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BEFORE THE
TEXAS RACING COMMISSION
AUSTIN, TEXAS

COMMISSION MEETING
FEBRUARY 16, 2010

Reported by: SHERRI SANTMAN FISHER
Job #83119

1 BE IT REMEMBERED that the above entitled matter
 2 came on for hearing on the 16th day of February, 2010,
 3 beginning at 10:35 A.M. at 6100 Guadalupe, Building E,
 4 Austin, Travis County, Texas, and the following
 5 proceedings were reported by SHERRI SANTMAN FISHER,
 6 Certified Shorthand Reporter for the State of Texas.

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APPEARANCES

- Commissioners: ROLANDO PABLOS
- G. KENT CARTER
- RONALD F. EDERER
- ROBERT SCHMIDT
- GLORIA HICKS
- SCOTT HAYWOOD
- C. TOM CLOWE, JR.
- ANN O'CONNELL

1 CHAIRMAN PABLOS: Good morning. The time
2 is 10:35 and I'll call this meeting of the Texas Racing
3 Commission to order.

4 Carolyn, will you please call roll?

5 MS. WEISS: Commissioner Tom Clowe?

6 MR. CLOWE: Present.

7 MS. WEISS: Commissioner Ron Ederer?

8 COMMISSIONER EDERER: Present.

9 MS. WEISS: Commissioner Scott Haywood?

10 COMMISSIONER HAYWOOD: Present.

11 MS. WEISS: Commissioner Gloria Hicks?

12 COMMISSIONER HICKS: Present.

13 MS. WEISS: Commissioner Ann O'Connell?

14 MS. O'CONNELL: Present.

15 MS. WEISS: Commissioner Robert Schmidt?

16 COMMISSIONER SCHMIDT: Present.

17 MS. WEISS: Commissioner Vicki Weinberg?

18 Vice-chairman Kent Carter?

19 VICE-CHAIRMAN CARTER: Here.

20 MS. WEISS: Chairman Rolando Pablos?

21 CHAIRMAN PABLOS: Here.

22 Do we have a quorum?

23 MS. WEISS: Yes, sir.

24 CHAIRMAN PABLOS: Thank you very much.

25 Carolyn or Mark, do we have anyone signed

1 up to speak under public comment?

2 MR. FENNER: No, sir.

3 CHAIRMAN PABLOS: Very well. We'll move
4 on to Item III, general business, discussion and
5 consideration of a report on racetrack inspections.

6 Carol Olewin, please.

7 MS. OLEWIN: Good morning,
8 Commissioners. I'm Carol Olewin. This is the report
9 on racetrack inspection activities.

10 The first inspection was for Gillespie
11 race barn. It was a pari-mutuel inspection. We had no
12 unsatisfactory items.

13 The next three inspections are for Gulf
14 Greyhound Park. We had some deficiencies, and those
15 have all been corrected at this time.

16 The next inspection is at Gulf Coast,
17 also known as Corpus Christi, safety and security
18 inspections. We had no deficiencies.

19 The next one is at Lone Star Park. This
20 was a stewards inspection that was toward the end of
21 the live meet. We had some plumbing issues and those
22 will be resolved before live racing resumes.

23 The next five inspections are at Sam
24 Houston Race Park. This was the beginning of their
25 live race meet. There were no unsatisfactory items.

1 The next four inspections are for Valley
2 Race Park. These, for the most part, were unannounced
3 inspections and there were no unsatisfactory items.

4 And the last one is Delta Training
5 Center. There was one unsatisfactory item which has
6 been corrected.

7 Are there any questions, Commissioners?

8 CHAIRMAN PABLOS: Commissioners, any
9 questions?

10 Hearing none, thank you very much. Those
11 are important.

12 Item III-B, report on racetrack meets.
13 Chuck Trout, director of racing oversight.

14 Good morning.

15 MR. TROUT: Good morning, Mr. Chairman,
16 Commissioners. Since the December 2nd Commission
17 meeting, only Sam Houston Race Park and Gulf Greyhound
18 Park have conducted live racing.

19 Sam Houston has completed 38 of the 63
20 performances approved for its current Thoroughbred
21 meet. Later in today's meeting you will be hearing
22 from a representative of Sam Houston regarding a
23 request for changes to the remainder of their 2010 race
24 schedule.

25 I reported at the last Commission meeting

1 that Sam Houston Race Park started using their new turf
2 crossing. After more than two months, the turf on the
3 crossing is holding up well and there appears to be no
4 problems.

5 Sam Houston's total handle for 2009 was
6 down 35 percent compared to 2008. Overall, the total
7 handle at horse tracks in Texas was down almost 19
8 percent in 2009 compared to the previous year.

9 On January 5th Gulf Greyhound Park began
10 conducting the performances approved for Gulf Coast
11 Racing, bringing their number of weekly performances to
12 seven. Gulf's total handle for 2009 was up one and a
13 half percent compared to 2008 while the total handle at
14 Valley Greyhound Park declined by almost 10 percent for
15 the same period. This decline was caused, in part, by
16 the cancellation of all 38 live performances which had
17 been scheduled in November and December 2009.

18 With the opening of Gulf Coast Racing,
19 the total handle for all greyhound tracks was up five
20 and a half percent in 2009 compared to 2008.

21 Tomorrow staff will begin the inspection
22 process leading up to the opening of the 14-performance
23 Manor meet which begins on March 6th and runs through
24 April 18th.

25 This concludes my report. Do you have

1 any questions?

2 CHAIRMAN PABLOS: Commissioners, any
3 questions?

4 MR. TROUT: Yes, sir.

5 COMMISSIONER SCHMIDT: Just one point for
6 clarification. Sam Houston, you mentioned, was down 38
7 percent in total handle?

8 MR. TROUT: Yes, sir.

9 COMMISSIONER SCHMIDT: Was that compared
10 to two years ago?

11 MR. TROUT: No, sir. It was compared to
12 2008.

13 COMMISSIONER SCHMIDT: 2008.

14 MR. TROUT: Yes, sir.

15 COMMISSIONER SCHMIDT: Thank you.

16 CHAIRMAN PABLOS: Any other questions,
17 Commissioners?

18 Thank you, Mr. Trout.

19 We'll move on to Item III-B-2, report on
20 safety and medication. Dr. Ken Quirk, please.

21 Good morning, Doctor.

22 MR. QUIRK: Good morning. Mr. Chairman
23 and Commissioners, just a brief update on the
24 piroplasmosis issue that you were informed of at our
25 last meeting.

1 In an effort to address the concerns of
2 the horsemen and the racetrack, in this instance
3 specifically Manor Downs, we recently had a meeting at
4 the Racing Commission offices to discuss how best to
5 proceed with this disease or at least the controlling
6 the disease that might provide some level of assurance
7 to the horsemen racing at Manor that they would be
8 protected against it.

9 There's sort of a caveat there because of
10 the testing burden that the only lab in the country
11 currently authorized to do testing -- we've opted to
12 take another route and that is through tick control.
13 And what we've decided on -- and I want to add here
14 that this is primarily a track-driven initiative, that
15 we're going to approach it from a tick control
16 standpoint and require that every horse entering the
17 backside of Manor Downs be accompanied by a certificate
18 of veterinary inspection or a health certificate
19 stating that the horse has been inspected and sprayed
20 or treated for ticks prior to gaining entry onto the
21 backside of the racetrack.

22 We also were privileged to have
23 representatives of the Texas Animal Health Commission
24 out at the site to look at the facilities and come up
25 with some recommendations and sort of guide us as to

1 how they would approach it and how they -- if in the
2 event something were to happen, if they -- for example,
3 if we had a positive on the backside, what their
4 approach to handling that positive would be.

5 And as it turns out, it looks like it's
6 quite likely that unless that was a clinical case of
7 the disease that it would not be overly onerous or
8 burdensome to the racetrack and would not preclude
9 racing.

10 There will be -- as I may have mentioned
11 to you last time, they're going to convene another
12 working group at the national level, the USDA is, on
13 this disease in March; and hopefully some additional
14 guidelines will be established at that point. And
15 we're hopeful that TVMDL in the near future will be
16 approved to run the test. That would certainly
17 expedite the process.

18 Another subject, we're going to reconvene
19 our safety and medication working group group which may
20 in some instances -- at times you think we're trying to
21 redefine insanity with some of these things, but I
22 think it's a very worthwhile effort. This group
23 will -- it's made up primarily of -- besides the
24 presiding authorities, Dr. Carter and Ms. King, we'll
25 have representatives from TEVA, which is the equine

1 veterinary association here in Texas. We will also
2 have a representative, in fact, the president of the
3 World Equine Veterinary Association, in attendance.
4 And we will also have the director -- or rather the
5 chairman of the racing regulatory vets committee from
6 RCI in attendance.

7 And our focus is going to be on ways that
8 we might improve our prerace inspection process. We'll
9 be touching on other subjects, but that will be our
10 primary focus and we think that's our most useful tool
11 presently available to reduce the injury rate.

12 We also are going to be looking at some
13 security issues and I hope to have our chief
14 investigator speak to us on that subject.

15 Any -- I'd be happy to answer any
16 questions that you might --

17 COMMISSIONER EDERER: You might have
18 already answered this. In fact, I'm not sure whether
19 you did or not. But as far as Manor Downs is
20 concerned, am I understanding that you're going to
21 require that the horsemen that bring their horses
22 through the back gate have to have a certificate? What
23 is the notification process to the horsemen?

24 MR. QUIRK: That's one of the -- well,
25 the racetrack actually sent out the notices to all

1 those that are applying for stalls and inquiring about
2 condition books and various means. And we've been
3 getting some calls. And I think the horsemen's groups
4 themselves have been involved in this process and
5 actually we have received several calls from them. So
6 apparently the word is getting out there. There will
7 be, undoubtedly, the occasional individuals that will
8 show up and not be aware of this and we do have a
9 provision for dealing with that and we think it will be
10 an effective one.

11 COMMISSIONER EDERER: But the track
12 itself, whenever anyone is asking for stalls, they're
13 getting notified at that point in time.

14 MR. QUIRK: Yes, sir.

15 COMMISSIONER EDERER: So you feel
16 everything has been done that you can do as far as
17 notification.

18 MR. QUIRK: Well, I mean, you know,
19 there's some holes in this. I mean, the tick
20 inspection process is a little difficult; but by and
21 large, I think it's a practical approach that will
22 offer some assurance that this -- we won't have a
23 problem with it basically.

24 COMMISSIONER EDERER: Do you expect that
25 to be a requirement in further -- future meets?

1 MR. QUIRK: I think it's quite likely
2 that it will be, yes. I think a negative test will
3 become likely and I think USDA will be headed in that
4 direction.

5 COMMISSIONER EDERER: Thank you.

6 MR. QUIRK: Yes. Thank you.

7 CHAIRMAN PABLOS: Any other questions,
8 Commissioners?

9 Thank you, Dr. Quirk. Appreciate it.

10 Item III-B-3, report on bankruptcy
11 proceedings of Magna Entertainment Corporation and
12 auction of Lone Star Park. I'd like to recognize Drew
13 Shubeck.

14 Mr. Shubeck, good morning.

15 MR. SHUBECK: Good morning, Chairman and
16 Commissioners. I imagine I'm here to answer questions
17 in three different areas. Number one is a report on
18 the bankruptcy of Lone Star Park. Number two is the
19 auction process that we went through last year. And we
20 can talk a little bit about the license transfer
21 process.

22 I think everyone is aware that last March
23 that our parent corporation, Magna Entertainment Corp,
24 declared bankruptcy in Delaware Bankruptcy Court.
25 We've been working through that process ever since.

1 That situation left us short on cash locally. We
2 managed very well through the Thoroughbred meet and up
3 until now.

4 So as far as operations at Lone Star
5 Park, even though we don't have a robust checking
6 account and able to do a lot of grandiose capital
7 improvements, we definitely have enough money on hand
8 to make payroll and do the necessary things to keep the
9 operation going and safe for all participants.

10 The auction that happened just this past
11 fall, Global Gaming was the winner of that auction in
12 the approximate amount of about 47 million dollars.
13 And right now we're going through the license transfer
14 process. On January 26, I believe you are in
15 possession of a letter from Blake Tohana from
16 corporate, along with a 75,000-dollar check that we
17 issued from Lone Star Park; and in that letter we're
18 asking your approval for the racetrack license to be
19 transferred to Global Gaming LSP, LLC.

20 We're thankful that we're working with
21 staff right now, Charla Ann King in particular and Mark
22 Fenner. They've been a great asset to us during this
23 transfer process. We're collecting all the paperwork
24 that is necessary not only from Global Gaming but the
25 things that we need to present and the things -- the

1 obligations that corporate has as well.

2 In the audience today is John Cardwell
3 representing Global Gaming and his assistant, Bruce
4 Bennett. They can answer specific questions from
5 Global Gaming. But I'd open it up to answer specific
6 questions that the board has about the bankruptcy, the
7 auction, or our part in the transfer process.

8 CHAIRMAN PABLOS: Any questions,
9 Commissioners?

10 MR. CLOWE: Mr. Chairman, has the
11 application for transfer been submitted?

12 MR. SHUBECK: I would say that certain
13 portions of it have been submitted. More specifically,
14 I'd ask John Cardwell to answer that. But we've
15 definitely deposited the check and there are some
16 materials that have already been made available. I do
17 not believe everything has been made available.

18 MR. CLOWE: And part of that is: Where
19 are we on the background check and is that appropriate
20 at this time or does it come later? Give us an update
21 on that.

22 MR. FENNER: Commissioner Clowe, we have
23 received the DPS disclosure forms on a subset of
24 everybody who will have to be checked. At this point
25 we've received some DPS disclosure forms on the

1 Chickasaw Nation portions of them, not for everybody
2 but four out of the five that they want to begin with.
3 We've not received any DPS disclosure forms on the
4 Texas partners who will have to be 51 percent of the
5 ownership.

6 We've not yet received an application to
7 the agency for the transfer of ownership. All we've
8 received so far are the four DPS disclosure forms and
9 the request from MEC Lone Star Park to begin the
10 process and the check.

11 MR. CLOWE: Are we following proper
12 protocol if we institute those background checks
13 without receiving an application?

14 MR. FENNER: That's a good question and
15 we've been having some discussions with DPS about
16 that. It's kind of a joint decision about that.

17 MR. CLOWE: Well, I think you should
18 examine that carefully and not only you be involved but
19 general counsel for DPS so that we're with authority in
20 instituting those background checks.

21 And additionally, the timing is of great
22 importance here and I'd like to see those decisions
23 made and those investigations conducted in a timely
24 manner but in a manner that they're not rushed. So
25 often we hear, "Well, we're waiting for the return of

1 the background checks." We know this is going on. We
2 know it's happening. And I don't want to see the DPS
3 put in a position where they're being pressured, let's
4 say, to produce results. These background checks take
5 time.

6 MR. FENNER: Yes, sir. Thank you.

7 COMMISSIONER EDERER: Is there any reason
8 for the delay? Why is it that they haven't been
9 submitted to you before now?

10 MR. FENNER: I'll have to let
11 Mr. Cardwell answer that.

12 CHAIRMAN PABLOS: Thank you, Mark.

13 Mr. Cardwell, will you please come up?

14 MR. CARDWELL: Sure. Mr. Chairman,
15 Commissioners, my name is John Cardwell. I'm an
16 attorney with the law firm of Cardwell, Hart & Bennett
17 here in Austin. I represent Global Gaming LSP, LLC,
18 which is a Texas limited liability company that is at
19 this point in time wholly owned by Global Gaming
20 Solutions, LLC, which is an entity that is owned by the
21 Chickasaw Nation.

22 It is anticipated and we're working on
23 transferring 51 percent of the ownership of Global
24 Gaming LSP, LLC, to residents -- individuals who have
25 been residents of the State of Texas for 10 years as

1 required by the Texas Racing Act.

2 I'm here to answer any questions you may
3 have.

4 CHAIRMAN PABLOS: Any questions,
5 Commissioners?

6 COMMISSIONER EDERER: Why the delay in
7 getting the proper submissions to the Commission?
8 Background checks.

9 MR. CARDWELL: Yes, sir. The problem is
10 that we have to raise 48 million dollars, which we
11 have, and we have to bring in Texans who have to own 51
12 percent. And in this environment, we're getting it
13 done. We're very close to being finished. But that's
14 not the easiest thing in the world to do, but we're
15 doing it. And I expect to have it here in an
16 incredibly short time. I was hoping to have it this
17 morning.

18 COMMISSIONER EDERER: And that's the
19 names of the individuals. Is that --

20 MR. CARDWELL: That's correct.

21 COMMISSIONER EDERER: Okay. I would
22 think, as they come in, you should -- it would help
23 us -- wouldn't it help the DPS if they were submitted
24 as soon as they would come along? I mean, if you're
25 short a few, at least we could get started on it.

1 MR. CARDWELL: Yes, sir. To address
2 Commissioner Clowe's question, to speed it up, that's
3 why we brought in the Global Gaming. The officers and
4 directors, there are five of those. One of those
5 gentlemen, because he's in Oklahoma, didn't realize he
6 was supposed to sign a form to the comptroller of the
7 State of Texas so we had to send that form back to
8 him. And again, that's all we're missing and it should
9 be -- I thought it was going to be here this morning.
10 It may be because I had to leave before FedEx got
11 here.

12 CHAIRMAN PABLOS: What I'm hearing here
13 is we're asking for a commitment on your part to please
14 act accordingly as you move forward in making sure that
15 as soon as you have information to submit to DPS,
16 please do so, so that, as Commissioner Clowe mentioned,
17 they're not rushed. They do an excellent job in moving
18 things forward, but at the same time this is a big
19 target to move along and so we expect your cooperation
20 in that.

21 MR. CARDWELL: A hundred percent. And
22 just so that you know, 20 years ago I personally filled
23 in that application form and was investigated and am
24 completely familiar with the process and informed my
25 clients in October when I was retained that it was a

1 very tedious and thorough process and sent them those
2 forms and have met with those clients to go through
3 those forms to make sure that everything is forthright
4 and we're moving as quickly as possible.

5 CHAIRMAN PABLOS: Any other questions,
6 Commissioners?

7 MS. KING: Mr. Chairman?

8 CHAIRMAN PABLOS: Yes. Charla Ann,
9 please.

10 MS. KING: I wanted to address
11 Commissioner Clowe's question about the application to
12 clarify, for everyone, that piece.

13 When the background disclosure forms are
14 complete, we'll be moving into that next step. It
15 hasn't been, depending on the circumstance, always that
16 we have the completed application for the aspect that
17 our staff evaluates to be completely done and submitted
18 because we're trying not to get in the way of getting
19 these forms done and then getting them in to DPS.

20 But that will be the next thing. We'll
21 be sitting down with the applicants and the existing
22 license holder and reviewing and making sure that
23 they're submitting all the information that we need to
24 evaluate the application. So that's traditionally the
25 way that we've done it, if that helps clarify your

1 question.

2 MR. CLOWE: Well, I'd just like to
3 reiterate that for the background investigation to
4 occur, it is not an overnight procedure. And so when
5 the data is collected and it is given to DPS, they
6 need time to be thorough, complete, and make a report
7 that is meaningful. And I've seen, in the past,
8 instances where data has been submitted and then a week
9 later everybody steps back and says, "We're waiting on
10 DPS."

11 That's not a good practice. And I want
12 to early on warn against that developing so that we
13 understand it's going to take some time to do -- this
14 is a big job, these investigations, and we're going to
15 do them properly and thoroughly. So having said that,
16 we'll just wait until it's submitted.

17 MS. KING: We appreciate that very much.

18 MR. CLOWE: Good.

19 CHAIRMAN PABLOS: Any other questions,
20 Commissioners?

21 Gentlemen, thank you very much.
22 Appreciate it.

23 MR. CARDWELL: Thank you.

24 CHAIRMAN PABLOS: Next, Item C, budget
25 and finance update. I'd like to recognize Shelley

1 Harris-Curtsinger, please.

2 MS. HARRIS-CURTSINGER: Good morning.

3 CHAIRMAN PABLOS: And before you step
4 into that, I do want to ask you as you move through
5 your report -- I'd like to let you know that I'm very
6 pleased with all your efforts in cutting costs and
7 keeping those costs down. I've looked at the report
8 and I have to tell you I'm very pleased with
9 everything that you're doing in order to make sure that
10 we keep things on a tight leash. So I appreciate
11 that.

12 Thank you, Charla Ann.

13 MS. HARRIS-CURTSINGER: Thank you very
14 much.

15 We are now 33.33 percent through the
16 current 2010 fiscal year. This is as of December
17 31st. And the agency has expended only 23.34 percent
18 of our appropriated budget. We have done this, just
19 for a little bit of additional information, mostly
20 through FTE's and vacant positions.

21 Staff, in some cases, has made the -- has
22 helped make the decisions not to fill positions and
23 take on more work so that, you know, if the trends
24 continue, we can look at not having to lay anyone off
25 in the future. So those areas are in licensing and in

1 administration and investigations. And then, of
2 course, as you're well aware, we've had some retirings
3 from both veterinarians and the stewards and judges.
4 So, you know, everyone has kind of stepped up to try to
5 help take care of this.

6 I've also provided at your seats a sheet
7 that's the report that we will be releasing to the
8 Legislative Budget Board. And this is our proposed
9 five percent reduction as all agencies are required to
10 do. The LBB provided the agency the number of
11 1,014,840, which is five percent of our appropriations
12 for the 2010-2011 biennium. The agency is proposing 50
13 percent of the reduction from the Texas-bred incentive
14 program and 50 percent of the regulation of live racing
15 at the greyhound racetracks.

16 I will be happy to answer any questions.

17 CHAIRMAN PABLOS: Thank you for
18 identifying those areas. Again, I'd like to reiterate
19 that I want to make sure that our regulatory efforts
20 are not hampered by any of these reductions. I'd like
21 to have assurances of that as well, please.

22 MS. HARRIS-CURTSINGER: These are
23 positions that are currently vacant because of the live
24 racing that is not taking place at this time. So the
25 regulation is still, you know, all in place as it

1 should be.

2 CHAIRMAN PABLOS: Great. Thanks.

3 Any questions, Commissioners?

4 Hearing none, we'll move on to Item D.

5 Thank you very much.

6 Item D, recognition of the Texas
7 Horsemen's Partnership as the official horsemen's
8 organization. I'd like to recognize Charla Ann,
9 please.

10 MS. KING: Good morning, Commissioners.
11 My report today is a brief item, the recognition of the
12 official horsemen's representative.

13 Section 309.299 of the rules addresses
14 the need for a horsemen's representative and requires
15 that we recognize one organization to represent horse
16 owners and trainers on matters related to the conduct
17 of live and simulcast racing.

18 The recognition process is outlined
19 specifically in rule. The rules require the
20 organization to file a written request for
21 recognition. The rules also identify the criteria to
22 consider when determining which organization to
23 recognize.

24 We're to look at the experience and
25 qualifications of the directors, executive officers,

1 and management personnel. We're to look at their
2 benevolence programs for its membership and whether or
3 not the organization represents a fair cross section of
4 horse owners and trainers.

5 The horsemen's organization is an
6 important organization for a variety of reasons. Its
7 responsibilities include negotiating with the racetrack
8 associations in regard to live race dates, allocation
9 of purse money, and the importing and exporting of
10 simulcast signals. The organization is also
11 responsible for negotiating with the associations about
12 the welfare of the owners and trainers participating at
13 the racetracks.

14 We had only one applicant, the Texas
15 Horsemen's Partnership. This organization has been the
16 designated horsemen's representative since June of
17 1996. It is a highly respected organization
18 nationwide. And we are fortunate to work with them on
19 a regular basis.

20 With that in mind, I am pleased to report
21 that I have issued a letter of recognition to the Texas
22 Horsemen's Partnership. We conducted a limited review
23 of the THP and feel that they are doing a fine job
24 under increasingly difficult circumstances, especially
25 given the decline.

1 We have asked them to focus on some items
2 related to governance, administration, stewardship, and
3 member benefits in the upcoming year. And as always,
4 we are looking forward to working with them.

5 I'd like to thank Commissioner Ederer for
6 his participation and support in the recognition
7 process.

8 I'm happy to answer any questions for
9 you.

10 CHAIRMAN PABLOS: Thank you, Charla Ann.

11 Any questions, Commissioners?

12 Okay. Thank you very much.

13 MS. KING: Thank you, Mr. Chairman.

14 CHAIRMAN PABLOS: We'll move on to Item

15 E, discussion of process for election of the

16 vice-chair. Mark Fenner, could you please walk us

17 through what the rules say about the vice-chair?

18 MR. FENNER: Yes, sir. The relevant rule

19 is very short. It's Rule 303.6, Subsection (a). In

20 January of even numbered years, the Commission shall

21 elect one of the members to serve as vice-chair for a

22 term of two years.

23 Commissioner Carter has served us or you

24 all as vice-chair for two years. The time has now come

25 for you all to elect a new vice-chair. The process is

1 pretty simple. The nomination, it doesn't even require
2 a second. So how and which of you should be selected
3 as the vice-chair is up to you all.

4 CHAIRMAN PABLOS: What I've asked Mark to
5 do is to give us this update, Commissioners, so that we
6 can take the interim period between today's meeting and
7 next meeting for you all to consider and determine if
8 this is something you'd like to be nominated for and
9 bring it to my attention so that during the next
10 meeting we can actually go through this process.

11 I asked Mark with respect to this rule --
12 it talks about doing this in January; but we, as a
13 governing board, can have the flexibility of doing it
14 during our next Commission meeting. And since this has
15 come up, I wanted to give everybody ample time to
16 consider it. And so I'd ask you to let me know if
17 there's any interest to serve.

18 Dr. Carter, you've done a great job. I
19 appreciate, you know, being vice-chair of this body.
20 And now the time has come for you to get some rest and
21 we'll find someone else. Appreciate that.

22 Thank you, Mark, very much.

23 Our next item, discussion, consideration,
24 and possible action on the following matters: Item F,
25 approval of MOU with the Texas Veterinary Medical

1 Diagnostic Laboratory for the fiscal year 2010. Mark
2 Fenner, please.

3 MR. FENNER: Commissioners, the act
4 provides that the drug testing will be done by the
5 Texas Veterinary Medical Diagnostic Lab and that the
6 charges are paid by the associations and that the
7 Commission reviews those charges to make sure that they
8 are appropriate. And as part of that process, we enter
9 into a memorandum of understanding with the TVMDL every
10 year.

11 Staff has been working very hard and it's
12 been quite a process to work with TVMDL because of the
13 changing dynamics of the industry. We've entered into
14 or proposed an MOU that maintains the exact same prices
15 for almost all the tests that is being done. There's a
16 change in the MOU reflecting the decrease in the number
17 of projected tests due to the decrease in the number of
18 race dates that are being done.

19 The only increase that's in the MOU would
20 be for the testing conducted for graded stakes races.
21 There is only five graded stakes races in the state
22 during this calendar year and each one will be a total
23 of three tests, so we're talking 15 total tests. It
24 reflects an increase from \$237 to \$300. And this is
25 because the Thoroughbred owners and breeders

1 association has substantially increased the amount of
2 testing that's being required for graded stakes races
3 so TVMDL needed to be able to recoup the expense of
4 that and that's reflected in the MOU.

5 Otherwise, the MOU is the same as before
6 and it's ready for approval.

7 CHAIRMAN PABLOS: Are there any technical
8 or clarifying questions for Mark, Commissioners?

9 Is there anyone signed up to speak? Is
10 Tam Garland here?

11 MS. GARLAND: Yes.

12 CHAIRMAN PABLOS: Tam, would you like to
13 address the Commission? You don't have to. I'm just
14 asking.

15 MS. GARLAND: Unless you have questions,
16 I have no comments.

17 CHAIRMAN PABLOS: Thank you.

18 Commissioners, any questions?

19 Okay. So hearing none, at this time,
20 before we enter into discussion, I'd like to entertain
21 a motion to approve the MOU with the Texas Veterinary
22 Medical Diagnostic Laboratory for fiscal year 2010. Is
23 there a motion?

24 COMMISSIONER SCHMIDT: So moved.

25 CHAIRMAN PABLOS: Moved by Schmidt.

1 COMMISSIONER EDERER: Second.

2 CHAIRMAN PABLOS: Seconded by Ederer.

3 Any discussion, Commissioners? No

4 discussion?

5 Hearing none, at this time I'd like to

6 then take this up for a vote. All those in favor

7 please signify by saying aye.

8 COMMISSIONERS: Aye.

9 CHAIRMAN PABLOS: Any opposed?

10 That motion carries. Thank you.

11 We'll move on to proceedings on

12 racetracks, Item IV-A, a request by Gulf Greyhound Park

13 to approve the amendment to the tote contract with

14 United Tote Company for Gillespie County Fair and

15 Festivals. I'd like to recognize Carol Olewin,

16 please.

17 MS. OLEWIN: Commissioners, I'm Carol

18 Olewin. This is an extension of the tote contract to

19 cover live racing at Gillespie County Fair. The

20 original contract was approved by the Commission on

21 June 10th of 2004. United Tote is in good standing and

22 we have no concerns with the extension of this

23 contract.

24 Are there any questions?

25 CHAIRMAN PABLOS: Mark, are we allowed to

1 have any public discussion on this, being that it's a
2 tote contract?

3 MR. FENNER: Nothing regarding really the
4 substance of the contract.

5 CHAIRMAN PABLOS: The substance? Okay.
6 Very well.

7 Is there anyone signed up to speak on
8 this item?

9 Commissioners, any questions?

10 Hearing none, I'd like to then entertain
11 a motion to approve the amendment for the tote contract
12 between United Tote and Gillespie County Fair and
13 Festival Association. Is there a motion?

14 VICE-CHAIRMAN CARTER: So moved.

15 CHAIRMAN PABLOS: Moved by Carter. Is
16 there a second?

17 COMMISSIONER EDERER: Second.

18 CHAIRMAN PABLOS: Seconded by Ederer.

19 Any discussion, Commissioners?

20 Hearing none, then I'll take this for a
21 vote. All those in favor please signify by saying
22 aye.

23 COMMISSIONERS: Aye.

24 CHAIRMAN PABLOS: Any opposed?

25 That motion carries.

1 Item B, a request by Sam Houston Race
2 Park to amend its 2010 live racing schedule. I'd like
3 to recognize David Jackson on behalf of Sam Houston
4 Race Park.

5 MR. JACKSON: Thank you, Mr. Chairman,
6 Commissioners. My name is David Jackson. I'm the
7 senior vice-president and chief financial officer for
8 Sam Houston racetrack.

9 As all of you know, in January we had
10 some unusual weather conditions that forced us to
11 cancel two race days of our Thoroughbred racing meet.
12 We were very eager to find a way to get those dates
13 back. And we would like to request adding two race
14 dates in March, March 8th and March 15th specifically.
15 They are both Mondays.

16 Additionally, because this is a little
17 bit of an experiment for us racing on a Monday
18 afternoon, in order to get enough information and data
19 to understand whether or not this will be a successful
20 venture for us in a future meet, we would actually like
21 to add two additional race days to our racing schedule
22 for 2010. These days would be March 22nd and March
23 29th, also Mondays.

24 May I answer any questions?

25 CHAIRMAN PABLOS: Commissioners, are

1 there -- are there any questions, Commissioners?

2 Okay. Hearing none, thank you very
3 much.

4 David Hooper?

5 MR. CLOWE: Before he --

6 CHAIRMAN PABLOS: Excuse me.

7 MR. CLOWE: -- leaves the podium --

8 CHAIRMAN PABLOS: Yes, sir, Commissioner
9 Clowe.

10 MR. CLOWE: -- I'd like to acknowledge
11 that the Cowboys did beat the Saints, although the
12 Saints are the Super Bowl champions.

13 CHAIRMAN PABLOS: Duly noted,
14 Commissioner Clowe. Thank you.

15 MR. JACKSON: For the record, Sammy
16 Jackson made me wear this.

17 CHAIRMAN PABLOS: Mr. Hooper, do you have
18 any -- anything to add or -- I know you submitted a
19 form saying you're for this.

20 MR. HOOPER: Yes.

21 CHAIRMAN PABLOS: Thank you very much.

22 Anyone else signed up to speak?

23 Okay. Seeing none then, at this time
24 what I'd like to do is I'd like to entertain a motion
25 to approve Sam Houston Race -- Sam Houston Race Park's

1 request to amend its 2010 live race date schedule. Is
2 there a motion?

3 COMMISSIONER SCHMIDT: So move.

4 CHAIRMAN PABLOS: Moved by Schmidt. Is
5 there a second?

6 COMMISSIONER HAYWOOD: Second.

7 CHAIRMAN PABLOS: Who was that? Moved by
8 Commissioner Haywood.

9 Any discussion, Commissioners?

10 Hearing none, then I'll take this for a
11 vote. All those in favor please signify by saying
12 aye.

13 COMMISSIONERS: Aye.

14 CHAIRMAN PABLOS: Any opposed?

15 That motion carries. Thank you very
16 much.

17 Item C, a request by Laredo Race Park for
18 an amendment to its order for security compliance.
19 Charla Ann, please.

20 MS. KING: Commissioners, Andrea Young,
21 representative of Laredo Race Park, has requested a
22 delay of this agenda item pending her return to work.
23 Ms. Young at this time is at home welcoming a new
24 member of the family. She'll be returning to work no
25 later than Monday, March 15th. And so it's my

1 recommendation that we place this item on the April
2 agenda.

3 CHAIRMAN PABLOS: Thank you, Charla Ann.

4 Any questions, Commissioners?

5 Very well. I'd like to bring this up for
6 a vote just to make sure that everybody understands we
7 are tabling this agenda item until the next regular
8 Commission meeting. Do I have a motion --

9 COMMISSIONER SCHMIDT: So move.

10 CHAIRMAN PABLOS: -- to table?

11 COMMISSIONER SCHMIDT: Motion to table.

12 CHAIRMAN PABLOS: Moved by Schmidt. Do I
13 have a second?

14 COMMISSIONER HICKS: Second.

15 CHAIRMAN PABLOS: Seconded by Hicks.

16 Any further discussion?

17 Okay. All those in favor please signify
18 by saying aye.

19 COMMISSIONERS: Aye.

20 CHAIRMAN PABLOS: Any opposed?

21 That motion carries.

22 Item D, a request by Laredo Downs for
23 approval of change of ownership of less than one
24 percent. I'd like to recognize Mr. Bill Moltz on
25 behalf of Laredo Downs.

1 Good morning, Mr. Moltz.

2 MR. MOLTZ: Good morning, Mr. Chairman,
3 Commissioners. This is a pretty straightforward item.
4 It is a transfer pursuant to a limited partnership
5 agreement of forty-three one-thousandths of one
6 percent. It's sort of a reconciliation of some capital
7 accounts. It's from one partner to another, from Ted
8 Abrams to Muy Buena Suerte, no new partners, a very
9 small percentage change.

10 I'm happy to answer any questions.

11 CHAIRMAN PABLOS: Any questions,
12 Commissioners?

13 Okay. Hearing none, thank you very
14 much.

15 I'd like to recognize Mike Gougler,
16 please.

17 MR. GOUGLER: Good morning,
18 Commissioners. On January 14th of this year, the
19 Commission received a written request from Laredo Downs
20 to approve a change of forty-three one-thousandths of
21 one percent ownership from Ted Abrams to Muy Buena
22 Suerte.

23 Mr. Abrams last went through a
24 background prior to licensing in 2007 and DPS refreshed
25 its background of Muy Buena Suerte in April of 2009.

1 DPS did not see a need to go forward with any
2 additional background. And it's recommended that this
3 application of ownership transfer as indicated above be
4 approved.

5 Any questions?

6 CHAIRMAN PABLOS: Commissioners, any
7 clarifying or technical questions?

8 Thank you very much.

9 MR. GOUGLER: Thank you.

10 CHAIRMAN PABLOS: At this time I'd like
11 to entertain a motion to approve the request of change
12 of ownership of Laredo Downs.

13 COMMISSIONER SCHMIDT: So move.

14 CHAIRMAN PABLOS: Moved by Schmidt. Is
15 there a second?

16 COMMISSIONER EDERER: Second.

17 CHAIRMAN PABLOS: Seconded by Ederer.

18 Any discussion on this item,
19 Commissioners?

20 Hearing none, I'll take this for a vote.
21 All those in favor please signify by saying aye.

22 COMMISSIONERS: Aye.

23 CHAIRMAN PABLOS: Any opposed?

24 That motion carries. Thank you.

25 Item E, we're going to move into our

1 progress reports by inactive racetrack license
2 holders. The first one, a report by Austin Jockey
3 Club. Is Bryan Brown here?

4 Good morning, Mr. Brown.

5 MR. BROWN: Good morning. I'm Bryan
6 Brown with the Austin Jockey Club. Unfortunately, I
7 can't use Andrea Young's excuse and come another time,
8 so I'll just go ahead. I wanted to give you --

9 CHAIRMAN PABLOS: I'm sure you don't want
10 to use that excuse.

11 MR. BROWN: No. No. By the way, I
12 texted her about three minutes before she got her
13 epidural, so she was working right up until the time
14 she delivered. So she's a trooper.

15 I would like to touch on a few issues to
16 update you: One, land; number two, architectural and
17 land planning; number three, racetrack design; four,
18 engineering; and then number five, community outreach.

19 The Austin Jockey Club and its partners
20 have a piece of land under contract in Travis County on
21 which we would build the eventual racetrack, a
22 simulcast center, and all the facilities. It's about a
23 148-acre parcel. It's rectangular. It should be very
24 easy to build on. It has good topography, all the
25 elements that you'd want on a piece of land as far as

1 development goes.

2 As far as the design goes, we have
3 engaged an architect to do land planning and the
4 architectural drawings for the building. We are going
5 to design a building that can be built as a simulcast
6 center and then added onto for live racing so that as
7 quickly as we can, we can get up and running with
8 simulcasting and generate purse money in order to fund
9 the live meet.

10 As far as racetrack design goes, Joe
11 King, who's a renowned racetrack designer, will be
12 designing the track for us. He's done several in this
13 state, including Retama. He also did Valle de los
14 Tesoros and Laredo Downs and some others, I'm sure. We
15 will design a seven-furlong track which is required in
16 the rules.

17 From an engineering standpoint, a survey
18 is in process on the property with topo included. The
19 traffic study will get under way probably in the next
20 two weeks. And then we will also be doing aerial
21 photography and then engineering work for the utilities
22 leading into the site which is also under way.

23 Finally, as far as community outreach is
24 concerned, we are going to be meeting with the
25 community leaders in the area that we are -- that our

1 site is at within the next week and then move forward
2 with more public announcements about the site, I would
3 say, in probably three weeks or so. We would like at
4 this time not to identify the site until we get
5 community leaders behind us, as we've learned from the
6 past what happens when you don't do your job well from
7 a community standpoint.

8 Then finally, we've had some really good
9 conversations with -- a really good conversation with
10 Mark and Charla Ann updating them on what our plans
11 are. We really would like to make this project a model
12 for what can be done other places in Texas. We want to
13 make this as economical as possible so it makes sense
14 and other people can duplicate it or do something
15 similar so that we can run a racing business that makes
16 money and doesn't depend on future gaming for its
17 success.

18 In that regard, we will be looking at
19 rules changes that the Commission can consider that
20 might make the facility more economical and fit what we
21 think will be the future of facilities to come, not
22 just in our state but in others.

23 With that, I'll be happy to answer any
24 questions. The only thing I'd add, we have a follow-up
25 scheduled with staff the week of February 25th to get

1 into more details of where we are at that point in
2 time.

3 CHAIRMAN PABLOS: Yes. I'd like to
4 see -- for you guys to be in direct contact with staff
5 on a very regular basis. That way they can keep us all
6 apprised in the interim between meetings.

7 MR. BROWN: Absolutely.

8 CHAIRMAN PABLOS: Commissioners, any
9 questions?

10 MR. BROWN: Yes, sir.

11 VICE-CHAIRMAN CARTER: What size of track
12 is Retama? How long?

13 MR. BROWN: It's a mile track with a
14 seven-furlong turf track inside.

15 VICE-CHAIRMAN CARTER: Why did you decide
16 on this plan to go -- are you not going to have a turf
17 track?

18 MR. BROWN: No, we will not have a turf
19 track.

20 VICE-CHAIRMAN CARTER: Okay.

21 CHAIRMAN PABLOS: Commissioners, any
22 other questions?

23 MR. CLOWE: I have a couple of questions
24 about --

25 CHAIRMAN PABLOS: Commissioner Clowe,

1 please.

2 MR. CLOWE: You do have a firm contract
3 at a fixed price on the land?

4 MR. BROWN: Correct.

5 MR. CLOWE: And that's an executed
6 contract.

7 MR. BROWN: Yes. And we've delivered
8 that to staff.

9 MR. CLOWE: Good. And you mentioned some
10 rules that might be changed to make racing more
11 profitable. Would you care to comment on your thoughts
12 at this point or do you want to wait?

13 MR. BROWN: I'd like to wait for the most
14 part. The two big ones would be racetrack size. A
15 seven-furlong track is required. And then the second
16 one would be the number of stalls that are required in
17 the barn area. Those two are the big ones that not
18 only affect the cost of the barns, the cost of the
19 added track area, but also affect the overall size of
20 the development which then impacts drainage and a whole
21 lot of other things.

22 MR. CLOWE: Thank you.

23 MR. BROWN: Okay.

24 CHAIRMAN PABLOS: So what you were saying
25 is there are rules in place that ask for items that

1 might be reduced and therefore making it more
2 economical to build a track. Is that --

3 MR. BROWN: That is correct. That is
4 correct.

5 CHAIRMAN PABLOS: Okay. Dr. Carter?

6 VICE-CHAIRMAN CARTER: Could I expound on
7 that? So you're contemplating maybe asking for a
8 smaller track than seven furlongs?

9 MR. BROWN: That's correct.

10 VICE-CHAIRMAN CARTER: How small?

11 MR. BROWN: Probably a six-furlong. I
12 don't think we'd want to go five, but we'd want to look
13 at it. But probably a six-furlong track. But it is
14 amazing the difference in land that that makes and
15 development costs.

16 VICE-CHAIRMAN CARTER: I guess, as we go
17 through the process, the horsemen will have plenty of
18 opportunity to comment on that.

19 MR. BROWN: Yes. I have not discussed it
20 with the horsemen or the breeders at all.

21 VICE-CHAIRMAN CARTER: Okay. Thank you.

22 MR. BROWN: Thank you.

23 CHAIRMAN PABLOS: Thank you, Mr. Brown.

24 MR. BROWN: Thank you.

25 CHAIRMAN PABLOS: Appreciate it.

1 COMMISSIONER SCHMIDT: Thank you, Bryan.

2 CHAIRMAN PABLOS: I appreciate the
3 progress you're making. Thank you for moving forward
4 on that, Bryan.

5 Item 2, a progress report by Saddle Brook
6 Park. I'm being told that Drew Alexander could not be
7 here and that he should be able to report at the next
8 April meeting.

9 MS. KING: Yes, sir.

10 CHAIRMAN PABLOS: The next items, 3 and
11 4, I'll take them up together, a progress report by
12 Valle de los Tesoros and Laredo Downs. I'd like to
13 recognize Mr. Greg LaMantia, please.

14 MR. LaMANTIA: Good morning.

15 CHAIRMAN PABLOS: Good morning,
16 Mr. LaMantia.

17 MR. LaMANTIA: How are you all?

18 CHAIRMAN PABLOS: Fine. Thank you.

19 MR. LaMANTIA: Just a progress report.
20 I'll start with Laredo. We had hoped to have all the
21 paperwork in for the change of location. We haven't
22 gotten that in yet. We look to have it in in the next
23 two weeks. We want to turn it in in as complete a form
24 as we can so we don't have to go back and forth so
25 staff can look at it, but we look to have that here in

1 the next two weeks. We already have a piece of
2 property. It's been under option for some time at a
3 price, signed, et cetera.

4 The second one is McAllen. I think it is
5 two weeks from Monday on the PUB in McAllen and on the
6 City Commission in McAllen and on the City Commission
7 in Hidalgo they pick up the issue of utilities.
8 They've reached an agreement whereby the City of
9 Hidalgo is going to provide us with utilities which
10 will save us quite a bit of money. And that should be
11 approved two weeks from Monday. From there, then we'll
12 start development of looking at the engineering,
13 whether we need a lift station, grinders, all these
14 things, and then come back, work with the staff, and
15 tell them what we're doing.

16 CHAIRMAN PABLOS: I appreciate that.
17 And, yes, I'd like to also emphasize, please work with
18 staff very closely so that you guys can meet in the
19 interim and discuss what is being proposed.

20 Commissioners, any questions?
21 Dr. Carter.

22 VICE-CHAIRMAN CARTER: So from your first
23 statement I take it that you and your partners have
24 decided not to pursue a track in Laredo?

25 MR. LaMANTIA: As we've, I think, kept

1 the Commission aware of, our idea is to move it to the
2 Fort Worth area. And so we're trying to gather all the
3 information that it takes to put that and bring it in
4 front of the Commission.

5 VICE-CHAIRMAN CARTER: So what decisions
6 led you to abandon the concept of Laredo which we
7 originally applied for?

8 MR. LaMANTIA: I think it has to do with
9 what's best for the public and the industry, the
10 economic model, all those things, in addition to as we
11 go forward at trying to answer the long-term problems
12 of the industry, it helps with the potential fiscal
13 note or economic ability to bring more money to the
14 State of Texas and to the racing industry.

15 CHAIRMAN PABLOS: Commissioners, any
16 other questions?

17 Thank you, Mr. LaMantia.

18 MR. LaMANTIA: Thank you all.

19 VICE-CHAIRMAN CARTER: Thank you.

20 CHAIRMAN PABLOS: As we stated, Andrea
21 Young is out, so we'll pass on Item 5.

22 We'll go to Section V, proceedings on
23 rulemaking. We'll have two rule adoption items. I'd
24 like to recognize Mark Fenner for adoption of amendment
25 to Section 313.49, Starter, and 313.59, Assistant

1 Starters. Mr. Fenner?

2 MR. FENNER: Commissioners, the two
3 rules, 313.49 and 59, were proposed by the Commission
4 at the October meeting and they have been published in
5 the Texas Register in the December 25th edition. We've
6 received no public comment in response to the posting
7 in the Register. We had quite a bit of discussion
8 leading up to the proposal and made some modifications
9 before they were even published.

10 The starter rule requires them --
11 requires starters to assign assistant starters at
12 random but does allow for some exceptions to better
13 ensure racing safety and integrity. And then the
14 assistant starter rule prohibits certain types of
15 unethical conduct by the assistant starters at the
16 starting gate to align the Texas rules with the RCI
17 model rules for assistant starters.

18 Both rules are now ready and eligible for
19 adoption.

20 CHAIRMAN PABLOS: Mark, has this item
21 been -- these items been vetted through the rulemaking
22 committee?

23 MR. FENNER: Yes, they have.

24 CHAIRMAN PABLOS: And are you satisfied
25 that all stakeholders have had a chance to --

1 MR. FENNER: Yes, sir.

2 CHAIRMAN PABLOS: -- weigh in?

3 Okay. Commissioners, are there any
4 questions of Mark regarding this item?

5 Okay. Hearing none, then I would like to
6 entertain a motion to adopt the proposed amendments as
7 described in Agenda Items V-A and V-B and as published
8 in the Texas Register. Is there a motion?

9 COMMISSIONER EDERER: So move.

10 CHAIRMAN PABLOS: Moved by Ederer. Is
11 there a second?

12 COMMISSIONER SCHMIDT: Second.

13 CHAIRMAN PABLOS: Seconded by Schmidt.

14 Any discussion on this item?

15 Hearing none, I would like to take this
16 up for a vote. All those in favor please signify by
17 saying aye.

18 COMMISSIONERS: Aye.

19 CHAIRMAN PABLOS: Any opposed?

20 That motion carries.

21 At this time, before we -- there will be
22 no executive session. Before we go into old and new
23 business, Charla Ann, I'd like to recognize you, if you
24 could please give us a brief update on your meeting up
25 in Lone Star Park that you just had this last week.

1 I'd like for you to just let us know what happened over
2 there. And I was sorry that I couldn't make it.

3 MS. KING: Well, we definitely missed
4 you. But Dr. Carter was there. He came up. It was an
5 excellent meeting and I'll try not to go on about it
6 too long.

7 We had a very good turnout. I think
8 there were close to 40 people attending. And in a low
9 budget, an opportunity for people to come to meetings
10 like these, we were very pleased. We had all the
11 stewards and judges -- or stewards from Oklahoma. We
12 had all of our staff. And then we had some from as far
13 away as Pennsylvania. We had representatives from
14 Louisiana. So we had a very good group.

15 They covered a lot of topics. Our staff
16 played a primary role in the delivery of the seminar.
17 Mark provided a rulings and hearings discussion. And
18 also very popular was Sammy Jackson's presentation on
19 overseeing the pari-mutuel process. And he designed
20 that specifically for stewards and things that stewards
21 can do to ensure that the pools of the races that
22 they're overseeing -- making sure those pools are
23 secure. And it was very well received and there's been
24 a request for that presentation to be given again. And
25 the stewards had a lot of good questions.

1 One of the novel things that we did or
2 kind of innovative things that we did is that we took
3 the veterinarians to the seminar as well, which that
4 had never been done before. And one of my hopes is
5 that in the future that stewards and veterinarians and
6 investigators, too, we could see, because that kind
7 of -- Charlie Helm attended also and that made a
8 difference. Getting those three groups of regulators
9 together can really make a difference.

10 So we had an agenda for the veterinarians
11 as well and they were talking. We had the chief -- the
12 head of the regulatory veterinary committee from RCI,
13 who is the medical director from Louisiana. He
14 attended. Dr. Carter attended. We got them involved.
15 And so there was a good exchange on a number of issues,
16 particularly a lot of concern about medication and the
17 use of substances in the racehorses. So it was -- it
18 was an excellent opportunity.

19 And I think that the racetrack industry
20 program out of the University of Arizona in Tucson and
21 ROAP, the Racing Officials Accreditation Program that
22 works out of the Jockey Club -- they were both, I
23 think, very pleased with what we added in terms of
24 driving the agenda and bringing forward more
25 participants to be involved in the seminar.

1 We also, at the request of the Chair, had
2 a special Texas meeting where we met with just our
3 staff. And that was a really good opportunity to get
4 our staff to -- to get them the answers to the
5 questions that they've been having. And we're planning
6 on having the staff come more often to Austin and we
7 would welcome any Commissioners' participation in that
8 because it's an excellent opportunity to get to know
9 what the staff is doing and reinforcing the job that
10 they're doing.

11 You had mentioned before about the
12 budget, Mr. Chairman, and our staff is really stepping
13 to the plate. They're wearing a lot of hats and, you
14 know, being very dedicated in these difficult times.
15 And so we're -- you know, we really appreciate any
16 support that the Commissioners can provide in these
17 kinds of settings and look forward to some more of that
18 in the future.

19 CHAIRMAN PABLOS: Thank you, Charla Ann.

20 Any questions or comments?

21 Thank you very much. Great job.

22 MS. KING: Thank you, Mr. Chairman.

23 CHAIRMAN PABLOS: Is there any old or new
24 business, Commissioners? Our next meeting is scheduled
25 for April 20th.

1 Hearing no new or old business, I'd like
2 to at 11:30 adjourn this meeting of the Texas Racing
3 Commission. Thank you very much.

4 (Proceedings concluded at 11:30 a.m.)

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1 STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3

4 I, SHERRI SANTMAN FISHER, a Certified Shorthand
5 Reporter in and for the State of Texas, do hereby
6 certify that the above-captioned matter came on for
7 hearing before the TEXAS RACING COMMISSION as
8 hereinbefore set out.

9 I FURTHER CERTIFY that the proceedings of said
10 hearing were reported by me, accurately reduced to
11 typewriting under my supervision and control and, after
12 being so reduced, were filed with the TEXAS RACING
13 COMMISSION.

14 GIVEN UNDER MY OFFICIAL HAND OF OFFICE at Austin,
15 Texas, this 22nd day of February, 2010.

16

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22 SHERRI SANTMAN FISHER, Texas CSR 2336
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