

BOARD OF DIRECTORS MEETING

MINUTES

August 26, 2014 11:00AM

Meeting Called to Order By	Benard Chatters
Type of Meeting	Board of Directors
Place	Teleconference and Gentilly Office in New Orleans.
Meeting Secretary	Ed Fenasci
Roll called by Ed Fenasci and Quorum Declared	Benard Chatters, Tom Abbott, Judy Behler, Bret Calhoun, Sturges Ducoing, Bobby Dupre, Christine Early, Keith Hernandez, Eddie Johnston, Arthru Morrell, Don Stemmans
Prayer Lead By	Chrisie Early
Other in Attendance	Keith Gee, Ed Fenasci, Larry Hamburger, Mike Fenasci, John Duvieilh

The President called the meeting to order

Motion	<p>Motion to waive 10 day notice</p> <p>Motion by: Sturgis Ducoing</p> <p>Second by: Eddie Johnston</p> <p>Motion passed 10-0</p>
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Discussion	<p>John Duvieilh informed the board that Jones Walker has a conflict of interest with Harrah's and will not be able to represent the HBPA in that lawsuit. John reminded the board that PJ Stakelum of Chehardy Sherman has indicated that they are not willing to continue representing the HBPA in this matter. He recommended that Alan Yacoubian of Johnson, Johnson, and Yacoubian be retained to represent the HBPA in this case.</p>
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Motion	<p>Motion to retain Johnson, Johnson, and Yacoubian to represent the LA HBPA in the Harrah's lawsuit.</p> <p>Motion by: Tom Abbott</p> <p>Second by: Bobby Dupre</p> <p>Motion passed 8-2 Judy Behler and Don Stemmans voted no</p>
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Discussion	<p>John notified the board that he, Benard, and Arthur met with the Fair Grounds attorneys and that the Fair Grounds intends to escrow approximately 20% of the purses because of the Video Poker lawsuit. He also informed the board that the plaintiffs have amended their petition to include the LA HBPA as a defendant. They claim that the Board did not act in proper fashion to protect their interests. John informed the board that the plaintiffs attorney are working on contingency. He believes that our organization should take the position that this organization and not individual members is who should be able to bring action. John suggested that we place our insurance company on notice that we have been named in this lawsuit. John explained that we represent all members. John explained that he believes that the courts will have to decide the issue of legislative intent and that a settlement could not accomplish that. Arthur Morrell explained that there is not a current order to escrow any purse money. The court would have the authority to order that money will be escrowed or not escrowed. John explained that if it is decided that the LSRC should first rule on this issue, then it could be appealed to the courts and that would cause a longer time period for final resolution. Arthur explained that the HBPA is the only organization under law to represent the horsemen and that these individuals do not have standing to bring this lawsuit.</p>
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Motion	<p>Motion to go into executive session.</p> <p>Motion by: Judy Behler Second by: Don Stemmans Motion passed unanimously 10-0</p>
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Motion	<p>Motion to exit executive session</p> <p>Motion by: Eddie Johnston Second by: Tom Abbott Motion passed unanimously 10-0</p>
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Discussion	<p>Judy suggested that we ask Fair Grounds to reinstitute the one mile finish line. Ed informed Judy that he believes that Fair Grounds will be opposed to this since they will have to obtain additional equipment for teletimer and photo finish for the 2nd finish line. Benard informed the board that he will call Fair Grounds and make the request.</p>
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Discussion	<p>John reported that at the LSRC meeting, LAD requested to run a minimum of 7 races per race day. Benard and Arthur testified and asked the commission to deny this request. The LSRC deferred the decision and asked for LAD and the HBPA to provide their positions in writing. Benard informed that the Quarter Horse members are agreeable to run 7 but he believes that Thoroughbred members oppose 7. Arthur asked that Judy Behler and Eddie Johnston ask our members what they would like our position to be. Benard stated that he has spoken to many members and those he spoke to want to</p>
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Motion	<p>Motion to have Judy Behler and Eddie Johnston to ask the members what they want our position to be on the issue of LAD minimum races per day</p> <p>Motion by: Arthur Morrell Second by: Motion withdrawn</p>
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Discussion	<p>John informed the board that his firm, Jones Walker, had done some work for the HBPA in the past that Stanley and PJ had refused to place for payment. Ed explained that work was done by Neil Heisel and Jennifer Cogos during the Federal Investigation and he turned the invoices over to Stanley and PJ and was informed that they would handle the matter and he should not take any action.</p>
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Motion	<p>Motion to pay the outstanding Jones Walker invoices.</p> <p>Motion by: Tom Abbott Second by: Sturges Ducoing Motion passes unanimously 10-0.</p>
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Discussion	<p>Ed informed the board that they may be an opportunity to save some bank fees by moving some accounts from Chase to New Iberia and that he would like to invite New Iberia to make a presentation to the board.</p>
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Discussion	<p>Keith asked for the board to make a motion to allow the staff to sell the Purses and other unnecessary equipment on e-bay.</p>
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Motion	<p>Motion to sell the purses and unnecessary equipment on e-bay.</p> <p>Motion by: Chrissie Early Second by: Arthur Morrell Motion passes unanimously 10-0</p>
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Discussion	<p>Tom asked what rate was Chehardy Sherman charging the HBPA and what rate is Jones Walker charging. Ed responded that Cherhardy Sherman charged \$250 per hour and \$6,000 per month retainer. John Duvielh explained the \$6,000 was a monthly retainer for routine work and \$250 per hour for cases such as the Harrah's lawsuit. John stated that Jone Walker will not charge a retainer and for litigation \$230. Bobby stated that he thought the rate would be \$180 per hour. John explained that for special litigation he needs to use other members of his firm and needs to charge \$230 for that work. John stated that Jones Walker will charge \$180 for the routine work and \$230 for</p>
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Motion	<p>Motion to set the litigation rate for Jones Walker at \$230 per hour.</p> <p>Motion by: Tom Abbott Second by: Chrisie Early Motion passed 10-0</p>
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Discussion	<p>Ed asked if he should offer the same rate to Johnson, Johnson, and Yacoubian for the Harrah's lawsuit and he was instructed to do so.</p>
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Motion	<p>Motion to Adjourn</p> <p>Motion by: Sturges Ducoing Second by: Bobby Dupre Motion passed unanimously 10-0.</p>
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Adopted 12/16/14


Edwin J. Fenasci