

NEW MEXICO HORSE RACING COMMISSION

MINUTES OF THE MEETING

Date: February 21, 2019 at 9:30 AM

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

Members Present: Chairman Ray Willis; Vice-Chairman Gayla McCulloch (Telephonically); Commissioner Jerry Cosper, Commissioner Ken Corazza, and Commissioner Leonard Blach.

NMRC Staff Participating: Executive Director Ismael Trejo, Manager Rosemary Garley, and Legal Assistant Kira Frazier.

Others Present/Participating: Assistant Attorney Generals Gideon Elliot and Angela Macdonald

AGENDA ITEM	TIME LOG	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
Open Public Session: Call to Order and Roll Call	TRACK 1 00:00:00 to 00:00:39	Meeting called to order by Chairman Willis. Roll call was taken by Kira Frazier. Assistant Attorney Generals Gideon Elliott and Angela MacDonald were also present.	No Action Taken.
Approval of Agenda	00:00:40 to 00:02:05	Chairman Willis asked Director Izzy Trejo if there were any amendments to the agenda; Director Trejo stated there were no changes.	Motion to approve by Commissioner Cosper; Second by Commissioner Blach. Motion carried unanimously.
Approval of Minutes: January 17, 2019	00:02:06 to 00:02:26	Chairman Willis requested a motion to approve the minutes of the January 17, 2019 Meeting.	Motion to approve by Commissioner Blach; Second by Commissioner Cosper. Motion carried unanimously.
Chairman's Agenda	00:01:17 to 00:03:44	Chairman Willis asked for a Committee meeting update. Commissioner Cosper stated that a Medication/Rules Committee was held on February 20, 2019. Commissioner Cosper stated a majority of the rules on the agenda passed. It was announced that the committee will meet again in April 2019 to address rules that were tabled and to continue	No Action Taken

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NMHBA Report Breeders Report	00:03:45 to 00:06:10	discussion on the rules on the agenda as discussion items. Mary Barber, Executive Director of the NMHBA, provided the race a day report as follows: The first 28 days at Sunland Park, there were 112 NM Bred Races, an average of 4.00 NM Bred Races per day; of which 83 were TB and 29 were QH Sunland is plus 28 for the required 3 NM Bred races a day. Sunland's average field size was 9.33 NM Bred per restricted race. In the open overnight races at Sunland there were 204 NM Breds that ran open, of those 204, 35 came in 1st, 2nd or 3rd and this is a 17% decrease from 2018. These numbers are down from last year. Commissioner Blach inquired about the Breeders Bill before the Legislature; Ms. Barber stated that it passed its first committee, is going forward to a second committee and is backed by Senator Papen. Commissioner Blach stated that he believes it is a good bill.	No Action Taken
NMHA Horsemen's Report	00:06:11 to 00:08:45	Pat Bingham, Executive Director of the NMHA, referring to a handout provided to Commissioners; referenced an overview for February 2019 at Sunland Park: Starts: QH= 628; TB= 1,755 for a total of 2,383. Race Purses Paid: QH= \$1,404,700.00; TB= \$3,562,410.00 for a total of \$4,967,110.00 for the first 30 days. Additionally, Mr. Bingham thanked Zia Park for maintenance done on the backside of the track and he also appreciated The Downs at Albuquerque renovating both bathrooms.	No Action Taken
NMRC Executive Director Report	00:10:19 to 00:10:57	Izzy Trejo, Executive Director of the NMRC reported that has received several bills for analysis and is researching how they may affect racing; will keep updating the Commission as the Legislature Session comes to a close. Director Trejo stated that he and Dr. Mobley will be attending a regulatory veterinarian CE at Gulfstream Park in Miami, Florida on March 4-5, 2019. He also confirmed, The Commission has a hearing set by Judge Butkus regarding the 6th Racetrack License; which is scheduled	No Action Taken.

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		for April 4, 2019 at District Court in room 502. Director Trejo, reminded everyone that the Sunland Derby is scheduled for March 24, 2019.	
6. Unfinished/ New Business and/or Action Items Regarding Licensing: A. Approval for SunRay Park • Waiver of 30 Day Review Period of Capital Improvement Project #1	00:10:58 to 00:14:09	Dustin Dix, Director of Racing Sunland Park, was acting on behalf of Lonnie Barber, and requested approval of: • Waiver of 30 Day Review Period of Capital Improvement Project #1. This is the last project to be completed off the approved 2010 Capital Improvement List.	• Motion to table by Commissioner Cosper; Second by Commissioner Blach. Motion carried unanimously.
B. Approval for Sunland Park • Ratification of Approval of Amended Post Time Schedule Beginning on February 8th • Ratification of Approval of Purse Reduction of 5% beginning on February 8th • Jockey and Exercise Rider Insurance February 2019-February 2020	00:14:10 to 00:28:10	Dustin Dix, Director of Racing Sunland Park, requested approval for: • Ratification of approval of the amended post time schedule beginning on February 8th; going from a 12:30 pm start time to 12:50 pm start time to help improve the off track handle numbers. • Ratification of approval of the purse reduction of 5 % beginning on February 8th; the off track and on track numbers were down and with a smaller percentage to allow better monitoring of the available funds. • Jockey and Exercise Rider Insurance February 2019 to February 2020; Total cost for coverage is \$748,305.00. AIG has quoted \$8,885.00 per race day and \$690.00 per training day as in comparison to last year's quote of	• Motion to ratify approval of the Schedule Post Time by Chairman Willis; Second Commissioner Corazza. Motion carried unanimously. • Motion to ratify approve of purse reduction by Chairman Willis; Second by Commissioner Corazza. Motion carried unanimously. • Motion to approve Insurance by Commissioner Cosper; Second by Commissioner Blach. Motion carried

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		\$7,700.00 per race day and \$600.00 for training. However, AIG was the lowest insurance quoted. To address the major concerns and options for the rising cost of insurance Sunland will be speaking with their broker, Horsemen and the Jockey's. He also updated the commission on some other topics; resurfacing the track, the highways construction issues affecting attendance, Bourbon & Whiskey Festival held at Sunland Park and upcoming events and races.	unanimously.
C. Approval for Zia Park 2019 Nomination Blanks - Hobbs American Futurity and Derby - New Mexico Classic Futurity and Derby 2019 Quarter Horse and Thoroughbred Stakes Schedule - Gaming & Breakage	00:28:11 to 00:34:53	Matt Crawford, Director of Racing for Zia Park requested approval of: 2019 Nominations Blanks for the Hobbs American Futurity and Derby, as well as the New Mexico Classic Futurity and Derby; no changes in payments, clerical fees or the purse distribution- further addressing the time of entry supplement and payment requirements. 2019 Quarter Horse and Thoroughbred Stakes Schedule; only change is grouping the races on 10/28/2019; Chairman Willis and Pat Bingham inquired as to the trial dates being on the schedule; Mr. Crawford stated that he will submit and updated copy for next month's Commission Meeting. - Gaming & Breakage; Mr. Crawford referred to letter provide by Ms. Mary Barber, NMHBA, addressing how monitoring the fund transfers. Chairman Willis inquired	- Motion to approve 2019 Nomination Blanks by Commissioner Cosper; Second Commissioner Blach. Motion carried unanimously. - Motion to approve Stakes Schedule subject to submitting update schedule with trial dates by Commissioner Willis; Second Commissioner Cosper. Motion carried unanimously. - Motion to approve Gaming & Breakage by Commissioner Cosper;

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		if the Horseman's Association and the Horse Breeders Association were in agreement with the terms; both associations were present and confirmed their approvals.	Second Commissioner Blach. Motion carried unanimously.
D. Approval for Downs at Albuquerque/New Mexico State Fair 2019 Condition Book & Condition Book Officials 2019 Purse Structure 2019 Stakes Schedule - Gaming & Breakage	00:34:54 to 00:38:12	Don Cook, Downs at Albuquerque, requested approval of: 2019 Condition Book & Condition Book Officials; submitted a 19 day book plan to continue with night racing, There will be 10 races offered on Saturday and Sunday and nine races offered on Wednesday and Friday. Requesting approval of Officials; Mr. Gerald Richards and Santos Toquinto. 2019 Purse Structure; Commission reviewed and no discussion 2019 Stakes Schedule; Commission reviewed, and the is noting the adding of the JR Maloof Handicap. - Gaming & Breakage; Mr. Cook referred to letter provide	- Motion to approve the Condition Book & Officials by Commissioner Blach; Second Commissioner Cosper. Motion carried unanimously. - Motion to approve the Purse Structure by Commissioner Blach; Second Commissioner Corazza. Motion carried unanimously. - Motion to approve the Stakes Schedule by Commissioner Blach; Second Commissioner Cosper. Motion carried unanimously. - Motion to approve the

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4th Quarter Simulcast Expense Adjustment		by Ms. Mary Barber, NMHBA, addressing proposed allocation of stakes schedule. Chairman Willis inquired if the Horseman's Association and the Horse Breeders Association were in agreement with the terms; both associations were present and confirmed their approvals. 4th Quarter Simulcast Expense Adjustment; NMRC staff and the Horseman have previously approved the adjustments	Gaming & Breakage by Commissioner Blach; Second Commissioner Corazza. Motion carried unanimously. Motion to approve of 4th Quarter Simulcast Expense Adjustment by Commissioner Blach; Second Commissioner Cosper. Motion carried unanimously.
E. Approval for Ruidoso Downs 2019 Racing Official 2019 Wagering Format	00:38:13 to 00:41:30	Amanda Greer, Ruidoso Downs, requested approval for: 2019 Racing Officials; Ms. Greer stated that all persons listed have held and/or do hold some type of license with the NMRC. To address the potential conflict of interest, Commission Cosper inquired how Ruidoso Downs intends on dealing with this. Director Trejo, stated that a ruling can be done to address such issues to reinstate or place a hold on a license. 2019 Wagering Format; Ms. Greer stated that there are no changes from 2018 and noted they added \$1,000.00 to the 5th race Trifecta Pool every Saturday.	- Motion to approve Officials by Commissioner Corazza; Second by Commissioner Cosper. Motion carried unanimously. - Motion to approve Wagering Format by Commissioner Blach; Second by Commissioner Corazza. Motion carried unanimously.

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F. Sixth Racetrack License	00:41:31 to 00:42:09	Chairman Willis asked Director Trejo if there were any new matters on the Sixth Racetrack; Director Trejo indicated "no new news"; But did reiterate the District Court Hearing on April 4, 2019. AAG Angela Macdonald stated the Hearing was in regards to the Motion to Dismiss made by Clovis Racetrack.	No Action Taken
G. Public Comment	00:42:10 to 00:46:52	Per the sign in sheet; Chairman Willis indicated that it was their turn to address the Commission; • Ms. Leslie Fincher- Workman's Compensation • Mr. Jay Taylor- Passed; no comment	No Action Taken
Closed Executive Session Item 7 Licensing/Pending Litigation/Appeals/Hearing officer Reports/Employment Contracts A. In the Matter of Johnny Soto & Juan Poblano; B. In the matter of Jesus Beltran C. In the matter of Joel Valeriano; D. In the Matter of Gaston Valenzuela; E. Threatened or Pending Litigation (Discussion) 1. D-202-CV-2017-02965; 2. D-202-CV-2017-00659; F. Sixth Racing License	00:46:53 to 00:47:51	Chairman Willis motioned to go into closed Executive Session with only matters to be discussed as A. In the Matter of Johnny Soto & Juan Poblano; B. In the matter of Jesus Beltran C. In the matter of Joel Valeriano; D. In the Matter of Gaston Valenzuela; E. Threatened or Pending Litigation (Discussion) 1. D-202-CV-2017-02965; 2. D-202-CV-2017-00659; F. Sixth Racing License. Kira Frazier, Legal Assistant for the NMRC called Roll, with all Commissioners present and Commissioner McCulloch present telephonically. AAG's Gideon Elliot, Angela Macdonald, and Director Trejo were in attendance during executive session.	Motion to go into Executive Session by Commissioner Willis; Second by Commissioner Cosper.
Back in Open Session Item 7: Licensing/Pending Litigation/Appeals/Hearing officer Reports/Employment Contracts A. In the Matter of Johnny Soto	Track 2 00:00:00- 00:04:54	Chairman Willis announced the Commission was now in open session and affirmed that the Commission discussed only those matters specified in the motion to close the meeting in accordance with Section 10-15-1 (j). A. Angela Macdonald, AAG, Counsel for the NMRC stated that	A. Motion to approve by

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& Juan Poblano; B. In the matter of Jesus Beltran; C. In the matter of Joel Valeriano;		it was her understanding that in the Matter of Johnny Soto & Juan Poblano that the Commission will accept the Hearing Officers Report and reject the recommendations. The sanctions for the trainer, Johnny Soto, will receive a one year suspension; which has already been served and no fine imposed. The sanctions for owner, Juan Poblano, will be no fine imposed, however, loss of purse for both horses "Walken to the Moon" and "Justified by Chicks" and both horses will need to pass a Commission approved exam. B. Angela Macdonald, AAG, Counsel for the NMRC stated that it was her understanding that in the Matter of Jesus Beltran that the Commission will adopt the Hearing Officers Report with the exception of line 2 of the Findings of Fact where the date reads 2018; should read 2016. As penalties pertain to the trainer, Jesus Beltran, a 45 day suspension and a \$1,500.00 fine will be imposed. As penalties pertain to the owner, Jesus Beltran, a loss of purse, disqualification for horse "Separate Wild"; and the horse will have to pass a commission approved exam. In regards to the penalties for owner Jorge Beltran for the horse "Ms. Tessmock" a loss of purse, disqualification and will have to pass a commission approved exam. C. Angela Macdonald, AAG, Counsel for the NMRC stated that it was her understanding that in the Matter of Joel Valeriano & Robert Chacon that the Commission will impose a one year suspension and a \$ 10,000.00 fine for Trainer Joel Valeriano. As for penalties for owner, Robert Chacon, the commission will impose a loss of purse, disqualification, the horse "Moonsovercarsoncity" will be placed on the Vet's List and will need to pass a commission approved exam.	Chairman Willis. Second by Commissioner Blach. Motion carried unanimously. B. Motion to approve by Chairman Cosper. Second by Commissioner Blach. Motion carried unanimously. C. Motion to approve by Chairman Cosper. Second by Commissioner Blach. Motion carried unanimously. D. Motion to approve by

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D. In the Matter of Gaston Valenzuela; E. Threatened or Pending Litigation (Discussion) 1. D-202-CV-2017-02965; 2. D-202-CV-2017-00659; F. Sixth Racing License		D. Angela Macdonald, AAG, Counsel for the NMRC stated that it was her understanding that in the Matter of Gaston Valenzuela and Noe Amaya; that the Commission will impose a 30 day suspension and \$750.00 fine- as to which have already been served and paid, for trainer Gaston Valenzuela. In regards, to owner Noe Amaya, penalties imposed are loss of purse and disqualification for horse "Expect a Storm". The horse will also need to pass a commission approved exam. E. Threatened or Pending Litigation (Discussion) 1. D-202-CV-2017-02965; 2. D-202-CV-2017-00659; No comment F. Sixth Race Track License; No comment	Chairman Cosper. Second by Commissioner Blach. Motion carried unanimously. E. No action taken F. No action taken
Adjournment	00:04:55- 00:05:05	Commissioner Willis called for a motion to adjourn.	Motion to adjourn by Commissioner Cosper; Second by Commissioner Blach. Motion carried unanimously.

Ray Willis 3-21-19

Chairman Ray Willis

Date

Ismael Trejo

Executive Director Ismael Trejo

4-9-19

Date