

**Prairie Meadows Board Meeting
Special Meeting
May 14, 2020
3:30 p.m.
Conference Call**

A Special Meeting of the Prairie Meadows Board of Directors was called to order by Mr. Neugent at 3:30 p.m.

Mr. Neugent said, after Roll Call, he'll amend the Agenda; this is a Public Meeting and there may be people who want to speak; "V. Other" will be for Public Comment, and will follow Roll Call so people can comment on the Action Item.

Roll Call.

Dennis Albaugh
Bob Chittenden
Mark Cooper
Michael Gartner
Frank Marasco
Marty Martin
Gerry Neugent
Bob O'Hollearn

Suku Radia
Kurt Rasmussen
Ken Sagar
Mary Simon
Susan Voss
Marta Codina
John Irving

Also in attendance were:

Gary Palmer, President/CEO
Ann Atkin, Senior Vice President/COO
Brad Rhines, Executive Vice President

Tom Flynn, Legal Counsel
Nancy Winget, Its Recording Secretary
Members of the Press, Public, and Staff

Other - Public Comment.

Mr. Neugent said if anyone would like to speak, to please state your name and address for the record, and comments will be limited to four minutes. Mr. Rasmussen requested everyone mute their phones

- Ray Sears, Pleasant Hill. Mr. Sears does not know what the Action Item is and it's hard to comment on something he doesn't know and Mr. Neugent said the discussion will be on Governor Reynolds' Proclamation dated May 13, 2020 concerning Live Racing – we've received inquiries about Prairie Meadows (PM) opening the Backside to horses and residents. Mr. Sears thanked Mr. Neugent for the information and encouraged the Board not to reopen Racing; the Governor doesn't understand the definition of Pari-Mutuel gaming – the money generated by the patrons helps pay purses; his understanding is, there are no horses, Vets or Grooms, so how could Racing open with that scenario.
- Maria Pauly, member of the HBPA. Ms. Pauly would like to make a comment from the horse perspective – all are ready to come to PM and the only reason they're not here is the Backside isn't open; if PM would consider opening, the Backside will be filled; there are 84 contracted days of Racing and there's been no discussion on how to accomplish 84 days; the Governor's Proclamation allows Racing; purses are determined by the previous year's revenue; communication is necessary.

- Linda Grandquist, Clive. Ms. Grandquist is a former horse owner involved in racing, is a former PM Board member, and is a considerate person; she agrees 100% with no Racing as testing is not available for people coming to PM – PM is not ready.
- Ray Shattuck, Johnston. Mr. Shattuck is a former President of the ITBOA, and noted there are plenty of blue prints for PM to follow – Oaklawn just finished its meet and Churchill has a blue print to keep everyone safe, has had no issues with COVID, has regulations like hospitals, is clean, can sequester jocks; numerous tracks are open – Minnesota, Ohio, and Indiana; he suggests having Live Racing.
- Maria Pauly agreed with Ray Shattuck about the protocols being done at different tracks; PM is not prepared; PM has said it is working on different scenarios, and she’s confused why PM is not ready; we have health professionals and volunteers that are willing to help with testing, training, etc.; why can’t PM open.
- Ray Sears agreed with what the horsemen have said and opening is the most important thing on their mind, along with purses - there are 1,100 people laid off at PM and 25% of the population in Polk County is hungry, and the horsemen want to run a Meet; there’s a \$25 million loss every year so the rich can have a hobby; he hopes the Board realizes there are so many things much more important than Racing; PM impacts every citizen of Polk County; of higher importance is working to reopen on a safe basis; he’s less concerned about Racing.
- Maria Pauly said the previous comments are offensive; the horsemen have been talking to PM a long time; the horsemen know the importance of opening the casino; the recommendation to open the Backside is important and is not for a selfish interest; the horsemen support PM – we need to help each other and work as a team; we have a contract; we’re trying to work through the problems; no one should assume her financial situation – she and all involved in Racing have to make a livelihood and have families to support.
- Mr. Neugent noted all the speakers are not a Board member – they are part of the public.
- Tom Lepic, President, IQHA. Mr. Lepic hopes to discuss two items – Racing and Opening the Backside ASAP; we should not put off discussing Racing until the casino opens and should discuss with PM how much time it takes to get Racing ready to go, and when the casino opens, we’ll be ready for Racing; it takes 3-4 weeks to open the Backside to get employees and horses here, and to train and be ready to race; the Backside should open as quickly as possible so we don’t lose horses that normally come to PM to other tracks; there are 1,000 unemployed and this would be a way to get some back, and the horses would be ready when the casino opens; if we don’t have the Backside open and ready and the casino opens, it’ll be 3-4 weeks before Racing, and people will go to other tracks.

Mr. Neugent noted that no one else has requested to speak, so this section is closed.

Discussion on Governor Reynolds’ Proclamation dated May 13, 2020 concerning Live Racing. Mr. Neugent said that Mr. Palmer’s office sent the Proclamation to the Board, and noted that the same Proclamation states casinos are closed, and there may be Racing, but no attendees. Mr. Neugent requested Mr. Palmer address the issues.

Mr. Palmer would like to clear up a few things – we are working with the horsemen and addressing their concerns, and there is a meeting tomorrow; the problem with the Proclamation is, it states, “may reopen” and the Governor always adds, “if the business feels it’s safe to do so”; staff’s recommendation is not to open now for the following reasons:

- Safety and health of our employees, horsemen, community, and guests.
- A report today said Polk County is #8 of the worse counties in the country.
- Testing is not available, and that’s an important step.

- Des Moines and Polk County have cancelled all events until July 1.
- The #1 priority is to open as safely and as quickly as possible.
- Social Distancing and other precautions are required and the Backside would not be in compliance; there are 150 shared dorm rooms with community restrooms; the local hospitals report the number (COVID cases) continues to go up and it's not safe.

Mr. Palmer said staff's recommendation, at the present time, is to not open the Backside.

Mr. Neugent said it's his observation that the conflict has been raised by the Governor's Proclamation that states PM is unsafe for spectators, but not horse people; Mr. Palmer and staff have been very diligent and are taking this very seriously and it's for the safety of our employees and the future of PM.

Mr. Albaugh said he'd like the Backside to open, but Mr. Palmer made some good statements; the problem is not opening ahead of the casino.

Mr. Cooper asked if the recommendation includes both seasons (Backside closed) and Mr. Palmer said we hope to get open as quick as we can and be safe for employees and guests; the health systems are saying this is a hot area, and to open would be irresponsible for employees, families, and guests, and as long as the hospitals continue to fill up, we just can't open.

Action Item - Governor Reynolds' Proclamation dated May 13, 2020 concerning Live Racing.

Mr. Neugent said the Executive Committee has discussed this and has a recommendation for the Board that we shouldn't open the Backside now or undertake Racing, per Mr. Palmer's comments. Mr. Sagar moved the Executive Committee's recommendation to not open or Race now and the motion was seconded by Mr. Radia and Mr. Rasmussen. Mr. Albaugh asked if PM is looking at everything to make the Backside safe and Mr. Palmer said yes, staff is working night and day as this is important for everyone – employees have been laid off, the horsemen want to get started, etc., but it's irresponsible to open now. Mr. Albaugh said when the numbers are down, he'd like the Board to meet to reconsider the vote and Mr. Palmer said we can do that. Mr. Neugent confirmed the motion is to not open the Racetrack or the Backside at this time and Mr. Palmer will keep the Board informed and will continue to monitor the situation. The motion unanimously passed on a Roll Call Vote (13 yes, 0 no).

Mr. Neugent said he appreciates everyone joining the meeting and giving their opinions – he appreciates the comments.

Adjournment. Mr. Cooper moved to adjourn the meeting and the motion passed on a voice vote. There being no further business, the meeting adjourned at 4:05 p.m.

Respectfully submitted,

Michael Gartner
Its Secretary