

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Thursday, May 17, 2018 – 9:00 a.m.
Conference Call**

MINUTES

Board Members Present: Nick Alexander, Allen Aldrich, Joe Ciaglia, Mark Dedomenico, Ron Ellis, Mike Harrington, Ed Moger, Jack Owens, and Samantha Siegel.

Board Members Absent: Bob Baffert, Gary Fenton, Terry Lovingier, Mike Pegram, Bill Strauss, and Kathy Walsh.

Staff Present: Greg Avioli, Mary Forney, Elizabeth Morey, Joe Hasson, and Patricia Chinnici

I. Approval of Minutes

On a motion by Mr. Aldrich, seconded by Mr. Harrington, the minutes of April 13, 2018 were unanimously approved.

II. NOTWINC / SCOTWINC Update

Mr. Avioli reviewed the negotiations with Local 280, NOTWINC and SCOTWINC and summarized a meeting conducted by the CHRB last week, where they gave their legal analysis of the Stronach Group withdrawing from NOTWINC. He noted that NOTWINC continued to prepare for the Golden Gate withdrawal at the end of June. As part of that process, TOC is working with NOTWINC staff to ensure all funds due to NOTWINC from Golden Gate are paid by Golden Gate.

Mr. Avioli noted that NOTWINC and SCOTWINC labor negotiations formally begin Monday with an in person bargaining session. TOC has the right to approve the terms of the labor deal but is not participating directly in the negotiations.

III. CHRB Meeting Agenda

Mr. Avioli reviewed the CHRB agenda, which was provided to the board. He noted that TOC would invite Mr. Daruty to an upcoming board meeting to explain robotic wagering, the subject of Item 7 on that agenda.

Mr. Avioli noted that discussion of the proposed rule regarding out-of-competition testing has been moved to the June CHRB meeting. Regarding other medication rules listed in agenda Item 13, Ms. Morey gave a brief recap of her meeting with CHRB representatives to express our primary concerns about proposed rules 1588 (Horse Ineligible to Start in a Race) and 1842.1 (Additional Report for Intra-Articular Treatments). These issues will be further reviewed by the TOC Medication Committee. Additionally, she requested and received a copy of the CHRB contract with UC Davis Maddy Lab, which will be helpful in our efforts to further understand the CHRB budget.

IV. Committee Reports

A. Legislative Report

Mr. Avioli updated the board on the Sports Wagering legislation and reviewed the Adam Gray Sports Wagering bill in the Assembly. TOC has taken the position to wait and see on this legislation, which is likely to be considered over the next two years and not acted in in 2018. Our position has not changed, however, and TOC continues to support bricks and mortar only sports wagering at Tribes, Cardrooms Tracks and satellites.

Mr. Avioli updated the board on a proposed contribution to California gubernatorial candidate Gavin Newsom, which was unanimously supported by the Board.

Mr. Avioli then reviewed the status of the Jockey Club USADA bill, which would essentially create a new arm of the US Commerce Department to regulate all aspects of medication in horse racing. A Commerce Department subcommittee will be conducting a hearing in June, where horsemen interests in opposition to the legislation will likely be represented by the THA President Alan Foreman.

B. Finance Committee

Ms. Chinnici provided a report on the April and year-to-date financials and year-end projections.

C. Owner Relations

Ms. Forney provided a recap of Saturday's conformation clinic at Santa Anita.

D. Racing Affairs

Mr. Avioli reviewed the new Purse Calculations reports for Santa Anita and Golden Gate Fields, which were included in the board packet. Both Santa Anita and Golden Gate are expected to be underpaid at the end of their meets. A discussion ensued.

Mr. Avioli reviewed the Northern and Southern horse counts, which were provided to the board. He noted that TOC staff has been informed that there may be up to 200 stalls allocated for trainers at Los Alamitos which are not actually being used for Thoroughbreds starting at SoCal Thoroughbred meets. Mr. Hasson will be following up with Los Alamitos over the next couple of weeks to further investigate this. Mr. Avioli added that he spoke with Mr. Ritvo this week, who said that Santa Anita is moving ahead with construction of the new stalls in the north parking lot. We are continuing to consider long term options for once Los Alamitos closes in the event Santa Anita does not in fact construct the stalls in the north lot prior to the end of 2019.

V. Adjournment

The meeting was adjourned at 9:53 a.m.