

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

Date: August 20, 2020 at 9:09 a.m.

Place: Zoom Video Conference – Meeting ID: 833 5334 2287

Members Present: Chairwoman 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 Paralegal Denise Chavez.

Others Present/Participating: Assistant Attorney General Delilah Tenorio

<i>AGENDA ITEM</i>	<i>RECORDING #</i>	<i>DISCUSSIONS/CONCLUSIONS/ RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<b>Public Session 1:</b> <b>1. Call to Order and Roll Call</b>	23:39 – 25:10	Meeting called to order at 9:09 a.m. by Chairwoman Bourguet. Roll call was taken by Denise Chavez. Assistant Attorney General Delilah Tenorio, Executive Director Ismael Trejo, and NMRC Paralegal Denise Chavez were present.	No Action Taken.
<b>2. Pledge of Allegiance</b>	25:18 – 25:31		Pledge of Allegiance was recited.
<b>3. Approval of Agenda</b>	25:36 – 26:24	Chairwoman Bourguet asked if there were any changes to be made to the Agenda. None were made.	Motion to approve Agenda by Commissioner Smith. Commissioner Sanchez second motion. Motion passed unanimously.







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		DAA also. Hoping that the Governor will reopen the State to resume back to normal. Hopeful for NMRC as regulators to keep Zia Park to their obligation and run as scheduled. He asked if all public comments (emailed) will be read out loud and included into the minutes. AAG Tenorio confirmed that they are all read out loud, will be included in the meeting minutes and will be on the NMRC website. Mr. Goncharoff urged Executive Session be open to the public and allow stake holders to participate.	
<b>B. Jockey's Guild Report</b>	45:40 – 46:11	Izzy reported on behalf of John Beech stating he was under-going a medical procedure today. He is very happy DAA is up and running and keeping the situation in Zia Park in his prayers.	
<b>C. NMHA Report</b>	46:21 – 1:00:51	NMHA Executive Director Richard Erhard stated he appreciated the Chairwoman clarifying that information that the NMHA and NMHBA have been circulating since August 6 regarding Zia Park. It is information that the NMRC has not yet heard. He confirmed that he made the same point to his people with the NMHA Board and Ruidoso local committee.	



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		<p>Today the horse racing industry in New Mexico is perched on a precarious precipice and with a misstep by not doing the right thing, the consequences could be catastrophic to the industry. All stake holders in the industry have been looking for certainty since the pandemic began. Without certainty, it is difficult for these people to plan their next steps. Pursuant to conversations on August 6, Penn National will continue to wait for confirmation from the Governor's office whether or not racetrack casinos will be allowed to reopen prior to making a final decision to continue the upcoming race meet. If confirmation that casinos will be allowed to open, it will take Zia Park 5 weeks preparation and open on week 6. Given this timeline should the confirmation about reopening casino racetracks on September 30<sup>th</sup> or later, Penn National does not feel it is advantageous to run the race meet in 2020. As of today, Zia Park is planning to open as scheduled awaiting confirmation from the Governor's office. Mr. Erhard noted that Zia Park is situated similar to Ruidoso Downs and does not feel that they should be allowed to wait to decide whether to open the 2020 race meet based on the Governor's decision as Ruidoso Downs and DAA did not wait for any news from the Governor. The</p>	

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<b>D. NMRC Executive Director Report</b>	1:01:00 – 1:06:06	<p>Horsemen respectfully request that the NMRC compel Zia Park to open and run its 2020 race meet.</p> <p>Mr. Trejo congratulated Commissioner Corazza for his service and dedication to the NM citizens and the pharmacy industry for over 50 years.</p> <p>With regard to the agency Mr. Trejo and Amber Trujillo, CFO are working on a strategic plan for the budget. Even as difficult as it is today, Mr. Trejo has always promised and continues to promise that the NMRC will do their best to regulate horse racing in NM no matter with what type of funding is provided. The agency took a 4% hit and will take a 5% sanding for FY 2022. We will have to do more with less. Pari-mutual handling is struggling.</p> <p>NMRC inspected DAA in late July in preparation for the race meet. Kudos to Mr. Cook and his team for having his facility in the best shape Mr. Trejo has ever seen it in and in a very short amount of time to prepare.</p> <p>They spent an extensive amount of time in the Jockey's quarters trying to come up with processes to keep the riders safe in light of</p>	



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	1:06:08 – 1:10:00	<p>the most recent news at Colonial Downs in Virginia as it was shut down due to the spike in covid cases in their jockey colony as well as Lonestar and Delmar. Mr. Trejo asks that everyone do their part to keep everyone safe and avoid a mandatory shut down.</p> <p>We are in the process of hiring a business operations person to help Ms. Amber Trujillo.</p> <p>Riding Crop rule that mandates the jockey is limited on the number of strikes that they can do on a horse per race, seems to be slowly fading out of favor for something more reasonable. The more reasonable approach was striking 2-3 times and allowing 2-3 strides to respond. If there is no response by the horse, then put the whip away.</p> <p>Chairwoman Bourguet added with regard to the ARCI meeting and the riding crop issue. The consensus from the Board members was that the movement was not going in the right direction. . They respect the input from the jockey's guild. No action was taken and now the decision is in the hands of the Safety Riding Committee of ARCI. The discussions of this meeting were: response time, continued striking of a horse should</p>	

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		not continue if no response within a certain time. The horse should have a chance to respond and whether the horse is in contention. It is not right to keep striking the horse just to get the horse across the finish line if the horse is in last place.	
<b>7. Public Comments</b>	1:10:14 – 1:30:51  18:07 – 18:59	Public Comments read by Denise Chavez; 16 signed statements received by licensees;  In Open Session 2, Chairwoman Bourguet requested that Denise Chavez recount all Public Comments received. Denise Chavez reported there were 16 comments received.	No Action Taken.
<b>Executive Session: entered at 10:19 a.m.</b>	1:30:57 - end	Discussion of Items listed in the Agenda, pursuant to Sections 10-15-1-H(1), H(3) and H(7) of the Open Meetings Act authorizing closed sessions for matters related to issuance, suspension, renewal, or revocation of a license; deliberations on adjudicatory proceedings and pending or threatened litigation.	Motion to enter into Executive Session made by Commissioner Sanchez. Second by Commissioner Buffington. Motion passed unanimously.
<b>Open Session 2 called back into session at 2:49 p.m.</b>  <b>8. Licensing/Pending Litigation/Appeals/Hearing Officer Reports/Employment Contracts:</b>  <b>A. SunRay Park (Audit Update)</b>	10:52 -11:11          11:13 – 12:43	         Assistant Attorney General Tenorio reported that the Commission would like to entertain	         Commissioner Sanchez moved to



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		a motion to require SunRay Park to meet with the State Auditor, Sheryl Edgar and Brad Steward to come up with a list of tasks that need to be completed to be in compliance with the Action Plan of the audit and to come up with a definite timeline for the date of completion.	require this meeting and drafting of list of tasks and completion date. Second by Commissioner Smith. Motion passed unanimously.
<b>B. Zia Park (Licensing)</b>	12:46 – 13:07	Assistant Attorney General Tenorio reported that there was not action taken on this item since there was not a request made by Zia Park to change or cancelling of upcoming race dates.	No Action Taken.
<b>C. Ruidoso Downs (Licensing)</b>	13:16 – 14:58	Assistant Attorney General Tenorio reported that the Commission would like to entertain a motion to pursue possible disciplinary action against a Commissioned Licensee, Jeff True, for possible violations of the Commission's Rules, Regulations and Racing Act. This disciplinary action could include a fine of up to \$10,000 and any other disciplinary action may be placed on the license of Mr. True	Commissioner Sanchez moved to pursue disciplinary action against Mr. True. Second by Commissioner Buffington. Motion passed unanimously.
<b>D. In the Matters of Arnolando Carrillo &amp; Erick Carrillo-Gutierrez (Hearing Officer's Report)</b>	15:00 – 16:02	Assistant Attorney General Tenorio reported that this Commission would like to entertain a motion to adopt the Hearing Officer's Report with the amendments of regarding the testing of the hair samples.	Commissioner Smith moved to adopt the hearing officer's report with amendments. Second

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<b>E. Adrian Cervantes (Licensing)</b>	16:04 – 17:08	Assistant Attorney General Tenorio reported that the Commission would like to entertain a motion to approve the request of Mr. Cervantes to obtain his jockey license with the following provisions: He will be subject to random drug testing and is on probation for one year.	by Commissioner Buffington. Motion passed unanimously.
<b>F. Ramon Trejo (Licensing)</b>	17:10 – 17:58	Assistant Attorney General Tenorio reported that the Commission would like to entertain a motion to approve Mr. Trejo's request to obtain an Owner's License with no conditions.	Commissioner Buffington moved to allow Mr. Cervantes to apply for his jockey license with provisions. Second by Commissioner Smith. Motion passed unanimously.
<b>9. Unfinished/New Business and/or Action Items Regarding Licensing</b>			
<b>A. Ratification of Approval of 2020 Official Vet for DAA Race Meet</b>	19:01 – 20:53	Executive Director Trejo requested the ratification of the approval of Joan D'Alonzo as 2020 Official Vet for the DAA Race Meet. It was noted that Dr. D'Alonzo was the only one who submitted a bid.	Commissioner Smith moved to ratify the approval of Joan D'Alonzo as 2020 Official Vet for the



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			DAA Race Meet. Motion second by Commissioner Corazza. Motion passed unanimously.
<b>B. Approval for Zia Park</b>			
<b>1.Approval of 2020 Condition Book</b>	20:57 – 25:32	Chris McErlean requested approval of the 2020 Condition Book (#1) with amendment of races on Day 3. Chairwoman confirmed that even though the language in the letter submitted by Zia Park states that Zia Park reserves the right to any amendments to the Purse Schedule, Zia Park will still have to seek approval of those changes from the Commission. Mr. McErlean stated that is understood. Richard Erhard agrees with this first Condition Book. Mary Barber stated that the NMHBA is also in agreement.	Commissioner Smith motion to approve 2020 Condition Book (#1). Motion second by Commissioner Corazza. Motion passed unanimously.
<b>2.Approval of 2020 Purse Schedule</b>	25:34 – 27:52	Chris McErlean requested approval of 2020 Purse Schedule. Mr. Erhard indicates NMHA is in agreement with this purse schedule. Ms. Barber indicates that NMHBA is also in agreement. Mr. McErlean added that the average daily purses at the 2019 race meet was \$220k per day and the distribution in this first book is \$80k/day.	Commissioner Smith moved to approve 2020 Purse Schedule. Motion second by Commissioner Corazza. Motion passed unanimously.

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<b>3.Approval of 2020 Racing Officials</b>	27:58 – 31:38	Chris McErlean requested approval of 2020 Racing Officials. There are some positions marked as TBD. They are currently looking to fill these positions. As soon as they are filled, they will come before the Commission for approval. Chairwoman Bourguet asked if it was Zia Park's plan to hire. McErlean reported that they are advertising for position, some individuals have already been hired, some are on furlough, and other have been contacted as interests for hire. Mr. Erhard reported that NMHA approves. Mary Barber reported that the NMHBA is not part of this decision.	Commissioner Smith moved to approve 2020 Racing Officials. Second by Commissioner Corazza. Motion passed unanimously.
<b>4.Approval of 2020 Post Times and Wagering Format</b>	31:39 – 33:17	Chris McErlean requested approval of 2020 Post Times and Wagering Format for Zia Park. 9 Races per day and 1 10 day is listed on there as well pending on availability of horses and purses. October 25 will have a special card with extra races.	Commissioner Smith moved to approve the 2020 post times and wagering format. Second by Commissioner Buffington. Motion passed unanimously.
<b>C. Approval for Downs at Albuquerque</b> <b>1.Ratification of Approval to Amend 2020 Simulcast Import List</b>	33:23 – 35:51	Don Cook requested ratification of approval to amend the 2020 Import List to add Assiniboia for the Downs at Albuquerque Race Meet. NMHA agrees with this amendment.	Commissioner Smith moved to ratify the approval of the amended 2020



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			Import List for DAA. Motion second by Commissioner Sanchez. Motion passed unanimously.
<b>D. Approval for Ruidoso Downs</b>			
<b>1.Approval of Amended 2020 Purse Schedule (Book #5)</b>	36:23 – 39:02	Jeff True requested approval to amend 2020 purse schedule (Book #5). Mr. True reported that this book was reduced 8% from Book 4. NMHA approves this amendment. Mary Barber indicated that she just asked Matt Crawford for a copy but will probably approve.	Commissioner Smith moved to approve the amended 2020 purse schedule. Motion second by Commissioner Buffington. Motion passed unanimously.
<b>2.Approval of Addendum to Approved Simulcast Agreement with Game Play (dba B Spot)</b>	39:07 – 1:01:45	Jeff True requested approval of the Addendum to Approved Simulcast Agreement with Game Play (dba B Spot) – Jeff informed the Commission that this is a new product for B Spot's platform requiring separate pools simulcasting. Mr. True says this is something that is allowed in our State statutes and rules. Chairwoman Bourguet informed Mr. True that she is not familiar with this and asked if NMRC Executive Director Trejo if he has had the opportunity to review this. Mr. Trejo reported that after speaking with AAG Tenorio NMRC should tread carefully as it appears to be slot machines even though Mr. True says it is a	Commissioner Corazza moved to table this matter. Second by Commissioner Buffington. Motion passed unanimously.

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<p><b>3. Approval to run 9 races on August 14, 2020 and August 16, 2020</b></p>	<p>1:01:55 – 1:11:38</p>	<p>pari-mutuel, using the results of Ruidoso Downs somehow. Not clear to approve and Commission needs to make sure we are not violating any Gaming Compact. Mr. True's explanation was ultimately these are "B Pools". There is no co-mingling of money or jurisdictional issues in Mr. True's opinion. Ruidoso Downs will get the host fees. Commissioner Smith asked how the slot machines tie into this? They are using live outcomes instead of "historical" outcomes. Commissioner Corazza stated he believes that Mr. True should take this before the Gaming Control Board would be better to make a decision. Commissioners were not comfortable making a decision on this without further investigation. Mr. True stated he encourages the Commission to educate themselves on the methodology used in pari-mutuel betting and if there are any questions about this stuff they ought to come up from Staff before the meeting. Separate pools are a common practice.</p> <p>Mr. True requested approval to run 9 races on August 14 and August 16, 2020 due to shortage of entries for this weekend due to DAA start of their race meet. AAG Tenorio stated that based on discussion in executive session, the commission was very weary granting approval on this matter. The</p>	<p>Commissioner Smith motion to approve to run 9 races on 8/14/20 and 8/16/20 with prior approval in the future with any changes to race card</p>



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		<p>Commission would, however, like to entertain a motion to approve this request with strong advisement to Mr. True that in the future changes to race cards must be approved by commission before going into effect and failure to do so and to follow the NM Racing rules and regulations could result in further disciplinary action. Mr. True did not understand this discussion. Mr. Trejo clarified by saying the gaming statutes states that the commission must first approve any variance of race days per week or number of races per day. The Association has to submit a written approval from the State Racing Commission to the Gaming Board. That Association needs to get with us, in this scenario, preferably August 7 and August 9, the day of entries for August 14 and 16, respectively, and give the Commission a heads up that they are going to deviate from the requirement to run x number of races or x number or race days per week. In this case the Commission was not notified. Under NMAC rules the number of hours of racing, the number of races per day and the post times for the first race of each race day are subject to the approval of the Commission. So anytime there is any kind of variation in those, the Association must seek approval of the Commission. Commissioner Smith</p>	<p>and failure to follow NMRC rules and regulations will result in further disciplinary action. Motion second by Commissioner Corazza. All Commission Members voted yes in roll call vote except for Co-Chair Sanchez.</p>

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<p><b>4. Approval of 2021 Nomination Forms</b>  <b>(a) Zia Futurity; b) Zia Derby; c)</b>  <b>Mountain Top QH Futurity;</b>  <b>d)Mountain Top TB Futurity; e)</b>  <b>Ruidoso Maiden Stakes; f) Rio</b>  <b>Grande Senor Futurity; and g) Rio</b>  <b>Grande Senorita Futurity)</b></p>	1:11:40 – 1:21:14	<p>advised Mr. True to seek the Commission's approval through Mr. Trejo.</p> <p>Jeff True requested approval of 2021 Nomination Forms. Commissioner Smith asked if there were any changes from previous year. True said they changes the administrative percentage withheld from those races, also added the 100 entry 1, 2, 3 finish to all the forms (only affects the Zia Futurity and Derby and maybe the Mountain Top as it did this year). The forms that everyone received did not show the change of the administrative percentage (they all show 10%). Mr. True confirmed that the incorrect forms were submitted for approval. The intention was to take 15% instead of 10%. Chairwoman Bourguet informed Mr. True that last time this increase was approved, the increase would have to be vetted and shown where the increase will go. Commissioner Sanchez believes that part of the 15% should go to help out of competition testing, if approved.</p>	<p>Commissioner Corazza moved to approve the nomination forms as presented (10%). Motion second by Commissioner Smith. Motion passed unanimously.</p>
<p><b>5.Approval of 2022 Triple Crown</b>  <b>Nomination Form</b></p>	1:21:15 – 1:23:34	<p>Jeff True presented the 2022 Triple Crown Nomination Form in error. The only change would be 15% administrative fee instead of 10%. Mr. True withdrew his request so he can update the form.</p>	<p>No action taken since request was withdrawn.</p>



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2. Adjournment @ 4:08 p.m.	1:23:34 - end	Chairwoman Bourguet will entertain a motion to adjourn the meeting.	Commissioner Corazza motion to adjourn meeting. Motion second by Commissioner Sanchez. Motion passed unanimously.



09/24/20

Chairwoman Beverly Bourguet      Date



9-24-2020

Executive Director Ismael Trejo      Date