

NEW JERSEY RACING COMMISSION
WEDNESDAY, AUGUST 25, 2017
“LIBRARY ROOM”
MONMOUTH PARK
OCEANPORT, NEW JERSEY

A meeting of the New Jersey Racing Commission was held on Friday, August 25, 2017 in the Library Room, located at Monmouth Park, Oceanport, New Jersey.

The following were present:

Pamela J. Clyne, Chairman
Anthony T. Abbatiello, Commissioner (by phone)
Michael J. Arnone, Commissioner
Francis X. Keegan, Jr., Commissioner
Frank Zanzuccki, Executive Director
SDAG George Cohen

The following were absent:

John A. Hoffman, Commissioner

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called the ‘Open Public Meetings Act,’ and as per the requirements of the statute, notification of this meeting has been filed with the Secretary of State and with the following newspapers: Daily Racing Form, Bergen Record, Asbury Park Press, Courier-Post and the Newark Star Ledger.

WHEREAS, in order to protect the personal privacy and to avoid situations wherein the public interest might be disserved, the Open Public Meetings Act permits bodies to exclude the public from that portion of a meeting at which certain matters are discussed.

NOW, THEREFORE, BE IT RESOLVED that consistent with N.J.S.A. 10:4-12(b), the Commission will now adjourn to executive session to obtain legal advice protected from disclosure by the attorney-client privilege on the following matters:

1. Legal advice related to the distribution of the Casino Simulcasting Special Fund accumulated in 2016 pursuant to N.J.S.A. 5:12-205d;
2. Legal advice related to the request of Darby Development, LLC to amend the 2017 Monmouth Park at New Meadowlands Racetrack thoroughbred race meet seeking approval for a reduction in race dates from 21 to 8;

3. Legal advice related to the request of Darby Development, LLC to rescind the special permit issued in connection with the 2017 Far Hill race meet; and
4. Other matters requiring the advice of counsel.

Discussion of the above matters falls within the exceptions under the law; specifically, matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the Commission's attorney to exercise his ethical duties as a lawyer, and/or matters involving pending or anticipated litigation."

Commissioner Keegan motioned to adopt the resolution to adjourn. Chairman Clyne seconded the motion. All of the Commissioners present voted to affirm. The Commission then adjourned to Executive Session.

Chairman Clyne made a motion to adjourn from Executive Session into the Public Session. Commissioner Keegan seconded the motion and the Commissioners voted to affirm. The Executive Session ended.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE JULY 19, 2017 COMMISSION MEETING

Commissioner Keegan made a motion to approve the public and executive minutes of the July 19, 2017 public meeting. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER DISTRIBUTION OF THE CASINO SIMULCASTING SPECIAL FUND ACCUMULATED IN 2016 PURSUANT TO N.J.S.A. 5:12-205d

Executive Director Zanzuccki indicated that the Commission solicited requests from the interested parties and that information received was circulated. At this time, there is an opportunity for the interested parties to make any additional oral comments concerning the 2016 Casino Simulcasting Special Fund monies.

The Racing Commission allowed oral comment from the industry.

Monmouth Park (Darby Development, LLC)

Michael Vukcevich, Director of Regulatory Affairs, stated that his letter submitted to the Commission details the request of Darby Development, LLC to receive funds based on the racetrack's loss of players due to racinos in neighboring states, and as a financially distressed property.

New Meadowlands Racetrack

Jason Settlemoir, General Manager, stated that the letter submitted by Alex Figueras, Chief Financial Officer of the NMR, LLC, clearly defines the racetrack's financial distress in 2016 due to combined racing losses of \$19 million and other debt obligations and asked that the Commission accept their request to be allocated a portion of the fund.

Freehold Raceway

Howard Bruno, General Manager, stated that Freehold relies on its letter submitted to the Commission.

NJTHA

Michael Musto, Executive Director, had no further comments.

NJSBOA

Al Ochsner, Executive Administrator, had no further comments. Chairman Clyne asked the SBOA which retirement organizations the SBOA will consider and how the horsemen will evaluate the qualifications of the organizations. Chairman Clyne reminded Mr. Ochsner that the Commission needed to require the SBOA to file more specific information last year in connection with its request for Casino Simulcasting Special Fund monies. She pointed out that this year's submission suffered from similar deficiencies. Mr. Ochsner stated that 12 to 15% of the funds will be allocated to the retirement organizations and the SBOA will utilize the criteria that was applied to last year's organizations. Executive Director Zanzuccki asked the SBOA to submit information that specifies the amount of monies the SBOA is requesting and identifies the proposed recipients along the lines the Commission required last year to the Commission by Friday, September 1, 2017 and Mr. Ochsner agreed.

NJTBA

Michael Campbell, Executive Director, had no further comments.

The Executive Director recommended that the Commission leave the record open until September 1, 2017 to allow the SBOA as well as the other permit holders, and horsemen's associations to submit further information, and that the committee review the full record and report back at a subsequent meeting of the Commission to recommend distribution of the fund.

Commissioner Keegan motioned to accept the recommendation of the Executive Director. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER ADVERTISEMENT OF AMENDMENTS TO N.J.A.C. 13:70-14A.17; N.J.A.C. 13:71-23.16 (ANABOLIC STEROIDS)

Chairman Clyne made a motion to approve the advertisement of the proposal concerning anabolic steroids. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE NOTICE OF READOPTION WITHOUT CHANGE OF N.J.A.C. 13:70 (HORSE RACING) and N.J.A.C. 13:71 (HARNESS RACING)

Commissioner Keegan motioned to approve the notice of readoption of Chapters 70 and 71. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF DARBY DEVELOPMENT, LLC TO AMEND THE 2017 MONMOUTH PARK AT THE NEW MEADOWLANDS RACETRACK THOROUGHBRED RACE MEET SEEKING APPROVAL FOR A REDUCTION IN RACE DATES FROM 21 TO 8 DATES

Michael Vukceвич, Director of Regulatory Affairs for Darby Development, LLC, explained to the Commission that this is a difficult application on the part of Darby as they do not like to ask for fewer race days, however, the economic realities and the needs of the horsemen and wagering public require the reduction in dates.

Michael Musto, Executive Director of the NJTHA, indicated that the Board of Directors has approved the reduction in dates and the approval will be ratified at the next Board meeting. He stated that the Board approval was unanimous.

Commissioner Keegan made a motion to approve the request of Darby Development, LLC to reduce the thoroughbred race dates conducted at the New Meadowlands Racetrack. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF DARBY DEVELOPMENT, LLC TO RESCIND THE SPECIAL PERMIT ISSUED IN CONNECTION WITH THE 2017 FAR HILLS RACE MEET

Michael Vukceвич, Director of Regulatory Affairs for Darby Development, LLC, explained to the Commission the reasons for rescinding the Far Hills permit. He indicated that Guy Torsielieri, President of the National Steeplechase Association, could not have the facility prepared in time for the event, and each party had their own view in regard to the negotiation process. Mr. Vukceвич indicated that Darby may proceed next year to apply for a special permit.

Chairman Clyne motioned to rescind the Far Hills race permit. Commissioner Keegan seconded the motion and all Commissioners voted yes.

There being no further discussion or comments from the public, Commissioner Arnone moved that the meeting be adjourned. Commissioner Keegan seconded the motion and it was approved unanimously.

ATTEST:



Executive Director Frank Zanzuccki