

**NEW MEXICO HORSE RACING COMMISSION**  
**MINUTES OF THE REGULAR MEETING**

Date: August 1, 2019 at 8:30 AM

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

Members Present: Chairwomen Beverly Bourguet, Vice-Chairman David "Hossie" Sanchez, Commissioner Ken Corazza, Commissioner John Buffington and Commissioner Billy Smith.

NMRC Staff Participating: Executive Director Ismael Trejo and Manager Rosemary Garley.

Others Present/Participating: Assistant Attorney General Gideon Elliot

Transcription: Williams & Associates Court Reporting

| <b>AGENDA ITEM</b>  | <b>Page #</b> | <b>DISCUSSION / CONCLUSIONS /<br/>RECOMMENDATIONS</b>  | <b>ACTION TAKEN</b>  |
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| <b>Public Session:</b><br><b>1. Call to Order and Roll Call</b>   | 1             | Meeting called to order by Chairwoman Bourguet. Roll call was taken by Rosemary Garley. Assistant Attorney General Gideon Elliott was also present.  | No Action Taken.   |
| <b>2. Approval of Agenda</b>  | 3-4           | Chairwoman Bourguet asked if there were any amendments to the agenda; Vice Chairman Sanchez stated that Billy Blackburn would not be present therefore his items were to be tabled.  | There was no objections to the changes.  |
| <b>3.Executive Session:</b><br><b>Licensing/Pending Litigation/Appeals/Hearing officer Reports/Employment Contracts:</b><br><br><b>A. In the Matter of Trainer Joel Marr</b><br><b>B. In the Matter of Trainer Jon Arnett &amp; Owner Larry Heigermeier</b><br><b>C. In the Matter of Trainer Juan Torres</b> | 4-5           | Chairwoman Bourguet motioned to go into closed Executive Session with only matters to be discussed as:<br><br><b>3.Executive Session:</b><br><b>Licensing/Pending Litigation/Appeals/Hearing officer Reports/Employment Contracts:</b><br><b>L. In the Matter of Trainer Joel Marr</b> | Motion to go into closed Executive Session by Commissioner Buffington; Second by Commissioner Smith. Motion carried unanimously. |

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| <ul style="list-style-type: none"> <li>D. In the Matter of Trainer Elliot Bachicha</li> <li>E. In the Matter of Trainer Felipe Flores Jr. &amp; Owner Felipe Flores, Sr.</li> <li>F. In the Matter of Jose Gonzalez Sr. &amp; Owner Roberto Marquez</li> <li>G. In the Matter of Owner Juan Esquivel Jr.</li> <li>H. Contracts               <ul style="list-style-type: none"> <li>1. Hearing Officer Contracts</li> <li>2. Equine Health &amp; Testing Advisor</li> </ul> </li> <li>I. Personnel Matters               <ul style="list-style-type: none"> <li>1. Change in Ruidoso Downs Stewards Violet Smith &amp; Ruben Rivera</li> <li>2. Update on Hiring of In-house Attorney Process</li> </ul> </li> <li>J. Sixth Racetrack License</li> <li>K. 2020 Race Dates</li> </ul> |        | <ul style="list-style-type: none"> <li>M. In the Matter of Trainer Jon Arnett &amp; Owner Larry Heigermeier</li> <li>N. In the Matter of Trainer Juan Torres</li> <li>O. In the Matter of Trainer Elliot Bachicha</li> <li>P. In the Matter of Trainer Felipe Flores Jr. &amp; Owner Felipe Flores, Sr.</li> <li>Q. In the Matter of Jose Gonzalez Sr. &amp; Owner Roberto Marquez</li> <li>R. In the Matter of Owner Juan Esquivel Jr.</li> <li>S. Contracts               <ul style="list-style-type: none"> <li>3. Hearing Officer Contracts</li> <li>4. Equine Health &amp; Testing Advisor</li> </ul> </li> <li>T. Personnel Matters               <ul style="list-style-type: none"> <li>3. Change in Ruidoso Downs Stewards Violet Smith &amp; Ruben Rivera</li> <li>4. Update on Hiring of In-house Attorney Process</li> </ul> </li> <li>U. Sixth Racetrack License</li> <li>V. 2020 Race Dates</li> </ul> <p>NMRC Manager Rosemary Garley called Roll, with all Commissioners present. Manager Garley, AAG Gideon Elliot and Director Trejo were in attendance during executive session.</p> |              |
| 4. Open Session Resumes  | 6-9    | Chairwoman Bourguet 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).  |              |



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|   |               | Chairwoman Bourguet welcomed everyone to the meeting and recognized Mr. Victor Reyes of the Governor's Office, Representative Candy Ezzell and Lobbyist Marla Shoats.  |   |
| <b>5. Approval of Minutes:</b><br><b>1. May 16, 2019-Commission Meeting</b> | 9-10          | Chairwoman Bourguet requested a motion to approve the minutes of the May 16, 2019 Regular Meeting.   | 1. Motion to approve May 16, 2019 Minutes by Commissioner Buffington; Second by Commissioner Smith. Motion carried unanimously. |
| <b>6. Chairwoman's Agenda</b><br><b>1. Appointment of Committee Chairs</b>  | 10-11         | Chairwoman Bourguet announced Commissioner Ken Corazza as the Chairman for the Medication Committee and Commissioner John Buffington as the Chairman for the Race Dates Committee.   | No Action Taken.  |
| <b>7. Reports:</b><br><b>A. Race Dates Committee Report</b>                 | 11-14         | <p>Commissioner Buffington gave a brief overview of the Race Date Committee Meeting held on July 31, 2019. He stated that there was really a good discussion held, with some give and some take. He ended the report by informing everyone that he felt that as a group they were all getting closer to an agreement on race dates.</p> <p>Chairwoman Bourguet announced that she would announce the chairperson for the Rules portion of the Committee.</p> | No Action Taken.  |

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| <b>B. NMHBA</b>                     | 15-18         | Mary Barber, Executive Director, presented the Race a Day Report for SunRay Park for their entire meet; Ruidoso Downs' first 35 days; and the Downs at Albuquerque first 15 days. Additionally, presenting the New Mexico Breds in open overnight races reports and provided a break downs of the average field size by Quarter Horses and Thoroughbreds.   | No Action Taken.    |
| <b>C. NMHA</b>                      | 18-20         | Mr. Jay Radar, president of the New Mexico Horsemen's Association spoke regarding the walker issue at Zia Park. Chairwoman Bourguet requested an update on the NMHA search for a new director. Mr. Radar response was they will be interviewing and hopefully by their next meeting they will have hired a new director.  | No Action Taken.    |
| <b>D. Jockey's Guild</b>            | 20-21         | Mr. John Beech, regional manager for the Jockey's Guild Incorporated gave a brief report on the Downs at Albuquerque's meet and announced the Jockey's Guild's in-house attorney would be present at the Commission's next meeting.   | No Action Taken.    |
| <b>E. Executive Director Report</b> | 21-29         | Ismael "Izzy" Trejo, Executive Director of the NMRC, spoke on his trip to Cloudcroft, NM for the LFC meeting, he spoke on the out of competition testing that was done from July 4-18, which included a little over 500 samples taken and tested. Director Trejo congratulated Don Cook and Paul Blanchard of the Downs at Albuquerque for opening night at the racetrack and also for their assistance in regards to the vesicular stomatitis outbreak that occurred in Sandoval County. He also congratulated SunRay Park on a successful meet. | No Action Taken.    |



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| <b>8. Public Comments</b>   | 29-48         | <p>1.Kathy Elliott, representing Clovis and Curry County commented in favor of a sixth racetrack.</p> <p>2. Tom McKenna, Owner, commented on splitting race meets in the state and racing of Quarter Horses.</p> <p>3. Leslie Fincher, commented on the Jockey's Insurance premium payment, tracks allowing the horsemen on the tracks 30 days prior to the meet and the gaming fees.</p> <p>4. Laura Bonar, Animal Protection of NM and Animal Protection Voters. Ms. Bonar gave a brief description of the organization she worked for and also made comments regarding catastrophic breakdowns.</p> | No Action Taken   |
| <b>9. Old Business</b>  |               |  |   |
| <b>A. Authorization of Executive Director to Assign Cases to Hearing Officers</b> | 48-49         | AAG Gideon Elliott advised the Commission that this request was to authorize the Executive Director to assign cases to a Hearing Officer.  | Motion to approve by Commissioner Buffington; Second by Commissioner Smith. Motion carried unanimously.         |
| <b>B. Ratification of Prior Assignment of Cases to Hearing Officer</b>            | 49            | AAG Gideon Elliot advised the Commission the request was to ratify cases that had previously been assigned to a hearing officer by the prior Commission.   | Motion to ratify approval by Commissioner Buffington; Second by Commissioner Smith. Motion carried unanimously. |
| <b>C. Ratification of Approval of Hearing Officer (s)</b>                         | 49-50         | Director Trejo requested ratification of approval for Kevin Fitzwater as the NMRC Hearing Officer.   | Motion to approve by Commissioner Buffington; Second by Commissioner  |

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|  |               |  | Smith. Motion carried unanimously.  |
| <b>D. Retroactive Purse Distribution Policy (Update)</b>   | 50-54         | Director Trejo gave an update on the procedure he was using to update the Commission's Retroactive Purse Distribution Policy. He has received input from track management, the NMHA, the Jockey's Guild and the NMHBA. | Motion to table by Commissioner Corazza; Second Commissioner Smith. Motion carried unanimously.           |
| <b>10. New Business and/or Action Items Regarding Licensing</b><br><b>A. Executive Director's Agenda Items</b><br><b>1. Approval of Split Testing Laboratories</b> | 55-57         | Director Trejo requested approval of split testing laboratories as presented.  | Motion to approve by Commissioner Buffington; Second by Commissioner Smith. Motion carried unanimously.   |
| <b>2. Ratification of Approval of the NMRC Auditor for DAA &amp; NMSF 2019 Meets</b>   | 58-59         | Director Trejo request ratification of approval for Ms. Sheryl Edgar, CPA as the auditor for the DAA & NMSF 2019 race meets.   | Motion to approve by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously.   |
| <b>3. Ratification of Approval for Stewards for DAA &amp; NMSF 2019 Race Meets</b>   | 59-63         | Director Trejo requested ratification of approval for Presiding Steward Ron Walker, associate stewards Victor Escobar and John Adams for the 2019 DAA & NMSF race meets.   | Motion to ratify approval by Commissioner Corazza; Second Commissioner Smith. Motion carried unanimously. |
| <b>4. Ratification of Approval of Equine Health and Testing Advisor</b>  | 63            | Director Trejo requested ratification of approval for Dr. Scot Waterman as the NMRC's Equine Health & Testing Advisor.   | Motion to ratify approval by Commissioner   |



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|   |                      |   | Corazza; Second Commissioner Smith. Motion carried unanimously.   |
| <b>5. Ratification of Approval for Change in Ruidoso Stewards</b> | 63-64                | Director Trejo requested ratification of approval of Rueben Rivera as the Presiding Steward at Ruidoso Downs and Jeff Williams as an associate Steward for the State of New Mexico. | Motion to ratify approval by Commissioner Corazza; Second Commissioner Smith. Motion carried unanimously. |

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| <b>1. Request for Ratification of Approval of Amended List of Officials</b>  | 66-67         | Don Cook, Downs at Albuquerque, requested approval of the amended list of officials as submitted for the gate crew and valets.  | Motion to ratify approval by Commissioner Corazza; Second by Commissioner Smith. Motion carried unanimously.    |
| <b>2. Request for Ratification of Approval for Cancellation of Races</b>   | 67-68         | Don Cook, Downs at Albuquerque, requested ratification of approval for cancellation of six races the second weekend of their meet.  | Motion to ratify approval by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously. |
| <b>B. New Mexico State Fair</b><br><b>1. 2020 Primary Application &amp; 2020 Race Dates</b>  | 68-69         | Don Cook, representing the New Mexico State Fair requested to table the 2020 Primary Application and 2020 Race Dates  | Motion to table by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously.           |
| <b>C. Sunland Park</b><br><b>1. Request for Approval of 2020 Primary Application &amp; 2020 race Dates</b><br><b>2. Request for Approval of 2020 Simulcast License</b> | 69-70         | Dustin Dix, Sunland Park, requested to table Items D. 1 and 2.  | Motion to table by Commissioner Corazza; Second by Commissioner Smith. Motion carried unanimously.              |
| <b>3. Request for Approval of Retroactive Pay Out of 2018-2019 Purse Accounts</b>  | 70-83         | Dustin Dix, Sunland Park requested approval for a retroactive payout from the 2018-2019 purse accounts in the amount of \$770,639.90. Discussion ensued regarding the 2006 policy and whether NMHBA received any payment. | Motion to approve by Commissioner Smith; Second by Commissioner Buffington. Motion                              |



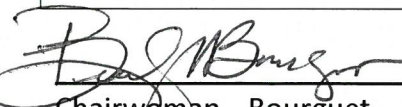
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|   |               |  | carried unanimously.  |
| <b>D. Ruidoso Downs</b><br>1. Request for Approval of 2020 Primary Application & 2020 Race Dates<br>2. 2020 Simulcast License                       | 83-84         | Jeff True, Ruidoso Downs requested to table items E. 1 and 2.  | Motion to table by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously.     |
| <b>E. SunRay Park</b><br>1. Request for Approval of 2020 Primary Application & 2020 Race Dates<br>2. Request for Approval of 2020 Simulcast License | 84-85         | Lonnie Barber, SunRay Park requested to table items F 1 and 2.   | Motion to table by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously.     |
| 3. Request for Ratification of Approval to Run Additional Races   | 85-86         | Lonnie Barber, SunRay Park requested ratification of approval to run additional races on May 18, 19, 20 23.                                      | Motion to ratify approval by Commissioner Corazza; Second Commissioner Smith. Motion carried unanimously. |
| 4. Request for Ratification of Approval to Amend List of Officials  | 86-87         | Lonnie Barber, SunRay Park requested ratification of approval for Renee Escobar as the Horsemen's Bookkeeper for the last two weeks of the meet. | Motion to ratify approval by Commissioner Corazza; Second Commissioner Smith. Motion carried unanimously. |
| <b>F. Zia Park</b><br>1. Request for Approval of 2020 Primary Application & 2020 Race Dates   | 87-88         | Chris McErlean, Penn National Gaming, representing Zia Park requested to table items G. 1 and 2.   | Motion to table by Commissioner Corazza; Second by  |


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| <b>2. Request for Approval of 2020 Simulcast License</b>                    |               |   | Commissioner Smith. Motion carried unanimously.   |
| <b>3. Request for Approval 2019 Purse Schedule</b>                          | 88-89         | Chris McErlean, Penn National Gaming, representing Zia Park requested approval of Zia Parks 2019 purse schedule. Mr. McErlean stated the schedule shows a 10 percent purse increase from the 2019 racing season. He state he had received tentative approval from the NMHA and the NMHBA. | Motion to approve by Commission Corazza; Second by Commissioner Buffington. Motion carried unanimously. |
| <b>4. Request for Approval of 2019 Condition Book #1</b>                    | 89-91         | Chris McErlean, Penn National Gaming, representing Zia Park requested approval of Zia Parks' first Condition Book as submitted.   | Motion to approve by Commission Smith; Second by Commissioner Buffington. Motion carried unanimously.   |
| <b>A. In the Matter of Trainer Joel Marr</b>                                | 91-92         | AAG Gideon Elliot, stated it was his understanding the Commission wished to accept the Race Review Committee's Recommended Findings.  | Motion to approve by Commission Smith; Second by Commissioner Buffington. Motion carried unanimously.   |
| <b>B. In the Matter of Trainer Jon Arnett &amp; Owner Larry Heigermeier</b> | 92            | AAG Gideon Elliot stated it was his understanding the Commission wished to table this item at the request of his attorney.  | Motion to table by Commission Smith; Second by Commissioner Buffington. Motion carried unanimously.     |
| <b>C. In the Matter of Trainer Juan Torres</b>                              | 93            | AAG Gideon Elliot stated it was his understanding the Commission wished to disregard and not accept this proposal.  | Motion to not accept Settlement Agreement by  |



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|  |               |   | Commission Corazza;<br>Second by Smith.<br>Motion carried<br>unanimously.   |
| <b>D. In the Matter of Trainer Elliot Bachicha</b>   | 93-94         | AAG Gideon Elliot stated it was his understanding the Commission wished to dismiss the matter as ordered by the Court   | Motion to dismiss<br>the matter by<br>Commissioner Smith;<br>Second by<br>Commissioner<br>Corazza. Motion<br>carried unanimously.                         |
| <b>E. In the Matter of Trainer Felipe Flores Jr. &amp;<br/>Owner Felipe Flores, Sr.</b><br><b>F. In the Matter of Jose Gonzalez Sr. N&amp; Owner<br/>Roberto Marquez</b><br><b>G. In the Matter of Owner Juan Esquivel Jr.</b> | 94-95         | AAG Gideon Elliot stated in the matters of E. F. and G, it was his understanding the Commission, not having jurisdiction over these matters, wished not to pursue them any further. | Motion not to pursue<br>the matters any<br>further made by<br>Commissioner Smith;<br>Second<br>Commissioner<br>Buffington. Motion<br>carried unanimously. |

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| H. Sixth Racetrack License  | 95-103  | Chairwoman Bourguet began by acknowledging the applicants and the community members present. She announced that the current Commission was not looking at the sixth racetrack license at this time. The Commission entertained comments from the audience.  | No Action Taken.  |
| I. Approval of the August thru November 2019 Commission Meeting Dates | 103-106 | Director Trejo requested approval of the following dates: <ul style="list-style-type: none"> <li>• Thursday, August 29, 2019 at 9 AM in Albuquerque</li> <li>• Thursday, September 26, 2019 @ 9 AM in Albuquerque</li> <li>• Thursday, October 17, 2019 @ 9 AM in Albuquerque</li> <li>• Thursday, November 21, 2019 @ 9 AM in Albuquerque</li> </ul> | Motion to approve made by Commission Corazza; Second Commissioner Smith. Motion carried unanimously.    |
| Adjournment   |         | Chairwoman Bourguet called for a motion to adjourn.   | Motion to adjourn by Commissioner Smith; Second by Commissioner Buffington. Motion carried unanimously. |


29 Aug 19  
 Chairwoman Bourguet      Date


9-4-19  
 Executive Director Ismael Trejo      Date