

NEBRASKA RACING & GAMING COMMISSION
MINUTES OF MEETING

DATE: October 20, 2023

TIME: 1:30 PM

LOCATION: NE Racing & Gaming Commission
3401 Village Drive, Ste 100
Lincoln NE 68516

PRESENT COMMISSIONERS:

Dennis P. Lee Chairman
Shane Greckel Vice Chairperson
Jeffrey Galyen Commissioner
Shelby Bakenhus Commissioner appeared at 1:36 pm
Tony Fulton Commissioner
Chris Stinson Commissioner

ABSENT:

Janell Beveridge Commissioner

Chm. Lee convened the meeting at 1:33 pm in compliance with the provision of Neb. Rev. Stat. 84-1411. Notice of the meeting was published in the Lincoln Journal Star. In addition, copies of such notice have been sent to those on the Racing and Gaming Commission agenda mailing list. Notification was given to the public of the open meetings law and notification to its location for public view.

Chm. Lee introduced our new Commissioner, Chris Stinson, and several new staff members.

APPROVAL OF MEETING MINUTES AND FINANCIAL REPORTS

It was moved by Fulton, seconded by Greckel to approve the minutes from August 18, 2023.

Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

It was moved by Lee, seconded by Galyen to approve the August and September 2023 financial reports. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

SIMULCAST APPLICATIONS RECEIVED

Greckel moved, seconded by Galyen to approve all applications submitted. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

HEARING 2024 LIVE RACE DATE APPLICATIONS

Lee moved, seconded by Greckel the following motion. "It would be my (Chairman Lee) motion that the Commission approve the 53 days of live racing proposed by the track that are broken down as follows:

Fonner 31 days

CER 15 days

HBPA Omaha 1 day

Legacy Downs 4 days

SSC 2 days

For thoroughbred tracks.

With regard to the approval of Columbus, Horsemen's Park, Legacy Downs and SSC the number of dates that are rewarded and the dates requested would be conditional on each of those racetracks completing the construction of their facilities, racetracks barns test barns everything that those new facilities have been inspected and are up to industry standards and approved by our staff and all departments further conditionally on each of those facilities – Columbus, Horsemen's Park, Legacy Downs and South Sioux City keeping Commission staff up to date on the progress of the construction and equally important any anticipated or unexpected delays. So, it would be my motion to approve 53 days submitted for live racing and the individual windows of Fonner Park Feb 17 – May 4, Columbus proposed dates of May 17 – June 16, to be approved later, one day of racing at Horsemen's Park, to be determined, 2 days at South Sioux City, to be determined and 4 days at Lincoln, to be determined. That would be my motion on the thoroughbred side.”

Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

Lee moved, seconded by Galyen to approve Hastings Exposition & Racing's live race day for 2024 to be ran at the Adams County Fair grounds for 1 day of live Quarter Horse racing. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried. At this meeting Hastings submitted a completed application and payment for one day of Quarter Horse racing for 2024 in Hastings.

HEARING 2024 SIMULCASTING APPLICATIONS

Galyen moved, seconded by Greckel to approve the simulcast applications for Fonner Park, Horsemen's Park, Legacy Downs, and Columbus. Dan Clary from CER indicated that at some point they will ask to have the simulcasting facility license moved to the new location. Fulton moved, seconded by Bakenhus to approve simulcasting as requested. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

The Commissioner received the simulcast application for a simulcasting facility license for Hastings Exposition & Racing to simulcast at the Adams County Fairgrounds for 2024. After a review, Lee moved, seconded by Galyen to approve the simulcast application for Hastings for 2024. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

COLUMBUS EXPOSITION AND RACING

Galyen moved, seconded by Stinson to ratify the approval via email of the racing officials and take-out rates for Columbus Exposition & Racing. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

Lee made a finding and Galyen seconded that the track conditions due to rain on October 14 and 15, 2023 necessitated a cancellation of both days of racing. Due to conditions and circumstances beyond the control of Columbus Exposition and Racing and pursuant to statute 2-1228, the Commission determined that there was no racing on two scheduled days of live racing. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

HBPA NEBRASKA dba HORSEMEN'S PARK

Galyen moved, seconded by Bakenhus to approve the racing officials, take-out rates, racing conditions and operations. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried. An affidavit was received from Keith Kilpatrick and made part of the record regarding the readiness of the track for the 1-furlong race on October 30th.

HBPA NEBRASKA dba LEGACY DOWNS

Galyen moved, seconded by Fulton to approve the racing officials, take-out rates, racing conditions and operations. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried. Documents were received and made part of the record for the track surface readiness for the 5-furlong race on October 31st.

FONNER PARK

Lee moved, seconded by Galyen to ratify the email vote to approve the resurfacing of the 5/8th mile main racetrack at Fonner Park. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

HEARING - WARHORSE LINCOLN, LLC

Allie Von Seggern, attorney for Hochunk appeared before the Commission to show cause for the possible violation of Administrative Title 296 Rule 3.012.04. All exhibits were received. Von Seggern asked the Commission to take no action today subject to staff to bring this issue back to the Commission. Galyen commented that this "experience has educated the Commission to the fact that temporary facilities are a bad idea, and it has shown the Commission that they don't want to do this in the future. It has created problems and it is a precedent that they don't want to set in the future and would like to avoid at all costs in the future." No action was taken on this item subject to the Commission being able to bring this back at a meeting in the future. Lee moved, seconded by Galyen to table this item. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

The Commission recessed at 3:10pm and came back on the record at 3:23 pm.

HARRAH'S NEBRASKA AND COLUMBUS EXPOSITION & RACING

Present were Dan Clary, CER, Joe Morris, Caesars, Mary Vaggalis, Bruning Law Group, Don Ostert, Harrah's Columbus. Galyen moved, seconded by Fulton to continue this item and all its subparts to a later date. Voting aye: Galyen, Bakenhus, Fulton. Nay: Lee. Abstain: Greckel and Stinson. Motion carried.

WARHORSE CONSTRUCTION UPDATE

Lynn McNally appeared before the Commission and gave a construction update for both Lincoln and Omaha facilities.

SPORTS WAGERING CATALOG

Fulton moved, seconded by Galyen to ratify staff's approval of the Premier Soccer League for the Sports Wagering Catalog. Voting aye: Lee, Galyen, Greckel, Bakenhus, Fulton, Stinson. Motion carried.

WARHORSE OMAHA, LLC

Testimony was received by NRG Compliance Director, Casey Ricketts, Steve May with GLI, NRG IT Manager, Aaron Courtright and Lynne McNally. They gave their thoughts, recommendations, and approval to the Commission. Ms. Ricketts stated that everyone has been working diligently on this project and we are going to recommend approval with conditions. The list of conditions was put together by staff and presented to the Commission. All security conditions have been kept confidential. Mr. Steve May, Senior Executive with Government Relations for GLI explained their role and expertise to the Commission. Mr. May reviewed the facility and the conditions. He recommended to the Commission based on his knowledge and experience that November 1, 2023, seemed doable to open sports wagering in Omaha.

Chm. Lee made a motion, seconded by Galyen to (Chairman Lee) “approve agenda item 14 a, b, and c, that we approve the sports wagering license for WarHorse Omaha subject to the fourteen conditions that are part of the record of today’s meeting and that before any sports wagering license is issued to WarHorse Omaha that it be approved by staff as it relates to these conditions. The license will not become effective until on or after November 1st subject to completion and approval of staff of these conditions.” Voting aye: Lee, Galyen, Bakenhus, Fulton, Stinson. Abstain: Greckel. Motion carried.

MEETINGS WITH ASSOCIATIONS

Nebraska Thoroughbred Breeders’ Association – Julie Larmon, secretary/treasurer updated the Commission on the association activities and funds.

Nebraska Horsemen’s Benevolent and Protective Association – Lynn McNally updated the Commission, and that WarHorse Gaming has hired a GM for Lincoln, Robin Miller.

Nebraska Quarter Horse Racing Association and Nebraska Quarter Horse Breeders Association – None.

PUBLIC COMMENTS

None.

DIRECTOR’S UPDATE

Mr. Sage mentioned the next meeting is scheduled for November 17th at 1:30 at the Lincoln Office. We will more than likely have a virtual meeting in December review rule changes for horse racing. He also mentioned the possibility of having the Commissioners’ start utilizing iPads.

EXECUTIVE SESSION

The Commission went into executive session at 4:31 pm and discussed personnel issues and investigations. No decisions were made. The Commission came back on the record at 4:52 pm.

ADJOURNMENT

Chm. Lee adjourned the meeting at 4:52 pm.