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BEFORE THE CALIFORNIA HORSE RACING BOARD

OF THE STATE OF CALIFORNIA

ROBERT H. TOURTELOT, CHAIRMAN

In the Matter of:)
The Regular Board Meeting of)
the California Horse Racing Board)
_____)

TRANSCRIPT OF PROCEEDINGS

Arcadia, California

Friday, March 24, 2000

Reported by:

Frances Eggleston, RPR

CSR No. 11662

Job No.:

CHBB190B

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ROBERT H. TOURTELOT, CHAIRMAN

In the Matter of:)
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TRANSCRIPT OF PROCEEDINGS, taken
at 240 West Huntington Drive, Arcadia,
California, commencing at 10:47 a.m., on
Friday, March 24, 2000, heard before
ROBERT H. TOURTELOT, Board Chairman, reported
by FRANCES EGGLESTON, RPR, CSR No. 11662, a
Certified Shorthand Reporter in and for
the State of California.

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01 APPEARANCES:

01

02 Chairman: Robert H. Tourtelot

02

03 Vice-Chairman: Joseph B. Fenley

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04 Member: Sheryl L. Granzella

04

05 Member: Marie G. Moretti

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06 Executive Director: Roy C. Wood, Jr.

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07 Assistant Executive Director: Roy Minami

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08 Deputy Attorney General: Tom Blake

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06 Application for License to Conduct a Horse
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08 inclusive

09

09 4 - Discussion and action by the Board on the 10
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11 Rule 2058(c)

12

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01 Arcadia, California, Friday, March 24, 2000
02 10:47 a.m.

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05 MR. WOOD: Good morning. I would like to welcome
06 you to a regularly scheduled meeting of the California
07 Horse Racing Board. This meeting is being conducted on
08 Friday, March the 24th. It's being conducted at the
09 Arcadia City Hall on Huntington Drive in Arcadia,
10 California.

11 Present at today's meeting is Vice Chairman
12 Robert Tourtelot, who will be acting as the Chairman of
13 today's meeting; Commissioner Joe Fenley; Commissioner
14 Sheryl Granzella; and Commissioner Marie Moretti.

15 Before we go on to the business of today's
16 meeting, I would respectfully request that if you give
17 testimony before the Board, that you provide the Board
18 with your name and your association. Also, as you can
19 tell, the microphones -- we're having operational problems
20 with the microphones here at the podium, and we'll try to
21 speak up. The one at the witness stand, I think, is
22 operational, but please bear with us. We'll try to speak
23 as loud as we can.

24 I'll turn the meeting over now to our acting
25 Chairman, Commissioner Robert H. Tourtelot.

26 MR. TOURTELOT: Good morning. I would like to
27 welcome all of you to the regular meeting, and as Mr. Wood
28 said, the microphones up here aren't working.

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01 Can everyone hear me in the back?
02 If you can't hear us, please speak up,
03 because it's important that we're able to communicate with
04 you.

05 The first item on the Agenda is the approval
06 of minutes from the regular meeting of February 18, 2000.

07 Do we have a motion?

08 MS. MORETTI: I'll move to approve the minutes.

09 MR. TOURTELOT: I have a motion to approve the
10 minutes.

11 Any second?

12 MS. GRANZELLA: Second.

13 MR. TOURTELOT: All in favor?

14 MR. FENLEY: Aye.

15 MS. GRANZELLA: Aye.

16 MS. MORETTI: Aye.

17 MR. TOURTELOT: Aye.

18 Unanimous. The minutes are approved of
19 February 18.

20 The next item is the election of the Board
21 Chairperson and Vice-Chairperson.

22 Do we have a motion?

23 MR. FENLEY: For Chairman I'd like to nominate
24 Bob Tourtelot.

25 MR. TOURTELOT: Any other nominee?

26 All in favor?

27 MS. MORETTI: Can I make a point of discussion

28 here --

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01 MR. TOURTELOT: Yes.

02 MS. MORETTI: -- if I may.

03 MR. TOURTELOT: Do we have a second?

04 MS. GRANZELLA: Yes, I second the motion, but
05 she's --

06 MS. MORETTI: I would just like to make a point of
07 discussion here. I respect the tradition that generally
08 the Vice-Chair succeeds the Chair, but I also believe that
09 there is a tradition in the political realities here in
10 that there is a new administration and officers to a
11 politically appointed Board should be appointees of the
12 governor.

13 And I have full respect for Mr. Tourtelot and
14 will vote to approve this nomination, because I believe
15 that California needs to continue its leadership role
16 nationally, and I think that's much better done with a
17 chairman, not an acting chairman; but I would like to go
18 on the record that I vote with the caveat that when the
19 governor has chosen other Board members, that we have a
20 new vote for officers.

21 MR. TOURTELOT: I can't make any commitment about
22 that, because we have to go by what the rules are with
23 respect to agendas, but I appreciate your confidence in
24 me. Thank you.

25 We have a second.

26 All in favor?

27 MR. FENLEY: Aye.

28 MS. GRANZELLA: Aye.

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01 MS. MORETTI: Aye.

02 MR. TOURTELOT: Aye.

03 Proposed.

04 I thank you for your confidence, my fellow
05 colleagues on the Board.

06 And now we need a motion to nominate and
07 elect a Vice-Chair.

08 MS. MORETTI: I would make a motion to nominate
09 Joe Fenley as Vice-Chair.

10 MR. TOURTELOT: I second it.

11 All in favor?

12 MR. FENLEY: Aye.

13 MS. GRANZELLA: Aye.

14 MS. MORETTI: Aye.

15 MR. TOURTELOT: Aye.

16 Proposed. Congratulations.

17 I want to say a couple of words. I haven't
18 really prepared anything, but they are pretty incredible
19 people to follow, Ralph Scurfield and the job that
20 George Nicholaw did after that, so I will do my best.

21 I would like to first -- the first thing I
22 did as Vice-Chairman, if we could have a minute of silence
23 in memory of Senator Ken Maddy, who is -- his efforts in
24 the legislature and successes on behalf of horse racing
25 are going to be felt in our industry in California for
26 many, many years to come. So I would like to have one

27 minute of silence in memory.
28 (Pause in the proceedings)

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01 MR. TOURTELOT: Thank you very much.
02 The next item on the Agenda, discussion and
03 action by the Board on the application for license to
04 conduct a horse racing meeting of the Los Alamitos Quarter
05 Horse Racing Association, commencing April 14th through
06 December 17th, 2000.

07 MS. WAGNER: Jackie Wagner, CHRB staff.
08 The application before you is from the
09 Los Alamitos Quarter Horse Racing Association. They have
10 filed their application for the race meet commencing
11 April 14th through December 17, 2000, or 140 days, which
12 is one day less than 1999. The Association is planning to
13 race a total of 1,704 races or 12.2 races per day. They
14 will be racing four nights per week, Thursday through
15 Sunday, with first post time at 7:20 p.m. on Thursday and
16 Friday, a 6:30 post on Saturday, and a 5:30 post on
17 Sunday.

18 They have met the 10-percent requirement for
19 their Cal Bred Stake Races. We have received their
20 horsemen agreement as of this morning and staff would
21 recommend that the Board approve the application.

22 MR. TOURTELOT: Any discussion?
23 Any comments from the audience with respect
24 to the application?
25 With there being none, all in favor of
26 approving -- we need a motion.

27 MS. MORETTI: I will make a motion to approve.
28 MR. FENLEY: I'll second.

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01 MR. TOURTELOT: All in favor?
02 MR. FENLEY: Aye.
03 MS. GRANZELLA: Aye.
04 MS. MORETTI: Aye.
05 MR. TOURTELOT: Aye.

06 I was always admonishing my good friend
07 George Nicholaw for calling for a vote before a motion,
08 and I did the same thing. We'll get it together.

09 The application is approved.
10 Item number 4 is the discussion and action by
11 the Board on the request by Autotote System on the upgrade
12 of the encryption system for the California Racing Network
13 pursuant to the California Horse Racing Rule 2058(c).

14 MR. REAGAN: Commissioners, I'm John Reagan,
15 R-e-a-g-a-n, CHRB staff. What we have before us today is
16 a request for the Board approval of a new encryption
17 system. At current time, we have an adequate system;
18 this may be a better system. Your approval today will add
19 this system to our arsenal, and as appropriate, we will
20 move forward in implementing this system when the
21 racetracks, the simulcast organizations, and other parties
22 believe it is the correct and appropriate thing to do.

23 So we ask for your approval, so we have that
24 option to do so.

25 MS. MORETTI: I have a question. What's the cost

26 on this?

27 MR. REAGAN: The cost to California is nothing.

28 Autotote Communications will install their own equipment

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01 and this will improve the system for their benefit as well

02 as ours. And at this point, I am told there is zero cost,

03 above and beyond current cost.

04 MS. MORETTI: No additional cost?

05 MR. REAGAN: No additional cost, right.

06 MR. TOURTELOT: Any other questions or comments

07 from the commissioners?

08 Any comments from the audience?

09 MR. TOURTELOT: We need a motion then to approve

10 the --

11 MR. FENLEY: I will make a motion to approve the

12 upgrading of the encryption system.

13 MR. TOURTELOT: Would you state your motion, Joe?

14 MR. FENLEY: I make a motion that we accept Agenda

15 Item Number 4 on the upgrade of the encryption system.

16 MR. TOURTELOT: Any second?

17 MS. MORETTI: Yes.

18 MR. TOURTELOT: All in favor?

19 MR. FENLEY: Aye.

20 MS. GRANZELLA: Aye.

21 MS. MORETTI: Aye.

22 MR. TOURTELOT: Aye.

23 That item was approved.

24 Item number 5 is discussion and action by the

25 Board on the proposed distribution of charity race day

26 proceeds of the Bay Meadows Foundation in the amount of

27 \$120,000 to 75 beneficiaries.

28 MR. REAGAN: Commissioners, as you know, for many

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01 years I have brought these types of requests before you.

02 For the first time that I can remember, I must ask you

03 today to disapprove this request in that it does not meet

04 current legal requirements. That is, we believe that 20

05 percent of this distribution -- it does not meet the

06 requirement of distributing 20 percent to racing-related

07 groups, or as the law states specifically, associated with

08 the horse racing industry.

09 There are two groups, the Redwood City Police

10 Activities League, which provides rides on horses,

11 excursions on horses; we don't see that as horse-racing

12 related. In addition, the California 4H Foundation, I do

13 not believe is associated with horse racing. That is our

14 opinion, and we are here for any questions you might have.

15 MR. TOURTELOT: Do you recall about a year ago or

16 more than a year ago, we disapproved the Bay Meadows

17 Foundation proposed distribution, and I think that was at

18 the January meeting, but it was -- the distribution funds

19 came from the year before the new law was passed that

20 required 20 percent to be dedicated to horse racing in

21 these charities. And I believe I led the pack on

22 disapproving that request for distribution, and the Bay

23 Meadows Foundation took it to the Superior Court, and we

24 lost.

25 The reason for bringing that up is I am just
26 wondering, are we -- with each of these foundations --
27 each of these two distributees mentioned -- potential
28 distributees mentioned horse racing -- not horse racing,

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01 but horse.

02 If some Superior Court takes this up, are
03 they going to reverse our decision and require us to
04 approve? I don't know.

05 MR. REAGAN: That's certainly a possibility.

06 MR. TOURTELOT: I would like to hear from
07 Mr. Liebau. I tend to agree with staff.

08 The Bay Meadows foundation has always been a
09 foundation that never gave one -- once the law was passed
10 that they had to give 20 percent, I don't think they've
11 given one cent over to that, whereas Hollywood Park and
12 Santa Anita and others, Del Mar, are always -- were over
13 and above the 20 percent.

14 20 percent was just a guideline. In fact,
15 Commissioner Nicholaw always said, "I would like to see it
16 at 50 percent," recognizing that we have to take care of
17 the communities in which the track is located and be good
18 neighbors at the same time. When the horse racing
19 business gives to the charities -- horse racing charities,
20 Mr. Nicholaw used to always say that, you know, he would
21 like to see it at 50 percent, even on a voluntary basis.
22 And some of the tracks are coming closer to that, but Bay
23 Meadows Foundation has always resisted even the
24 20 percent.

25 MS. GRANZELLA: I have a question. What happened
26 when the case went to Superior Court?

27 MR. TOURTELOT: They directed us to approve the
28 distribution.

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01 MR. LIEBAU: Mr. Chairman, if I could clarify that
02 point for you. Jack Liebau from Bay Meadows.

03 That particular question did not go to who
04 the money was to be given, but whether the particular
05 funds were subject to the 20-percent test, because they
06 were in fact attributable to a meet prior to the enactment
07 of the law. So that case that you're referring to had
08 nothing whatsoever to do with whether 20 percent had to go
09 to horse racing-related charities. It had to do with
10 whether this particular money was subject to the law, and
11 it was concluded that the money that was then being
12 distributed was not subject to the enactment of this new
13 law.

14 MR. TOURTELOT: I understand. The money was raised
15 from a meet prior to the law being enacted, but they came
16 to us for approval after the law was enacted. We said,
17 "You then have to comply with the 20-percent rule," and
18 they said they didn't.

19 MR. LIEBAU: These funds that we are now talking
20 about are clearly subject to the law that requires --

21 MR. TOURTELOT: I understand that, Jack. Sorry, I
22 confused you.

23

 Any more comments from the Commissioners?

24 Any from the audience?

25 Jack, do you have any comments in general
26 about the two charities that are at issue?

27 MR. LIEBAU: Jack Liebau from Bay Meadows.

28 Based on what the law says and the

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01 interpretation of the law since it's been enacted by the
02 California Horse Racing Board, I would agree with staff
03 that these clearly do not constitute charities in the
04 horse racing industry. I think that's the precise
05 language of the code, that the charities are supposed to
06 be related to the horse racing industry.

07 I think this would be a tremendous stretch.
08 It would be far beyond the previous interpretation of the
09 section by the Board.

10 MR. TOURTELOT: Thank you.

11 Do we have a motion to disapprove the
12 request -- to disapprove the request that we approve the
13 distribution of Bay Meadows Foundation?

14 MR. FENLEY: I'll make that motion.

15 MR. TOURTELOT: Second?

16 MS. MORETTI: I second it.

17 MR. TOURTELOT: All in favor to disapprove the
18 proposed distribution of charity race day proceeds of the
19 Bay Meadows Foundation. All in favor.

20 MR. FENLEY: Aye.

21 MS. GRANZELLA: Aye.

22 MS. MOORE: Aye.

23 MR. TOURTELOT: Aye.

24 So the Board has disapproved the application
25 by the Bay Meadows Foundation for the proposed
26 distribution of the \$120,000 of charity race day proceeds.

27 Next on the agenda is an item which is a very
28 important matter, in my opinion. A lot of you were

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01 present when Mr. Fenley and Ms. Granzella and
02 Ms. Moretti held the Security and Licensing Committee this
03 morning.

04 And the impetus of having that discussion on
05 parity of discipline and other related matters was that
06 Mr. Fenley called me, and I thought it was probably one of
07 the more important issues that I'm seeing raised since
08 I've been on the Board. As we say in law -- in trial law,
09 "perception is a lot more important than the reality," and
10 there is a perception out there that we're not being
11 consistent with our penalties, that we are not being
12 vigilant, and other things.

13 I'm not going to comment as to my opinion
14 with respect to that feeling that seems to be out there,
15 but we want to move forward. We want to eliminate that
16 perception. We want to have everyone in California in the
17 racing industry believe that it's a level playing field,
18 that everyone is treated equally. And I think that what
19 Commissioner Fenley has started should be probably one of
20 the most important activities that we engage in in the
21 year 2000.

22 And while he's going to give his report in a

23 minute, I want to suggest that today was just a starting
24 point; and that maybe Commissioner Fenley would agree to
25 serve as head of an ad hoc committee with his two fellow
26 commissioners that are on the Security and Licensing
27 Committee that would bring people from the horsemen, from
28 the association, TOC, trainers together and to -- just

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01 like we had with the simulcast. I think it was the Fans
02 of Simulcast Advisory Committee that Bib Wyler headed up,
03 and he did such a wonderful job.

04 I don't think there's anyone better than
05 Commissioner Fenley to head this up. I think it is one of
06 the most important issues we're facing in California
07 today. I think we have one of the best executive
08 directors in the country, the best staff, the best
09 assistants. We have one of the most incredible security
10 forces, I think, in any state that is engaged in racing;
11 but we still have a lot of things that we need to do.

12 I think what Commissioner Fenley has started
13 is something that is going to be looked at in years to
14 come as probably one of the most important things that
15 this Board accomplished.

16 I'll turn it over to Commissioner Fenley.

17 MR. FENLEY: Thank you, Mr. Chairman.

18 I wanted to have this meeting this morning to
19 acquaint the public and the new commissioners on the
20 workings of staff and stewards of the racetrack on the
21 judicial proceedings. Initially, I asked the questions,
22 should a trainer found guilty of authorizing a prohibited
23 drug substance to a horse stand to receive similar
24 discipline as is given to a jockey for drug abuse? Should
25 there be parity? In other words, should trainers and
26 jockeys be on the same equation when it comes to the horse
27 and personal drug use?

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01 I asked another question: Are class 1, 2,
02 and 3 drugs an indirect form of race fixing? And the
03 answer from the steward was no.

04 How did the stewards measure these penalties,
05 and what guidelines do they use? Well, they basically use
06 the guidelines of 1995 that were approved by the
07 California Horse Racing Board, but not approved by the
08 Administrative Law Judge; is that correct?

09 MR. WOOD: Office of Administrative Law.

10 MR. FENLEY: I asked the question, in the
11 handbook -- the trainer's handbook, that if found guilty
12 of a class 1, 2, or 3 drug use is a felony, and if any of
13 the convictions have been brought forward to Superior
14 Court, and the answer was no.

15 I asked a question, would they feel more
16 comfortable with a Deputy Attorney General at their side
17 in what I thought was most of the hearings or all of the
18 hearings; but they referred me back to the medication
19 hearings, that they definitely would feel there would be a
20 better balance in those hearings if they had the Deputy
21 Attorney General with them, as opposed to themselves
22 versus the lawyers for the plaintiffs.

22 We uncovered other things in there that I
23 felt would strengthen their cases from an investigative
24 side, dealing with the veterinarian. Where is the
25 veterinarian in all of these cases? To me, he has the
26 drugs. He gives the drugs to somebody who gives the drugs
27 in these cases; and I am not saying -- or pointing the
28 finger at any particular group of people, but they

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01 basically go untouched in all these matters.

02 But there is a whole lot of gray areas out
03 there, and I would like to spend the next few months
04 having monthly committee meetings prior to the Board
05 meeting, the day before or day of, to explore further some
06 of these issues, and have -- and I don't think today we
07 had anybody from the Jockey Guild, so invite the Jockey
08 Guild, as well as the stewards, as well as the Trainers
09 Association, who were present today, to continue these
10 discussions. And I think we will get some good dialogue
11 and some good things are going to come out of these
12 hearings.

13 MR. TOURTELOT: I agree.

14 Do any other committee members have any
15 comments?

16 MS. MORETTI: I would like to thank you for
17 beginning this dialogue, because I think it is imperative
18 that we keep California -- the integrity of California
19 racing.

20 MR. FENLEY: Thank you.

21 MR. TOURTELOT: Any comments from the audience?

22 I think that the meeting was too short. We
23 had an hour. I think we could have had five hours, but
24 the notice was not really --

25 MR. FENLEY: The stewards have a very, very
26 difficult job, and our job is to make -- give them what
27 they need -- equip them better to make their decision. I
28 think that's what we want to come out of this.

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01 MR. WOOD: The meeting was well-attended and
02 well-discussed, and it was the beginning of a process that
03 we can continue on, as you said, on a monthly basis to do
04 what needs to be done.

05 MR. TOURTELOT: My concern is that -- with respect
06 to parity and the perception, I think that if -- a trainer
07 who is a minor person in the fair circuit should be
08 treated no differently than a hall of fame trainer in
09 Santa Anita.

10 I don't think we have -- I don't think we
11 have a continuity as to the penalties. I agree with some
12 of the comments this morning that when you have a list of
13 infractions and the various types of drugs, that somebody
14 who's going to engage in that activity should know what
15 the penalty is going to be, absent any circumstances that
16 might influence the stewards -- know what the penalty
17 would be.

18 If you go in a bar and you drink and you
19 raise your blood alcohol beyond the legal limit and get on
20 the freeway, get pulled over, if you don't have a pretty

21 good idea at that time what the sentence and penalty is
22 going to be, you'll know the next morning when you talk to
23 your lawyer. So -- and obviously, there are extenuating
24 circumstances in cases, and the licensees have the right
25 to present extenuating circumstances. So I think we ought
26 to have some hard, fast penalties for violations. And if
27 people want to engage in administering illegal drugs to
28 horses, they know what the penalty is going to be.

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01 I think the penalty ought to be a lot harsher
02 than what we have been doing so that there is some
03 incentive out there to abide by the law. I think that
04 right now -- and I don't want to get into, you know, the
05 jockeys -- whether the jockey cuts inside or whatever.

06 I think that's -- I think right now the most
07 important thing is the medication and the perception
08 that's going on that the trainer has a bunch of winners
09 and all of a sudden he's labeled as someone who is
10 skirting the law with medication.

11 I was raised as a boy being told that there
12 were always ones -- that the good trainers were one step
13 ahead of the medication detection; that when the labs were
14 able to detect, you know, hexagrams of a substance, then
15 the chemist would move to another drug that could either
16 be masked or couldn't be picked up by the lab. And I
17 think that we need to -- that perception is still out
18 there today. We need to do something about that.

19 And I don't know whether this building a
20 72-hour holding barn sounds like an awful, difficult way
21 to go in terms of putting burden on the Associations. But
22 what we need to do is we need to have consistency, we need
23 to have harsher penalties for the more serious medication.

24 I agree with some of the trainers this
25 morning who said a few poppy seeds -- or if the groom
26 leaves a half cup of coffee on the stall door and the
27 horse -- absentmindedly, while he goes to talk to somebody
28 or go to a phone, and the horse takes some, and as a

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01 result the caffeine shows up in the post-race analysis,
02 and the owner forfeits the purse -- I mean, that doesn't
03 seem fair to me, and I think those things have to be
04 examined.

05 On the other hand, I don't think that we're
06 going to be able to be very successful in catching
07 somebody putting the needle six hours before the race into
08 the horse; but the fact of the matter is you don't have to
09 prove criminal intent when the guy is going down the
10 freeway loaded to the gills from drinking at a bar all
11 afternoon. The prosecutor doesn't have to prove that he
12 intended to get drunk. So when we find cocaine and
13 morphine and some of these other serious drugs in the
14 horse, it's up to the trainer to prove to the stewards
15 whatever they have to prove in the extenuating
16 circumstances.

17 But one thing about the veterinarians, they
18 are supposed to record any substances, certain medications
19 administered to the horse more than 48 hours prior to the

20 race -- entering, the horse being entered into the race.
21 The veterinarian says, "Well, I forgot to do it." I think
22 that should not be acceptable. I think this is an area
23 where this Board should take a leadership role and really
24 turn this around.

25 I think this is a monumental task, but I
26 think we really have some qualified people to address
27 this, and I'm happy that Commissioner Fenley has taken the
28 lead role in that.

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01 MR. FENLEY: Thank you, Bob.

02 MR. TOURTELOT: Anything else?

03 Okay. Next item is general business.

04 MR. MINAMI: Mr. Chairman, I believe there is a
05 group from the SEIU Local 1877 that would like to speak to
06 an issue.

07 MR. TOURTELOT: Please come forward.

08 MR. HALL: Good morning. My name is Lee G. Hall.
09 I'm from SEIU. I'm here this morning based on the fact
10 that we have a problem with our dues collection from the
11 assistant starters. We met with the federation, and
12 Mr. Hughes had stated to us that he would get this problem
13 taken care of. That was in February. We gave him till
14 March the 1st to try to resolve this problem.

15 This problem is continuing to escalate more
16 and more. Now Mr. Hughes has informed us that the
17 assistant starters want to put a petition in and to get
18 out of our organization, but the assistant starters do not
19 have that option. The assistant starters only have an
20 option to pay their dues that they owe, and this is all we
21 are asking the federation to do, is to either assist us to
22 get the moneys or terminate these assistant starters as
23 the bargaining agreement states.

24 MR. TOURTELOT: Thank you.

25 Weren't you in here last year with a problem
26 of the pension fund or something?

27 MR. HALL: Yes. We were here last year. This was
28 about New World Service at Hollywood Park. New World

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01 Service has paid up all their back pension funds and
02 everything, to my knowledge, at this time, but --

03 MR. TOURTELOT: This is a new problem.

04 MR. HALL: This is a new problem at Santa Anita.
05 We don't want this problem to spill over to Hollywood
06 Park. Since we are correcting the problems we are having
07 at Hollywood Park, and if we don't correct this problem
08 here, well, these same assistant starters are going to be
09 working at Hollywood Park only in a few days.

10 We have leaned over backwards and asked them
11 several times to come to the table, tell us what their
12 problems are, make arrangements to pay their dues, and
13 they are refusing to do so. And they are getting
14 encouragement by the Federation, where the Federation
15 issued this letter stating that they are not going to
16 terminate any assistant starters.

17 MR. TOURTELOT: I want to make sure I understand
18 the problem. You gave them until -- you had the meeting

19 with them and they said that they were going to contribute
20 the dues -- collect the dues?

21 MR. HALL: We had a meeting with Mr. Hughes. He
22 said that he would talk to them to see if he could
23 convince them to pay their dues.

24 MR. TOURTELOT: And you gave them till March 1st,
25 and they haven't paid?

26 MR. HALL: And we gave them till March 1st, and
27 they still haven't paid their dues, nor have they made any
28 attempt to make arrangements to pay their dues. They only
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01 gave us an ultimatum that they wanted to get out of our
02 organization.

03 MR. TOURTELOT: Have they said why they didn't want
04 to pay the dues?

05 MR. HALL: They haven't come to us and said why
06 they don't want to pay their dues, but their dues are
07 delinquent over several years, and they never came to us
08 about this here. And when we discovered that this was
09 happening, we tried to sit down and find out what the
10 problem was, and they stated that they are not being paid
11 enough money.

12 Now, every time we sit at the table, they
13 come in and then they run out and go into the other room
14 and try to make a deal with management on their own, and
15 if they are not getting enough money, it's not the
16 organization's fault. It's clearly their fault, because
17 they haven't gave the organization a chance to take care
18 of their business. They haven't filed any grievances.
19 Until now, this is the only time we have even seen that it
20 was a problem, why they wasn't paying their dues.

21 MR. TOURTELOT: All right. It may be a labor
22 problem that we can't interfere with, but as my friends in
23 the Pari-Mutuel know, I am always very sympathetic of
24 labor problems, and sometimes we disagree, but I always
25 give you a ear and a fair shake and you also -- and I
26 believe that labor should get as much of a voice as
27 management, and Mr. Hughes is here --

28 MR. HALL: Yes, I know.
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01 MR. TOURTELOT: -- and we will hear from him and
02 then we'll hear from our attorney as to what jurisdiction
03 we do or do not have, because we really can't enter into
04 matters that are labor disputes; but let's hear Mr.
05 Hughes. I am sympathetic to your problem. I am not
06 brushing you off.

07 MR. HALL: Okay. Thank you.

08 MR. HUGHES: Jeff Hughes, Federation of California
09 Racing Associations.

10 As Mr. Hall has indicated, it's true that a
11 petition has been filed by a majority of the assistant
12 starters in the State of California to be certified. The
13 Union has disagreed with that petition, and they have
14 filed a grievance. That grievance is currently in the
15 process of being adjudicated one way or the other, and I
16 suggest we leave it there. That's the collective
17 bargaining agreement procedure, and that's what we intend

18 to follow.

19 MR. TOURTELOT: Mr. Blake.

20 MR. BLAKE: If the matter is a labor dispute, this
21 Commission does not have jurisdiction. And if the staff
22 is aware of some other angle to this, I would suggest you
23 wait until the matter is adjudicated by the NORB or other
24 authority. And if at that time, if there are financial
25 responsibility matters before this Board, then they could
26 be addressed at that time.

27 MR. FENLEY: Well, there is a financial matter here
28 because some dues aren't being paid. And I recall last
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01 year Hollywood Park was in here, the janitorial union, I
02 believe, who had some pension or back issues there, and
03 they paid them up. And I am wondering if this issue is to
04 get them to pay up too. What's that have to do with the
05 collective bargaining agreement? If that's the same
06 thing, why did we have them go back and work with
07 Hollywood Park to satisfy that? Why can't we do that
08 here?

09 MR. HUGHES: The question here is not dues. The
10 question is back dues. For some reason these people
11 slipped through the procedure, more or less, and haven't
12 paid dues for four, five, six years, some of them. They
13 haven't been caught by the union, or whatever, they have
14 never been asked for the dues. The question is the
15 retroactive. All these people had signed a payroll
16 deduction authorization for current dues. We got them to
17 do that, and then they presented us with the petition.

18 And these are individuals. It's not the
19 company situation like you had with New World; it's
20 totally different.

21 MR. FENLEY: So are you supportive of collecting
22 these back dues?

23 MR. HUGHES: We are supportive of enforcing the
24 collective bargaining agreement.

25 MR. FENLEY: Does that include collecting back
26 dues?

27 MR. HUGHES: No. That is between them and the
28 union.

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01 MR. TOURTELOT: Let me ask you something. They owe
02 the dues; right?

03 MR. HUGHES: The union says they do, yes.

04 MR. TOURTELOT: They were represented by the union;
05 right?

06 MR. HUGHES: Yeah, they were represented by the
07 union.

08 MR. TOURTELOT: And to be represented by a union
09 you have to be a member of a union; is that correct?

10 MR. HUGHES: That's correct.

11 MR. TOURTELOT: And to be a member you have to pay
12 dues?

13 MR. HUGHES: That's right.

14 MR. TOURTELOT: They owe the dues; right?

15 MR. HUGHES: As far as we know, they owe the dues.
16 The union says they owe dues.

17 MR. TOURTELOT: So they owe the money. Now, how
18 was the money paid, deducted from --

19 MR. HUGHES: This year, for the first time, there
20 has been payroll deduction. We've got them signed up for
21 payroll deduction. The past dues, we have no way of
22 collecting that.

23 MR. TOURTELOT: I know that if a trainer is not
24 paid by an owner, that the Horse Racing Board has the
25 jurisdiction to discipline -- to deal with that problem.

26 MR. WOOD: As far as licensed by the Board --
27 and if the Union felt that the dues were payable, they can
28 file a financial complaint against the assistant starters
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01 and it could be handled at the Board level.

02 MR. TOURTELOT: I don't see any difference than the
03 owner not paying a trainer. And the fact of the matter --
04 I'm not a labor lawyer, but I know a little bit about it.
05 It's not a collective bargaining issue because of the fact
06 that they were members of the union. The union supported
07 them, and they owed dues and they didn't pay the dues.

08 MR. HUGHES: But it is a collective bargaining
09 issue.

10 MR. TOURTELOT: I don't think there is some other
11 thing that says they don't have to pay because they were a
12 special class or whatever. They owe the money.

13 MR. HUGHES: It's an issue to be handled under the
14 collective bargaining agreement in that the union has
15 requested they be terminated. The employees have a signed
16 representation -- a petition requesting a release from
17 representation from the union, and this is what's being
18 adjudicated right now.

19 MR. TOURTELOT: That's fine, but now the horse is
20 out of the barn. They want to be out of the union, but
21 that isn't going to eliminate the fact that they have the
22 debt; they owe the dues.

23 MR. HUGHES: That's what an arbitrator is going to
24 rule, one way or another.

25 MR. TOURTELOT: But the fact is that it's analogous
26 to a trainer not getting paid by an owner. We have
27 jurisdiction in that area. And the assistant starters are
28 licensed by us, so I'm not sure that we don't have
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01 jurisdiction.

02 MR. HUGHES: But they are still covered by the
03 collective bargaining agreement, Mr. Chairman.

04 MR. TOURTELOT: I don't understand how a collective
05 bargaining agreement controls a debt that is owed.

06 MR. HUGHES: We've had cases in the past regarding
07 licensed personnel and the collective bargaining agreement
08 has taken jurisdiction. And we've had arbitrators rule
09 that the collective bargaining agreement takes
10 jurisdiction. So that's why we want to handle it under
11 the collective bargaining agreement, and we are in the
12 process of doing that right now.

13 MR. TOURTELOT: That may be the way it has to go.
14 I don't know. We'll have to get some legal advice. It
15 seems to me, having been an arbitrator in a number of

16 cases, the arbitrator is going to be faced with the same
17 issues that I just presented, and that is they were
18 members, members pay dues, they didn't pay dues, the dues
19 are owed. How can an arbitrator get around that?

20 MR. HUGHES: I don't know. It's uncharted
21 territory as far as our legal counsel says, and we're not
22 covered by the National Labor Relations Act, and
23 therefore, we are in uncharted territory as far as the
24 interpretation of the law. So that's another thing
25 tested.

26 MR. TOURTELOT: I don't understand, because the law
27 is that you pay your debt.

28 MR. HUGHES: That's not the question. The question
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01 is the filing of petition, which is the uncharted
02 territory.

03 MR. TOURTELOT: That is a separate issue. They are
04 filing a petition to get out of the union, but still that
05 doesn't affect the dues that they owe for six years or
06 four years. These people here are contributing their
07 dues.

08 MR. HUGHES: I'd say it's not that simple to say
09 they've owed dues for three, four, five, or six years.
10 Many of these assistant starters will say they tried to
11 tender their dues, and they had been rejected because
12 their name was not in the system. There's all kinds of
13 arguments on both sides of table on this one. And that's
14 why we had proposed to sit down with these people and try
15 to resolve it.

16 MR. TOURTELOT: That is what I am going to suggest
17 you do, that you sit down; you know how the Board feels.

18 MR. FENLEY: What's the time line on that?

19 MR. HUGHES: I've talked to Mr. Stillwell, who is
20 the director of this division of the union, yesterday, and
21 suggested we have a meeting among ourselves, themselves,
22 our attorneys, and a representative group of the assistant
23 starters to see if we can resolve this hopefully sometime
24 next week.

25 MR. FENLEY: Mr. Chairman, I would suggest that at
26 the next Board meeting we have a report back and see where
27 they are on this.

28 MR. TOURTELOT: Will you come back?

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01 MR. HALL: Yes.

02 MR. HUGHES: It will be resolved by then.

03 MR. TOURTELOT: Well, we want to know that.

04 MR. HUGHES: Okay. Thank you.

05 MR. HALL: We would prefer to take care of this
06 matter while it is at Santa Anita, because if we take care
07 of this matter now -- this is very simple. Why should we
08 inflict the same problem when the bylaws speak plainly.
09 If a person is delinquent in his dues and -- 24 hours
10 after they've received a letter, this person is terminated
11 until he becomes in good standing with the union.

12 MR. TOURTELOT: We have no jurisdiction over
13 termination of members -- of non-paying members, but I
14 think you've been able to get the feeling of the Board.

15 MR. HALL: I thank you for your time.

16 MR. FENLEY: If you'll come back next month and
17 tell us what the status is.

18 MR. HALL: I sure will. Thank you.

19 MR. WOOD: Mr. Chairman, we have one other person
20 who has indicated they would like to speak today on the
21 general business. The two gentlemen who represent a
22 product called "Sprint Bridle."

23 MR. BUCK: Good morning. Thank you for allowing
24 me to come.

25 MR. WOOD: Speak into the mike.

26 MR. BUCK: My name is Edward Alan Buck. I am the
27 inventor of the bridle called Sprint Bridle. It uses no
28 bit. It raced in 1995 at Hollywood Park in April on a
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01 horse named Ganus. I got approval in 1995 by going to
02 Del Mar racetrack, and I spoke to Pete Peterson and two
03 other stewards.

04 Mr. Peterson's words at that time were,
05 "Bring us a trainer that says the horse is in total
06 control in the bridle and you can use it." His quote was,
07 "We don't care where the bridle is. It can be on the
08 horse's rear end." So we raced a horse named Ganus. And
09 he didn't win or anything like that because he wasn't
10 ready to run a mile and 16th; his performance level was
11 high, though. When he hit the wall, he didn't fall, he
12 didn't stumble. And Tony Lock, who is a licensed
13 California jockey and now a licensed California trainer,
14 rode Ganus. He said Ganus was unlike any other horse he
15 had ridden. He didn't have to carry the animal. The
16 animal continued on; he just ran out of steam.

17 Subsequently, in 1995, the bridle has ended
18 up in England. In England, Martin Pippe, England's
19 number 1 steeplechase trainer, in conjunction with
20 Anthony -- I can't remember his name -- the rider ran a
21 two-and-three-quarter mile steeplechase in the Sprint
22 Bridle. The horse's third race, he had major breathing
23 problems, major breathing problems.

24 The horse ran 6th and 7th, eight lengths off
25 the lead next to the rail. He won by nine lengths.

26 Mr. Pippe, in publicity that followed the race, gave the
27 bridle all the credit for the horse's win. The jockey
28 gave the credit to the bridle and said the horse was in
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01 absolute control; in fact, was so free that when he asked
02 him to run at the end, the horse felt like he was running
03 away.

04 In 1999, in the Florida Horse magazine, an
05 article was published called "Equipment Change." The
06 subtitle to it is "Expanded Use of a New Bridle has Called
07 into Question the Efficiency of some Standard Pieces of
08 Race Horse Equipment, Including the Bit and the Tongue
09 Tie." Research has proven, clinical research has proven
10 that EIPH, the bleeding in the thoroughbred race horse is
11 caused by lack of blood pressure. Lasix is supposed to
12 control that.

13 In 1990 a research by University of

14 Pennsylvania documented that of the bleeders using Lasix,
15 62 percent continued to bleed, and -- did not prevent 26
16 percent of the horses from bleeding that had previously
17 not bled; in other words, 26 percent did bleed,
18 eventually. It also showed that Lasix gave an average of
19 2.4 lengths to each horse that was using it; in other
20 words, a horse on Lasix has a racing advantage. Since
21 then, out of Arizona there has been documentation that a
22 horse loses up to 25 pounds a race day resulting in
23 anywhere from one- to two-length advantage over the same
24 ground it would normally run without Lasix.

25 Now there's a call publicly to ban drugs on
26 race time. I'm not here to talk about the drugs. I'm
27 here to talk about the horses' capability.

28 In February of this year -- I am a current
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01 owner of a thoroughbred for California. His name is
02 Trooper. He's in Turtlelock barn at San Luis Rey Downs.
03 He was trained in this bridle. I brought him to the
04 downs, we galloped him at the Downs, and all of a sudden
05 the question of control came into issue.

06 I subsequently went up to Santa Anita and
07 went before the stewards there; Mr. Peterson, Mr. Ward,
08 and I believe, Ingrid -- I don't remember her last name.
09 The manager of San Luis Rey Downs was there. The control
10 was not the issue apparently. There was no question that
11 the horse -- there had been no question of control brought
12 forward to the manager by the outrider, by the outrider at
13 San Luis Rey Downs or any of the trainers or riders there.
14 This horse had been galloping up to four miles in that
15 bridle on the main track.

16 The steward said that they wouldn't allow it
17 because of liability. That's the reason, liability.
18 Well, if liability is the issue on control of a horse,
19 then you've got a problem; because there are continually
20 horses that run away with riders on the track. I carry
21 with me a photograph of a well-known horse named
22 Skip Away and his rider Jose Sanchez in an Associated
23 Press release. Moments before Mr. Sanchez lost control of
24 Skip Away and was dumped, you had an uncontrolled runaway
25 horse by his normal rider.

26 We have documentation; we have statements
27 from trainers all over the country that this bridle gives
28 absolute control. A horse cannot run away with you. He

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01 has brakes, and he has steering. He does not lug in and
02 out.

03 In late 1995, Ollie Brown, who was then
04 training at San Luis Rey Downs, put it on one of his
05 toughest mares. When she went to a track, she lugged to
06 the rail. And lugging seems to be a problem with race
07 horses. No matter what they put on her she lugged to the
08 rail. Mr. Lock rode that bridle on her. Within three
09 days, she would not lug into the rail. She stayed
10 straight.

11 I come before you asking to approve this
12 because it has been used at Hollywood Park, not in a race

13 yet, but in training. Here is the document, and I wish to
14 quote Mr. Ten Yen Ki, assistant trainer to Bob Bafort.
15 The Sprint Bridle can be used on sore and hard mouth
16 horses at Hollywood Park. And I want you to know when I
17 approached Mr. Bafort last summer at Del Mar, he didn't
18 even know the bridle existed. "We're very happy with it,"
19 Ten Yen Ki said. "We're also very content with the
20 routine. We're only using it on problems." He never said
21 a word about control.

22 Trainer Neal Drysdale was one of the first
23 trainers to -- but again, the Sprint Bridle is being used
24 only to fix problems. "We had a gelding that didn't have
25 very good steering," said Drysdale's assistant
26 John O'Donogue. "He resented the bit in his mouth. The
27 horse's attitude improved once he was introduced to Sprint
28 Bridle; no control issue."

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01 Mr. Michael Dickenson, winner of some Cup
02 races, Dickenson said, "We have one; we use it, and we
03 like it very much." Dickenson said, "I think there is a
04 place for one in every stable."

05 MR. TOURTELOT: I think what we need --

06 MR. BUCK: I'm just asking to train it.

07 MR. TOURTELOT: What we need to do is have this
08 scheduled to be on the agenda for the medication
09 committee, if Mr. Fenley -- Commissioner Fenley wants to
10 do it. I'm not telling him. But if it is, then it would
11 be an opportunity for trainers and other people in the
12 industry to come in and comment about it and have a full
13 hearing on it. The Board is not going to approve this.

14 MR. BUCK: I've already lost several months'
15 training. I was shooting for several major races, and we
16 can't do it.

17 MR. TOURTELOT: Well, you've made your point. This
18 is something that we can possibly look at it, but it would
19 go before our medication committee. They would notice on
20 the agenda for full discussion by the industry, pros and
21 cons. And at that point, then they would make a
22 recommendation to the full Board.

23 MR. FENLEY: I'll talk to staff this week and
24 determine if there's other agenda items we can bring
25 together and have a meeting on this next month. I
26 wouldn't have the single issue meeting.

27 MR. BUCK: I understand that.

28 MR. TOURTELOT: You can do it in security and

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01 licensing, if you wanted to.

02 MR. FENLEY: We're going to have a security and
03 licensing meeting next month. We'll add it to that
04 agenda.

05 MR. TOURTELOT: It's the same committee members.

06 MR. BUCK: Okay. Thank you very much.

07 MR. FENLEY: I have one other thing, Mr. Chairman,
08 I want to bring up. When we approve the minutes of these
09 meetings, these minutes that we approve have been edited
10 and sanitized by staff, cut way down based on what they
11 feel is important to be the results of the meeting.

12 I would like to recommend that the minutes of
13 the meetings or the minute of the meeting, they should
14 stand, no matter how thick it is, about what went on in
15 these meetings.

16 I appreciate some comments about, well, some
17 of the commissioners say things that they may regret or
18 whatever, but still it's actually done by the Board and it
19 should be part of the minutes also. From this moment --
20 from this month forward, I would like to suggest that you
21 approve -- the minutes stand as written and not to be
22 sanitized or edited.

23 MR. TOURTELOT: How would the other commissioners
24 feel about that?

25 MS. MORETTI: I think it makes sense to have a
26 record of what actually happened at a meeting, yeah.

27 MR. BLAKE: You have the complete transcript of the
28 minutes which are not, of course, edited.

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01 MR. FENLEY: They are in Sacramento and nobody goes
02 to those.

03 MR. TOURTELOT: Sheryl, how do you feel?

04 MS. GRANZELLA: I think that we should have them in
05 the way that they have not been sanitized.

06 Who has the ultimate say on what the final
07 comments are?

08 MR. FENLEY: I think these gentlemen are --

09 MR. MINAMI: Mr. Chairman, first of all, the
10 minutes are not sanitized. The minutes reflect the
11 synopsis of the transcript. And what we contain in the
12 minutes are basically those issues and discussion that are
13 pertinent to the actual decision made on a specific issue.

14 MR. FENLEY: Roy, I hear what you're saying. It's
15 subjective. You've left whole passages out of dialogue
16 between commissioners in meetings of the Board, and I
17 think instead of getting into this area, that area,
18 just leave them alone.

19 MR. MINAMI: Then you basically have a reiteration
20 of the transcript itself.

21 MR. FENLEY: A what?

22 MR. MINAMI: Basically you have a duplication of
23 the transcript.

24 MR. FENLEY: I just want the minutes to stand as
25 spoken. I don't want them to be fooled with.

26 MR. WOOD: You want the transcripts then.

27 MR. FENLEY: Whatever this young lady is doing down
28 here.

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01 MR. WOOD: That's the transcript.

02 MR. TOURTELOT: It's like a deposition, you know.
03 In the law, when you take a deposition, you get the
04 transcript; and it has everything in there, unless the
05 attorneys go off the record. A lot of times attorneys say
06 things to the other counsel in the heat of the moment that
07 they wish they had not.

08 MR. WOOD: There would be no problem for us to
09 provide a transcript. As a matter of fact, you can get
10 the transcript over the Internet anyway. So instead of

11 the minutes as it is, we'll give you the transcript of the
12 whole meeting just like that. It's just some extra
13 papers.

14 MR. BLAKE: The minutes serve a different purpose.
15 The minutes display nothing more than the agenda items and
16 the vote on it. Any comments beyond that are --

17 MR. FENLEY: I have seen whole sections taken out
18 on certain items that should not have been taken out. I
19 don't want to get specific right now, but again, they were
20 meaningful. But it was at the discretion of the executive
21 director and the assistant deputy to take them out. I
22 just think the record should stand about what was spoken
23 here.

24 MR. TOURTELOT: Why don't we do this as a
25 compromise with everybody. It's no problem because when
26 the reporter types up her transcript, it's in a booklet;
27 right?

28 MR. WOOD: Right.

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01 MR. TOURTELOT: It has a blue cover or whatever,
02 but it's a transcript. We are talking about some
03 additional Xeroxing to send that each month to each of the
04 commissioners.

05 You want to go ahead and do your
06 abbreviated -- I won't call it sanitized, because I don't
07 want -- the other minutes that really only speak to the
08 motions, go ahead and do those, and we'll be able to vote
09 on those; but we'll also have the full transcript.

10 MR. FENLEY: What is the distribution of the
11 transcript besides the commissioners?

12 MR. REAGAN: The transcript is a public record, so
13 it's available to everybody.

14 MR. FENLEY: Will everybody who received notice of
15 the meeting receive a copy?

16 MR. WOOD: We haven't been doing that. If that's
17 what you're asking for us to do, then --

18 MR. TOURTELOT: They could ask for the transcript.
19 We don't -- we just leave it at the abbreviated version
20 or portion, and then they have the right to ask for the
21 transcript.

22 MR. BLAKE: Let me also ask that the commissioners
23 who are reviewing the proposed minutes that come to you in
24 the Board package, if you wish, instead of moving to
25 approve, could move to amend whatever way you thought was
26 appropriate; and if there's a vote, that would become
27 minutes as adopted after the amendment.

28 MR. TOURTELOT: But to satisfy the concern of

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01 Mr. Fenley, the commissioners will all get a transcript.
02 It's just a Xerox of a few extra pages of paper. And they
03 will get the regular abbreviated version of the minutes,
04 and then we'll vote on the abbreviated version. And if
05 there's something left out, they will amend the motion to
06 include such and such.

07 MR. FENLEY: Okay. Fine.

08 MR. TOURTELOT: Okay.

09 MR. WOOD: That's fine. As I said earlier, so the

10 public will know, the transcript will be available over
11 the Internet. We're working on that right now. It's
12 going to be available.

13 MR. TOURTELOT: Any other general matters?

14 MR. CHILLINGWORTH: I was wondering if I could make
15 an announcement.

16 MR. TOURTELOT: Would you identify yourself.

17 MR. CHILLINGWORTH: Sherwood Chillingworth of Oak
18 Tree racing. I just learned that Clement Hirsch passed
19 away last night and his services will be Thursday in
20 Newport Beach. I thought this would be a good forum to
21 address this information. It would save a lot of
22 telephone calls for those of you who want to attend and to
23 have some advance notice.

24 MR. TOURTELOT: This Thursday in Newport Beach?

25 MR. CHILLINGWORTH: Yes.

26 MR. TOURTELOT: Do you know the time?

27 MR. CHILLINGWORTH: I don't know. If you call my
28 office tomorrow, we'll have that for you.

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01 MR. TOURTELOT: Sorry to hear that. Wonderful man.

02 Would you give the Board's sympathy to Lynn
03 if you talk to her?

04 MR. CHILLINGWORTH: Certainly will. Thank you.

05 MR. TOURTELOT: Any old business?

06 My friend Ron.

07 MR. LICCARDO: Ron Liccardo of Pari-Mutuel
08 Employees. Good morning, Commissioners, and
09 congratulations to the new Chairperson and
10 Vice-Chairperson.

11 What I am here about is what has been
12 discussed many times with the Board about the Autotote
13 System. They have incorporated some software changes.
14 They are supposed to let the members know when software
15 charges affect the terminal out in the field. They've
16 incorporated software changes throughout scottlink
17 (phonetic).

18 When you are operating the machine, it's like
19 operating a car. If things normally work a certain way
20 and all of a sudden they work in another way, you don't
21 know why or what happened, or you didn't even know they
22 were going to took place, you don't know how to operate
23 your machine correctly; and that can cost them money.

24 They've made software changes to the
25 scottlink. They intend on making those software changes
26 effective for Hollywood Park opening day at Hollywood Park
27 at host tracks. So there's nothing being done at the host
28 tracks or Santa Anita, but it is being done at Hollywood

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01 Park.

02 We just got -- I talked to -- I got a message
03 from John Reagan a few days ago that he was notified by
04 Autotote, but somehow the message got mixed up and my
05 people weren't notified. But there is a Tote man at every
06 facility that can notify the facility supervisor and the
07 Pari-Mutuel supervisor to let their members know out there
08 when their machine is going to do something different.

09 I think I need the Board to make sure that --
10 to let the Tote Company know that they are remiss in their
11 duties, and they should let us know when things are
12 happening with that machine; that can cost us money.

13 MR. TOURTELOT: Is a representative from Autotote
14 here?

15 AUTOTOTE REPRESENTATIVE: Yes.

16 MR. TOURTELOT: Can you work with them and get this
17 resolved?

18 AUTOTOTE REPRESENTATIVE: Yes, sir.

19 MR. TOURTELOT: That's all we need to know.

20 At this time, the Board is going to adjourn
21 for executive session. We'll reconvene after our
22 executive session, but we will have no further business.

23 Thank you very much.

24 (Hearing adjourned at 12:30 p.m.)

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