she had learned about the racing industry, for the support that she had received and for the many friendships that she had enjoyed with members of the racing community. She stated that she was pleased that Colorado had continued to offer support to greyhound welfare/protection and adoption organizations.

At this time, a motion was made by Commissioner Day and seconded by Commissioner Inmann to nominate Sean Beirne to serve as Chair of the Commission. A motion was thereupon made by Commissioner Day, seconded by Commissioner Inmann and unanimously carried to close the nominations. A motion was then made by Commissioner Day, seconded by Commissioner Inmann and carried by a majority vote to appoint Commissioner Beirne to serve as the Commission Chair. Commissioner Wells abstained from voting.

A motion was made by Commissioner Wells and seconded by Commissioner Beirne to nominate Pam Inmann to serve as Vice-Chair of the Commission. A motion was thereupon made by Commissioner Beirne, seconded by Commissioner Day and unanimously carried to close the nominations. A motion was made by Commissioner Beirne, seconded by Commissioner Day and carried by acclamation to appoint Commissioner Inmann to serve as Vice-Chair of the Commission. Both appointments will remain in effect through June 2016.

Commissioner Beirne chaired the remainder of the meeting.

#### Approval of Minutes of May 12, 2015

A motion was made by Commissioner Inmann, seconded by Commissioner Wells and unanimously carried to approve the minutes of May 12, 2015 as amended.

(At approximately 10:15 a.m., Commissioner Day was excused from the meeting.)

#### Status Report – Arapahoe Park’s 2015 Live Race Meet – Mark Brown

Mr. Mark Brown, Racing Coordinator for the Division of Racing Events addressed the Commission regarding the current live race meet. Mr. Bill Powers, Facilities Manager/Director of Racing at Arapahoe Park, and Mr. Bruce Seymore,

Executive Director of Colorado Racing Operations for Mile High Racing and Entertainment, appeared on behalf of the Racing Association.

Mr. Brown commented that Arapahoe Park is having a very challenging, but successful, race meet. He commended the performance of the Division’s licensing staff and reported the following licensing statistics through June 30, 2015:

- That a total of 354 applications and validations have been processed;
- That 75% of all applicants received their badges within seven days and that 25% were withheld issuance of a badge due to some unresolved issue;
- That 100% of all validations were processed and badges issued within two days; and
- That licensing files have been completed through June 17, 2015.

Additionally, Mr. Brown advised that 88 stable inspections were conducted within 45 days of the opening of the meet. He reported that 34 human drug tests have been performed from which two positive test results were obtained, both of them for marijuana.

Mr. Brown provided the following comparative statistical data between the 2014 and 2015 live race meets through June 30, 2015. Mr. Powers observed that the substantial increase in handle figures reflects both the popularity of simulcasting and enthusiasm for live on-site wagering/viewing. :

	2014	2015	
On-Track Handle	\$1,172,394	\$1,245,285	up by \$72,891
In-State Handle	\$1,400,551	\$1,440,065	up by \$39,514
Out-of-State Handle	\$1,580,673	\$1,916,876	up by \$336,203
Total Handle	\$2,981,224	\$3,356,941	up by \$375,717

The Commission accepted Mr. Brown’s report and thanked him for his informative presentation.

Update on Sunset Audit – Policy Analyst and Representative of the Sunset Review Committee Vivienne Belmont

Ms. Vivienne Belmont, Policy Analyst with the Department of Regulatory Agencies’ Office of Policy, Research and Regulatory Reform, who is in the process of conducting the Sunset evaluation of the functions and performance of the Division of Racing Events, advised the Commission that she is in the process of finishing the research portion of her Sunset review. She advised that she has interviewed many stakeholders and has received views and opinions regarding many issues for further consideration. She observed that no stakeholders have recommended the “sunsetting” of either the Colorado Racing Commission or the Division of Racing Events. Ms. Belmont stated that the report will be completed and made available to the Commission and any

other interested stakeholders by October 15, 2015, and that, after its publication, she would begin drafting the bill, which would be completed in either November or December and would initially be heard in the House of Representatives, noting that only the statutory recommendations would be contained in the final report and drafted into the bill. Ms. Belmont explained that, during the legislative phase, the Sunset review committee would be working closely with the Legislative Legal Services' staff to compose the preliminary Sunset bill. Hearings would then be conducted on the draft measure prior to its introduction; questions and public responses could also be considered and amendments might or might not be entertained. She explained that the Commission should be given prior notice regarding the timing of the introduction of the bill in the House of Representatives. Ms. Belmont noted that it is probable that the bill would be considered in January during the first three to four weeks of the 2016 legislative session.

Discussion ensued during which Ms. Belmont informed the Commission of some of the primary issues that would most likely be included in her report:

- Whether the requirement that appointees to the Commission undergo a Senate confirmation hearing should be retained;
- Whether the requirement that one Commission member reside on the Western Slope be retained;
- Whether the requirement that licensees be fingerprinted every six years be retained;
- Whether match racing should come under the purview of a state agency or whether its regulation/oversight could be handled at the local or county level; and
- Whether "historical racing" is constitutionally allowable or not.

Additionally, Ms. Belmont enumerated other issues that she had considered during the interview/review phase, including the following:

- Whether it is necessary for criminal history background checks to be conducted on license applicants;
- Whether the Division's regulation is performed in the interest of the public;
- Whether the Commission possesses sufficient authority to regulate the use of illegal substances;
- Whether oversight of the condition of the racing surface is adequate and sufficient to protect horses from serious injuries or fatalities;
- Whether certain recommendations contained in the previous (2007) Sunset Audit Report that were not implemented by the Division/Commission should be included in the current Report, such as requiring that Administrative Law Judges conduct all Division hearings; modifications to rule review protocols; elimination of Commission term limits; removal of unnecessary restrictions; and merger of the Racing Division with the Division of Gaming; and

- Whether the tax exemptions extended to greyhound breeders should be repealed and whether it is appropriate for the Division of Racing Events to continue to regulate kennels housing greyhound racing dogs or whether the Pet Animal Care and Facilities Act (PACFA) in effect within the Department of Agriculture should have regulatory authority.

Ms. Belmont explained that she would be involved in the process of determining who would be designated to sponsor this Sunset measure.

Mr. Dan Hartman, Director of the Division of Racing Events, stated that the Sunset review process had been proceeding well and that the Division had been able to provide ideas and information to Ms. Belmont. The Commission expressed its willingness to be available for discussions and to continue to assist in the Sunset process. No action was taken. The Commission thanked Ms. Belmont for her informative presentation.

#### Comments Pertaining to Arapahoe Park's 2016 Simulcast Schedule and Live Race Meet – Bruce Seymore

Mr. Bruce Seymore, Executive Director of Colorado Operations for Mile High Racing and Entertainment, informed the Commission that, on April 20, 2016, the Association's agreement with the Colorado Horse-Racing Association to send and receive simulcast signals, would expire. He advised that the Association would commence its negotiations with the horse-racing community in the near future. He noted that, on that date, the 2015-2016 simulcast schedule would also expire.

Additionally, Mr. Seymore stated that he would strive to offer nine races per day next season, but that that would be contingent upon the size of the horse population at Arapahoe Park.

#### Convening of 2016 Race Dates Hearing

Chairman Beirne convened the 2016 Race Dates Hearing at approximately 10:30 a.m.

Mr. Dan Hartman, Director of the Division of Racing Events, advised the Commission that only Arapahoe Park had submitted a request for dates. Mr. Hartman stated that Arapahoe Park tendered its request for a 2016 race date envelope consisting of 39 days of live horse racing to be conducted on unspecified dates over a 13-week period from May through August 2016. He noted that, by allowing Arapahoe Park's scheduling to be left open-ended until submission of its renewal application, the Commission would be affording Arapahoe Park's management the opportunity to compare the dates of other racetracks and determine what the best available dates would be upon which to conduct the 2016 meet.

In order for the Division to be able to plan for calendar year 2016, Fiscal Year 2016 and Fiscal Year 2017, to develop an appropriate staffing plan for the proposed meet and to have a clear idea about what its budgetary needs would be, Mr. Hartman recommended that the Commission approve Arapahoe Park's race date request as submitted. He declared that it is very important for the Division and the Commission to be able to prepare for the continuation and perpetuation of live racing in Colorado. Additionally, he recommended that approval of the proposed envelope be conditioned upon available resources, sufficient staff and budget.

Based upon Mr. Hartman's recommendation, the Commission proceeded to consider the proposed race date request for Arapahoe Park for 2016. A motion was thereupon made by Commissioner Inmann, seconded by Commissioner Wells and unanimously carried to accept Arapahoe Park's 2016 requested race dates envelope on a contingency basis subject to submission of actual race dates as well as availability of Division funding and staffing. (Notice was taken that Arapahoe Park may request the ability to conduct live racing on any days that it desires between May 1, 2016 and August 31, 2016, with the proviso that the conditions set forth above apply to any specific dates of racing.):

ARAPAHOE PARK  
(Unincorporated Arapahoe County)

MAY – AUGUST, 2016\*  
(39 UNSPECIFIED DATES)

\* - Actual race days to be determined

(APPROVAL GRANTED SUBJECT TO AVAILABILITY OF DIVISION FUNDING AND STAFFING)

In the absence of further race date requests to consider, a motion was made by Commissioner Inmann, seconded by Commissioner Scott and unanimously carried to adjourn the 2016 Race Dates Hearing at approximately 10:35 a.m.

#### Thanks to Mr. Seymore for Hosting the Meeting

The Commission extended its warmest thanks to Mr. Bruce Seymore, Mr. Powers and their staff members for hosting today's meeting and for their hospitality and courtesy to everyone in attendance.

#### Adjournment of Regular Business Meeting

There being no further business to consider, the meeting was adjourned by acclamation at 10:35 a.m.

#### Next Regularly Scheduled Meeting

The next regularly scheduled meeting of the Colorado Racing Commission will be held on **Tuesday, October 13, 2015** in Conference Room 110 (Enforcement Conference Room), 1881 Pierce Street, Lakewood, Colorado.

The undersigned hereby approve the foregoing Minutes.

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SEAN BEIRNE, CHAIRMAN

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**PAM INMANN, VICE-CHAIRWOMAN**

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MARY SHARON WELLS, MEMBER

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CINDY DAY, MEMBER

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LORI SCOTT, DVM, MEMBER