

NEW MEXICO HORSE RACING COMMISSION

MINUTES OF THE MEETING

Date: June 15, 2017 at 8:30 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 Leonard Blach, DVM; Commissioner Ken Corazza.

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

Others Present/Participating: Assistant Attorney General Audrey McKee

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
Call to Order and Roll Call	0 to :22	Meeting called to order by Chairman Willis. Roll call was taken by NMRC Paralegal Tina Arce. Assistant Attorney General Audrey McKee the NMRC General Counsel was present.	No Action Taken.
Approval of Agenda	:23 to 01:20	Chairman Willis asked Executive Director Ismael Trejo if there were any changes to the Agenda. Shaun Hubbard of Ruidoso Downs asked to remove K "Cost overrun on Safety rail Project"	Motion to approve with changes by Vice-Chairman McCulloch; second Commissioner Cosper. Motion carried without objections or abstentions.

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Minutes- February 17, 2016, May 11, 2017 and June 5, 2017	01:21 to 02:57	Chairman Willis requested a motion to approve the minutes of the February 17, 2016, May 11, 2017 and June 5, 2017, Two Special meetings and May Regular Commission meeting.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Chairman's Agenda Race Dates Committee Meeting	02:58 to 049:42	A Race Dates Committee Meeting was held on June 14, 2017. Vice-Chairman McCulloch asked the Commission to give their candid opinion on purse sharing concepts, track overlap concepts, multi-year date commitments and whether there is horse inventory. Commissioner Cosper stated that horse racing is a business. Commissioner Cosper stated that he felt the inventory is not there to sustain two tracks at the same time. Commissioner Corazza stated that the horsemen need to give a little more. Commissioner Corazza stated that he is not sure there are enough horses for better field sizes. Commissioner Blach stated that he agrees with Commissioner Cosper and would like the tracks and the horsemen to cooperate with each other on race dates. Commissioner Blach stated that bigger horse fields are better for the betting public. Chairman Willis stated he would like to see improvement in the industry's product. He stated that he would meet with the Horsemen, Breeders and Management if they would like to meet. Vice-Chairman McCulloch went through the race dates for 2018 with the Commissioners. Leslie Fincher commented that she felt that there are not enough stalls for the horses on the tracks. Vanessa Alexander commented that she is a new owner and she feels there is a lack of stalls or stalls going to cheaters. Commissioner Blach stated that he believed the purse money should be distributed equally between tracks. Shaun Hubbard stated that if the purse money is distributed equally Ruidoso is committed to adding race days and building more stalls.	No Action Taken.

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NMHBA Report Breeders Report	049:43 to 053:55	Anna Fay Davis, Executive Director of the New Mexico Horse Breeders started with the race a day report as follows: SunRay Park through Monday, June 5, 2017: 74 NM Bred Races in 28 days with 38 TB overnight; 26 QH overnight, 4 QH trials, 4 TB stakes, 2 QH stakes for an average of 2.64% per day. New Mexico Breds in open overnight races: Sunland Park; in 19 days, 308 NM breds ran in open overnight; Out of these 308, 106 NM Breds came in 1st, 2nd and 3rd. There were 528 NM Breds that were scheduled to participate in these races. 50 TB and 56 QH 27%, wire transferred \$51,523.50 Race a day report for Ruidoso Downs through Monday, June 5, 2017: 32 NM Bred races in 8 days with 14 TB overnight, 6 QH overnight, 12 QH trials for an average of 4.00%. There were 165 NM Breds that were scheduled to participate in these races. This is an average of 8.25 NM Breds per race.	No Action Taken
NMHA Horsemen's Report	053:56 to 059:15	Pat Bingham, Executive Director of the NMHA stated that UNM economic department will be doing their economic impact study and may be contacting the Commission. Two aspects of the study will be the present impact and a follow up with a forward thinking aspect. Mr. Bingham requested that everyone in the industry look into marketing to the millennial with marketing apps for wagering. The horsemen are open to talking to anyone in the industry regarding the future of the industry.	No Action Taken

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Jockey's Guild Jockey's Report	059:27 to 01:01:34	John Beech, Regional Manager for the Jockey's Guild stated that SunRay ended and it was a good meet. Mr. Beech thanked Ruidoso Downs regarding the safety rails for the Quarter Horses and the TB rail, the Jockey's have been very happy with the rails and had a great opening in Ruidoso. The Jockeys had no complaints with the track at Ruidoso.	
NMRC Executive Director Report	01:02:02 to 01:10:38	Ismael Trejo, Executive Director for NMRC started by saying that he did a lot of traveling this past month for the Commission starting in Ruidoso Downs for the opening weekend. Then Mr. Trejo went to SunRay where he had good discussions with the Horsemen and track owners. He was able to sit in the Racing Secretary's office and watch them fill the card for Monday's final day of racing. The walk-through for the Downs at Albuquerque went well; the Downs renovated the Steward's office and had several upgrades to the track. The Downs at Albuquerque was very clean and the Commission is looking forward to a great meet in Albuquerque. Mr. Trejo stated that teamwork has to continue between the Horsemen and the race tracks because across the Nation there are horse declines. Chairman Willis asked Mr. Trejo how the new rules from ARCI will affect the Commission. Mr. Trejo was not sure but would like Texas and Oklahoma to get involved with some things that NM was doing.	

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Ratification of Approval of July 2017 Simulcast Schedules for Zia Park, Sunland Park, SunRay Park, Ruidoso Downs, and DAA	01:10:39 to 01:11:01	Chairman Willis called for a Motion to ratify the NMRC Executive Director's approval.	Motion to ratify by Commissioner Cosper; Second by Commissioner Blach. Motion carried with no objections and abstentions.
Approval of the Racing Integrity Team for Rainbow Futurity and Derby Trials	01:11:03 to 01:13:32	Ismael Trejo, of the NMRC stated that in conjunction with the AQHA, the Downs at Albuquerque and Ruidoso Downs the Commission will have extra investigators for the Rainbow Futurity and Derby Trials. Commissioner Blach stated that with this Racing Integrity Team in place they have had clean trials.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried with no objections and abstentions.
Approval of Race Review Committee	01:13:37 to 01:18:02	Ismael Trejo, of the NMRC requested approval for the Race Review Committee, Jerry Nicodemus, Harold Payne, Ken Hart and Scot Waterman. The Commission believes that a Race Review Committee will save some time in Regular Commission Meetings. The members will review the race and give the Commission their recommendation. The Horsemen have no objection as long as it is a recommendation. The Race Review Committee has volunteered their services.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Blach. Motion carried with no objections and abstentions.
Approval of FY18 Out of Competition Veterinarian and Equine Medical Advisor	01:18:09 to 01:20:47	Ismael Trejo, of the NMRC requested approval for the FY18 Out of Competition Veterinarian and Equine Medical Advisor. Dr. Alan Chastain was approved for Out of Competition Veterinarian and Dr. Scot Waterman was approved for Equine Medical Advisor.	Motion to approve Out of Competition Veterinarian by Commissioner Blach; Second by Vice-Chairman McCulloch. Motion to approve Equine Medical Advisor by Commissioner Cosper; Second Vice-Chairman McCulloch. Motion carried with no objections and abstentions.

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Approval of Commission Meeting Dates	01:20:52 to 01:26:10	Ismael Trejo, Executive Director of the NMRC requested approval of the second half of 2017 Commission Meeting Dates. Commissioner Cosper would like to travel to Ruidoso Downs. The Commission changed July 13, 2017 to Ruidoso Downs with a start time of 10:30am.	Motion to approve by Commissioner Cosper; Second by Vice-Chairman McCulloch. Motion carried with no objections and abstentions.
Approval of Official Vet for DAA/NMSF	01:26:14 to 01:27:13	Ismael Trejo, Executive Director of the NMRC requested approval of the Official Vet for DAA/NMSF. There was one bid, Dr. Rodney Taylor.	Motion to approve by Commissioner Blach; Second by Vice-Chairman McCulloch. Motion carried with no objections and abstentions.
Approval for The Downs at Albuquerque 2018 Race Dates and Primary Application 2018 Simulcast License Officials	01:27:45 to 01:34:23	Don Cook, of The Downs at Albuquerque requested approval of 2018 Race Dates and Primary Application. Mr. Cook asked for 38 race days starting June 29, 2018 through September 1, 2018 with 9 races during weekdays and 10 races on weekends, with a Wednesday, Friday, Saturday schedule. Vice-Chairman McCulloch asked if the Commission wanted to approve a three year commitment. Audrey McKee, General Counsel for the NMRC stated that the Commission can vote on the three year commitment, or the Commission could consider changing the Primary application to be submitted every three years.	Motion to approve 38 race dates and primary application by Chairman Willis; Second by Vice-Chairman McCulloch. Motion to approve 2018 Simulcast License by Vice-Chairman McCulloch; Second Commissioner Cosper. Motion to approve Officials by Vice-Chairman McCulloch; Second by Commissioner Blach. All Motions carried without objections or abstentions.
Approval for The New Mexico State Fair 2018 Race Dates and Primary Application	01:34:30 to 01:34:54	Don Cook, on behalf of the New Mexico State Fair requested approval of 2018 Race Dates and Primary Application. Mr. Cook asked for 17 race days starting September 2, 2018 through September 23, 2018. There will be 11 races on September 8, 9, 15, 16, 22 and 23.	Motion to approve 17 race dates and primary application by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried without objections or abstentions.
Approval for Sunland Park 2017/2018 Race Dates and Primary Application 2018 Simulcast License 2017/2018 Stakes Schedule	01:43:33 to 01:59:22	Dustin Dix, of Sunland Park requested approval of 2017/2018 Race Dates and Primary Application, 2018 Simulcast License, 2017/2018 Stakes Schedule and Gaming and Breakage. Mr. Dix asked for 72 race days starting on December 15, 2017 through	Motion to approve 72 race dates by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve 2018 Simulcast License by

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Gaming and Breakage		April 17, 2018 every Friday, Saturday, Sunday and Tuesday. Sunland Park will run QH races on Fridays. Mr. Dix thanked Vice-Chairman McCulloch for her work with the Race Dates Committee. Rick Baugh commented that the industry needs to all be open to change. Sunland Park is excited about the future of horse racing because of the technology available now with online wagering.	Commissioner Blach; Second by Vice-Chairman McCulloch. Motion to approve 2017/2018 Stakes Schedule and Gaming and Breakage by Vice-Chairman McCulloch; Second by Commissioner Cosper. All Motions carried without objections or abstentions.
Approval for SunRay Park 2018 Race Dates and Primary Application 2018 Simulcast License	01:59:23 to 02:05:33	Lonnie Barber, of SunRay Park requested approval of 2018 Race Dates and Primary Application and 2018 Simulcast License. Mr. Barber asked for 33 race days starting April 21, 2018 through June 18, 2018, every Friday, Saturday, Sunday and Monday. The Horsemen do not support the reduction of race days.	Motion to approve 33 race dates by Commissioner Corazza; Second Vice-Chairman McCulloch. Motion to approve 2018 Simulcast License by Commissioner Blach; Second by Vice-Chairman McCulloch. All Motions carried without objections or abstentions.
Approval for Ruidoso Downs 2018 Race Dates and Primary Application 2018 Simulcast License 2017 Capital Improvement Priority List Retroactive Purchase of Capital Improvement Project Tractors	02:05:49 to 02:09:29	Shaun Hubbard, of Ruidoso Downs requested approval of 2018 Race Dates and Primary Application, 2018 Simulcast License, 2017 Capital Improvement Priority List and Retroactive Purchase of Capital Improvement Project Tractors. Mr. Hubbard asked for 47 race days starting on May 25, 2018 through September 3, 2018 every Friday, Saturday and Sunday and running 4 days the first weekend and 4 days the last weekend on Monday. Rosemary Garley clarified to the Commission that they would be approving the 2017 Capital Improvement Priority list and then the items on the Priority list will come back for approval next month.	Motion to approve 47 race dates and Primary application by Commissioner Blach; Second by Vice-Chairman McCulloch. Motion to approve 2018 Simulcast License by Vice-Chairman McCulloch; Second by Commissioner Blach. Motion to approve 2017 Priority List by Vice-Chairman McCulloch; Second by Commissioner Blach. Motion to approve Retro Purchase of Tractors by Vice-Chairman McCulloch; Second Commissioner Cosper. All Motions carried without objections or abstentions.

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Approval for Zia Park 2018 Race Dates and Primary Application 2018 Simulcast License Condition Book #1 Officials	02:09:30 to 02:14:37	Matt Crawford, of Zia Park requested approval of 2018 Race Dates and Primary Application, 2018 Simulcast License, Condition Book #1 and Officials. Mr. Crawford asked for 56 race days starting on September 8, 2018 through December 11, 2018 every Saturday, Sunday, Monday and Tuesday. Mr. Crawford stated that they will try to fill 10 races a day. Zia park published a sixteen day condition book and the horsemen requested Mr. Crawford to publish a twelve day condition book going forward.	Motion to approve 56 race days and Primary Application by Vice-Chairman McCulloch; Second by Commissioner Blach. Motion to approve 2018 Simulcast License by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Condition book #1 by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion to approve Officials by Vice-Chairman McCulloch; Second by Commissioner Cosper. All Motions carried without objections or abstentions.
Public Comment	02:14:41 to 02:37:47	Leslie Fincher commented that there is a safety issue on the Zia Park race track with the rail with the 6 furlong past the shoot. Larry Strain of the Horsemen commented that he had wanted that fixed as well but after some discussion it was determined that it could not be fixed. Leslie Fincher also commented that if you bet on horse racing at the casino you can't cash your ticket in there, you have to wait until the grandstand is open and cash it there. Paul Blanchard of the Downs at Albuquerque stated that under the Gaming Control Act you cannot commingle any Pari-mutuel funds. Vanessa Alexander commented that she is a new owner and would like to see the Racing Industry have a better social media presence. Ms. Alexander is thrilled with the industry trying to clean up horse racing. Ms. Alexander would like to make horse racing in NM more accessible. Paul Blanchard commented regarding leasing machines at each race track. Mr. Blanchard stated that his leasing contract is with	

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		another track which is a private company in contract with a private company.	
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)	02:37:48 to 02:38:58	Chairman Willis called for a motion to go into Closed Executive Session to discuss items 7A, 7B, 7C, 7D, 7E and 7F. Roll call was taken with all present.	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 No audio Minutes taken from Tina Arce Notes	Chairman Willis called for a motion to come out of closed session with the only matters that were discussed being 7A, 7B, 7C, 7D, 7E and 7F.	Motion to come out of Closed Session by Chairman Willis;
In the Matter of Daniel Valenzuela Hearing Officer Report	Section 7 Minutes taken From Notes of the Meeting Made by Tina Arce (see attached Hand Written Notes)	Audrey McKee, General counsel to the NMRC stated that the Commission would like to adopt the findings of fact of the Hearing Officer in part and reject in part. Appellant Trainer Daniel Valenzuela is assessed a fine of \$25,000 for the first offense pertaining to horse "Meddlin Perry." Mr. Valenzuela was assessed a suspension of 3 years. Once eligible, Mr. Valenzuela must retake and pass the trainer's test prior to the suspension being lifted. Mr. Valenzuela must appear before the Commission to ask for His license back. Mr. Valenzuela is not allowed on the grounds of the Association under the jurisdiction of the NMRC. The owner of "Meddlin Perry" shall receive loss of purse and "Meddlin Perry" shall be disqualified and unplaced. "Meddlin Perry" must be on the veterinarians list for 90 days and pass a Commission approved examination prior to becoming eligible.	Motion to adopt Hearing Officer Report with added penalties by Commissioner Cosper; Second by Vice-Chairman McCulloch. Motion carried without objections or abstentions.

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In the Matter of Alfredo Sanchez Hearing Officer Report		Audrey McKee, General counsel to the NMRC stated that the Commission would like to adopt the Findings and Fact of the Hearing Officer and reject in part the Findings and Facts. Appellant Trainer Alfredo Sanchez is assessed a fine of \$25,000 or 25% of the Purse, whichever is greater, for offense pertaining to horse "Ultimate Wave Carter". Alfredo Sanchez is assessed a suspension of 3 years. Once eligible, Mr. Sanchez must retake and pass the trainer's test prior to the suspension being lifted. Mr. Sanchez must appear before the Commission to ask for his license back. Mr. Sanchez is not allowed on the grounds of the Association under the jurisdiction of the NMRC. The owners of "Ultimate Wave Carter" shall receive loss of purse and "Ultimate Wave Carter" shall be disqualified and must be on the veterinarians list for 90 days and pass a Commission approved examination prior to becoming eligible.	Motion to adopt Hearing Officer Report with added penalties by Commissioner Cosper; Second by Vice-Chairman McCulloch. Motion carried without objections or abstentions
In the Matter of Adrian Huitron Hearing Officer Report		Audrey McKee, General counsel to the NMRC stated that the Commission would like to adopt the Findings and Fact of the Hearing Officer and reject in part the Findings and Facts. Appellant Trainer Adrian Huitron is assessed a fine of \$2500 for offense pertaining to horse "Politically Correct". Adrian Huitron is assessed a suspension of 180 days. Mr. Huitron is not allowed on the grounds of the Association under the jurisdiction of the NMRC. The owners of "Politically Correct" shall receive loss of purse and "Politically Correct" shall be disqualified and pass a Commission approved examination prior to becoming eligible.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried with no objections or abstentions.

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In the Matter of Miguel Castillo Settlement Agreement		Audrey McKee, General counsel to the NMRC stated that the Commission rejects the settlement agreement.	Motion to approve by Commissioner Cosper; Second by Commissioner Blach. Motion carried with no objections or abstentions.
In the Matter of Melvin Cordova Dismissal		Audrey McKee, General counsel to the NMRC stated that the Commission would like to dismiss with prejudice.	Motion to approve by Commissioner Cosper; Second by Commissioner Blach. Motion carried with no objections and no abstentions.
In the Matter of Sal Soto v. NMRC D-202-CV-2016-06141		Audrey McKee, General counsel to the NMRC stated that the Commission would like to rescind their decision to appeal the District Court decision to the Court of Appeals.	Motion to approve by Vice-Chairman McCulloch; Second by Commissioner Cosper. Motion carried with no objections or abstentions.
Adjournment		Chairman Willis called for a motion to adjourn.	Motion to adjourn by Commissioner Cosper; Second by Commissioner Blach. Motion carried.

Ray Willis 9-13-17
Chairman Ray Willis

Date

Ismael Trejo 9-13-17
Executive Director Ismael Trejo

Date