

LOUISIANA STATE RACING COMMISSION MINUTES – November 15, 2010 Meeting

As transcribed by Mary Lee DiLeo, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Jerry F. Meaux, *Chairman*

Payton R. Covington, *First Vice Chairman*

Bob F. Wright, *Second Vice Chairman*

Keith W. Babb

Anthony Bourgeois

Bryan G. Krantz

David E. Roberts

Kenneth "Kenu" Romero

Ray A. Tromba

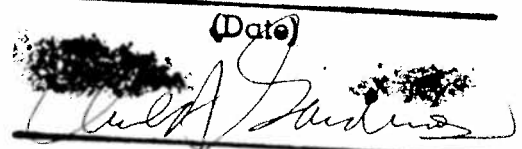
Judy W. Wagner

APPROVED

At the Commission Meeting of

4-18-11

(Date)



Executive Director

Louisiana State Racing Commission

ABSENT

Neal B. Cormier

Richard M. "Dick" Hollier, Jr.

William A. Robinson

The meeting of the Louisiana State Racing Commission was called to order by the Chairman on Monday, November 15, 2010 at 9:05 AM in the Lafitte A & B Rooms of the Chateau Bourbon, 800 Iberville Street, New Orleans, Louisiana. Roll call was taken; a quorum was present.

Mr. Meaux asks the commissioners for approval of the meeting minutes from the previous meeting; Mr. Covington motions to approve; Mr. Babb seconds; motion carries.

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 the 88-day thoroughbred meet began on October 27th. He informs the schedule started with four day weeks (will close Christmas week) and will end with five day weeks for the last five weeks of the meet. Mr. Warren informs the live handle is up 10%, simulcast bet-in is up 15% and the betting on other signals is up 34%. Mr. Warren states the reviews of the new track surface have been positive. He states the track surface will be watered more often if there isn't enough rainfall. Mr. Warren informs more drainage ditches were added to four or five barns on the backside. He informs the biggest day in Louisiana racing (purse money totaling \$2.4 million, 8-stakes races and million-dollar jackpot race) will be held on November 20th. Mr. Warren informs of upgrades in the grandstands as well as the bar area in the OTB. Mr. Warren states that Delta Downs purchased a 12-horse starting gate 2 years ago and he discusses the possibilities of implementing a plan to put it in full use in the future. Mr. Tromba asks Mr. Warren

about the current field size and purse distribution. Mr. Warren states the field size average is 9.1 and average purse size is \$175,000. Mr. Beech, Regional Manager of the Jockeys' Guild states his concern with safety and would like to have future discussions on running 12 horses at Delta Downs.

2010/2011 THOROUGHBRED MEET

2. RACES

a. Ratification of designated races:

- 11/5/10 Gold Cup
- 11/5/10 Magnolia
- 11/20/10 \$500,000 Delta Downs Princess Grade III
- 11/20/10 \$1,000,000 Delta Downs Jackpot Grade III
- 11/20/10 Delta Mile
- 11/20/10 Treasure Chest
- 11/20/10 Louisiana Legacy
- 11/20/10 Louisiana Jewel
- 11/20/10 My Trusty Cat
- 11/20/10 Jean Lafitte
- 2/5/11 Premier Night Sprint
- 2/5/11 Premier Night Starlet
- 2/5/11 Premier Night Distaff
- 2/5/11 Premier Night Championship
- 2/5/11 Premier Night Matron
- 2/5/11 Premier Night Prince

Mr. Covington motions to approve; Mr. Krantz seconds; motion carries.

3. STEWARDS, OFFICIALS & MANAGEMENT

a. Ratification of racing officials for the 2010/2011 thoroughbred meet:

*Michael Smith replacing John Grudzien as Assistant Racing Secretary/Stakes Coordinator

*Cynthia Smith replacing Ann Wessels as Horse Identifier

Mr. Bourgeois motions to approve; Mr. Roberts seconds; motion carries.

B. EVANGELINE DOWNS RACETRACK & CASINO

- 1. PROGRESS REPORT, by Mr. Steve Darbonne.** Mr. Darbonne reports Evangeline Downs has no outstanding projects and has received no complaints from the barn area. He informs the thoroughbred meet ended in early September. He states Evangeline Downs was down 4% overall. Mr. Darbonne informs the third quarter horse meet has started and they are running days instead of nights to cut expenses. He informs the handle is down 35% from the last year. He informs a good part of it is due to losses on Sundays. He states the handle is down a larger percent than actual revenue because only half of the revenue is from other signal fees, but it's not affecting Evangeline Downs as much as it looks on the handle. Mr. Darbonne informs Dr. Mick Peterson is scheduled to examine the track at the end of December. Mr. Covington asks Mr. Darbonne for a copy of the price quote given by Dr. Peterson. Mr. Darbonne supplies the commission with a copy of the quote.

2010 QUARTER HORSE MEET

2. RACES

a. Ratification of designated races:

- 10/23/10 LQHBA Sales Futurity
- 10/23/10 Invitational Sales Stakes
- 12/4/10 LQHBA Breeders' Futurity
- 12/4/10 Invitational Breeders Stake
- 12/10/10 EVD Derby
- 12/18/10 EVD Futurity

Mr. Covington motions to approve; Mr. Krantz seconds; motion carries.

- b. **Ratification** to change starting post times to 5:40p.m. on November 6, 2010 & 12:30p.m. on November 13, 2010.

Mr. Covington motions to approve; Mr. Tromba seconds; motion carries.

3. STEWARDS, OFFICIALS & MANAGEMENT

- a. **Ratification** of racing official for 2010 quarter horse meet:
Terry McGee replacing Dudley Babineaux as Clerk of Scales

Mr. Tromba motions to approve; Mr. Krantz seconds; motion carries.

**C. CHURCHILL DOWNS LOUISIANA HORSERACING COMPANY, LLC
d/b/a FAIR GROUNDS RACE COURSE & SLOTS**

- 1. **PROGRESS REPORT**, by Mr. Eric Halstrom. Mr. Halstrom informs the Fair Grounds 10 day quarter horse meet in September was very good. He informs the purse average was \$200,000 per day. He informs the handle was down 10%. Mr. Halstrom informs the backside opened for thoroughbreds on October 1, three weeks earlier than normal. He informs the track is currently in great condition and is pleased with the new track superintendent, Pedro Duval. A new sprinkler was replaced in the summer. Mr. Halstrom informs that the American Quarter Horse Challenge will be held on this upcoming Friday night (11-19-10). He informs Los Alamitos will take all 13 races on Friday night. He mentions the clubhouse is very close to selling out and the simulcast should provide great exposure. Mr. Halstrom informs the thoroughbred meet will open on Thanksgiving Day and there is a 250 person waiting list for tables. He states purses should average \$320,000 per day. Mr. Tromba asks how much of the purse money is contributed from OTB's. Mr. Halstrom responds the OTB business is struggling and is off between 10%-15% and video poker is flat. Mr. Tromba compliments Mr. Halstrom on the Fair Grounds advertising campaign. Mr. Halstrom states Fair Grounds is using Trumpet as their new advertising agency.

2010 QUARTER HORSE MEET

2. RACES

- a. **Ratification** of request to change first time starter rule for 2010 Quarter Horse meet.
Mr. Babb motions to approve; Mr. Krantz seconds; motion carries.

2010 AQHBA BANK of AMERICA CHAMPIONSHIP CHALLENGE-NOVEMBER 19th

Mr. Babb recognizes Darrell Hare, head of the AQHA Bank of America Racing Challenge. He congratulates Mr. Hare on doing a great job organizing this event and informs this will significantly benefit Louisiana racing. Mr. Hare states he looks forward to a great Friday night of racing.

3. RACES

a. Approval of designated races for special event race date:

- Bank of America Racing Challenge Championship
- Adequan Racing Challenge Derby Championship
- John Deere Racing Challenge Juvenile Championship
- Merial Racing Challenge Distaff Championship
- Red Cell Distance Championship
- Who Dat? Derby
- Pfizer Starter Allowance Championship
- Farnam Stakes
- Los Alamitos Stakes
- Nutrena Starter Allowance Stakes
- Q-Racing Stakes
- AQHA Member Plus Stakes
- Wrangler Stakes

Mr. Covington motions to approve; Mr. Krantz seconds; motion carries.

4. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of officials for 2010 special event race date:

- Jason Boulet - Racing Secretary
- Peter Kosiba, Jr. and Brook Hawkins - Association Stewards
- Harvey Lourd, III - Assistant Racing Secretary
- Frank Comberrel, Jr. - Starter
- Scott Jones - Stakes Coordinator
- Barbara Comberrel - Program Director
- David Wedlake and Ramon Muniz - Paddock Judges
- Joe Peluso, Amber Fontenot and Allison Campbell - Placing/Patrol Judges
- Kerry Dubuc, Mike Diliberto, Billy Pettingill and Gary Palmisano - Clockers
- Nelson Menard - Clerk of Scales
- Jed Babin - Horse Identifier
- Mario Torres - Stall Superintendent
- Craig Daligian - Jockey Room Custodian
- Steve Worsley - Claims Clerk
- Robert Mayer, Darrin Cain and Hank Hefner - Outriders

Mr. Romero motions to approve; Mr. Babb seconds; motion carries.

b. Approval of Roy Wood to serve as state steward for special event race date.

Mr. Covington motions to approve; Mr. Krantz seconds; motion carries.

2010/2011 THOROUGHBRED HORSE MEET

5. CONDITION BOOK AND RACES

a. Approval of first condition book.

b. Approval of designated races:

- 12/11/10 Quarter Horse Juvenile
- 12/11/10 Quarter Horse Derby
- 12/11/10 Quarter Horse Classic
- 12/11/10 Starter
- 12/11/10 Juvenile
- 12/11/10 Lassie
- 12/11/10 Sprint
- 12/11/10 Ladies Sprint

12/11/10	Turf
12/11/10	Ladies
12/11/10	Classic
12/31/10	Louisiana Futurity
1/22/11	Col. E.R. Bradley Handicap
1/22/11	Tiffany Lass Stakes
1/22/11	Lecomte Stakes
2/19/11	Fair Grounds Handicap
2/19/11	Mineshaft Handicap
2/19/11	Silverbulletday Stakes
2/19/11	Risen Star Stakes
3/12/11	The New Orleans Ladies
3/25/11	Crescent City Oaks
3/25/11	Crescent City Derby
3/25/11	The Costa Rising
3/25/11	Red Camelia Stakes
3/25/11	Bayou St. John Stakes
3/26/11	Bayou Handicap
3/26/11	Duncan F. Kenner Stakes
3/26/11	Mervin H. Muniz Jr. Memorial Handicap
3/26/11	New Orleans Handicap
3/26/11	Fair Ground Oaks
3/26/11	Louisiana Derby

Mr. Covington motions to approve; Mr. Krantz seconds; motion carries.

6. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of officials for 2010-2011 race meet:

Jason Boulet - Racing Secretary
 Peter Kosiba, Jr. and Brook Hawkins - Association Stewards
 Harvey Lourd, III - Assistant Racing Secretary
 Frank Comberrel, Jr. - Starter
 Scott Jones - Stakes Coordinator
 Barbara Comberrel - Program Director
 David Wedlake and Ramon Muniz - Paddock Judges
 Joe Peluso, Amber Fontenot and Allison Campbell - Placing/Patrol Judges
 Kerry Dubuc, Mike Diliberto, Billy Pettingill and Gary Palmisano - Clockers
 Nelson Menard - Clerk of Scales
 Jed Babin - Horse Identifier
 Mario Torres - Stall Superintendent
 Craig Daligian - Jockey Room Custodian
 Steve Worsley - Claims Clerk
 Robert Mayer, Darren Cain and Hank Hefner - Outriders
 Jeff Vinson - Silks Coordinator

Mr. Covington motions to approve; Mr. Roberts seconds; motion carries.

7. OTB

a. **Application withdrawn** for Lapalco Fair Grounds OTB Casino (Jefferson Parish) 3621 Lapalco Blvd., Harvey, Louisiana.

Mr. Romero asks Mr. Halstrom if there is another location to replace this OTB. Mr. Halstrom states there were neighborhood issues. He informs Fair Grounds will seek other options in the area. Ms. Wagner asks Mr. Halstrom about the current OTB locations on the West Bank. Mr. Halstrom replies there is one in Gretna.

**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 the thoroughbred meet ended on September 26th. He informs the handle on their simulcast signal was down 20%. He states Monmouth Park created a racing schedule (reduced number of racing days and doubled their handle) which cut into the market share for simulcasting. Mr. McIntosh states Louisiana Downs added one race per day, adjusted post times and focused more on promotional items in September. He mentions Monmouth competed against Louisiana Downs twice per week in September. The result was the handle being down 6% compared to over 20% from May through August. Mr. McIntosh informs the quarter horse meet begins on January 8th with stall applications going out today (11-15-10). He reports the on-track handle during the off-season (through the beginning of November) was up about 6%. The horses will move on the track on December 18th. He informs the awnings and gutters on the south side of all the barns have been installed. He informs the next step is to replace all of the lumber on all of the barns that are twenty-five years and older. He states, the project began in October and is scheduled for completion December 10th. Mr. Tromba states in the last 4 or 5 years the decline in racing handles are dramatic. He states he is concerned with the direction racing is taking in that area. Mr. Tromba states that Louisiana Downs termination of one of the most respected simulcast directors in the nation had a profound impact on the handle. Mr. McIntosh discusses the quality of racing at Louisiana Downs and states running 84 days is definitely a challenge. Ms. Wagner asks Mr. McIntosh about the average field size. He responds 9.1. Mr. McIntosh and Mr. Tromba have a discussion regarding barn closings and purse sizes. Mr. Roberts asks Mr. McIntosh about the negative cash flow when the barns were closed. Mr. McIntosh responds somewhere between \$20,000 and \$40,000. Several commissioners discuss competition, start times as well as marketing issues adversely effecting Louisiana Downs. Mr. Laverne Perry, LQHBA addresses the commission and states he would like all of the tracks to get together and create a successful marketing initiative.

Mr. Arthur Morrell, horse owner and Clerk of Criminal Courts in New Orleans, addresses the commission. As a horse owner, he urges the commission not to cut the amount of live racing days. Mr. Meaux states for the record that there hasn't been any discussion in that regard.

2010 THOROUGHBRED HORSE MEET

1. **WAGERING (LAC 35:XIII.Ch 103-127)**
- a. **Ratification** of wagering format to reduce the minimum wager amount to 50¢ for Pick 4 & Trifecta wagering.

Mr. Tromba motions to approve; Mr. Krantz seconds; motion carries.

2011 QUARTER HORSE MEET

2. **STEWARDS, OFFICIALS & MANAGEMENT**

- a. **Approval** of Noble Hay to serve as state steward for 2011 quarter horse meet.

Mr. Romero motions to approve; Ms. Wagner seconds; motion carries.

Ms. Wagner recognizes Al Stall, Jr., trainer of *Blaine*, the 2010 Breeder's Cup Classic winner. Mr. Covington motions to draw up a proclamation for Stall, Jr.; Ms. Wagner seconds; motion carries.

II. COMMITTEE REPORTS

A. MEDICATION COMMITTEE, by *Committee Chairman Payton R. Covington*

Mr. Covington informs the Medication Committee met on Sunday, November 14, 2010. He states the Medication Committee, with Chairman Meaux's approval, decided not to get involved at this time with RCI's recommendation to reduce the Bute test threshold from five to two. Mr. Covington states the committee recommended all health rules should be applied to all training facilities similar to all of the tracks.

B. RULES COMMITTEE, by *Committee Chairman Keith W. Babb*

Mr. Babb motions to approve for formal adoption rules LAC 46: XLI. Chapter 11 – Owners and LAC 46: XLI. Chapter 21 – Stables; Ms. Wagner seconds; motion carries.

C. LEGAL COMMITTEE, by *Committee Chairman Bob F. Wright*

Mr. Wright states that he has no report. Mr. Wright motions to have an executive session in order to discuss litigation issues; Ms. Wagner seconds; motion carries.

The Commission goes into executive session after 1:00 PM.

D. RACETRACK/HBPA LIAISON COMMITTEE, by *Committee Chairman Ray A. Tromba*

Mr. Tromba states the committee discussed safety issues at Evangeline Downs and Mr. Darbonne will follow-up with the Commission after Dr. Peterson examines the track surface at the end of December.

E. SECURITY COMMITTEE, by *Committee Chairman Kenneth "Kenu" Romero*

Mr. Romero states that he has no report.

F. COMPLIANCE COMMITTEE, by *Committee Chairman Anthony Bourgeois*

Mr. Bourgeois states the Compliance Committee inspected the Training Center at Copper Crowne and recommends their license approval.

III. OTHER

A. For Discussion/Approval:

1. **Approval** of the Training Center at Copper Crowne located at 5180 Highway 182 S., Opelousas, Louisiana.

Mr. Harold Forman, owner and developer of Copper Crowne shares his goals and concepts regarding the facility. He informs 11 million dollars has been spent on improvements. Mr. Romero motions to approve the facility as a training center in Louisiana; Ms. Wagner seconds. Ms. Kim Chatelain, Assistant Attorney General, Mr. Beech, Mr. Sean Alfortish, President-HBPA and commissioners discuss insurance issues. Mr. Covington motions to approve the training center and have the same health rules for horses that the tracks are using; Mr. Romero seconds; motion carries.

2. **Approval** of alternate state stewards.

Mr. Gardiner asks the commission to give blanket approval to the current state stewards and Judy Dugas to work as alternate state stewards as needed. He provides past examples of stewards having to substitute for one another. Mr. Wright motions to approve alternate state stewards; Mr. Covington seconds; motion carries.

3. **HBPA** discussion of toe grabs at Delta Downs.

Mr. Alfortish asks the commission to reconsider a previous rule where the toe grabs on the horseshoes were reduced from 4 millimeters to 2 millimeters. He provides a petition signed by approximately 35 trainers to consider this matter. He presents surface issues and the effects it has on horses. Dr. Tom David, Equine Medical Director informs that lower toe grabs result in less injury. Mr. Wright motions to refer this matter to the Medication Committee for evaluation; Mr. Covington seconds; motion carries.

4. **Discussion** of the Communication Alliance to Network Thoroughbred Ex-Racehorses.

CANTER

Ms. Nancy Koch, National Executive Director of CANTER provides the commission with a presentation of the organization. She states CANTER provides careers to sports horses after racing. She also states CANTER's website gets 40,000 hits a day and sells or helps to sell up to 300 horses per track with the prices averaging from \$1,500-\$3,500. Mr. Covington motions to allow CANTER access to the backside to all Louisiana tracks; Mr. Tromba seconds. Mr. Gardiner states a vendor's license will be needed to gain access to the backside. Mr. Tromba motions to grant CANTER a vendor's license that includes following all rules and regulations; Mr. Covington and Ms. Wagner seconds; motion carries.

Mr. Gardiner recognizes and welcomes Ms. Bobbie Rockmore, Vice President of the Sports and Entertainment Law Society at Loyola Law School.

IV. RULES

A. **Rules for Formal Adoption:** (See Rules Committee Report)

1. LAC 46: XLI. Chapter 11 – "Owners"

- §1107. Registration of Partnership & Limited Liability Company
- §1109. Partnership & Limited Liability Company Papers
- §1115. Alteration of Partnership or Limited Liability Registration
- §1119. Percentage Interest

2. LAC 46: XLI. Chapter 21 "Stables"

- §2103. Stable Registration
- §2105. Corporation
- §2107. Reports
- §2109. Licensed Trainer Registering Stable

V. LICENSES

(In order heard)

License Approval Requests [LA.REV.STAT. 4:150(B)(2)]

Deborah S. Landry, Exercise rider. Convicted felon. Mr. Babb motions to approve for licensing; Mr. Covington seconds; motion carries.

Gerald Andrus, Groom/Hotwalker. Convicted felon. Mr. Covington motions to approve for licensing; Mr. Romero seconds; motion carries.

Nickey R. Werneth, Owner. Convicted felon. Mr. Krantz motions to approve for licensing Mr. Babb seconds; motion carries.

Kendall J. Laday, Owner. Convicted felon. Mr. Covington motions to deny license; Mr. Romero seconds; motion carries.

VI. ADJUDICATIONS

(In order heard)

Appeal (LA. REV. STAT. 4:154)

Donald E. Simington, Jockey. Ruling#LD18256 of 9/18/10 – *Careless riding*. Appeal withdrawn. *Not present for meeting.* Mr. Wright motions to uphold the stewards' ruling; suspend 7 calendar days effective 12-1-10 thru 12-7-10; Mr. Romero seconds; motion carries.

Adjudications Referred (LA. REV. STAT. 4:172)

Stephanie Sheroski, Apprentice Jockey. Ruling#LD18192 of 8/20/10 – *Human Drug Testing (3rd offense)*. Ms. Chatelain asks the commissioners for approval for a continuance of the case; Mr. Covington motions to continue case; Mr. Babb seconds; motion carries.

John R. Donaghey, Trainer. Ruling#ED18299 of 10/21/10 – *Flunixin (ARCI Category IV, Level II) & Phenylbutazone (ARCI Category IV) (2nd offense in a 12-month period)*. Mr. Babb motions to uphold the stewards' ruling and fine an additional \$500 (total fine \$1,500); Mr. Krantz seconds; Poll vote: 6-yes; 3-no; motion carries.

James C. Hudson, Trainer. Ruling#ED18291 of 10/14/10 – *Flunixin (ARCI Category IV, Level III)*. Mr. Krantz motions to uphold the stewards' ruling and redistribute the purse; Mr. Covington seconds; motion carries.

Guadalupe Garza, Jr., Trainer. Ruling#ED18287 of 10/14/10 – *Flunixin (ARCI Category IV, Level I) (3rd offense in a 12-month period)*. After hearing Mr. Garza's testimony, Mr. Wright asks Ms. Chatelain or Mr. Munster to follow-up on statements made by Mr. Garza regarding his veterinarian. Mr. Krantz motions to uphold the stewards' ruling; suspend 60 calendar days effective 11-25-10 thru 1-23-11; fine an additional \$500 (total fine \$1,500); purse redistributed. Denied access to all race tracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Mr. Covington seconds; motion carries.

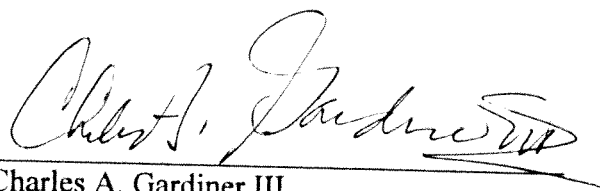
Appeal/Referred (LA. REV. STAT. 4:154, 4:172)

Michael Heath Taylor, Trainer. Ruling#ED18211 of 8/28/10 – *Ractopamine (ARCI Category II)*. Mr. Wright questions Mr. Alfortish's representation of Mr. Taylor. Mr. Krantz motions to uphold the stewards' ruling; reduce suspension to 60 days effective 11-20-10 thru 1-18-11; fine \$1,500; purse redistributed. Denied access to all race tracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Poll vote: 7-yes; 1-no; motion carries.

Michael Heath Taylor, Trainer. Ruling#ED18230 of 9/3/10 – *Appeal of Disqualification of Wagon To Hollywood*. Mr. Krantz motions to uphold the stewards' disqualification; Mr. Wright seconds; Poll vote: 8-yes; 0-no; motion carries.

VII. ADJOURNMENT

Mr. Meaux adjourns the meeting.



Charles A. Gardiner III
Executive Director