

LOUISIANA STATE RACING COMMISSION
MINUTES – November 21, 2016 Meeting
As transcribed by Mary E. Lee DiLeo, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Judy W. Wagner, *First Vice Chairperson*
Thomas B. Calvert
Donald "Don" Cravins
R. Hamilton "Hammy" Davis
K. R. "Ron" Finkelstein, O.D.
Benjamin J. Guilbeau, Jr.
Eric G. Johnson
Mike R. McHalfey
Louis Reine
Kenneth "Kenu" Romero
Mike Shelton

ABSENT

Bob F. Wright, *Chairman*
Dr. Patrick Bernard

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the First Vice Chairperson on Monday, November 21, 2016 at 9:05 AM in the Queen Anne Ballroom of the Monteleone Hotel, 214 Royal Street, New Orleans, Louisiana. Roll call was taken; a quorum was present.

Commissioner Davis motions to approve the meeting minutes from the August 29, 2016 meeting; Commissioner Reine seconds; motion carries.

Mr. Charles Gardiner, LSRC Executive Director, introduces the newly appointed commissioner, Mike Shelton.

Mr. Gardiner presents a plaque commemorating the life of Leverne Perry to Ms. Leigh Lepinski and Ms. Karen Rush, Mr. Perry's daughters.

I. ASSOCIATION REQUESTS

A. BOYD RACING, LLC d/b/a DELTA DOWNS RACETRACK, CASINO & HOTEL

1. **PROGRESS REPORT**, by *Mr. Chris Warren*. Mr. Warren informs that Delta Downs held its 14th annual Jackpot Day on Saturday, November 19, 2016, which had 11 races. He says that the total handle was up 13% and live handle was up 7% from last year's Jackpot Day. He informs that Delta Down's 2016-2017 84-day Thoroughbred Meet started on Wednesday, October 19, 2016. He says that the track surface and the entry box have been well received by the horsemen. He states that the total handle for the meet is up nearly 2% and live handle is up 15%.

Commissioner Guilbeau says that Delta Downs had good service, more than enough staff, a large crowd on the apron, and a lot of renowned people in the racing industry in attendance on the third floor for Jackpot Day. Mr. Warren states that competing horses this year came from New York, Florida, Kentucky, California, and from all over the United States.

Commissioner Romero says that the service, food, and everything at Evangeline Downs was greatly improved for the LQHBA Breeders' Futurity on the past Saturday, November 19, 2016.

2. EXOTIC WAGERING TAKEOUT (LA. REV. STAT. 4:166.7)

- a. **Update** on the effect on the handle from the reduced Pick 4 wagering takeout percentage from 25% to 12% approved at the August 29, 2016 Meeting.

Mr. Warren informs that the reduced Pick 4 wagering takeout has not accomplished what Delta Downs was trying to do. He says there was a 6% increase, which would be flat if Jackpot Day is not included. He states that other sites around the country, including Canterbury Park and Meadowlands Racetrack, have tried the reduced takeout but have also missed their goals. He informs that he will talk to Delta Downs management and most likely return the takeout rate to normal on January 1, 2017.

Chairperson Wagner says that there is an issue with getting the message out about reduced exotic wagering takeouts. She states that there needs to be better knowledge around marketing to the masses and she hopes that Delta Downs will not abandon the reduced exotic wagering takeout. Mr. Warren responds that they had press releases, a graphic advertisement every night before the Pick 4, and verbal advertisements from their announcer every day. He says that their nightly on-track patrons don't seem to react to takeout like daytime off-track bettors. He states that they haven't abandoned the promotion but will look to possibly end the promotion at the start of the new year. Chairperson Wagner says that people with advanced wagering accounts need to get the message, especially on the west coast who look for wagering opportunities after work.

2016-2017 THOROUGHBRED MEET

3. STEWARDS, OFFICIALS & MANAGEMENT

- a. **Ratification** of **Juli Allison* to serve as Mutuel Manager for 2016-2017 thoroughbred meet.

**new official*

- b. **Ratification** of **Nathan Sinclair* to serve as Horse Identifier for 2016-2017 thoroughbred meet.

**new official*

Commissioner Reine motions to approve; Commissioner Guilbeau seconds; motion carries.

2017 QUARTER HORSE MEET

4. STEWARDS, OFFICIALS & MANAGEMENT

- a. **Approval** of Tom Davis to serve as State Steward for 2017 quarter horse meet.

Commissioner Guilbeau motions to approve; Commissioner Davis seconds; motion carries.

B. THE OLD EVANGELINE DOWNS, LLC

d/b/a EVANGELINE DOWNS RACETRACK & CASINO

1. **PROGRESS REPORT**, by *Mr. Chris Warren*. Mr. Warren informs that Evangeline Downs' 2016 46-day Quarter Horse Meet started on September 28, 2016. He says that Boyd Gaming didn't intend to hold million-dollar races at both Evangeline Downs and Delta Downs on the same night but it was a great night at both tracks. He informs that

total handle is down 7% but live handle is up 11%. He says that Evangeline Downs should be getting an influx of horses from Texas. He states that there were 12 trials for the Open EVD Futurity, which is going to be the biggest purse in the track's history for an open race at well over \$300,000. He says there were seven Derby trials and the meet should end on a strong note.

Chairperson Wagner states that the million dollar races at Delta Downs and Evangeline Downs were also on the same day as Fair Grounds' opening day, November 19, 2016. She says that she hopes the tracks can get together to prevent this kind of overlap in major race days so as not to dilute the racing crowds. Mr. Warren responds that it shouldn't happen again. Mr. Warren informs that racing at Evangeline Downs was cancelled on Friday, November 18, 2016 due to a tote board malfunction. He explains that the tote manager said an IP address was entered incorrectly for the board lines and the horses were waiting in the paddock for too long before the issues was fixed. He says that Evangeline Downs will try to make up some of the races before the meet is over and will forward a full detailed report about the incident to Chairman Wright and Mr. Gardiner.

Commissioner Davis asks if there is a master calendar kept by the associations or the Louisiana Horsemen's Benevolent and Protective Association (LaHBPA) to coordinate the schedule of all of the important race days at the race tracks. Mr. Warren responds that there is no master calendar but representatives from the tracks meet to coordinate their stakes schedules. He says that the overlap of big race days was noticed too late to make the change.

2. STALL EXPANSION

- a. **Follow up/Discussion** of long-term plan for stall expansion at Evangeline Downs.
Update by LaHBPA Liaison Committee following LaHBPA Liaison Committee meeting with Boyd Gaming, LaHBPA, and Training Centers.

Mr. Vincent Schwartz, Regional Vice President of Boyd Gaming, informs that Boyd Gaming and the LaHBPA have come to an agreement in which Boyd Gaming will build a receiving barn, then add two additional 44-stall barns by the meet in the following year, and finally allow time to evaluate the effect of those new barns before considering any additional barns. Commissioner Cravins informs that the tentative agreement reached at the LaHBPA Liaison Committee meeting about two months ago didn't work out but a contract was signed between Boyd Gaming and the LaHBPA this morning. Commissioner Cravins requests that all involved parties, including the training facilities, address their stances on the agreement.

Mr. Benard Chatters, President of the LaHBPA, informs that they kept the training centers in mind while coming to the final agreement with Boyd Gaming. He says that the 70-stall receiving barn in the agreement is an accommodation for their members who ship into the racetrack from the training centers, small farms, and off-track facilities. He states that they agreed to two additional barns with 44 stalls each, rather than their original request for 60 stalls each, because they needed more stalls at the racetrack and were mindful of the possible effects on training centers. Mr. Ed Fenasci, Executive Director of the LaHBPA, informs that this agreement will be beneficial for the industry, Boyd Gaming, and for the horsemen. Mr. Schwartz informs that the two sides went back and forth with proposals and came to the current agreement.

Commissioner Reine asks about some language in the contract that specifies that the agreement would be a binding order of the LSRC when the LSRC may not have the authority to bind either party. Mr. Schwartz responds that it should not be a problem and they want the LSRC to accept the signed agreement and make it a part of the record. Ms. Rhea Loney, counsel for the LSRC, advises the Commission to cross out the language "binding order of the racing commission" on the original copy and initial it. Commissioner Reine says that he attended the futurities at Evangeline Downs on Saturday and everything went smoothly with a large crowd.

Commissioner Cravins informs that the Saturday night races at Evangeline Downs were a great success but there are conditions on the backside that will need to be addressed. He says that the Commission should begin the process of promulgating rules per the recommendation of the legislative auditor because the issues at the racetracks should be addressed collectively and uniformly by rules rather than individually. He states that the Commission disciplines and fines jockeys, trainers, and other licensed workers, but hasn't done the same to the associations due to lack of rules to enforce upon them. He says that the Commission should be concerned about the budget and resources that the associations spend on advertising and promoting racing and asks how much Boyd Gaming is spending on promoting racing. Mr. Schwartz responds that it will be hard to quantify promotional spending exclusively on racing because Boyd Gaming promotes its properties as resorts with hotel, casino, restaurants, and horse racing as a package.

Commissioner Cravins suggests that Mr. Schwartz figure out how to quantify the racing promotion budget. He says that there should be a campaign to brand racing statewide. He informs that the demographics of people involved in and attending races have changed dramatically as evidenced by the youth attending the Evangeline Downs races on Saturday. Mr. Schwartz responds that the Chairman has requested information and there are conversations underway on how to provide the racing promotional budget information. Chairperson Wagner says that the Chairman and several Commissioners have bounced around ideas about promoting the racing industry statewide, in which all associations will need to be involved. Commissioner Romero says that an Evangeline Downs ad on TV barely shows horse racing, which slights the industry. Mr. Schwartz responds that he will review the ad.

Chairperson Wagner requests that the training centers offer their comments on the agreement. Mr. Harold Forman, Owner of Copper Crowne Training Center, informs that he retired from his other business in 2009 to buy the training center after he researched a need for stalls, even with Evangeline Training Center near. He states that he made a significant investment in the property to provide a 20,000-foot state of the art veterinary clinic with a board certified surgeon, a stallion facility which housed the leading stallion in the state Songandaprayer, a rehab facility with a new aquaciser for surgeries, and a state-sanctioned training center with a state of the art racetrack. He says that the training center has housed champion horses from around the country and has an Equine Sales facility that exclusively holds the Louisiana Thoroughbred Breeders Association's (LTBA) yearling sale. He states that there are issues with filling races because of low foal count and Evangeline Downs and Louisiana Downs have lower purse structures than Delta Downs and Fair Grounds.

Mr. Forman informs that the training centers are fine with the receiving barn being built and the existing receiving barn being converted to a 75-stall barn at

Evangeline Downs. He claims that constructing the additional two barns with 88 stalls total will cause the training center's occupancy to go down between 92% to 37% which is not maintainable. He says that over 1,000 horses at the Training Center at Copper Crowne and Evangeline Training Center will have no place to go. He states that the horsemen weren't aware of this deal and he has a petition from horsemen against building the stalls. He suggests that the parties should allow two more months for the horsemen to respond to this deal to the LaHBPA.

Commissioner Romero asks how many stalls would be needed by the horsemen who signed the petition. Mr. Forman responds that the signatures were gathered within one day from the Training Center at Copper Crowne and the Evangeline Training Center and account for between 1,200 to 1,400 horses that need stalls. Commissioner Romero says that if all of these horsemen signed the petition in support of the training centers, then the training center barns should be full of horses whenever Evangeline Downs meets end. Mr. Forman responds that the training center is currently viable whenever Evangeline Downs is closed, but the additional stalls would significantly decrease their number of stabled horses 30 days prior to each meet, during the each meet, and 15 days following each meet.

Commissioner Calvert asks on what date the petition was signed and who wrote the verbiage of the petition. Mr. Forman responds that the petition was signed on Tuesday, November 15, 2016 and that he co-wrote the petition with his attorney and Mr. Carrol Castille.

Mr. A. J. Credeur, General Manager of Evangeline Training Center, informs that both training centers need to operate year round to not only be profitable, but just to keep up budget and maintenance costs. He says that winter brings horses to stable at the training center from the northern states and the overflow from the Fair Grounds. He states that the additional stalls will significantly hurt their summertime numbers to the point that they will eventually fold. He says that breeding in the state needs a strong boost because the low number of foals born this year will not fill the additional stalls in two years. He states that advertising and promotion are important to bring young people to the races because they will be the businessmen who would participate in the horse racing industry in the future.

Mr. Nick Gautreaux, representing St. Landry Parish Economic Development, informs that the training center owners made large investments in the horseracing industry but they can't compete with the companies that own the racing associations. He says that the training centers' proposal is to stable horses with a voucher program paid by the racing associations whenever the horses start at their tracks, which would save the racing associations on the cost of upkeep. He requests that the training centers be allowed to pitch their proposal to the LaHBPA board before the additional stalls agreement is finalized. He says that it will benefit the middle class participants who would be able to stable their horses at the track or training center, which would bring in more participants to the industry. He states that there are 25 jobs directly tied to Evangeline Training Center, 19 jobs directly tied to the Training Center at Copper Crowne, and 55 jobs at the Ranch Outlet, which get about 70% of its business from the training center. He says that the additional stalls would either drive the training centers out of business or increase the cost of their stall rentals, which would hurt the horsemen's bottom line.

Commissioner Reine states that the Commission cannot force two private entities to break their deal for any reason. Mr. Forman says that the training centers were allowed to make a presentation at the LaHBPA Liaison Committee meeting but were dismissed right after rather than being included in the discussion. Commissioner Reine responds that the training centers agreed to present at the meeting and then leave per the discussion at the last LSRC meeting. Chairperson Wagner states that there is no action to be taken by the Commission. Commissioner Davis says that the Commission recognizes the importance of the training centers, which are involved at every level of the racing industry, but the Commission's hands are tied by the deal agreed to by the LaHBPA, which is the recognized representative of Louisiana horsemen. Chairperson Wagner states that there needs to be some strengthening in the line of communication between all of the horsemen.

2016 QUARTER HORSE MEET

3. RACES

a. Ratification of first condition book for 2016 quarter horse meet.

b. Ratification of designated races for 2016 quarter horse meet:

10/28/16	Trials LQHBA Breeders' Futurity
10/29/16	Trials LQHBA Breeders' Derby
11/12/16	OPELOUSAS
11/19/16	LQHBA Breeders' Derby
11/19/16	LQHBA Breeders' Futurity La. Bred (RG1)
11/19/16	LQHBA Invitational Breeders' Stakes
11/25/16	Trials for EVD Futurity
11/26/16	Trials for EVD Derby
12/17/16	EVD Derby
12/17/16	EVD Futurity

4. STEWARDS, OFFICIALS & MANAGEMENT

a. Ratification of officials for 2016 quarter horse meet:

Chris Warren – Director of Racing Operations
 Corey Veazey – Racing Secretary
 Ashley Simon – Assistant Racing Secretary/Stakes Coordinator
 Frank Rudis – Association Steward
 Jeffrey Williams – Association Steward
 Julie Gipson – Identifier
 Traci Vickers – Paddock Judge
 Bobby Granger - Clerk of Scales
 A.C. Moss – Jockey Room Custodian
 Sandra Calais – Claims Clerk
 Mariah Quebedeaux – Placing Judge
 Angela Hebert – Placing Judge
 *Nanette Boutte – Placing Judge
 Brett Poole – Clocker
 Russell Comeaux – Starter
 Jacob Deville – Outrider
 Kenneth Gipson – Outrider
 *David Correll – Stall Superintendent
 Randall Leger – Track Superintendent
 *new official

Commissioner Reine motions to approve Section B – Evangeline Downs Racetrack & Casino: Items #3 and #4a; Commissioner Guilbeau seconds; motion carries.

b. **Ratification** of Brook Hawkins to serve as State Steward for 2016 quarter horse meet.

Commissioner McHalfey motions to approve; Commissioner Reine seconds; motion carries.

2017 THOROUGHBRED MEET

5. STEWARDS, OFFICIALS & MANAGEMENT

a. **Approval** of Brook Hawkins to serve as State Steward for 2017 thoroughbred meet.

Commissioner Davis motions to approve; Commissioner Guilbeau seconds; motion carries.

C. CHURCHILL DOWNS LOUISIANA HORSERACING COMPANY, LLC

d/b/a FAIR GROUNDS RACE COURSE & SLOTS

1. **PROGRESS REPORT**, by *Mr. Tim Bryant*. Mr. Bryant informs that Fair Grounds' 2016-2017 81-day Thoroughbred Meet started on Saturday, November 19, 2016 with a crowd of over 4,000 people for the twilight races. He says that they decided to only run two days prior to Thanksgiving because the four race days prior to Thanksgiving last year did not produce a good handle. He states that Fair Grounds communicates with the other tracks to avoid running similar stakes races on the same days but Fair Grounds' first day overlap with Boyd Gaming's marquee race events was unintentional. He says that overall handle was up 44% and on-track handle was up 79% on Saturday. He informs that overall handle was up 77% and on-track handle was up 30% on Sunday. He states that they averaged over 9 horses per race so far and about 1,500 people attended on Sunday. He says that the twilight races on Saturday featured the Millertime beer garden with a DJ and the Top Cats played live in the fourth floor clubhouse. He says that there is one more Saturday twilight race night, which has a 3:00 pm post time, and three Friday starlight race nights, which has a 5:00 pm post time.

Mr. Bryant informs that he provided Mr. Gardiner with a flash drive containing a local TV commercial for Fair Grounds that has played in New Orleans and Baton Rouge and verbiage for radio commercials. He says that the success they have had in bringing the younger audience has been through grass roots advertising on social media, including Facebook, Twitter, and Instagram. He states that the upcoming big days include Louisiana Champion's Day on December 10, 2016, Super Santa Saturday on December 17, 2016, Louisiana Derby Preview Day on February 25, 2017, Louisiana Derby Day on April 1, 2017, and the last race day on April 2, 2017. He says that having at least one stakes-driven race day each month has been very successful and helps build field size for the Louisiana Derby. He informs that Fair Grounds has 15 new trainers thanks to word of mouth by some owners and recruiting by the Fair Grounds team. He says that Fair Grounds has had two meets back to back with year-over-year growth in overall handle. He states that the tote board looks fresh, the tracks are in good condition, and the backside looks great.

Commissioner Cravins says that it is encouraging to hear about Fair Grounds' success following the Commission's push for improvements there, which emboldens him to take steps with the Commission to do the same with the other racetracks. Mr. Bryant invites the Commissioners to reach out to the Fair Grounds if they want to tour the front or back of the racetrack grounds.

Chairperson Wagner informs that she mentioned to Mr. Bryant that she heard Boyd Gaming gave a few college scholarships at their big event on the past Saturday night that got young people to attend. Commissioner Finkelstein says that the Fair Grounds is showing outstanding improvement on their backside and the whole facility looks fresh.

Mr. Bryant explains that the Fair Grounds is requesting to omit the race day on Super Bowl Sunday, February 5, 2017 because it is usually not a strong handle day. He says that Fair Grounds wants to move the race date to March 13, 2017 because they feel it gives them a greater chance of getting more horses to run in those races due to the end of Delta Downs' current meet.

2016/2017 THOROUGHBRED MEET

2. **REQUEST TO AMEND RACING DATES (R.S. 4:158A) TO OMIT FEBRUARY 5, 2017 AND ADD MARCH 13, 2017 TO TB MEET (IN BOLD BELOW)**

a. Ratification for 2016-2017 thoroughbred meet:

1. 81 thoroughbred race dates (11/19/16 through 4/2/17)

November	19,20,24,25,26,27
December	1,2,3,4,8,9,10,11,15,16,17,18,22,23,26,29,30,31
January	1,2,5,6,7,8,12,13,14,15,19,20,21,22,26,27,28,29
February	2,3,4,5,9,10,11,12,16,17,18,19,24,25,26,27,28
March	2,3,4,5,9,10,11,12,13,16,17,18,19,20,23,24,25,26,27,30,31
April	1,2

Commissioner Calvert motions to approve; Commissioner Reine seconds; motion carries.

3. RACES

a. Ratification of first condition book for 2016-2017 thoroughbred meet.

b. Ratification of designated races for the 2016-2017 thoroughbred meet:

11/19/16	Mr. Sulu Overnight Stakes
11/19/16	Happy Ticket Overnight Stakes
11/19/16	Heitai Overnight Stakes
11/24/16	Thanksgiving Handicap
12/10/16	LA Champions Day Handicap Stakes
12/10/16	LA Champions Day QH Juvenile Stakes (Gr. II)
12/10/16	LA Champions Day QH Derby (Gr. II)
12/10/16	LA Champions Day QH Classic (Gr. II)
12/10/16	LA Champions Day Ladies
12/10/16	LA Champions Day Juvenile
12/10/16	LA Champions Day Sprint
12/10/16	LA Champions Day Ladies Sprint
12/10/16	LA Champions Day Lassie
12/10/16	LA Champions Day Classic
12/10/16	LA Champions Day Turf
12/17/16	Tenacious Handicap
12/17/16	Bonapaw
12/17/16	Blushing KD
12/17/16	Buddy Diliberto
12/17/16	Letellier Overnight Stakes
12/17/16	Sugar Bowl Overnight Stakes
12/31/16	Pan Zareta Overnight Stakes

12/31/16	Woodchopper
12/31/16	Pago Hop
12/31/16	LA Futurity (Boys) (LA)
12/31/16	LA Futurity (Girls) (LA)
01/21/17	Lecomte Stakes (Gr. III)
01/21/17	Silverbulletday
01/21/17	Duncan F. Kenner Stakes
01/21/17	Louisiana Stakes
01/21/17	Col. E.R. Bradley Handicap
01/21/17	Marie G. Krantz Memorial Stakes
02/25/17	Mineshaft Handicap (Gr. III)
02/25/17	Risen Star Stakes (Gr. II)
02/25/17	Rachel Alexandra Stakes (Gr. III)
02/25/17	Fair Grounds Handicap (Gr. III)
02/25/17	Colonel Power Overnight Stakes
02/25/17	Daisy Devine Stakes
02/28/17	Mardi Gras Stakes
04/01/17	New Orleans Ladies Overnight Stakes
04/01/17	Star Guitar (LA)
04/01/17	Costa Rising (LA)
04/01/17	Crescent City Derby (LA)
04/01/17	Crescent City Oaks (LA)
04/01/17	Muniz Memorial Handicap (Gr. II)
04/01/17	New Orleans Handicap (Gr. II)
04/01/17	Fair Grounds Oaks (Gr. II)
04/01/17	Louisiana Derby (Gr. II)

Commissioner Davis motions to approve; Commissioner Guilbeau seconds; motion carries.

4. STEWARDS, OFFICIALS & MANAGEMENT

a. Ratification of officials for 2016-2017 thoroughbred race meet.

Jason M. Boulet – Sr. Director of Racing
 Scott L. Jones – Racing Secretary
 Amber Fontenot – Assistant Racing Secretary/Stakes Coordinator
 Meagan Simpson – Program Coordinator
 Baley Hare – Claims Clerk/Entry Clerk
 Patrick Davis – Placing Judge/Entry Clerk
 Joe Ray Peluso – Placing Judge/Entry Clerk
 Nate Sinclair – Placing Judge/Entry Clerk
 *Jorie Gorski – Placing Judge/Entry Clerk
 Larry Fontenot – Identifier
 *Shawn Diliberto – Alternate Racing Official
 Gary Palmisano, Sr. – Paddock Judge
 David Wedlake - Association Steward
 Brook Hawkins - Association Steward
 *Eric Lato – Outrider
 Darrin Cain – Outrider
 Allen Love – Outrider
 Nelson Menard – Clerk of Scales
 Mario Torres - Stall Superintendent
 *Toby Turrell – Clocker
 Julie Daugherty – Clocker
 Mike Diliberto – Clocker/Track Handicapper
 Glen Miller – Starter

Pedro Zavala – Track Superintendent
Craig Dalligan – Custodian
Donovan Ferguson – Mutual Manager
**new official*

Commissioner Davis motions to approve; Commissioner Romero seconds; motion carries.

**D. HARRAH'S BOSSIER CITY INVESTMENT COMPANY, LLC
d/b/a HARRAH'S LOUISIANA DOWNS**

- 1. PROGRESS REPORT, by Mr. Trent McIntosh.** Mr. McIntosh informs that, after the discussion at the last meeting about Louisiana Downs' poor performance accommodating the large crowd at the July 4, 2016 race day, they had a great Super Derby Day. He says that they staffed an extra 20 mutual tellers from Oaklawn Park, had additional moveable bar locations, had 9 food trucks on the apron, and were properly staffed for the high volume day. Commissioners Davis and McHalfey agree that Louisiana Downs handled Super Derby Day well.

Mr. McIntosh says that Louisiana Downs staff put together a list of needed improvements with the LaHBPA backside committee. He states that they fixed the manure removal issue by purchasing a \$160,000 lift that could handle the full capacity of manure daily and putting more accountability on the security team in addressing horsemen who parked in front of manure bins. He says that they got the slow leak fixed that was causing soggy areas in the barn area, walking paths, and horse paths. He informs that they purchased 40 air conditioner units to replace malfunctioning units in the dorms rooms as needed and repaired the potholes in the barn area road. He states that they replaced the large window glass pane that blew out during a storm before Super Derby Day. He says that they hired vendors to repair the gutters and downspouts throughout the barn area and they repaired the damaged barn roofs.

Mr. McIntosh informs that Louisiana Downs allowed horses to stay in its stalls rent-free for 19 days after the end of their thoroughbred meet to accommodate gap in transition to the Fair Grounds' thoroughbred meet. He says that Louisiana Downs made a deal with the LaHBPA to allow the thoroughbred horsemen to move into the stalls in whatever condition they were following the March flooding in exchange for the horsemen not having to clean the stalls at the end of the meet. He states that they kept their entire maintenance team and added temporary staffing after the horsemen left to clean up the stalls and identify further needed repairs. He says that they have purchased the lumber needed for stall repairs and plan to complete all stall repairs by the time the quarter horses move in on December 26, 2016. He informs that they spend about \$30,000 on material and equipment to maintain the track surface. He says that they will replace gaskets in the drainage system in the barns as needed prior to the start of the quarter horse season.

Commissioner McHalfey says that he has gotten calls from horsemen who were clueless about Louisiana Downs' change in quarter horse racing schedule to Saturdays, Mondays, Tuesdays, and Wednesdays. He states that he walked the backside last week and saw a lot of needed improvements. He says that the discussion to put Louisiana Downs on a 12-month temporary license will be brought up to make sure things get fixed. He asks about the effect the new racing schedule will have on the local attendees. Mr. McIntosh responds that, two years ago, they started Wednesday race days instead

of Sundays because research showed that Wednesday would have better handle performance. He says that Wednesday has since proven to be the most successful day of the week for overall handle, revenue, and purse earnings. He states that their research showed other tracks in the United States that moved to Monday and Tuesday racing days from Thursday and Friday saw their export handle increase by 36% and their live handle had only small declines. He says that the change can put Louisiana Downs in a better handle standpoint that will benefit the association and the horsemen.

Commissioner McHalfey comments that Louisiana Downs would be moving from a live racetrack facility to a simulcasting center. Chairperson Wagner says that handle keeps the industry going and asks if 80% of Louisiana Downs' handle is from simulcast. Mr. McIntosh responds that it usually makes up slightly more than 80% of the total handle and he submitted and discussed the research information to the LaHBPA. Commissioner McHalfey asks if Mr. Chatters was informed of this decision. Mr. Chatters responds that he represents the horsemen's interest with multiple issues and they had this same issue with Delta Downs about six months earlier.

Commissioner McHalfey asks why the LaHBPA approved of Louisiana Downs' proposed schedule change when they didn't approve of a similar schedule request for Delta Downs. Mr. Chatters responds that Louisiana Downs' new schedule would allow horsemen to run horses across the state six days a week if they chose, rather than be limited to four days, which would increase field sizes and handle. He says that the limited competition on Mondays should increase the purses, just like Sam Houston Race Park makes well over \$1,000,000 each Monday. He states that generating more money was seen as more important in the decision than the horsemen's gripe that they would rather run consecutive days. He says that Delta Downs requested to run Mondays, Tuesdays, Wednesdays, and Thursdays whereas Louisiana Downs keeps Saturday which still allows horse owners to see their horses run over the weekend.

Commissioner McHalfey asks if the LaHBPA got together with the people who would be affected by this change and called him about this issue. Mr. Fenasci responds that the trainers with whom he discussed this issue only presented the break in the four-day week as a negative but are still given three weekdays and Saturday. Commissioner McHalfey comments that Monday is very different than a Thursday or Friday for attendance. Mr. Chatters responds that if the schedule change doesn't work, they will go back to normal. He says that their members want improvement in making a living at horseracing.

Commissioner McHalfey says that the changes keep chipping away at Louisiana Downs, such as reducing to seven races a day. Mr. Chatters responds that the LaHBPA vigorously opposed reducing Louisiana Downs to seven races a day but the Commission imposed that change. He says that there are issues at Louisiana Downs beyond the LaHBPA's and the Commission's control but he wants to push them to do whatever they can to improve the industry while not driving them out of business.

Commissioner McHalfey asks what the horsemen would get in return for the schedule change, such as running more races on Saturday. Chairperson Wagner says that reducing Louisiana Downs to seven races a day was a hard decision but was a concession to help keep the racetrack running. She says that shifting the dates has economic value that will benefit the horsemen, the tracks, and the state through increased handle, even though it may affect on-track attendance. Commissioner

McHalfey says that the schedule change benefits the horsemen running at Evangeline Downs over the Louisiana Downs horsemen. Mr. Chatters responds that the LaHBPA represents horsemen statewide and tries to benefit all horsemen rather than breaking them up into smaller categories.

Commissioner Romero asks how the seven races per day program has done in raising purses. Mr. McIntosh responds that Louisiana Downs reduced the number of races to mitigate the loss from declining slot revenues in their market and, as a result, maintained its purse structure for the last two years. He says that the reduction of races was also a response to the declining horse population in their area. He states that increasing races per day would decrease the purses and that Louisiana Downs is far away from the other Louisiana racetracks, which makes ship-ins less likely.

Commissioner Romero asks why the LaHBPA committees at the tracks are not reaching out to inform the horsemen of decisions that affect them at their respective tracks. Mr. Chatters responds that he did not communicate this specific Louisiana Downs schedule change decision with the trainers but Mr. McIntosh presented his data supporting the change, which made business sense. He says that the Commission approved the schedule at the previous meeting. He states that he exhausted this topic with horsemen when Delta Downs asked for a schedule change and, ultimately, the horsemen agreed that if it would help and promote racing, then they would give it a try.

Commissioner McHalfey motions to discuss amending the specific dates on the license that the Commission approved for Louisiana Downs' 2017 84-day Thoroughbred Meet at the next LSRC Meeting and to give notice about the discussion to allow Louisiana Downs to attend and respond to the proposed amendment; Commissioner Cravins seconds. Chairperson Wagner requests hard statistics on the schedule change's projected effects on handle, purse, and all other parts of Louisiana Downs operations.

Commissioner Reine asks if the Commission's possible amendment to the racing dates would interrupt Louisiana Downs' marketing, advertising, and other business preparations. Mr. McIntosh responds that it would not yet affect those. Commissioner Calvert asks if, unless there is an alternative plan to approve, the motion would only allow the Commission to not approve the dates.

Mr. McIntosh states that the tracks racing on Mondays and Tuesdays versus Thursdays and Fridays, which includes Finger Lakes Racetrack, Delaware Park Racetrack, and Presque Isle Downs, saw a 30% increase in handle on those days. Commissioner Guilbeau says that the issue would be far extended to set it for the next LSRC Meeting, considering that Mr. McIntosh wouldn't come back with any new data from what he currently has and the extensive conversation held today has taken the issues into account already.

Commissioner Reine asks when the racing days start. Mr. McIntosh responds that the meet in question starts Saturday, May 6, 2017. Ms. Loney advises that looking backwards on this issue which the Commission previously granted approval causes some procedural concerns moving forward.

Commissioner Davis says that he loves the innovations that Louisiana Downs is trying to make with race days and races per day and wants to see what will happen rather than reevaluating something the Commission has already approved. Commissioner Cravins

states that there was no discussion about the schedule change at the last meeting, which is causing this problem. He asks if Mr. Gardiner can gather the LaHBPA Liaison Committee to meet at Louisiana Downs prior to the holidays to address the concerns of all sides and discuss Louisiana Downs matters with Harrah's.

Commissioner McHalfey withdraws his motion. Commissioner Johnson says that he received positive feedback on Louisiana Downs' wiener dog races and saw good TV news coverage about the event.

2. BANKRUPTCY PROCEEDING

a. Update on Bankruptcy Proceeding from Caesars Entertainment Corporation.

Mr. Paul West, Outside Louisiana Regulatory Counsel for Caesars' Entertainment Operating Company (CEOC), informs that CEOC has been in an \$18 billion reorganization bankruptcy proceeding since January 2015. Commissioner Guilbeau states that it has been a long time since the Commission was updated about CEOC's bankruptcy status and asks how does the bankruptcy, both today and in its future projections, impact Harrah's ability to make capital improvements at Louisiana Downs. Mr. West says that CEOC is the ultimate parent company of Louisiana Downs and also owns Horseshoe Bossier. He states that CEOC has reached an agreement with the major stakeholders in the bankruptcy in the past 60 days and filed their 30-day plan of reorganization in October.

Mr. West informs that the bankruptcy judge has ceased all litigation against CEOC's parent and the confirmation plan is set for a hearing in January 2017. He says that the plan should be approved by late February, after which CEOC will have to go around to every board and commission, including LSRC, around the nation to get approval. He explains that CEOC will spin all of its real estate off, put them into a real estate investment trust (REIT), and a number of the creditors will swap their debt for equity in that REIT to settle their claims. He states that there should be no operational effect of this reorganization on Louisiana Downs and offers to meet with the LSRC's Legal Committee to walk through every step of the reorganization.

Commissioner McHalfey asks for a further explanation of the real estate transaction. Mr. West responds that, in the gaming industry, it is popular for companies to put real estate into a publicly traded REIT and give shares of the stock to the creditors who can then trade that equity to turn into cash. Commissioner McHalfey asks if someone could potentially make an offer to buy a property offered for sale. Mr. West responds that it would be unusual due to being locked up in the REIT.

Commissioner Reine asks if, usually in this situation, the real estate is sold but the original owning group continues to be the operator. Mr. West responds that it is called a sale/lease back in which you could sell your property to a REIT or investor and, instead of paying mortgage, you pay rent. Mr. West says that CEOC will have to get approval of the master lease throughout the nation, in which the REIT will lease the property back to the entity that operates Louisiana Downs. He explains that all of the terms of the master lease, including capital improvements, capital investment, and rent, has to be negotiated and approved by the regulators.

Commissioner Guilbeau requests that Mr. West gives the LSRC an update if and when the bankruptcy judge approved the reorganization plan. Commissioner Calvert asks if the operation would cease if the operator cannot fulfill his obligations under the lease. Mr. West responds that the tenant would have a right to terminate the lease and rent it to someone else. Commissioner Shelton asks if an operator defaults on one property, would the operator default on the master lease as a whole. Mr. West responds that he is not sure but wouldn't be surprised if there was a cross default provision in the master lease at the landlord's discretion.

A ten minute recess is taken.

II. BREEDER UPDATES

A. LOUISIANA THROUGHbred BREEDERS ASSOCIATION (LTBA)

- 1. PROGRESS REPORT**, by *Mr. Roger Heitzmann, Secretary-Treasurer of the LTBA*. Mr. Heitzmann informs that the LTBA is working with Lieutenant Governor Billy Nungesser and Agriculture and Forestry Commissioner Mike Strain on bringing more tourism to Louisiana based on racing and breeding prospects. He says that they hope to have Mr. Nungesser and Mr. Strain at the Fair Grounds on December 10, 2016 for Louisiana Champions Day. He states that they have 942 thoroughbreds registered currently but will probably end this year close to last year's total of 1,186 thoroughbreds, which he feels is the lowest level of horse breeding that Louisiana will reach. He says that 20% of the top stallions are breeding 80% of the mares in Louisiana, which makes the industry tougher on smaller breeders but generates millions of dollars with top quality horses.

Mr. Heitzmann introduces Mr. Warren J. Harang III, President of the LTBA. Mr. Harang requests a small committee from the LSRC to help address the problems with breeding in the state. He says that better and more horses need to be bred because the racetracks and racing industry will not survive without improvement in breeding numbers. Mr. Heitzmann informs that the LTBA has formed a liaison committee, with Jake Delhomme as the chair, to work cooperatively with the LSRC. Commissioner Romero suggests that the Governor be invited to Louisiana Champions Day. Mr. Heitzmann responds that they always invite the Governor to big racing events.

Commissioner Reine says that the LSRC and LTBA should coordinate their individual efforts to promote the racing industry. Commissioner Reine asks if the LTBA granting breeders' awards to horses racing out of state hurts Louisiana's racing industry. Mr. Heitzmann responds that the LTBA only pays breeders' awards to people who bred horses in Louisiana according to the LTBA's strict rules but has a set amount of award money for Louisiana-bred horses that race outside of the state to promote Louisiana-bred sales despite from where buyers come. Commissioner Reine asks if a Louisiana-bred winner would get a bigger purse than an open horse in an open race in Louisiana. Mr. Heitzmann responds that the Louisiana-bred would get the bigger purse.

Commissioner McHalfey requests an update when available about the funding available for marketing through the Tourist Bureau. Mr. Heitzmann says they had a meeting in Baton Rouge and talks of collaboration just started a couple months ago.

Commissioner Davis asks if the LTBA has a structured committee in place working with the racetracks, quarter horse men, and thoroughbred horse men to which the Commission needs to appoint someone. Mr. Heitzmann responds that there is no set committee like that but they have formed two liaison committees, one to communicate with the LSRC and the other for the LaHBPA. He says that they are looking to tackle issues like races overlapping at the different tracks and how purse money and breeders' awards can be more evenly distributed through a worth system rather than a purse system.

Mr. Heitzmann states that the Jockey Club estimates that only 22,000 foals will be born in the United States this year, which is down from the 38,000 to 40,000 born five years ago. Commissioner Davis requests that the LTBA let Mr. Gardiner know about any meetings it may have to discuss these issues so the Commissioners will be aware.

B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)

- 1. PROGRESS REPORT**, by *Mr. Tony Patterson, Executive Director of the LQHBA*. Mr. Patterson informs that the LQHBA held its marquee \$1,000,000 Breeders Futurity and its \$265,000 LQHBA Breeders Derby on Saturday, November 19, 2016 at Evangeline Downs. He says that Lieutenant Governor Nungesser, many legislators, some Commissioners, and Dr. Cooley attended that race day. He states that they were able to give away \$11,000 in youth scholarships through some funding from three outside sponsors and well over 50% of the 94 young people who signed up for the scholarship giveaways had never been to the races. He says that the LQHBA celebrated its 50th anniversary with a huge cake at the event.

Commissioner Reine asks why only nine horses competed in the futurity. Mr. Patterson responds that the LQHBA's rules have not been changed from the old American Quarter Horse Association rules which did not allow an alternate eligible horse outside of the top 10 qualifying horses to replace a horse disqualified from the finals. He says that there is an LQHBA board meeting in December with their President, Butch Stevens, in which that issue will be addressed for a possible change.

Commissioner Reine says that he has concerns about the fairness of not allowing people who followed the rules to get their horses in the futurity when horses that are disqualified should probably not have been qualified in the first place. Mr. Patterson thanks the Commission and the stewards at Evangeline Downs for upholding the way the LQHBA rules are written but says that the LQHBA will look to change the rule soon.

III. COMMITTEE REPORTS

A. MEDICATION COMMITTEE, by *Committee Chairperson Judy W. Wagner*

Chairperson Wagner informs that the Medication Committee met yesterday at the request of local vets and Dr. Thomas Tobin, Professor of Veterinary Science at the Gluck Equine Research Center at the University of Kentucky, to discuss their concerns about the medication rules. She says that the committee will take their suggestions and will decide what, if any, action needs to be taken.

B. RULES COMMITTEE, by Committee Chairman R. Hamilton "Hammy" Davis

Commissioner Davis informs that the committee will talk to the LaHBPA to try to codify the rules around ship-in and ship-out dates prior to and after race meets. He says that the Commission can field comments about the rule recommendations given to the LSRC by the State Auditor.

Mr. John Duvieilh, counsel for the LaHBPA, says that there needs to be clarity with respect to the rule for entry of horses at all of the Louisiana racetracks because there has been discrepancies between the racetracks about entry procedures. Commissioner Davis responds that they can study the issue, meet with the stewards, and discuss their recommendations for consistency among the racetracks.

C. LEGAL COMMITTEE, by Committee Chairman Benjamin J. Guilbeau, Jr.

Mr. Guilbeau informs that the committee discussed an issue related to the Commission's standard of review for appeals from stewards' rulings on upcoming races. He requests guidance from LSRC's Administration and the Office of the Attorney General about establishing a continuity of review, including research from other jurisdictions.

D. SECURITY COMMITTEE, by Committee Chairman Kenneth "Kenu" Romero

Commissioner Romero introduces Captain Terry Chustz, Commander of Central Operations of the Louisiana State Police (LSP). Captain Chustz informs that investigators have conducted over 200 patrols on the back stretch, jockeys' rooms, and paddock areas. He says that they have had three Commission assists, nine criminal investigations, four administrative investigations, and one violent crime investigation. He states that everything seems to be going well and he stays in close communication with Mr. Gardiner.

Commissioner Romero thanks Captain Chustz and the LSP for the good work they are doing to help the racing industry. Captain Chustz says that there are times when the LSP cannot legally answer questions or disclose information about an ongoing investigation but their relationship with the LSRC is a great one.

E. RACETRACK/HBPA LIAISON COMMITTEE, by Committee Chairman Donald "Don" Cravins

No Report.

F. FINANCE COMMITTEE, by Committee Chairman Louis Reine

No Report.

IV. RULES

A. DISCUSSION/NOTICES OF INTENT:**1. Ship-In/Ship-Out Dates**

LAC 35: III Chapter 57 – Associations' Duties and Obligations

§5708. *Ship-in and Ship-out Dates* [new]

Commissioner Davis informs that the Rules Committee will send the proposed Ship-In/Ship-Out Dates rule out to the LaHBPA and all of the racetracks to discuss the terms of the rule. He says that they will bring this rule back to the full Commission after that final discussion.

2. Associations' Duties and Obligations

LAC 35: III Chapter 57 – Associations' Duties and Obligations

§5704. *Public Address System* [new]

§5706. *Barns on Backside of Racetrack* [new]

§5707. *Fire Prevention Security* [amend]

§5709. *Housing of Stable Employees* [amend]

§5713. *Ambulance* [amend]

§5714. *Equine Ambulance* [new]

§5723. *Lighting* [amend]

§5724. *Rails* [new]

§5747. *Cleanliness and Inspection* [amend]

§5764. *Surface of Race Course* [new]

Ms. Loney informs that the proposed Associations' Duties and Obligations draft rules were derived previously from the Legislative Auditor's recommendations following a performance audit. She says that the previous Commission discussed these rules, made a draft of the rules and sent them to the racing associations. She states that the associations commented and further changes were made by the previous Commission, which is what the current draft reflects.

Mr. David Waguespack, outside counsel for Fair Grounds, states that there are several rules that do not deal directly with horseracing and are outside the authority of the LSRC. He says that Fair Grounds is in a residential neighborhood and has a number of local ordinances and a citizens committee that govern the track in New Orleans, including lighting ordinances. He states that he disagreed with a lot of the Legislative Auditor's report regarding the LSRC's function under the existing rules.

Commissioner Reine asks about Mr. Waguespack's comments referencing lighting being outside the purview of LSRC. Mr. Waguespack responds that the rule holds an amorphous standard over lighting at Fair Grounds that may conflict with the residential neighborhood ordinance or the citizens' council. Commissioner Reine says that the LSRC does have the authority to ensure the safety of guests, workers, and horses at the racetrack, though he agrees that accommodating local ordinances should be addressed. Commissioner Reine asks what other issues Fair Grounds has with the proposed rules. Mr. Waguespack mentions the rule dealing with the fire marshal and the rule about cleanliness, which again crosses over local laws.

Mr. Gardiner mentions the rule that would require stalls to be 10 feet by 10 feet, which would put Delta Downs in violation since they rebuilt their barns as 9 foot by 9 foot following the damage from Hurricane Rita. Commissioner Reine suggests a grandfather clause to exempt existing stalls from the rules that will apply to any new construction or remodeling. He says that he is concerned over making a requirement of the racetracks for the timeliness in which the fire marshal will inspect their facilities because the associations don't control that and therefore shouldn't be penalized for that issue. He suggests that the rules have a statement that the LSRC doesn't intend to overrule other governing bodies.

Commissioner Cravins asks what the consequences are for not following these proposed rules. Ms. Loney responds that another recommendation by the auditor was that, once the rules were discussed, then a penalty system should also be discussed and put into place. Commissioner Calvert asks if there will be reference to a mechanism to confirm

compliance with the rules. Ms. Loney responds that the stewards would be in charge of ensuring compliance with some of the rules and the LaHBPA and other groups would notify the LSRC of issues through complaints. Chairperson Wagner informs that Fair Grounds is accredited by the National Thoroughbred Racing Association's Safety and Integrity Alliance, which takes a lot of the discussed rules topics into consideration. Commissioner Davis says that the Rules Committee will make revisions prior to the next meeting and will bring the rules back to the full Commission for consideration.

Mr. Gardiner informs that Mr. John Beech, Regional Representative of the Jockeys Guild, has requested the Commission to grant him permission to comment relative to the proposed rules. Commissioner Davis motions to allow Mr. Beech to make his statements; Commissioner Reine seconds; motion carries.

Mr. Beech asks about the wording of proposed rule LAC 35:III.5713, in which he says that the phrase "if the ambulance is being used to transport an individual, the association may not conduct a race," should read "shall not" instead of "may not" to prevent associations from making a determination to run a race without an ambulance. He informs that all of the racetracks in Louisiana have safety rails except for Delta Downs, which is a great safety concern to his group and horsemen. Commissioner Davis requests the specifications of the safety rail so that the Rules Committee can discuss the issue and include it in the proposed rules for the next LSRC Meeting. Mr. Chatters informs that the LaHBPA fully support getting a safety rail installed at Delta Downs, which is important for the liability of the association and the safety of the horses and riders.

Mr. Warren says that the management of Boyd Gaming is looking at the safety rail issue and will have a proposal within a few weeks to meet everyone's concerns. Commissioner Reine asks how long the safety rail has been an issue at Delta Downs. Mr. Warren says that it has been discussed over the last few years. Commissioner Reine says that this is imperative to the safety and well-being of jockeys and horses, so Delta Downs needs to address this issue immediately.

V. OTHER

A. RATIFICATION

1. **Amendment** of Paul H. Johnson's 60-day suspension period for consolidated Rulings ED21810 and ED21811 adjudicated at the 8/29/16 LSRC Meeting. Adjudication amended to run concurrently from 9/1/16 through 10/30/16, rather than consecutively.

Commissioner Calvert motions to approve; Commissioner Reine seconds; motion carries.

VI. LICENSE APPROVALS

A. REQUESTS FOR LICENSE APPROVAL (LA. REV. STAT. 4:150(B))

1. **Kevin J. Thompson, Owner/Trainer.** Convicted felon.

Commissioner Calvert motions to approve Mr. Thompson for licensure conditioned upon submission of a negative drug test at his own expense from an LSRC approved drug testing facility. Commissioner Reine seconds; motion carries.

2. **Gerald J. Cole, Groom/Hotwalker.** Convicted felon.
Continued from August 29, 2016 Commission Meeting.

Not present at meeting. No action taken.

VII. ADJUDICATIONS

A. VIOLATION OF LAC 35:I.1797 (Equine Positives)

1. **John Anthony Leblanc, Owner/Trainer.** (*Adjudication Referred*)
Ruling#ED21887 of 8/26/16 – *Buprenorphine (ARCI Category II)*

Commissioner Reine motions to uphold the Stewards' ruling; amend Mr. Leblanc's suspension from 6 months to 90 days (credit for time served beginning 8/28/16); effective 8/28/16 through 11/25/16; and fine him \$1,500 total; purse redistributed. Mr. Leblanc will be denied access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission. Commissioner Johnson seconds; motion carries; opposition from Commissioner Calvert.

B. VIOLATION OF LA. REV. STAT. 4:175 and LAC 35:I.1743 (Possession of Controlled Dangerous Substances and Possession of Drugs, Syringes, or Needles)

1. **Homar Garza, Trainer.** (*Adjudication Referred*)
Ruling#ED21935 of 9/30/16 – *Possession of Injectibles & Syringes*

Commissioner Calvert motions to uphold the Stewards' ruling; amend Mr. Garza's suspension from 6 months to 5 years effective 11/21/16 through 11/20/21. Mr. Garza will be denied access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioner Cravins seconds; motion carries.

C. APPEAL (LA. REV. STAT. 4:154)

1. **Donald R. Watson, Jockey.**
Ruling#DD21746 of 6/29/16 – *Careless Riding.*
Continued from August 29, 2016 Commission Meeting.

Attorney –
J. Wade Smith, Esq.

Present at meeting without attorney. Appeal withdrawn. Commissioner Reine motions to suspend Mr. Watson for 7 calendar days from December 1, 2016 through December 7, 2016. If Mr. Watson participates in a designated race day not subject to suspension; he shall be required to make up the suspension day on the first following race day after the designated day of racing. Commissioner Guilbeau seconds; motion carries.

VIII. ADJOURNMENT

Commissioner Reine motions to adjourn; Commissioner Johnson seconds; Chairperson Wagner adjourns the meeting.

A handwritten signature in blue ink, reading "Charles A. Gardiner III". The signature is written in a cursive style with a horizontal line extending from the end of the name.

Charles A. Gardiner III
Executive Director