

NEW MEXICO HORSE RACING COMMISSION

MINUTES OF THE MEETING

Date: April 19, 2018 at 9:30 AM

Place: NMRC Boardroom, 4900 Alameda Blvd. NE, Albuquerque, NM 87113

Members Present: Chairman Ray Willis; Vice-Chairman Gayla McCulloch; Commissioner Jerry Cosper, DVM, Commissioner Ken Corazza, Commissioner Leonard Blach, DVM

NMRC Staff Participating: NMRC Executive Director Ismael Trejo; NMRC Manager Rosemary Garley; NMRC Paralegal Tina Marie Arce

Others Present/Participating: Deputy Attorney General Tania Maestas

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
Call to Order and Roll Call	00:00 to 00:26	Meeting called to order by Chairman Willis. Roll call was taken by NMRC Paralegal Tina Arce. Deputy Attorney General Tania Maestas the NMRC interim General Counsel was present.	No Action Taken.
Approval of Agenda	00:27 to 00:47	Chairman Willis asked Executive Director Ismael Trejo if there were any changes to the Agenda. Executive Director Ismael Trejo said there were no changes to the Agenda.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Minutes- March 22, 2018	00:49 to 00:1:10	Chairman Willis requested a motion to approve the minutes of the March 22, 2018 Regular Commission Meeting.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Chairman's Agenda	01:20 to 03:24	Vice-Chairman McCulloch stated that there was a telephonic Race Dates Committee Meeting on Monday, April 16, 2018. The Committee did not agree on all dates and the Committee will meet next month. Vice-Chairman McCulloch hopes to have everyone in agreement by May. Pat Bingham of the Horsemen's Association stated that the felt they put forth a	No Action Taken

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NMHBA Report Breeders Report	03:13 to 06:32	great effort. Anna Fay Davis, Executive Director of the New Mexico Horse Breeders started with the race a day report as follows: Sunland Park has run 303 NM Bred races in 68 days through Tuesday, April 10, 2018. 226 TB Overnight, 37 QH Overnight, 4 TB Trials, 15 QH Trials, 13 TB Stakes and 8 QH Stakes. There were 2521 NM Breds that were scheduled to participate in these races for an average of 9.59% NM Breds per race. In 59 days, 393 NM Breds ran in open overnight races. Of these 393, 101 NM Breds came in 1st, 2nd or 3rd, 74 TB and 27 QH for 26% and \$75,672.40 was wire transferred. Commissioner Corazza asked Ms. Davis if there was any research into the rumors on the backside regarding Sunland removing 2 year old races. Ralph Vincent, President of the New Mexico Horse Breeders stated that he had reached out to Mr. Baugh of Sunland Park and that Mr. Baugh had assured him that it was a rumor. Mr. Baugh of Sunland Park stated that the only conversations that he had regarding 2 year olds was a discussion about removing the Copper Top race. Anna Fay Davis stated that Tom Goncharoff a NMHB trustee was present at the meeting.	No Action Taken
NMHA Horsemen's Report	06:36 to 014:05	Pat Bingham, Executive Director of the NMHA started by saying the Horsemen appreciate the hospitality at SunRay Park at their walk through. Everything seems to be in order and the track at SunRay Park looked to be in good shape. Mr. Bingham stated that the Horsemen's committee took a unanimous vote yesterday at their meeting and decided to ask all the tracks for contracts in order for the Horsemen to pay the 50% of the Jockeys Exercise Riders Insurance from the purse fund. The Horsemen will start engaging in negotiations with the tracks regarding these contracts, and if they cannot come to an agreement and have signed contracts with the tracks, the	No Action Taken

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		Horsemen will not approve the Jockeys Exercise/ Riders Insurance payment of 50% out of the purse funds. The Horsemen have already sent out a draft contract to each of the tracks with some feedback from SunRay and Ruidoso. The Horsemen do not want to be involved with the day to day business of the tracks, but would rather have an agreement with each track regarding certain things on the track that would affect the horsemen. Mr. Bingham did not go into detail as to what those things were. Mr. Bingham stated that the Horsemen are coming up with ways to train grooms and to get new owners. They are going to try to set in place an outreach to retain new owners. Mr. Bingham stated that there will be a meeting at Sunland Park for nominations for voting for owner's to serve on SunRay Parks Horsemen's Committee. Voting will be held online a week after the nominations on April 20, 2018 at SunRay Park. Commissioner Corazza asked for a copy of the contract that the Horsemen want the tracks to sign. Mr. Bingham stated that he will send a copy by end of business today.	
Jockey's Guild Inc.	014:06 to 016:18	John Beech, of the Jockey's Guild congratulated the NMRC and its staff for the recognition and contribution to horse racing. Mr. Beech stated that at the ARCI meeting the Guild along with the AQHA made a presentation to have the QH weight increased and there was some discussion at the ARCI meeting on concussion protocols. Mr. Beech stated that he believes the QH weight increase and new concussion protocols will pass at the next ARCI meeting. Mr. Beech stated that Sunland Park ended on a good note and he would like to thank Mr. Baugh and Mr. Trejo for addressing and rectifying a situation on the last weekend of Sunland. The Jockeys are looking forward to SunRay Park. Commissioner Corazza asked how the Jockeys	No Action Taken.

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NMRC Executive Director Report	016:18 to 021:10	were after last weekend. Mr. Baugh stated that all the jockeys were ok with only minor scratches. Izzy Trejo, Executive Director of the NMRC stated that Sunland Park had a very good weekend handle wise. Sunland Derby day was fantastic, big crowd and a lot of money. Mr. Trejo stated that they had a walk through at SunRay Park and everything looked great other than a stopped up sink and he does not think that would affect the races. Mr. Trejo stated that SunRay just needs the Horsemen to show up with the horses. Mr. Trejo talked about his trip to Arkansas, that it went well and he commended the staff of NMRC because they were mentioned at the ARCI meeting as changing the industry in NM. One hot topic in Arkansas was the topic of Sports Betting and the industry has their eye on what the Supreme Court ruling will be on the subject. Mr. Trejo stated that he hopes that NM will be one of the firsts to have Sports betting in the Southwest other than in Las Vegas.	No Action Taken.
New License Application Submittal Deadline	021:11 to 026:26	Tania Maestas, NMRC interim general counsel stated that on or before Monday, May 7, 2018 the NMRC will release an application packet for a new race track license. As part of that packet, it will have all deadlines and all required submissions as required by NMRC and the Indian Gaming Compact. Commission staff will have that packet available to be emailed or at the office to be picked up. The packet will explain that all applicants will have to comply with State Statutes. The Commission will have a deadline upon which to take action on any applications submitted. If any applications are received before Monday, May 7, 2018 they will be asked to amend the application. Warren Frost with Coronado Park out of Tucumcari group stated that he would like the Commission to allow communities to express their support.	

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Unfinished/ New Business and/or Action Items Regarding Licensing: Approval New Mexico State Fair/Downs at Albuquerque • 2018 Officials • 2018 Post times & Wagering Format • 2018 Jockeys & Exercise Riders Insurance • Retroactive Approval of Capital Improvement Project 3	026:35 to 043:38	Don Cook, with the Downs at Albuquerque requested approval of their 2018 Racing Officials. Mr. Cook stated he would come back with those 3 more names at the next meeting. Mr. Cook asked for approval of their 2018 Post times and Wagering format, he stated that the Downs would be using item 2 method 3 which is no minor pool and no carryover for the pick four. Mr. Cook asked for approval of their 2018 Jockeys & Exercise Riders Insurance with the insurance premium going down this year. Pat Bingham of the Horsemen stated the Horsemen are objecting to the approval of the Jockeys & Exercise Riders insurance. Chairman Willis asked Mr. Bingham to explain his objection. Mr. Bingham stated that his instructions from the Horsemen's board is to object to the approval of the 2018 Jockeys & Exercise Riders insurance. John Beech of the Jockey's Guild stated that they are just concerned that the Jockey's be insured before all meets open. Larry Strain of the Horsemen stated that they have been trying to get the contract in place from at least 2 meets ago. Mr. Cook asked the Commission to approve the Jockey's Insurance and he would meet with the Horsemen in good faith regarding the contracts. Mr. Cook stated that he only heard about the Horsemen not approving the Jockey's insurance ten minutes before the meeting. Tania Maestas stated that the rule states that the Horsemen are authorized to offset a portion of the Jockey's insurance premium from gaming money. This is not a requirement on either party and subject to approval of the Commission. Ms. Maestas asked the Horsemen what the contract was. Pat Bingham stated that the contract covers minimal conditions on the backside in terms of cleanliness, bathrooms, conduct, redress on their conduct clause, where the Horsemen's offices are, a minimal requirement on track	Motion to approve 2018 Officials by Commissioner Blach; Second by Vice-Chairman McCulloch. Motion to approve Post times and Wagering format by Vice-Chairman McCulloch; Second by Commissioner Blach. Motion to approve 2018 Jockeys & Exercise Riders Insurance by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Capital Improvement Project 3 by Vice-Chairman McCulloch; Second by Commissioner Cosper. All Motions carried without objections or abstentions.

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Approval of Ruidoso Downs • Jockey and Exercise Rider Insurance • Waiver of 30 day review period • Approval of Capital Improvement Project 5 • Retroactive Approval of Capital Improvement Project 7 • Approval of Account Wagering Program	043:40 to 01:11:00	maintenance. Ms. Maestas asked if the tracks agree with the contract would the Horsemen then approve the Jockeys & Exercise rider? Mr. Bingham explained that the only thing that the Horsemen could really control would be the approval of the simulcast signal and if the tracks agreed to a contract, there would be no objection. Ms. Maestas stated to the Commission that the Horsemen are looking for conditions. Mr. Cook asked for approval of the Retroactive Approval of Capital improvement Project 3.	
		Jeff True, President and GM of Ruidoso Downs asked for approval for Jockey and Exercise Rider Insurance. Pat Bingham, with the Horsemen commented that they object to approving the Jockey and Exercise Rider insurance. Mr. True asking for a waiver of the 30 day review period for both projects. Rosemary Garley of the NMRC explained that the waiver was just for Project number 5. Chairman Willis asked about the perimeter fence in the back by the church entrance and Mr. True explained that that project is being completed next week. Mr. True asked for retroactive approval of a skid steer that Ruidoso Downs bought at auction. Mr. True stated that Ruidoso Downs will be offering account wagering. A patron can go to a teller and fill out a pin slip. The patron will then identify what their pin is and how much they will deposit into their account and the teller will give the patron a slip with an account number and a terminal. The patron will then be able to sit at their table and bet on the terminal throughout the day. The patron's can also get a card which is also pin protected which would be their permanent card. Commissioner Cosper asked about the security of the terminal. Mr. True responded that you can only access the system via Ruidoso's internal Wi-Fi. Tania Maestas, of the AG's office commented for the record that the NM rules	Motion to approve Jockey and Exercise Rider Insurance by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve waiver of 30 day review by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Capital Improvement #5 by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Retroactive approval of Project #7 by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Account Wagering Program by Commissioner Cosper; Second by Vice-Chairman McCulloch. All Motions carried without objections or abstentions.

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		on account wagering require an association to provide all patrons with the rules concerning the pin slips, terminals and permanent wagering cards, so the Commission would ask that Ruidoso put the rules together and submit them to the Commission. Mr. True stated that the walk through of Ruidoso Downs will be May 10, 2018. Mr. True filled the Commissioners in on security at the track and stated that they have met with local law enforcement to use two types of canine units for added security on the back side and in a limited capacity in the grand stand area for mostly high volume days. Pat Bingham of the Horsemen had some questions about the dogs on the backside and asked for clarification regarding the dogs. Mr. True stated that he would have that conversation with the Horsemen at the appropriate time.	
Approval for SunRay Park • Racing Officials • Ratification to add Will Rogers Downs to Import List • Ratification to add the Dubai World Cup to Simulcast Schedule	01:11:03 to 01:12:53	Don Cook, on behalf of Lonnie Barber of SunRay Park asked for approval of SunRay Parks Racing Officials. Mr. Cook asked to ratify the addition of Will Rogers Downs to SunRay Park's import list and Dubai World Cup to Simulcast Schedule. Mr. Barber was not present as SunRay Park opens on April 21, 2018.	Motion to approve Racing Officials by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to ratify Will Rogers Downs to import list by Vice-Chairman McCulloch; Second Commissioner Cosper. Motion to approve Dubai by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Approval for Sunland Park • Ratification of Approval to Cancel Show Wagering • Ratification of Approval to add 6 races to current 2017-2018 racing season • Ratification of Approval to	01:13:00 to 01:16:54	Rick Baugh, of Sunland Park Racetrack first started off by congratulating this Commission and staff with all of the awards that they have received and all the hard work they have done. Mr. Baugh asked for ratification of approval to cancel show wagering, to ratify approval adding 6 races to current 2017-2018 racing season, to ratify approval the change in racing	Motion to ratify all items by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.

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Change in Officials • Ratification of Approval to Cancel Live Racing on April 13, 2018 • Ratification of Approval to Pay out Purses for Canceled Races on April 13, 2018		officials, to ratify approval of canceling live racing on April 13, 2018 and to ratify approval the payout purses for canceled races on April 13, 2018. Vice-Chairman McCulloch stated that staff is receiving calls as to when owners may expect checks to be mailed and if any deduction will be taken out of the purse money for canceled races on April 13, 2018. Deductions such as Jockey fees etc. Mr. Baugh stated that all of these payments will only go to the owners with no deductions. Mr. Beech of the Jockey's Guild asked if these payments go towards the horses earnings and the answer was no.	
Public Comment	01:16:55 to 01:22:14	Leslie Fincher stated that the Horsemen get 20% of the money and then they have to split it with the Breeders. Management gets 45% of the money and the State is getting 25%. She feels the Horsemen are always at the bottom of the money scale. Ms. Fincher stated that she likes the idea of the canine units on the backside but she is worried about the barking. Vice-Chairman McCulloch commented that she would like to encourage the Horsemen to get their horses up to SunRay Park as their numbers were around 537 head that morning. Vice-Chairman McCulloch stated that they normally have 800-1200 horses at this time. Weekend entries went well with mostly thoroughbred entries. Pat Bingham stated that they were going to have a welcome committee with a lunch spread to encourage people to run at SunRay Park. Commissioner Corazza commented that the Board of Pharmacy is passing a rule that Clenbuterol will now be a Class 3 controlled substance. He will let Mr. Trejo know when that rule will go into effect. Vice-Chairman McCulloch stated that the NMRC would have to change the drug classification of Clenbuterol in the rules. Commissioner Cosper stated that rule change would just be a NM rule change. Matt Crawford of Zia Park asked when the	No Action Taken

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		new dates for the meetings for the second half of the year will be out- Rosemary Garley of the NMRC stated those dates will be voted on in June.	
Licensing/Pending Litigation/Appeals/Hearing Officer Reports (May be Closed pursuant to NMSA 1978, Sections 10-15-1(H)-(1),(3) and (7) and 10-15-1-(I)	01:22:15 to 01:23:13	Chairman Willis called for a motion to go into Closed Executive Session to discuss items 7A,7B,7C,7D,7E,7F, and 7G. Roll call was taken with all Members present. Executive Director Trejo was asked to remain in Executive Session.	Motion to go into Executive Session by Chairman Willis; Second by Vice-Chairman McCulloch. Motion carried without objections or abstentions.
Licensing/Pending Litigation/Appeals/Hearing Officer Reports (May be Closed pursuant to NMSA 1978, Sections 10-15-1(H)-(1),(3) and (7) and 10-15-1-(I)	Track 2 00:00 to 00:17	Chairman Willis called to come out of closed session with the only matters discussed being 7A, 7B, 7C,7D, 7E, 7F and 7G.	Motion to come out of Closed Session by Chairman Willis.
In the Matter of J.R. Valenzuela Hearing Officer Report	00:18 to 00:54	Tania Maestas, Interim General Counsel to the NMRC stated that based on the deliberations in Executive Session it is her recommendation in the matter of J.R. Valenzuela to affirm the findings of the Hearing Officer, his conclusions of law and the recommendation of dismissal.	Motion to approve by Chairman Willis; Vice-Chairman McCulloch. Motion carried without objections or abstentions.
In the Matter of Jose Ramirez Sr. Hearing Officer Report	00:58 to 02:15	Tania Maestas, Interim General Counsel to the NMRC stated that based on the deliberations in Executive Session it is her recommendation in the matter of Jose Ramirez Sr. that the Commission follow the recommendation of the Hearing Officer Report, to affirm the findings for both samples. A fine in the amount of One Thousand Dollars (\$1000) for the first offense violation for the presence of Clenbuterol. A fine in the amount of two thousand five hundred dollars (\$2500) for the second offense violation for the presence of Clenbuterol. For a total fine of Three thousand five hundred dollars (\$3500). A	Motion to approve by Chairman Willis; Second by Vice-Chairman McCulloch. Motion carried without objections or abstentions.

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		suspension of sixty (60) days for the first offense violation for the presence of Clenbuterol and a suspension one hundred and eighty days (180) for the second offense violation for the presence of Clenbuterol for a total suspension of two hundred forty (240) days. Loss of purse for both horses being noted that the loss of purse shall extend to the finals pursuant to NMAC. Both horses need to pass a Commission approved examination before becoming eligible to be entered in any race which is governed by the Commission; and Respondent, and any race animal owned or trained by or under the care or supervision of Respondent, be excluded from any and all or part of any premises under the regulatory jurisdiction of the Commission during all periods of suspension.	
In the Matter of Alfonso Borrego Hearing Officer Report	02:18 to 02:39	Tania Maestas, Interim General Counsel to NMRC stated that based on deliberation in Executive Session it is her recommendation in the matter of Alfonso Borrego that the Commission follow the recommendation of the Hearing Officer Report. A ninety (90) day suspension of any and all New Mexico Racing Commission licenses, with time served. A fine in the amount of one thousand dollars (\$1,000), and the exclusion be lifted.	Motion to approve by Commissioner Blach; Second by Vice-Chairman McCulloch. Motion carried without objections or abstentions.
In the Matter of Edward Kereluk Hearing Officer Report	02:42 03:00	Tania Maestas, Interim General Counsel to NMRC stated that based on deliberation in Executive Session it is her recommendation in the matter of Edward Kereluk that this matter be tabled.	Motion to table by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
In the Matter of Brandon Muniz	03:01 to 03:18	Tania Maestas, Interim General Counsel to NMRC stated that based on deliberation in Executive Session it is her recommendation in the matter of Brandon Muniz that the Commission close this appeal.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
In the Matter of Victor Escobar	03:19 to	Tania Maestas, Interim General Counsel to NMRC stated that	Motion to approve by Vice-

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	03:40	based on deliberation in Executive Session that the Commission has directed her to file a Motion to Reconsider in District Court.	Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Adjournment	03:45	Chairman Willis called for a motion to adjourn.	Motion to adjourn by Commissioner Cosper; Second by Vice-Chairman McCulloch Motion carried.

Ray Willis 5-31-18
Chairman Ray Willis Date

[Signature] 5-24-18
Executive Director Ismael Trejo Date