



APPEARANCES

BOARD MEMBERS

Gregory L. Ferraro, DVM, Chair  
Oscar Gonzales, Vice Chair  
Damascus Castellanos, Commissioner  
Brenda Washington Davis, Commissioner  
Thomas Hudnut, Commissioner  
Peter Stern, Commissioner

STAFF

Scott Chaney, Executive Director  
Amanda Brown, Chief Counsel  
Jeff Blea, Equine Medical Director  
Rita Baker, Executive Assistant

ALSO PRESENT

Rick Baedeker, SCOTWINC  
Bill Nader, Thoroughbred Owners of California  
Orlando Gutierrez, Los Alamitos Race Course  
Dr. Rick Arthur, Equine Veterinarian  
Ben Dickens, Blooston, Mordkofsky, Dickens & Prendergast  
David Elliott, Bernal Park Racing Management Company  
George Schmitt, Bernal Park Racing Management Company

PUBLIC COMMENT

Rozamund Barclay, Owner/Breeder

APPEARANCES

PUBLIC COMMENT (cont'd)

Dr. Donald Smith, Veterinarian

Jamey Thomas, Trainer

Gloria Haley, Trainer

Andy Titus, Humboldt County Fair

Frank Imhof, Alameda County Fair

Allen Aldrich, Alameda County Fair

Steve Wood, Track Superintendent for Fairs/Bernal Racing

Rex Bohn, Humboldt County Board of Supervisors

Mandy Staley, Tehama District Fair

Mark Mulliner, Tehama District Fair

Justin Oldfied, Owner

Johnny Taboada, Owner

Moira Kenny, Humboldt County Fair

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matters, as authorized by section 11126 of the Government Code.

- A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).
- B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).
- C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126(a).

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11. Adjournment

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1  
2 P R O C E E D I N G S

3 9:28 A.M.

4 WEDNESDAY, JANUARY 14, 2026

5 CHAIR FERRARO: Ladies and gentlemen, this meeting  
6 of the California Horse Racing Board will please come to  
7 order. Hope everyone can find a seat. This is the regular  
8 notice meeting of the California Horse Racing Board on  
9 Wednesday, January 14th, 2026, at the Cannabis Control  
10 Appeals Panel Hearing Room #330 at 400 R Street in  
11 Sacramento.

12 Present at today's meeting are myself, Dr. Gregory  
13 Ferraro, Chair; also Oscar Gonzales, Vice Chair; Damascus  
14 Castellanos, Commissioner; Brenda Washington Davis,  
15 Commissioner; Thomas Hudnut, Commissioner; Peter Stern,  
16 Commissioner; and Scott Chaney, Executive Director.  
17 Commissioner Dennis Alfieri is unable to attend this month.

18 Before we go to the business of the meeting, I  
19 need to make a few comments.

20 The Board invites public comment on matters  
21 appearing on the meeting agenda. Procedurally, the Board  
22 will first hear from those directly involved in the agenda  
23 item. I will then invite public comment on the agenda item.  
24 The Board will not answer questions. This item is for  
25 comments only, not questions.

1           Unsolicited speakers are limited to two minutes.  
2 During all public comments, a tone will sound to indicate  
3 the speaker's time is up. The Board may ask questions of  
4 individuals who speak, which may extend their two-minute  
5 time limit.

6           There are public comment sign-in sheets located at  
7 the designated table for each agenda item on which the Board  
8 invites comments. There is also a sign-in sheet for those  
9 wishing to speak during the public comment period for  
10 matters not on the Board's agenda if it concerns horse  
11 racing in California. Please print your name legibly on all  
12 the sign-in sheets so I can pronounce it correctly when you  
13 come up.

14           When a matter is open for public comment and you  
15 come to the podium, introduce yourself by stating your name  
16 and organization. This is necessary for the court reporter  
17 to have a clear record of all who speak. When your two  
18 minutes are up, I will ask you to return to your seat so  
19 others can be heard.

20           I will insist that all speakers stay strictly on  
21 topic for each agenda item. If a speaker strays off topic,  
22 I will ask to move to another speaker. If a speaker repeats  
23 themselves, I will ask the speaker if it has any comments to  
24 make, new comments to make, rather. If there are none, the  
25 speaker will be asked to let others make comments to the

1 Board.

2 If anyone has comments of a more general nature  
3 that are not specific to earlier agenda items, those  
4 comments must wait until agenda item number five, Public  
5 Comment. There will be a 30-minute time limit for public  
6 comment. In order to allow as many individuals to speak as  
7 possible within that half hour, I will strictly enforce the  
8 two-minute time limit for each unsolicited speaker.

9 And with that, will begin by approval of the  
10 minutes. Can we have a motion to approve?

11 COMMISSIONER DAVIS: Davis moves.

12 CHAIR FERRARO: Second?

13 COMMISSIONER STERN: Stern seconds.

14 CHAIR FERRARO: Commissioner Hudnut?

15 COMMISSIONER HUDNUT: Yes.

16 CHAIR FERRARO: Commissioner Damascus?

17 COMMISSIONER CASTELLANOS: Yes.

18 CHAIR FERRARO: Commissioner Gonzales?

19 VICE CHAIR GONZALES: Yes.

20 CHAIR FERRARO: Commissioner Davis?

21 COMMISSIONER DAVIS: Yes.

22 CHAIR FERRARO: And Commissioner Stern?

23 COMMISSIONER STERN: Yes.

24 CHAIR FERRARO: All right, item number two.

25 EXECUTIVE DIRECTOR CHANEY: Just for the record,

1 you weren't here last meeting, so the Chairman didn't vote.

2 CHAIR FERRARO: Discussion and action by the Board  
3 regarding the amendment to the application for a license to  
4 operate a mini-satellite wagering facility of Oaks Local  
5 Craft Kitchen and Bar, pursuant to Board rule 2066(h).

6 Gentlemen? Bob?

7 MR. BAEDEKER: Good morning, Mr. Chairman,  
8 Commissioners, Director Chaney. This is as straightforward  
9 as you see in the staff report.

10 You approved the license for this mini-satellite a  
11 couple of months ago. Since then, they have been remodeling  
12 the facility, and they're prepared to open on January 30th.  
13 They'd also like to rebrand the restaurant, changing the  
14 name from Oaks Local to, as you see, the Paddock Club and  
15 Horse Racing.

16 So really enthused about this father and son team  
17 that you may remember, horse owners, that are very much  
18 looking forward to getting into the mini-satellite business.

19 CHAIR FERRARO: Any questions for Rick and the  
20 Board? Do you have anything? No?

21 EXECUTIVE DIRECTOR CHANEY: Just one note from  
22 staff, Mr. Chairman. We'd like to send investigators to do  
23 the inspection maybe like a week or something before opening  
24 or thereabouts, if that makes sense.

25 MR. BAEDEKER: So I just did receive that text

1 about the opening date, so I think we could probably --

2 EXECUTIVE DIRECTOR CHANEY: Schedule it?

3 MR. BAEDEKER: -- schedule it accordingly.

4 EXECUTIVE DIRECTOR CHANEY: Great.

5 MR. BAEDEKER: Yeah.

6 CHAIR FERRARO: All right, do we have a motion to  
7 approve?

8 COMMISSIONER HUDNUT: So moved. Hudnut.

9 VICE CHAIR GONZALES: I'll second. Gonzales  
10 seconds.

11 CHAIR FERRARO: Commissioner Stern?

12 COMMISSIONER STERN: Yes.

13 CHAIR FERRARO: Commissioner Davis?

14 COMMISSIONER DAVIS: Yes.

15 CHAIR FERRARO: Commissioner Gonzales?

16 VICE CHAIR GONZALES: Yes.

17 CHAIR FERRARO: Commissioner Castellanos?

18 COMMISSIONER CASTELLANOS: Yes. Commissioner  
19 Hudnut?

20 COMMISSIONER HUDNUT: Yes.

21 CHAIR FERRARO: Chairman votes yes. Thank you.

22 Item number three, discussion and action by the  
23 Board regarding comments received during the comment period  
24 for the proposed amendments to CHRB Rule 1588 and 17 --  
25 1878, rather, maximum age a horse may race or workout,

1 respectively.

2 Mr. Chaney, you want to open this up?

3 EXECUTIVE DIRECTOR CHANEY: Yes, Mr. Chairman, and  
4 good morning to the Board.

5 You might recall about six months ago, staff  
6 brought this constellation of regulations to the Board  
7 involving several amendments that aim to set a maximum age  
8 for racing and working out in California, as well as a  
9 maximum age for racing and working out for maidens in  
10 California, non-winners, set that age at maximum 5, and then  
11 for maximum racing and working out at 10, and that was based  
12 on a review, a survey of the regulations around the country,  
13 such as they were, as well as the read registries and the  
14 house rules that were in place in Southern California.

15 The Board passed those regulations, those  
16 amendments, but we did receive three or four public  
17 comments, which are included in the packet, and so required  
18 to bring back for the Board.

19 From just an action standpoint, should the Board  
20 want to make changes, you can do that affirmatively now, or  
21 just acknowledge that we received the comments, took them  
22 under consideration, and have chosen to leave the potential  
23 regulations alone.

24 CHAIR FERRARO: We'll go with the public comments,  
25 and then the Board can comment on it.

1           Rozamund Barclay? Rozamund Barclay? There you  
2 are. I'm sorry I messed up your name.

3           MS. BARCLAY: I am Rozamund Barclay. I'm an owner  
4 and breeder in the state of California, thoroughbred  
5 racehorses.

6           CHAIR FERRARO: Is your mic on?

7           COMMISSIONER HUDNUT: Yes.

8           MS. BARCLAY: Yes, it is.

9           CHAIR FERRARO: Okay.

10          MS. BARCLAY: I believe that this ruling,  
11 restricting horses for the sole reason of their age, not  
12 because of unsoundness or poor performance, is a very poor  
13 decision. We have a plethora, a large population of horses,  
14 especially in Northern California. We suffered through  
15 COVID, protests, gas leaks, racetrack closures. There's a  
16 large population of California thoroughbreds that have not  
17 simply had the opportunity to run or run enough, and they  
18 may be six-year-old maidens, but this idea that the horse  
19 can't race anymore because it turned six in January, a lot  
20 of them aren't even chronologically six yet.

21           And I don't understand the thought behind this. A  
22 lot of our field sizes are small. This eliminates an entire  
23 group of horses from entering in maiden races, which often  
24 fills the race enough so it can be carded for all the  
25 younger horses that want to compete.

1           So I also think that as an industry in the United  
2 States, we are ignoring a lot of scientific research and  
3 facts. For instance, in Britain, I just talked with a  
4 British racing owner last night, they changed in 2012, to  
5 run in the Grand Prix a horse now has to be seven years old.  
6 They moved it up from five because they've discovered that  
7 horses five years and older do not suffer the devastating  
8 injuries that young horses when pushed before maturity  
9 suffer from. A lot of sports are recognizing this.

10           In the Olympics, you have to be eight to enter.  
11 You're not allowed to compete until your horse is nine. For  
12 open jumping, which is height and timing, horses are  
13 prevented from going over certain heights, maximum  
14 competition, until they are five or older.

15           I think it would really be a blessing and a  
16 positive for our sport to pay attention to these facts, that  
17 if you allow older horses to compete, you're not pushing  
18 owners and trainers to push these young horses that are  
19 suffering from a lot of injuries due to the fact that they  
20 are not mature. And if owners try to be responsible, have  
21 integrity, and practice safety, we're now punished for that.  
22 If we give a horse time off, maybe he needs a year off, it  
23 doesn't mean he can't be a good racehorse. But if you bring  
24 him back and you miss on the calendar year, he's not ready  
25 to run and he turns six, you can no longer run him.

1           And I'd like to address this rehoming and selling  
2 racehorses. I have literally sold hundreds of horses, and  
3 I've never had age be a priority. It's always the horse's  
4 soundness, its character, its suitability for the next  
5 career. I've never had somebody turn a horse down because  
6 of its age.

7           CHAIR FERRARO: Okay, thank you very much.

8           Don Smith, where are you?

9           DR. SMITH: Hello. Thank you for allowing me to  
10 address you. I just wanted to speak against this proposed  
11 amendment as well.

12           I can mention a couple of horses that we've had.  
13 One was born in 2002, and unfortunately he died last week,  
14 but he was 23 years old, 24. And he didn't break his maiden  
15 until he was seven years old, but he went on and had a very  
16 productive and useful life. He was somewhat of a hero  
17 amongst the Native American community.

18           We had another mare who broke her maiden last  
19 year. She was seven years old. She had suffered a severe  
20 case of colic when she was young, so we had to give her  
21 plenty of time to recover from that. We brought her back  
22 slowly. She's going to be a good horse for us for a long  
23 time.

24           I think that a lot of surgeons, internists, will  
25 agree with me that the most important aspect of a horse's

1 recovery from injury or disease is time. Certainly, we do  
2 very, very important injunctive therapies to help them  
3 recover efficiently and effectively, but the most important  
4 factor is time. And if we're restricting the time that  
5 we're allowing trainers and owners and veterinarians to give  
6 horses to recover from injuries when they're younger,  
7 because we're pushing them to break their maiden by the time  
8 they're six, then I think we're sending the wrong message.  
9 And I don't think we should be doing that, you know?

10           The other thing that I just wanted to mention is  
11 similar to what Roz said. You know, I've been doing this  
12 for a long, long time. I've seen a lot of horses  
13 repurposed. And really, age is not a significant factor for  
14 that. It's the way the horse, you know, their function,  
15 their appearance, their conformation, their personality.

16           So that's what I had to say. Thank you.

17           CHAIR FERRARO: What about the maximum age of 10?

18           DR. SMITH: Pardon?

19           CHAIR FERRARO: What about the maximum age of 10  
20 to race?

21           DR. SMITH: Well, you know, I think setting  
22 maximum ages, to me, I don't -- I'm not too comfortable with  
23 that. I think that we have a really good system set up for  
24 evaluating horses individually. And I think the horses, you  
25 know, have to be evaluated individually. I mean, there's

1 some horses you can see when they're young, that, you know,  
2 they're not going to go very far. But there's other horses  
3 that had long careers. They're still sound.

4 I mean, we had a horse, we had to retire when he  
5 was 11. I think that was the retirement age then. Heck, he  
6 won a race, like two races before he retired. He was still  
7 sounding, going strong.

8 But, you know, and I think we have the routine or  
9 the apparatus available to us. I mean, we examine these  
10 horses very regularly, you know, and I think that we could  
11 go through that avenue or that technique to decide whether  
12 or not they should not be racing anymore.

13 CHAIR FERRARO: Well, should there be a  
14 requirement that the horses over a certain age get inspected  
15 every year by an association vet or something like that to  
16 qualify to be able to compete? Would that be --

17 DR. SMITH: That's not a bad idea.

18 CHAIR FERRARO: That would be acceptable?

19 DR. SMITH: Yeah. That's reasonable, yeah.

20 CHAIR FERRARO: Okay, all right.

21 DR. SMITH: Okay.

22 CHAIR FERRARO: Thank you.

23 DR. SMITH: Thank you.

24 CHAIR FERRARO: Jamey Thomas?

25 MR. THOMAS: Hello, my name is Jamey Thomas. I'm

1 a trainer here in California.

2 As for a six-year-old maiden, I think right now,  
3 California, we're losing a lot of horses as it is. Our  
4 field sizes have dwindled a lot. And I think, for the most  
5 part, if a horse is sound, he should be able to still run  
6 because we need every horse that we can to fill these races  
7 to make bigger field size for bigger purses.

8 So that's all, really, I have to say.

9 CHAIR FERRARO: All right, thanks, Jamey.

10 Gloria Haley?

11 MS. HALEY: I'm Gloria Haley. I'm a trainer for  
12 thoroughbred racehorses. I'm not feeling well, so I'll make  
13 this short.

14 I concur with what everyone else has said. And I  
15 myself have had multiple horses that I've sold at seven and  
16 eight years old. I recently just sold one at eight. She  
17 went on to a great career as a show horse, a beautiful  
18 little gray mare. So I want you to understand that it's all  
19 the personality and the soundness of the horse. It's not  
20 the age.

21 Thank you so much for your time.

22 CHAIR FERRARO: Thank you.

23 Comments from the Board?

24 COMMISSIONER CASTELLANOS: Yeah, Mr. Chairman, if  
25 I could ask, can I be reminded of why this came up in the

1 first place?

2 EXECUTIVE DIRECTOR CHANEY: Absolutely,  
3 Commissioner Castellanos. So the main impetus was a 14-  
4 year-old horse that suffered a catastrophic injury at  
5 Humboldt County Fair approximately two summers ago, last  
6 time they raced. We received a fair amount of criticism  
7 from the press and animal welfare advocates, and frankly,  
8 deservedly so. Their feeling was that a 14-year-old should  
9 not be racing.

10 So staff began doing the due diligence to  
11 determine if standards existed around the country. There  
12 seemed to be a general standard around the country of 10 or  
13 12, I would say, from other state racing commissions and so  
14 on. As you can see in the staff analysis and the proposed  
15 amendments, the Standardbred's breed registry actually sets  
16 a maximum age of 14. The other breed registries do not. So  
17 that's how we came up with that.

18 Less restrictions on maidens around the country,  
19 although quite honestly, the three tracks that are currently  
20 running had house rules that set maximum age at 10 for all  
21 runners. So the restriction was already in place. We're  
22 trying to do this statewide.

23 And also maidens. Now there was a split in the  
24 three tracks. Del Mar and Los Alamitos both had maximum age  
25 of six for maidens. Santa Anita was five. And so Dr. Blea

1 and I, in discussing how to go about this reg, simply picked  
2 the more restrictive one as a nod to animal welfare, you  
3 know, rather than six.

4 So this is kind of how it came about.

5 COMMISSIONER CASTELLANOS: So if the idea, just a  
6 question, Mr. Chairman and Dr. Blea, if the idea that was  
7 just brought up of monitoring these horses closer as they  
8 get older, is that something possible? I mean, I'm just  
9 thinking out loud. That's all.

10 EXECUTIVE DIRECTOR CHANEY: It's a reasonable  
11 suggestion. I would say that we should ask ourselves if we  
12 want to put the regulatory vets in that position; right?  
13 Because the 14-year-old that died, you know, got all of the  
14 normal, you know, regulatory exams and obviously passed  
15 them. And, you know, there were, what, 29 other horses last  
16 year that passed the regulatory exam, I think that number's  
17 right, and suffered a catastrophic injury nevertheless.

18 So I think we should consider the regulatory vets  
19 and whether we want to put them in the position. I'm not  
20 sure that stakeholders, licensees, should be the ones  
21 deciding whether their horses should go on, for obvious  
22 reasons. That's why we're regulators.

23 I could imagine writing the regulation to set the  
24 maximum ages, unless you obtain a waiver, maybe, from a  
25 regulatory veterinarian through the stewards or something

1 like that. My concern is that it wouldn't pass OAL muster  
2 simply because it would probably, it could lead to being  
3 somewhat discriminatory, right, to give the regulatory  
4 veterinarians that much power, and so ultimately might be a  
5 disservice to the licensees.

6 So there's no exact way to do this. This is, you  
7 know, staff's best, you know, approximation of how to  
8 protect horses.

9 COMMISSIONER HUDNUT: Don't you think we should  
10 hear from Dr. Blea?

11 CHAIR FERRARO: Yes. Yeah.  
12 Jeff?

13 DR. BLEA: Good morning. Jeff Blea, Equine  
14 Medical Director.

15 I'm certainly sympathetic to Dr. Smith and Gloria  
16 Haley and their owner. They're breeders. They breed  
17 horses. They race depending on the individual horse. And  
18 that's important. That being said, I think there's some  
19 points here we have to consider.

20 When we looked at ARCI's max age for not only  
21 winners but maidens across the country, it was all over the  
22 map. And everybody's sitting in a room looking at each  
23 other, which number's best? When you talk to the folks  
24 internationally in racing, they don't have a max number.

25 When you look at a young horse who begins

1 training, and our model in horse racing in the United States  
2 is two-year-old racing is when we start, so essentially, if  
3 we go with this regulation, we're allowing that young horse  
4 four years to break its maiden at two, three, four, and  
5 five. A 10-year-old is the maximum. On the governor-  
6 instituted panel review in California, any nine-year-old is  
7 an automatic hard watch because when they start reaching  
8 that age, they become at-risk horses based on some of the  
9 literature. The literature also states that the younger  
10 horses begin training, they need to in order to stimulate  
11 bone remodeling so they have longer, more productive,  
12 healthier, sounder careers.

13           What's the magic number? Is it five, is it six,  
14 is it seven for maidens? Is it nine, is it 10, is it 11 for  
15 winners? I've had people tell me we should limit older  
16 horses to eight years old. I've had people suggest we limit  
17 maidens to four years old. It's a number. When you reach a  
18 certain age, you can't drive a car. When you reach a  
19 certain age, mandatory retirement. Age is not a disease,  
20 but at some point in time, we have to set boundaries and  
21 parameters.

22           And although sympathetic to the comments made  
23 earlier, if I was a small breeder, I'd have had the same  
24 comments, part of this welfare initiative was the aftercare  
25 programs, the second careers. We've been harping on a

1 statement, we need to eliminate the one more race statement.  
2 That needs to disappear from racing, not only in California,  
3 but nationwide and internationally. If we can get these  
4 horses into second careers earlier, say they don't break  
5 their maiden at two, three, four, and five, they have a  
6 wonderful chance at a second career, whatever discipline  
7 that may be. So there's also some incentive, if we put a  
8 cap on this, to give those horses a different pathway to  
9 proceed.

10 So regulation is not easy, a number is arbitrary,  
11 but I think we have pretty significant reasons to make the  
12 maximum age for a maiden in California, the maximum five,  
13 maximum age for a winner, 10.

14 And the last thing I'll add is it provides some  
15 consistency in the state of California. Whereas, okay, I  
16 can't run at Santa Anita, now I've to ship over to Los Al, a  
17 new racetrack, new environment, new trainers, so forth and  
18 so on. So I think consistency is important in this  
19 regulation as well.

20 CHAIR FERRARO: Jeff, would you -- the difference  
21 between all the other sports and racing in terms of older  
22 horses competing, the difference is speed; right?

23 DR. BLEA: Correct, and that's a little bit of a  
24 disingenuous comparison. When you compare hunter jumpers,  
25 Grand Prix jumpers versus racehorses, it's a completely

1 different discipline and requires different training and  
2 bone remodeling. So I don't think -- it's apples to  
3 oranges. I don't think you can compare the two. And if you  
4 look at warm bloods per se, most warm bloods don't start  
5 their actual training until they're eight to 10 years old.

6 VICE CHAIR GONZALES: Mr. Chairman, I have a  
7 question.

8 CHAIR FERRARO: Go ahead.

9 VICE CHAIR GONZALES: ARCI and HISA, have they  
10 weighed in on the age issue?

11 DR. BLEA: ARCI, we pulled numbers from their  
12 different jurisdictions and they were all over the map. It  
13 looked like a kaleidoscope of colors based on numbers. HISA  
14 is considering setting a mandatory age limit for maidens as  
15 well as winners. I don't know where the safety committee is  
16 on that, but I know it's -- they've had discussions on it.

17 VICE CHAIR GONZALES: Okay. Thank you. I'm going  
18 to probably be a likely no on this vote just simply because  
19 if a horse leaves California, they're only going to go to a  
20 nearby state. And while they're here, they're going to  
21 probably have the best attention, eyes on them. A lot of  
22 our other regulatory measures start to kick in. I just  
23 think that it's -- I think we're trending in the right  
24 direction, but to get ahead of either HISA, ARCI, or even  
25 some of the neighboring states just is a little bit of

1 concern for me. But we'll see how things play out here, but  
2 I just appreciate your thoughts here, Dr. Blea.

3 CHAIR FERRARO: Anyone else? Peter?

4 COMMISSIONER STERN: Yeah, I think there's further  
5 analysis that's required, and I would almost recommend  
6 pulling this off the agenda, revisit, do more analysis, and  
7 then bring it back.

8 CHAIR FERRARO: Yeah, is that all right with  
9 everybody?

10 DR. BLEA: The consideration when we started this,  
11 we looked at six-year-old maidens and allowing six-year-old  
12 maidens to run. I think 10 for a winner is a cap. I think  
13 that's a hard stop.

14 CHAIR FERRARO: Yeah, okay.

15 DR. BLEA: But we looked at six-year-old maidens,  
16 and we considered, you know, they must have run within, you  
17 know, we looked at 30 days, 60 days, 90 days. They must  
18 have advanced diagnostics. They must, within a certain  
19 period of time, they must have had certain work pattern to  
20 try to limit their at-risk potential. And I know when I  
21 looked at that, to me, for the number of six-year-old  
22 maidens that the racing secretaries tell me that we would  
23 lose, that would be an enormous cost burden for owners to  
24 get those six-year-old maidens to the races in California.

25 So I think that's important, because we did look

1 at that. And regardless of how many exams you do, it's up  
2 to the individual connections to make sure that horse is  
3 sound and fit and ready to run.

4 So we can look at -- and it was a great suggestion  
5 by doctor -- or I think you brought it up, Dr. Ferraro,  
6 there's any number of ways we can look at that, but it's  
7 still not going to reduce the problem.

8 CHAIR FERRARO: Well, unless there's any  
9 objection, I think we all agree we'd like to think about it  
10 a little more, wouldn't we; is that correct?

11 COMMISSIONER DAVIS: Yes. Yes.

12 CHAIR FERRARO: Am I correct in that?

13 COMMISSIONER DAVIS: Yeah.

14 COMMISSIONER HUDNUT: Yeah.

15 EXECUTIVE DIRECTOR CHANEY: Just for clarification  
16 for staff, Mr. Chairman, do both the maximum age for racing  
17 and the maximum age for maidens, or --

18 CHAIR FERRARO: I think we should look at them  
19 both, yeah. So if we're going to do it, we should look at  
20 them both and see if we can come up with ways that -- even  
21 if they have to race under certain restrictions or whatever,  
22 maybe, anyway, let's think it over and see if we can come up  
23 with a different plan. So we'll table it and bring it up  
24 next month, hopefully. All right.

25 EXECUTIVE DIRECTOR CHANEY: Sorry, one second.

1           Just looking at the legal team right now. What's  
2 the right way to do this procedurally?

3           CHAIR FERRARO: You're asking the wrong guy.

4           EXECUTIVE DIRECTOR CHANEY: No, no, I'm asking --

5           MS. BROWN: Okay. Good morning. Chief Counsel,  
6 Amanda Brown.

7           It would be helpful if -- so is the expectation  
8 that staff works on some amendments for the next Board  
9 meeting, or you want more research presented to you, or  
10 what's the direction for staff?

11           COMMISSIONER DAVIS: I'd like to see more data.

12           MS. BROWN: Okay.

13           CHAIR FERRARO: Yeah, me too.

14           MS. BROWN: And so we'll present, perhaps,  
15 amendments.

16           CHAIR FERRARO: We can have some discussion. Dr.  
17 Blea can give you some guidance as to what to look for,  
18 maybe, yeah? That would be all right?

19           EXECUTIVE DIRECTOR CHANEY: Yeah, well, I think we  
20 know what you're after. It's going to be a little bit  
21 harder to -- I don't think there's going to be numbered  
22 data, necessarily, that we can, but I think we can probably  
23 talk to each other and figure out how many six-year-old  
24 maidens race in California, how many horses --

25           CHAIR FERRARO: Yeah.

1 EXECUTIVE DIRECTOR CHANEY: -- over 10. It's  
2 going to be pretty small, just because the tracks already  
3 have the restrictions. We'll do our best, but I'm feeling  
4 like this is going toward either like making the ages  
5 higher, or just not passing a regulation at all. So we'll  
6 do our best.

7 CHAIR FERRARO: Or we could -- or --

8 EXECUTIVE DIRECTOR CHANEY: I'm a little worried  
9 we're not going to deliver what you're asking, but --

10 CHAIR FERRARO: -- or we could come back with the  
11 same regulation, but I just think it warrants a little  
12 thinking it over for a while.

13 EXECUTIVE DIRECTOR CHANEY: Very good.

14 MS. BROWN: Okay, so based on the comments  
15 today --

16 CHAIR FERRARO: Yeah.

17 MS. BROWN: -- we're going to revisit that?

18 CHAIR FERRARO: See if there's a way we can  
19 improve the situation.

20 MS. BROWN: Okay.

21 CHAIR FERRARO: That's what we're looking for.

22 MS. BROWN: Thank you.

23 CHAIR FERRARO: Thanks.

24 Let's see. Number four, discussion and action by  
25 the Board regarding a request to amend the previously

1 approved modified distributions of market access fees for  
2 Advanced Deposit Wagering conducted by thoroughbred  
3 associations and racing fairs in the central and southern  
4 zone.

5 Bill, good morning. Nice to see you again.

6 MR. NADER: Good morning. Bill Nader, TOC.

7 This is -- in the rare instance when there's a  
8 blended takeout of below 15 percent, that what the tracks  
9 have agreed to, the CTBA and TOC, and what we're seeking  
10 here today is that in those rare instances when the blended  
11 takeout is below 15 percent, which means the amount retained  
12 from the wager for California with the distributions that  
13 are necessary, statutory distributions would be unchanged,  
14 but what we're saying here is that contractual deductions  
15 would be exempt from that handle, which would permit track  
16 commissions and purses from absorbing negative  
17 distributions. Again, it happens very rarely, but in those  
18 instances, we just want that layer of protection.

19 CHAIR FERRARO: Questions from the Board? Do we  
20 have anything?

21 Scott?

22 EXECUTIVE DIRECTOR CHANEY: I have nothing. I  
23 always borrow Mr. Baedeker's line. It's their money, but we  
24 just have to approve how they spend it.

25 CHAIR FERRARO: Thanks, Bill.

1 Can we have a motion?

2 COMMISSIONER HUDNUT: Move approval. Hudnut.

3 COMMISSIONER CASTELLANOS: Castellanos. Second.

4 CHAIR FERRARO: Commissioner Stern?

5 COMMISSIONER STERN: Yes.

6 CHAIR FERRARO: Commissioner Davis?

7 COMMISSIONER DAVIS: Yes.

8 CHAIR FERRARO: Commissioner Gonzales?

9 VICE CHAIR GONZALES: Yes.

10 CHAIR FERRARO: Commissioner Castellanos?

11 COMMISSIONER CASTELLANOS: Yes.

12 CHAIR FERRARO: Commissioner Hudnut?

13 COMMISSIONER HUDNUT: Yes.

14 CHAIR FERRARO: Okay, moving on to number five,  
15 discussion and action by the Board regarding the approval of  
16 an agreement, pursuant to CHRB Rule 1581 (Racing Secretary  
17 to Establish Conditions), between the Los Alamitos Quarter  
18 Horse Racing Association and the Pacific Coast Quarter Horse  
19 Racing Association regarding entry conditions and intra-  
20 articular injections to be implemented at the race meet  
21 running December 24th, 2025 through December 22nd, 2026.

22 MR. GUTIERREZ: Good morning, Commissioners. My  
23 name is Orlando Gutierrez, Director of Marketing at Los  
24 Alamitos Race Course. Here with me is Cathy Allred, the  
25 President of Los Alamitos Racecourse, Dr. Rick Arthur, the

1 equine veterinary and integrity consultant at Los Alamitos,  
2 and as well as John Latimer, our consultant, sitting in the  
3 back. Dr. Arthur will address this topic.

4           But first, I'd like to take this opportunity to  
5 provide you with an update on the significant and  
6 comprehensive changes that Los Alamitos Racecourse has made  
7 since November 24th. These changes have been made under the  
8 leadership and guidance of the California Horse Racing Board  
9 and with the support and collaboration of the stakeholders  
10 of California's Quarter Horse racing industry led by the  
11 Pacific Coast Quarter Horse Racing Association, all with the  
12 goal of improving the health and safety of every horse and  
13 rider participating in training and racing year-round at Los  
14 Alamitos Racecourse.

15           The five points, Los Alamitos has addressed all of  
16 them, and here are the following five significant changes to  
17 our safety protocol.

18           First, Los Alamitos has added a second regulatory  
19 veterinarian for morning soundness examinations. And in  
20 addition to that, Dr. Arthur is now a part of the entry  
21 panel review watch list of examinations. Other members of  
22 the panel have expressed how valuable Dr. Arthur's addition  
23 has been.

24           Second, a private veterinarian has been in place  
25 in the stable area during live racing, and this dates back

1 to November the 30th.

2 Third, Los Alamitos has acquired a second fully-  
3 staffed equine ambulance.

4 Fourth, on further restriction, restricting the  
5 use of IA injections, especially those that are close in  
6 time to racing and workouts, Dr. Allred -- excuse me, Dr.  
7 Arthur will elaborate on this point in detail in just a few  
8 moments.

9 And on the fifth point, the weekly meetings have  
10 been taking place with the CHRB staff and Commissioners, the  
11 Equine Medical Director, and additional personnel, all of  
12 whom have been extremely helpful in identifying additional  
13 ways to reduce fatalities. Los Alamitos track President  
14 Cathy Allred, Dr. Arthur, and PCQHRA business manager Dino  
15 Perez have attended those meetings as well, as well as other  
16 members of our track management team. The meetings have  
17 been informative, candid, and extremely helpful with  
18 suggestions and recommendations for safer racing at Los  
19 Alamitos, while also providing our management team with a  
20 better understanding of how the CHRB staff could assist in  
21 moving those ideas forward.

22 I would also like to take this opportunity to  
23 share with the Board other enhancements to our Equine and  
24 Rider Safety Program that have already been implemented. We  
25 believe that these changes reflect Los Alamitos devotion to

1 our sport and our people.

2 First, Los Alamitos now requires six months of  
3 previous medical history of all horses shipping in. In  
4 regards to the track condition, we are enhancing our  
5 inclement weather policy and Track Maintenance Program to  
6 include further protections and safety of the track surface.  
7 If the track is sealed and Los Alamitos is racing on that  
8 night, the track will not be open in the morning for  
9 joggers. This is a new house rule at Los Alamitos.

10 In December, highly respected Dr. Mick Peterson of  
11 Racing Surfaces Testing Laboratory was at Los Alamitos for  
12 testing and data collection of the Los Alamitos racing  
13 surface. We are pleased to share that based on the on-site  
14 test results, the track surface at Los Alamitos tested  
15 similarly to some of the safest surfaces in the country.

16 On December 20th, national respected Quarter Horse  
17 champion jockey G.R. Carter visited Los Alamitos Racecourse  
18 and conducted two meetings with the Jockey Colony. Mr.  
19 Carter spoke on equine safety and best riding practices to  
20 the many in attendance and was available to answer questions  
21 from the riders. At this meeting, the riders were reminded  
22 of the critical importance of placing the safety of the  
23 horses first.

24 In terms of owner responsibility, the PCQHRA is  
25 holding its general meeting on Friday, January 30th. And at

1 this meeting, they will stress to owners the importance of  
2 ensuring the accountability and integrity needs to be  
3 maintained for the safety of the horse and riders. We'd  
4 like to thank the PCQHRA Board for its tremendous support.

5 Dr. Allred, the owner of Los Alamitos Racecourse,  
6 and all of us at Los Alamitos love our sport and take the  
7 safety and welfare of our equine athletes and riders  
8 seriously. We will continue to place an emphasis of safety  
9 at Los Alamitos.

10 And now I will turn the mic over to Dr. Arthur.

11 CHAIR FERRARO: Thank you.

12 DR. ARTHUR: Thank you, Orlando. Dr. Arthur,  
13 veterinary and integrity consultant for Los Alamitos.

14 The current proposal we have here today is largely  
15 the work of Dr. Blea and is designed to address Quarter  
16 Horse trial and stakes races, which was the type of races  
17 the last four fatalities in 2025 occurred. The goal is  
18 twofold with these proposals, this agreement we have with  
19 the PCQHRA that we hope this Board will adopt, will approve.  
20 And the first is discourage intra-articular treatments off  
21 the race schedule by restricting intra-articular injections  
22 to 30 days in trials regardless of the medication. There  
23 are -- that is where we see the bulk of the excessive intra-  
24 articular injection activity.

25 The second is to encourage diagnostics,

1 particularly on those high risk joints, the fetlock and the  
2 carpus. The fetlock and the carpus were 7 out of the 10  
3 racing fatalities in Quarter Horses at Los Alamitos. And  
4 this proposal requires any horse that is receiving an intra-  
5 articular injection in either the carpus or the fetlock's  
6 front or hind to have diagnostic imaging associated with  
7 that.

8           In addition, we are only going to allow one non-  
9 steroidal anti-inflammatory within seven days of the race  
10 that is to allow the attending and the regulatory examining  
11 veterinarians a better chance to evaluate a horse in a clean  
12 state.

13           So those are the primary goals of what we're  
14 trying to accomplish.

15           I want to explain why we're addressing  
16 specifically trials and stakes, and that's because those are  
17 races where the horsemen know those races are going to go,  
18 and that's where they pay their attention in trying to  
19 schedule the intra-articular injections around those  
20 particular races.

21           The reason we're not looking at thoroughbreds  
22 right now, and we're still trying to figure out how to do  
23 this, there's already confusion between HISA and CHRB,  
24 particularly at Los Alamitos. Thoroughbreds are part of the  
25 auxiliary training agreement, are under HISA. Thoroughbreds

1 and thoroughbred racing are under HISA. Thoroughbreds  
2 running in mixed breed races are under CHRB regulations and  
3 Quarter Horse -- Los Alamitos Quarter Horse rules. But  
4 still, those same horses are under HISA rules when they  
5 train.

6 Complicating the issue is a large number of horses  
7 that go back and forth between these races and go back and  
8 forth between Santa Anita, Los Alamitos, and Del Mar. So  
9 hopefully this will address most of the excessive intra-  
10 articular injection activity that we see.

11 CHAIR FERRARO: So you would agree that these new  
12 restrictions are much more stricter than what we're doing  
13 with thoroughbreds at the moment; right?

14 DR. ARTHUR: Oh yes. Yeah.

15 CHAIR FERRARO: And the reason is because the high  
16 incidence of breakdowns we've had the last couple of years;  
17 correct?

18 DR. ARTHUR: That's right.

19 CHAIR FERRARO: So your rule, when I read it, it  
20 seems pretty complicated at first, you know? Do you think  
21 you guys can manage it and actually make it happen?

22 DR. ARTHUR: Well, we're meeting with the horsemen  
23 on January 22nd. We've asked Scott to attend. Dr. Blea  
24 will hopefully attend, as well, and try to explain it. What  
25 we would like to do is start this on March 1st to give

1 enough time -- for races on March 1st to give horsemen  
2 enough time to adapt. Keep in mind that with a 30-day  
3 standdown for intra-articular injections, that is actually  
4 only seven days after the meeting and there will be the  
5 inevitable questions after that as well.

6 CHAIR FERRARO: Any questions from the Board?

7 COMMISSIONER DAVIS: I just want to say thank you  
8 for taking this very seriously because we have grave  
9 concerns, as you know, about these breakdowns. And it looks  
10 like you're trying to address some of the cultural issues,  
11 as well as the physical issues --

12 DR. ARTHUR: Yeah.

13 COMMISSIONER DAVIS: -- that are at play.

14 DR. ARTHUR: Well, thank you. We've actually met  
15 and I want to thank Dr. Blea for going out of his way to  
16 attend these meetings. We've met with horsemen four times  
17 in the last year to go over these specific issues and our  
18 concerns over fatalities. And, you know, it would be very  
19 easy to try to explain some of this away and I'm not going  
20 to bother doing this. I was equine medical director long  
21 enough to know that there's a lot of variation in this. But  
22 the fact of the matter is it is a cultural problem and  
23 that's why we hope Scott Chaney can attend and impress upon  
24 our horsemen. It's not just Dr. Arthur and Dr. Blea who's  
25 saying these things.

1 CHAIR FERRARO: One thing that your constituents  
2 need to understand, the track has made a lot of effort, you  
3 guys. I appreciate your effort, too, but your constituents  
4 are still the problem. They need to understand that this  
5 Board is the only thing that's standing between them and the  
6 cessation of Quarter Horse racing in California, whether  
7 they like it or not. So either they comply and we get the  
8 numbers down or there's going to be a serious consideration  
9 of not having those races.

10 And the reason is, is they're not only putting the  
11 Quarter Horse racing at risk but they're putting all of  
12 racing at risk because the general public doesn't  
13 differentiate between Quarter Horse, Standardbred or  
14 thoroughbreds, it's all racehorses. So if one element is  
15 getting a high number of breakdowns, it reflects on all the  
16 others.

17 So I know we've been pretty insistent and pretty  
18 hard nosed but pushing this -- but believe me, we have no  
19 choice. We either get it straightened out or there's going  
20 to be serious problems.

21 DR. ARTHUR: Yeah, what we're trying to do here is  
22 try to encourage diagnostics over treatments.

23 CHAIR FERRARO: Yeah, and that's what we did at  
24 Santa Anita and Del Mar, encourage diagnostics instead of  
25 treatment, and it's changed the culture over and so far it's

1 worked. Let's hope we can do it with the Quarter Horses  
2 too.

3 You guys have anything else to present, Cathy?  
4 No?

5 Any other questions from the Board? I'm sure  
6 nothing? Nothing? Oh, got lucky.

7 MR. GUTIERREZ: Thank you so much.

8 EXECUTIVE DIRECTOR CHANEY: From an administrative  
9 standpoint, Mr. Chairman, so in order for sort of the -- we  
10 wanted the overview of what Los Al's doing. But from a  
11 regulatory standpoint, we have a Regulation 1581 that allows  
12 associations to create house rules in the medication space  
13 but they have to be approved by the Board. So the ask in  
14 this particular agenda item is that the Board approve the  
15 inter-articular injection protocols that they've put  
16 forward.

17 DR. ARTHUR: And I'd like to say, with races  
18 starting after March 1st.

19 EXECUTIVE DIRECTOR CHANEY: It's your house rule,  
20 so you can do that if you want.

21 DR. ARTHUR: Okay. Well, that's what we're  
22 requesting just to make sure we get all the horsemen on  
23 Board because I agree with Dr. Ferraro, it's going to be a  
24 challenge.

25 CHAIR FERRARO: Yeah. Cultural change is hard.

1 So is somebody brave enough to make a motion here?  
2 COMMISSIONER HUDNUT: Thank you. I move approval.  
3 Hudnut.  
4 COMMISSIONER STERN: Stern. Second.  
5 CHAIR FERRARO: Mr. Hudnut?  
6 COMMISSIONER HUDNUT: Yes.  
7 CHAIR FERRARO: Mr. Castellanos?  
8 COMMISSIONER CASTELLANOS: Yes.  
9 CHAIR FERRARO: Mr. Gonzales?  
10 CHAIR FERRARO: Yes.  
11 CHAIR FERRARO: Ms. Davis?  
12 COMMISSIONER DAVIS: Yes.  
13 CHAIR FERRARO: Mr. Stern?  
14 COMMISSIONER STERN: Yes.  
15 CHAIR FERRARO: And the Chairman votes yes.  
16 Good luck and keep the pressure on. Keep the  
17 pressure on.  
18 DR. ARTHUR: Thank you.  
19 CHAIR FERRARO: Let's see, the next thing is going  
20 to take quite a while. Do we want to take a little break,  
21 10 minutes? Yeah, I think it'd be a good idea, 10 to 15  
22 minutes, and then we'll come back.  
23 (Off the record at 10:11 a.m.)  
24 (On the record at 10:20 a.m.)  
25 CHAIR FERRARO: All right, we're moving on to item

1 number six, discussion and action by the Board regarding the  
2 request of Bernal Park Racing Management Company for the  
3 allocation of race dates for Northern California combined  
4 fair race meeting in 2026.

5 Mr. Chaney?

6 EXECUTIVE DIRECTOR CHANEY: Sure, just to kind of  
7 get, like set the administrative organizational tone, I  
8 suppose, because it's changed a lot in the last 18 hours or  
9 so, frankly, the agenda item description is no longer  
10 accurate.

11 Late yesterday, at least the CHRB received the  
12 CDFA denial of the combined fair race meeting that Bernal  
13 was seeking. Then what followed were, I think, three  
14 submissions from Bernal changing the date, eliminating two  
15 of the DAAs/fairs, only relying on three with specific dates  
16 that were four weeks long, the maximum under the law. I  
17 also sent a rebuttal of our staff analysis that was written  
18 by our legal team, and I think that's all we've gotten.

19 So I forwarded all of those documents to the Board  
20 late last night. We were not able to get it into the Board  
21 packet. Long story short, you have to remediate all  
22 documents in order to make them accessible when it's in the  
23 public packet, so they're not in the public packet. Rita  
24 will hopefully be able to upload them after the meeting  
25 sometime once they're remediated.

1           We did get a few late submissions last week, one  
2 from the National HPPA, and then there were a host of other  
3 emails that we've gotten over the last two or three months.  
4 Those are all included in the Board packet. They're under  
5 item number nine, which is Public Comment. So I just want  
6 to kind of direct the Board to that.

7           From a staff standpoint, I need to let the Board  
8 know, and it's going to be an unpopular view in this room,  
9 but frankly, it's -- we're -- staff is tired. We have not  
10 had the opportunity to evaluate this like brand new  
11 proposal. Frankly, the last one was sent less than 24 hours  
12 from when we were going to notice this meeting. In  
13 retrospect, I think agendizing the item, in my view, was a  
14 mistake.

15           So I just need to let the Board know that staff  
16 cannot recommend considering a date allocation today simply  
17 because we have had not even close to adequate time to  
18 evaluate this proposal. That's not saying you shouldn't  
19 hear from the stakeholders. I just need to make staff's  
20 recommendation very clear.

21           CHAIR FERRARO: Gentlemen?

22           MR. DICKENS: Thank you. Thank you, Mr. Chairman.  
23 Commissioners and Director Chaney. My name is Ben Dickens  
24 with the law firm of Blooston, Mordkofsky, Dickens, and  
25 Prendergast in Washington, D.C., and I'm general counsel of

1 Bernal Park Racing Management. And I'm going to discuss  
2 today the legal issues that we've seen, particularly with  
3 the last staff analysis that we received.

4           And we were working on that yesterday when we got  
5 a letter from, a short letter without much explanation, from  
6 the CDFA saying we're not going to recommend your racing  
7 date allocation. So we put our heads together. We reacted  
8 on the spot with a lot of activity yesterday and last night  
9 to try to put a structure in front of the Board that we  
10 thought was legally defensible and in the best interest of  
11 the racing fairs.

12           And I feel your pain, Director Chaney, because we  
13 know all of this broke very late for us, too. And we  
14 appreciate all the work you've done on it today and  
15 appreciate your attention today.

16           With that, I'm going to start marching through  
17 some of the points I want to discuss. And David Elliott,  
18 who is the CEO of Bernal Park Racing, will follow up after  
19 me and discuss some of the operational details, including  
20 dates that we have now identified as necessary. And George  
21 Schmitt, who is here, I think he's pretty well known to the  
22 Board by now, who is the manager of Bernal Park Racing  
23 Management, will answer any financial-related questions that  
24 you may have in any event. So thank you for allowing me to  
25 be here today.

1           The first thing I'd like to stress is that in the  
2 old proposal we had and in the one that we came up with  
3 yesterday to get this in front of you today, the counties  
4 are the ultimate licensees, again, for these racing date  
5 allocations. It's not Bernal Park, which is an LLC, it's  
6 not Bernal Park Foundation, which has had some play in the  
7 back and forth between us and staff in the last month or so.  
8 It's the counties themselves.

9           To the point that Director Chaney was raising,  
10 there are now three racing fairs that we're supporting and  
11 who are requesting dates today. It's Humboldt County Fair,  
12 Tehama County Fair, and Alameda County Fair.

13           Bernal Park's role, again, in case you haven't had  
14 a chance to read this voluminous package, it sounds like,  
15 Bernal Park Racing Management's role is to support  
16 financially and logistically the county fairs. And I  
17 emphasize support. It is not a racing entity before you  
18 today.

19           Now I'm going to move on to the legal issues and  
20 their particular issues, and there are just a handful,  
21 important, but a handful. We do have representatives from  
22 the county fairs today to support their license request and  
23 I would expect to hear from some or all of them before we're  
24 done with this item.

25           Also, as a preliminary matter, I would like to

1 stress this, is that Bernal Park recognizes the complete  
2 jurisdiction of this commission. We're not attempting to  
3 play games or move shells around to get around financial  
4 rules or whether we're improperly mixing up money from  
5 racing and support money for the fairs. That's not it at  
6 all. We think that the Board has plenary jurisdiction based  
7 on some old cases that are still good law, and your  
8 statutory language is very strong.

9           So I want to stress that as a preliminary matter.  
10 We think the Board has complete plenary authority over this  
11 area and we intend to comply with whatever the Board  
12 requires or the counties would be required to do as a result  
13 of our petition.

14           The first, and I'm referring now to the staff  
15 analysis that came out recently, the first issue that the  
16 staff raised, and it was reflected in that staff analysis  
17 was that the section that we think is important still today,  
18 which is 19549 of the Code, is a statutory bar to non-fair  
19 racing associations unless they were licensed before 2010 --  
20 2016, pardon me. The counties are the actual licensees here  
21 though, would be the actual licensees, not Bernal Park. So  
22 we think that's pretty straightforward in answer to that  
23 criticism.

24           Oh, yes, mister -- excuse me, let me correct  
25 myself. 2010 is the year. 2016 is the particular section

1 of 19549 that I mentioned earlier.

2           The Food and Agriculture Code was also mentioned  
3 in the staff analysis and also in the letter, the late  
4 letter we got yesterday from the Food and Ag people, which  
5 was that Bernal Park was not an entity formed by the  
6 agriculture -- district agriculture associations and  
7 therefore it wasn't permitted by Section 4058 of the  
8 Agriculture Code. But the original proposal, even then, was  
9 to have the counties be the licensees, not Bernal Park. So  
10 that criticism just was off the mark, not correct.

11           And so today, instead of having any entity formed  
12 by the DAAs under 4058, under Section 4058 of the  
13 Agriculture Code, the counties will be proceeding under  
14 contract for support from Bernal Park, and that's entirely  
15 authorized under the Agriculture Code.

16           The other thing, the other item I wanted to talk  
17 about, was the non-profit status of the foundation and the  
18 non-profit status of Bernal Park Management Racing -- Racing  
19 Management. I think that the -- and it may have been more  
20 requesting clarification than a criticism, but I think that  
21 the staff analysis said we need more information about the  
22 relationship between Bernal Park Foundation and Bernal Park  
23 Racing. And Bernal Park Racing LLC is not a non-profit, but  
24 it will operate in such a fashion so that the -- as we've  
25 said before in writings to the Board, the -- any profits

1 that are realized by Bernal Park will be flowed back to the  
2 licensee counties and any losses will be absorbed by Bernal  
3 Park.

4           So it's not a circumstance of Bernal Park doing  
5 something underhanded under the table or wrong under your  
6 rules to mix or aggregate to itself monies, racing monies.  
7 The entire aim of Bernal Park is to support California  
8 racing, and I think you heard that again last summer, too,  
9 but that is the aim. It's an altruistic aim for sure, but  
10 that is the case as far as these questions go about profit  
11 and non-profit.

12           So in any event, that concludes the remarks I  
13 wanted to make to you. And if you want to, Mr. Chairman,  
14 would you like to hold the questions for me to the end until  
15 David --

16           CHAIR FERRARO: No, let's wait to hear from  
17 (indiscernible).

18           MR. DICKENS: Okay. Thank you.

19           MR. ELLIOTT: Good morning, Commissioners. My  
20 name is David Elliott. I'm CEO of Bernal Park Racing. I'm  
21 here before you today in an assist role to the fairs that  
22 are here.

23           If the fairs wouldn't mind just standing up,  
24 please, all the fairs that are here?

25           Scott, we're sorry about the modification of the

1 dates that was sent yesterday. When we received the letter  
2 from Secretary Ross's office, we had to pivot. We were not  
3 in the business. We did not want to partake in a burdensome  
4 protracted litigation with Secretary Ross's group, or with  
5 CDFA at this time, because timing is of the essence.

6 We have allocation requests in front of you. The  
7 first race day would be May 1st at Tehama District Fair,  
8 number one. We're requesting racing dates based on B&P Code  
9 19549, which is clear, that this Board can allocate four  
10 weeks of racing to fairs in a given year. We're not going  
11 down any other roads, we're just asking for the -- we're  
12 just requesting allocation of dates under 19549, period.

13 For starters, I'd like to just read briefly.

14 "The mission statement of the California Horse Racing  
15 Board is to ensure the integrity, viability, and safety  
16 of the California horse racing industry by regulating  
17 parimutuel wagering for the protection of the public,  
18 promoting horse racing, breeding, and wagering  
19 opportunities, and fostering safe racing through the  
20 development, enforcement of track safety standards and  
21 regulations for the health and welfare of all  
22 participants."

23 TOC mission statement.

24 "The TOC represents the collective interest of all  
25 California thoroughbred owners to maximize purse

1 revenues and preserve the long-term viability of the  
2 sport. We work to accomplish this mission through  
3 ongoing negotiations and public advocacy in three  
4 primary areas.”

5 “California thoroughbred trainers is a state-authorized  
6 organization formed for the express purpose of  
7 representing the best interests of our member trainers  
8 to the California Horse Racing Board, the racing  
9 associations, various state entities, and the general  
10 public.”

11 Those are the mission statements of the three  
12 groups that I’m sure you’re going to hear from today.

13 We’re really not here in an adversarial role. We  
14 want to partner with the California Horse Racing Board to  
15 bring back racing to Northern California. We want to  
16 partner with the TOC and the CTT to provide racing  
17 opportunities for those trainers that have had to move south  
18 and move out of state who can no longer compete down south.  
19 They’re getting crushed. Everybody in the room knows it.  
20 All you need to do is take a look at the trainer standings  
21 from recently concluded Del Mar meet or Santa Anita meet  
22 last year or the current meet. They’re all, the trainers  
23 are getting crushed. The southern -- or the Northern  
24 California trainers are getting crushed down there.

25 We are offering an opportunity for those owners

1 and for those trainers to come back up to Northern  
2 California where they're able to compete and not compete  
3 down south, Santa Anita, Del Mar, Los Alamitos  
4 thoroughbreds.

5           We know that the cessation of racing in Northern  
6 California has absolutely created a void in Northern  
7 California for jobs, racing opportunities, overall health of  
8 the industry. Northern California supports the Southern  
9 California industry right now with breeding, trainers who  
10 are just filling races down there.

11           Northern California fairs seek to bring racing  
12 back to Northern California, restoring fan interest, job  
13 growth, agricultural benefits, local economic activity, and  
14 racing opportunities for owners who cannot compete  
15 successfully in Southern California. This effort reflects  
16 the longstanding commitment of the fairs and the John C.  
17 Harris county fair racing legacy to preserve and expand  
18 fair-based racing as a vital part of California's  
19 agricultural and sporting heritage.

20           Job creation if you were to approve our request  
21 for the allocation of 12 weeks of racing in Northern  
22 California in 2026. Expanded opportunities include but are  
23 not limited to grooms, trainers, jockeys, support staff,  
24 veterinarians, racing office staff, placing and patrol  
25 judges, stewards, assistant starters and the starter,

1 valets, track crew, barn crews, and janitorial staff who are  
2 all among the approximately 900 personnel directly or  
3 indirectly impacted by the cessation of Northern California  
4 horse racing. It's a lot of jobs.

5 This room is filled with supporters of a Northern  
6 California fair circuit, and we're happy that they're here  
7 supporting us.

8 The modified date submitted yesterday, and again,  
9 I apologize, Mr. Chaney, for the last minute, but it went  
10 from 19 weeks when we were asking for other non-racing fairs  
11 to allocate their four weeks a year and Secretary Ross's  
12 office did not approve that, so that's when we pivoted. It  
13 went from 19 weeks to 12 weeks. Our modification is four  
14 weeks at Tehama District Fair, a small break, four weeks at  
15 the Alameda County Fair, which we consider the jewel of  
16 Northern California racing, four weeks up at the Humboldt  
17 County Fair.

18 We're not asking for host status during those  
19 break weeks that has occurred in California in the past. As  
20 a matter of fact, an example is host status for Santa Anita  
21 starting on December 17th when their first race day was  
22 December 26th. It doesn't matter, out the window. We're  
23 asking for host status of Northern California racing for 12  
24 weeks. The other 40 weeks stay in Southern California.

25 The elephant in the room, one of the reasons we're

1 here and representatives from Southern California and those  
2 that support Southern California racing, the elephant in the  
3 room is about the host fees. It really is, it's just about  
4 the host fees. Again, Southern California will be the  
5 recipient of host fees for 40 weeks. We're just asking for  
6 12 and allowing us the opportunity to create some racing  
7 opportunities for owners that can't compete anymore and  
8 those folks that have left the state, as well.

9           We have spoken to a surety bond rep to assure that  
10 Teamsters Local 495 health benefits are covered from  
11 February 1st to December 31st if we receive the allocation  
12 of the dates.

13           The majority, all of our staff, team members of  
14 five to six, we're all horse people. We've all been in the  
15 horse business in one way or another. We love the animals.  
16 We love the horses. Everybody that's on our team right now  
17 is a horse person in one way or another. I myself have been  
18 in the business over 40 years. I raced horses. I love the  
19 animals. We will do absolutely everything possible to  
20 ensure the safety of the animals at our fair tracks.

21           We've spent to date \$104,217 at the Tehama  
22 District Fair. We've spent that money in track  
23 improvements, safety rail, and other pieces of equipment  
24 that are sitting up there. Those funds, we felt it was  
25 important to get started up there and Mr. Schmitt has spent

1 that money. I've been up there several times. If these  
2 dates -- if you allocate these dates to us, I'll be up there  
3 tomorrow to get the ball rolling on all the infrastructure  
4 things that we need to do.

5           And in closing, in closing, Mr. Chaney states in  
6 his analysis that we would have to have our license  
7 applications -- or I'm sorry, the fair's license  
8 applications in by January 29th because that's the 90-day  
9 rule. And we would ask this Board, precedent has been set  
10 by this Board for a waiver to have license applications in  
11 within the 90-day compliance period. Those examples are Los  
12 Alamitos 2026 dates. There was not even an official request  
13 for 2026 dates for Los Alamitos. This Board at Mr. Chaney,  
14 good for him, simply just included them in the agenda item  
15 when you guys were getting ready to vote back in October.  
16 Good for him.

17           Santa Anita license application was heard on the  
18 19th of November for a meet that started on, well, it was  
19 supposed to have started on 12/26, that's 37 days prior to  
20 their meet. It's not 90.

21           CHAIR FERRARO: Okay, let's wrap it up, huh?

22           MR. ELLIOTT: Okay. The Los Alamitos thoroughbred  
23 license application was heard on October 16th for a meet  
24 that started on December 3rd. That was 49 days.

25           All we're asking, A, if you would approve the

1 allocation of our dates request, and B, if you would waive  
2 the 90-day rule and bring us back for the Tehama District  
3 Fair license application process for the March meeting.

4 CHAIR FERRARO: Okay, thank you very much.

5 MR. DICKENS: And Chairman Ferraro, I know that  
6 there are several --

7 CHAIR FERRARO: We will take care of that.

8 MR. ELLIOTT: Okay.

9 CHAIR FERRARO: Commissioner Davis, you have some  
10 comments you want to -- questions you want to raise?

11 EXECUTIVE DIRECTOR CHANEY: Can I just clarify for  
12 the record for the Board that the requirement is that the  
13 application be turned in, the license application be turned  
14 in 90 days before it, not that the Board hears it. So that  
15 whole last five minutes is just not what the regulation  
16 says.

17 MR. ELLIOTT: May I retort?

18 CHAIR FERRARO: Go ahead.

19 MR. ELLIOTT: You did hear -- you did hear the  
20 Santa Anita license, you did. Those are examples I gave  
21 you.

22 CHAIR FERRARO: Hey, listen, I don't want to argue  
23 over that. We got more important things to talk about.

24 . ELLIOTT: Okay.

25 CHAIR FERRARO: Go ahead, Commissioner Davis.

1                   COMMISSIONER DAVIS: Well, thank you for your  
2 presentation and some of the clarifications. I think a lot  
3 of the staff concern, certainly from Scott's perspective, is  
4 that it seems like a moving target. And based on what  
5 you've been doing behind the scenes, that's not surprising,  
6 so we can acknowledge that it's a moving target. And what  
7 we need is some kind of certainty about what you're doing  
8 and how you're doing it.

9                   I think you've clarified sufficiently that this  
10 would not be a license request that you're making as an  
11 entity.

12                  MR. ELLIOTT: Right.

13                  COMMISSIONER DAVIS: There remains the question of  
14 funding and potential co-mingling of funds and how that  
15 plays out. I think that's a fair question.

16                  EXECUTIVE DIRECTOR CHANEY: Well, I think it's  
17 completely fair. And to also be fair, like the agreements  
18 that we've seen and every piece of information that we've  
19 seen paints Bernal as basically the CARF rule, right, trying  
20 to, you know, bring the fairs together. That was what the  
21 problem was with the CDFA's denial.

22                  So this oral sort of representation that it's  
23 actually the fairs that are seeking race dates and Bernal's  
24 just kind of off to the side is just not what all of the  
25 submissions reflect.

1           But again, thanks for pointing out the bigger  
2 problem, is it's a moving target. We took a lot of heat,  
3 the Chairman and I, when we didn't agendaize this proposal in  
4 November. It turns out it was absolutely the right thing,  
5 right, because the fairs that were involved in November are  
6 no longer involved; right? Santa Rosa's out. There was no  
7 talk of Alameda at the time. Literally, their Board voted  
8 last week. And so like the, you know, the proposal has  
9 changed, you know, a few times between then and now.

10           And then, obviously, last night it changed  
11 drastically from, you know, five fairs or DAAs. And this is  
12 no fault of their own except for the fact that they didn't  
13 ask permission to run a combined fair meet until December  
14 24th or 26th, I can't -- at the very end of December from  
15 CDFA. And so when CDFA denied it yesterday, it's become  
16 their current proposal or their -- you know, has had to  
17 morph into what it is today.

18           It's inappropriate for a regulatory body to get  
19 all of this information yesterday and allocate race dates,.  
20 You know, based on, you know, proposals, A, that aren't even  
21 fleshed out, and B, staff hasn't had the time to properly  
22 evaluate.

23           I don't act as an attorney for the Board, as you  
24 know, although I pay my bar dues every year. I  
25 categorically disagree with most of what the attorney said

1 at the beginning. And I think it would be fair to say that  
2 our lawyers see major problems with the current proposal  
3 that we're -- my attorneys, last night, said we'll try to  
4 figure out, like based on like this half-baked proposal,  
5 like if it's legal, I'm not sure we can -- this was at like  
6 5:30 last night -- and we'll try to have an answer for you  
7 by 9:30. Like, this is not a way the regulatory body should  
8 be behaving.

9 We started having these discussions. We've heard  
10 date allocation in Northern California since like last, what  
11 was it, March or April, as I recall. I think it's either  
12 been agendized or requested to be agendized six times. And  
13 to like have a proposal in January, yesterday, whatever date  
14 that was, 13th, it's profoundly disappointing to me for the  
15 licensees and stakeholders in Northern California. I think  
16 they are being misserved by either the fairs or Bernal. And  
17 it's sad because this is not a proposal, a serious proposal  
18 that the Board should be considering today.

19 I regret talking the Chairman into agendizing it  
20 today. That was my fault. Clearly, I didn't know that they  
21 would bait and switch last night. You didn't know that you  
22 would get the CDFA denial, but here we are.

23 MR. ELLIOTT: Can I --

24 EXECUTIVE DIRECTOR CHANEY: Sorry for -- but it's  
25 been an exhausting eight months, and more so probably for

1 Northern California stakeholders, but staff is -- we're  
2 nearing our end.

3 MR. ELLIOTT: Mr. Chairman --

4 COMMISSIONER DAVIS: I appreciate --

5 MR. ELLIOTT: -- can I respond to that? I'm  
6 sorry.

7 CHAIR FERRARO: No, wait.

8 MR. ELLIOTT: I'm sorry, Commissioner.

9 CHAIR FERRARO: Let the commissioner finish.

10 COMMISSIONER DAVIS: I appreciate your  
11 frustration, Scott. And what I would like to ask is,  
12 clearly this thing is gelling as we speak in terms of what  
13 you think you can do and what the fairs want to do going  
14 forward. And what I hear Scott asking for is just some  
15 clarity and something that we can say, this is the plan now  
16 and it's not going to change.

17 MR. ELLIOTT: May I provide that?

18 COMMISSIONER DAVIS: Chair Ferraro?

19 CHAIR FERRARO: Go ahead. What is it?

20 MR. ELLIOTT: The plan is four weeks at Tehama  
21 District Fair, Alameda County Fair, and Humboldt County  
22 Fair, pursuant to BMP Code section 19549.

23 And if I may, Commissioner Davis, the funding, we  
24 sent an email to Mr. Chaney asking him what he would like to  
25 see as far as our funding is concerned.

1 CHAIR FERRARO: We've asked you guys for a  
2 financial statement at least six times. We've never seen  
3 one.

4 MR. ELLIOTT: I've asked Mr. Chaney --

5 CHAIR FERRARO: We asked you for corporate  
6 structure identification, what the structure of your  
7 business is. Never seen it.

8 So I mean, it's like, you know, part of this  
9 problem is there's no trust here because you say things and  
10 then we find out later it's not true. In the beginning, it  
11 was, you know, Bernal Racing and John Harris. Then I find  
12 out that John Harris' family has sent a cease and desist  
13 letter to you guys telling you not to use his name. Still  
14 in here.

15 So these kind of things, you know, they're just,  
16 you know, who are we talking to here? You make an argument,  
17 yesterday's rebuttal to the original thing that staff put  
18 out to me was just double talk.

19 I don't know, Commissioner, you're wiser than I am  
20 on these things.

21 MR. ELLIOTT: Commissioner Davis, may I finish the  
22 funding question that you had?

23 COMMISSIONER DAVIS: Sure.

24 MR. ELLIOTT: So we sent an email to Mr. Chaney  
25 asking him to tell us exactly what he wanted as far as the

1 funding mechanism for these meets from Mr. Schmitt. And he  
2 was very responsive and he said, well, it's a little bit  
3 premature. I'm not -- this is not verbatim, but it's a  
4 little premature, but we'll ask you for it at some other  
5 time.

6 So we're more than willing to provide the funding  
7 mechanisms that will help the fairs fund this allocation of  
8 dates, the Northern California Racing.

9 EXECUTIVE DIRECTOR CHANEY: I need --

10 COMMISSIONER DAVIS: Okay.

11 EXECUTIVE DIRECTOR CHANEY: -- I need to correct  
12 the record. Yeah, we've gotten a bunch of emails in the  
13 last two weeks. There was one offering to put up some sort  
14 of a bond, I think, in order to demonstrate financial  
15 responsibility. I took that as -- which is also part of  
16 the -- which is part of the license process.

17 COMMISSIONER DAVIS: Mm-hmm.

18 EXECUTIVE DIRECTOR CHANEY: So what they were  
19 offering was not, these are our financial -- you know, this  
20 is our financial wherewithal, these are the accounts, this  
21 is what the foundation has, and this is what -- so, yes, we  
22 have not -- I did say the, you know, the bond information  
23 or -- is required at licensure, but we're not even -- we're  
24 not even there yet.

25 COMMISSIONER DAVIS: Mm-hmm. I want to put this

1 back into context so that -- because obviously there's a lot  
2 of tension and back and forth.

3           The Board did allocate race dates historically  
4 when CARF was still operating and made Golden State Racing.  
5 And that blew up in our faces in terms of what was  
6 accomplished once those -- the racing started. So it's not  
7 an easy decision to make again because I'm sure the Chair  
8 doesn't want to end up with egg all over his face again  
9 because he approved race dates and it turned out that the  
10 entity that was going to provide those services can't  
11 produce.

12           MR. ELLIOTT: I understand.

13           COMMISSIONER DAVIS: Okay, so --

14           MR. ELLIOTT: But we're not CARF.

15           COMMISSIONER DAVIS: -- I'm asking -- and I  
16 appreciate that. I'm not saying you are. And far be it  
17 from me to stereotype someone, it's just saying there are  
18 some sensitivities here --

19           MR. ELLIOTT: Understand.

20           COMMISSIONER DAVIS: -- that we hope you can  
21 appreciate in terms of the level of detail that we're  
22 requiring in addition to what's statutorily required.

23           MR. ELLIOTT: Mm-hmm.

24           COMMISSIONER DAVIS: We need to have something in  
25 front of us that we can say, this is the plan.

1 MR. ELLIOTT: Okay.

2 COMMISSIONER DAVIS: And we understand you're  
3 moving forward with that.

4 I'm trying to clarify, so is Tehama County Fair's  
5 ongoing improvements to try to set up for horse racing  
6 contingent on our decision today about race allocation  
7 dates, or is that going to move forward anyway and it's  
8 going to be a part of a written plan that we receive?

9 MR. ELLIOTT: Yes, Commissioner. We, like I had  
10 mentioned, we spent almost \$105,000 up there so far. We  
11 were waiting for the allocation of those dates up at Tehama  
12 District Fair to move forward, to keep moving forward with  
13 the infrastructure that is needed. We're talking about some  
14 portable stalls. We're talking about --

15 COMMISSIONER DAVIS: So you won't move forward if  
16 we don't approve race dates today? That's what I'm trying  
17 to clarify.

18 MR. ELLIOTT: I don't -- I know that we will gift  
19 the Tehama District Fair the rail, the harrows, all of those  
20 things that we've already purchased. Mr. Schmitt has  
21 already said that he will gift all of those things.

22 I'm so sorry, but I don't understand the question.  
23 Why would we continue to spend another \$200,000 up there if  
24 we don't get the allocation? I'm sorry if --

25 COMMISSIONER DAVIS: Well, if you don't get the

1 allocation at all, but my question is: If you don't get the  
2 allocation today, are you moving forward?

3 MR. ELLIOTT: Moving forward?

4 COMMISSIONER DAVIS: With the improvements at  
5 Tehama.

6 MR. ELLIOTT: I don't know why we would spend  
7 additional \$200,000 if we weren't going to race there.  
8 We've spent \$105,000. There's a safety rail up there,  
9 harrows, things of that nature. I'm sorry, Commissioner, if  
10 I'm not understanding your question.

11 COMMISSIONER DAVIS: So if we didn't decide today,  
12 let's say we decided in a February meeting --

13 MR. ELLIOTT: Oh, I didn't know there was a  
14 February meeting agenda.

15 COMMISSIONER DAVIS: Actually, there's not a  
16 February meeting.

17 CHAIR FERRARO: Yeah. Yeah.

18 MR. ELLIOTT: It's March. It's March.

19 COMMISSIONER DAVIS: It would be March. Sorry  
20 about that. So if it were not decided today and it was  
21 decided in March, what would be your position?

22 MR. ELLIOTT: We would ask for -- we would hope  
23 that we would get the assurance that these racing days could  
24 be allocated so that we can move forward expeditiously and  
25 be smart with our business plan as far as providing those

1 funds for the infrastructure improvements at Tehama. And  
2 then, of course -- and then, of course, Alameda is almost  
3 turnkey. Pleasanton is almost turnkey. Obviously, we'd  
4 have to do some things over there too. And, of course,  
5 Humboldt, they've raced there before for many years. And  
6 obviously, we would go up there and expend funds up there,  
7 as well, if we were to receive the allocation of dates.

8 COMMISSIONER DAVIS: So the plan that's in our  
9 Board packet right now has changed?

10 MR. ELLIOTT: I don't know what you have,  
11 Commissioner. I know what we sent last week, and we have  
12 some copies of those dates. We have some copies if you'd  
13 like to see them.

14 EXECUTIVE DIRECTOR CHANEY: In the Board packet is  
15 what you sent with the original, the original plan, if you  
16 will, with the combined.

17 COMMISSIONER DAVIS: With the five?

18 EXECUTIVE DIRECTOR CHANEY: The four -- the three  
19 documents that you sent, plus CDFA, were all sent to the  
20 Board last night, but they do not appear currently in the  
21 Board packet.

22 MR. ELLIOTT: That's fine.

23 EXECUTIVE DIRECTOR CHANEY: Yeah.

24 MR. ELLIOTT: Those have been those dates.

25 COMMISSIONER DAVIS: Okay.

1 MR. ELLIOTT: And we have copies, and I can  
2 absolutely -- we have copies of the modifications.

3 COMMISSIONER DAVIS: So basically, we're not in a  
4 position to know what the plan is other than, you know, what  
5 came in last night in terms of our deliberations?

6 MR. ELLIOTT: Absolutely, it was a --

7 COMMISSIONER DAVIS: So it puts us in a --

8 MR. ELLIOTT: I understand.

9 COMMISSIONER DAVIS: -- in a bind.

10 MR. ELLIOTT: It was 11th hour, I absolutely admit  
11 it.

12 COMMISSIONER DAVIS: Yeah.

13 MR. ELLIOTT: We received a document from CDFA  
14 that said they would not -- that they would not approve what  
15 we had put on the table. We get it. We didn't want to push  
16 that any further.

17 So we pivoted, and we sent a letter to Mr. Chaney,  
18 and we updated our dates, updated our request. I apologize,  
19 it was 11th hour, but we had to adapt. And those dates are  
20 pursuant to 19549, are four weeks at Tehama, four weeks at  
21 Pleasanton, four weeks at Humboldt, with breaks in between,  
22 of which the Southern California Associations will be the  
23 host during those break periods.

24 COMMISSIONER DAVIS: Okay, so we appreciate that  
25 we have an overview, but we don't have the level of detail

1 that we've been looking for --

2 MR. ELLIOTT: Yeah, Commissioner --

3 COMMISSIONER DAVIS: -- to support a transparent  
4 decision about race allocation dates. You understand where  
5 we're coming from?

6 MR. ELLIOTT: Commissioner, or Mr. Chairman and  
7 Commissioner, could I interject briefly?

8 COMMISSIONER DAVIS: Sure.

9 MR. ELLIOTT: What has been, what's in the air  
10 right now is, and I feel terrible about it, but questions  
11 about our veracity have been raised now since I've been  
12 sitting here. And some of your questions are what we intend  
13 to do in the future. And I would respectfully suggest to  
14 you that Mr. Schmitt, who's sitting right here, will at the  
15 appropriate time get at this table and probably answer all  
16 the questions you have.

17 COMMISSIONER DAVIS: And that's fine.

18 MR. ELLIOTT: And it will be completely true. I  
19 don't know if we're sworn or not, but I mean everything in  
20 this room, I think, has got to be true, all right? There  
21 are consequences for that.

22 COMMISSIONER DAVIS: I don't question. I know,  
23 Mr. Elliott. I'm not questioning his veracity at all --

24 MR. ELLIOTT: No.

25 COMMISSIONER DAVIS: -- or yours.

1 MR. ELLIOTT: I was --

2 COMMISSIONER DAVIS: I don't --

3 MR. ELLIOTT: I wasn't suggesting that either.

4 COMMISSIONER DAVIS: Yeah.

5 MR. ELLIOTT: I'm sorry.

6 COMMISSIONER DAVIS: Okay.

7 MR. ELLIOTT: I was just trying to give some  
8 comfort to some of the comments that we've gotten earlier  
9 about we've been promising financials, there aren't any.  
10 Mr. Chaney has doubts about the veracity of our plans. And  
11 mister -- and I hate to hear that, and I think hearing --

12 COMMISSIONER DAVIS: So what we need is something  
13 that we can transparently review --

14 MR. ELLIOTT: Yeah.

15 COMMISSIONER DAVIS: -- and say, this is the data,  
16 this is their plan, and this is how they would execute on  
17 that plan.

18 MR. SCHMITT: It's in your packet.

19 COMMISSIONER DAVIS: Okay.

20 MR. SCHMITT: It's in the CHRB packet, our  
21 overview, our plan, our business plan, executive summary.  
22 We submitted all of those documents to Mr. Chaney. We have.  
23 What's different --

24 COMMISSIONER DAVIS: So this is the plan before  
25 the pivot though?

1 MR. SCHMITT: All that has changed is the dates.

2 COMMISSIONER DAVIS: Okay.

3 MR. SCHMITT: The dates because -- and we had to  
4 pivot off of the dates because the CDFA letter that we  
5 received yesterday.

6 COMMISSIONER DAVIS: Mm-hmm.

7 MR. SCHMITT: However, the plan is still the same.

8 COMMISSIONER DAVIS: Okay.

9 EXECUTIVE DIRECTOR CHANEY: All right.

10 CHAIR FERRARO: Okay.

11 EXECUTIVE DIRECTOR CHANEY: And again, I'm not  
12 questioning the veracity of your statements. I'm  
13 questioning the wisdom of the plan, A.

14 And then B, the actual plan, I mean, the -- it's  
15 foolhardy to think that you can get rid of two fairs because  
16 you're using their weeks in order to like kind of make the  
17 season longer, pivot to just fairs applying for dates  
18 themselves and Bernal being like off to the side. Like  
19 quite literally, it's just not true.

20 Well, maybe I am questioning the veracity. It's  
21 just not true that the only thing that's changed is the  
22 dates. I think my attorneys probably want another look at  
23 the two operating agreements that you seem to have with the  
24 fairs, plus the MOU --

25 COMMISSIONER DAVIS: Mm-hmm.

1 EXECUTIVE DIRECTOR CHANEY: -- with Alameda County  
2 Fair, because I don't -- there's lots of holes in them. We  
3 already know that. But I'm not sure that they even apply,  
4 they make sense, in the current context.

5 COMMISSIONER DAVIS: Mm-hmm.

6 EXECUTIVE DIRECTOR CHANEY: And I've, you know,  
7 thought of 10 questions I'm sure the attorneys want to ask  
8 between now and next time that the Board, if it wants to  
9 consider dates, would.

10 COMMISSIONER DAVIS: Mm-hmm.

11 EXECUTIVE DIRECTOR CHANEY: So, you know, I'm fine  
12 to engage back and forth. I'm not sure the Board should be  
13 getting to the -- to me, secondarily, the question is, is it  
14 a good idea to allocate dates? First, we need to get beyond  
15 this threshold matter of should we even be considering dates  
16 today, I think.

17 COMMISSIONER DAVIS: Mm-hmm.

18 EXECUTIVE DIRECTOR CHANEY: But I'm probably  
19 talking too much. I'm --

20 CHAIR FERRARO: All right. Commissioner Hudnut?

21 COMMISSIONER DAVIS: Yeah.

22 CHAIR FERRARO: Commissioner Hudnut?

23 COMMISSIONER HUDNUT: I just have a point of  
24 clarification, if I may. Is CDFA approval required for  
25 racing at fairs?

1 MR. ELLIOTT: No.

2 EXECUTIVE DIRECTOR CHANEY: My -- hopefully my  
3 attorneys will tell me if I get this wrong, but what they  
4 needed approval for was this concept of combined race meet,  
5 which CARF used to run, you know, and allows the fairs to  
6 work together in terms of accounting and purse structure and  
7 so on and so forth. If --

8 MR. ELLIOTT: Which is off the table.

9 EXECUTIVE DIRECTOR CHANEY: Yeah. If the new  
10 proposal is that the fairs are just coming to the Board  
11 asking for, you know, to run racing during their two weeks  
12 plus another two, you know, non-racing weeks, they wouldn't  
13 need to be combined, but they would certainly be stand-alone  
14 allocation requests --

15 CHAIR FERRARO: Under the new plan, shouldn't  
16 the --

17 EXECUTIVE DIRECTOR CHANEY: -- by each fair.

18 CHAIR FERRARO: Under that new plan, shouldn't it  
19 be the fairs that apply for the racing dates and not --

20 MR. ELLIOTT: Yeah.

21 VICE CHAIR GONZALES: Bernal Racing?

22 MR. ELLIOTT: Correct.

23 COMMISSIONER DAVIS: Yes.

24 EXECUTIVE DIRECTOR CHANEY: Yeah, absolutely.

25 Yeah. I mean, and I think --

1 MR. ELLIOTT: You'd have to let them --

2 EXECUTIVE DIRECTOR CHANEY: I don't want to put  
3 words into your -- they're representing that it's the fairs  
4 and obviously they're fairs today.

5 COMMISSIONER DAVIS: Yeah, I get it.

6 EXECUTIVE DIRECTOR CHANEY: It's just not what any  
7 of the documents that they have submitted to us ever --

8 MR. ELLIOTT: If I may, we --

9 EXECUTIVE DIRECTOR CHANEY: It's simply not.

10 MR. ELLIOTT: -- we sent the -- we sent the letter  
11 yesterday for the fair --

12 COMMISSIONER DAVIS: Uh-huh.

13 MR. ELLIOTT: -- from the fairs with their  
14 signatures to Mr. Chaney requesting the allocation of these  
15 dates, so --

16 EXECUTIVE DIRECTOR CHANEY: Which I forwarded to  
17 the Board last night. They have it.

18 MR. ELLIOTT: Okay.

19 CHAIR FERRARO: Go ahead, Oscar.

20 VICE CHAIR GONZALES: Yeah, thank you.

21 Part of what I'm trying to do is narrow down to  
22 what can be done by this Board in the form of --

23 COMMISSIONER DAVIS: Right.

24 VICE CHAIR GONZALES: -- a vote or consideration.

25 To the question about should some action be taken

1 today, I would say yes, maybe not on -- maybe not on all  
2 three of the fair -- of the fairs that are asking for a  
3 vote.

4 First, you know, we got here because we did not  
5 put this on the November agenda. I believe that had we gone  
6 through this exercise in November, we'd be further along.  
7 Damascus and I were not able to convene a Race Dates  
8 Committee meeting, as I had mentioned in November, because I  
9 think we could have also at that point teased this out a  
10 little bit further so we would have known what the  
11 expectations are, what was missing and so forth.

12 So today is somewhat of a workshop and it's  
13 unfortunate because I think we could have, you know, made  
14 this less of a workshop or a little bit more of an  
15 accelerated conversation. But based off of the 90-day  
16 threshold that needs to go from allocation to approval, it  
17 looks to me as if Tehama may be very difficult to act on  
18 today.

19 So what I am impressed by when it comes to Alameda  
20 and Humboldt is not only have the County Board of  
21 Supervisors weighed in, their fair boards have weighed in,  
22 and those are proven entities. And I almost, gentlemen,  
23 would have preferred as if the fairs would have come in,  
24 those two, Alameda and Humboldt, to come before us to ask  
25 for an individual license, because that's familiar territory

1 to us. Why is that? It's because Sonoma County, as we all  
2 know, operated independent of CARF. They would come right  
3 on in, hey, nothing against CARF, they would come in and  
4 explain how they would do things. That would be familiar  
5 terrain for us.

6           So I just, if I could just put something on the  
7 table here, it would be, for now, Tehama is not ready to  
8 race in April. But perhaps what we could do, and again,  
9 part of the other thing that we could have done, you know,  
10 I, too, Commissioner Davis, recognized that there's no  
11 meeting in February, so I believe we have to take some  
12 action for the two counties that are ready, and that is  
13 going to be Humboldt and Alameda.

14           So I would try to -- how can we get to approving  
15 Alameda and Humboldt so that they can make the preparations?

16           Unfortunately, just given what seems to be missing  
17 information and miscommunication here, is Tehama's just not  
18 going to be ready at this point. But I don't want  
19 Humboldt -- because you guys come a long way, as you often  
20 do, or Alameda, which I know their board and others have  
21 really gone to great lengths.

22           So that's kind of where I'm leaning toward, is if  
23 there was -- and I don't know, Board, if we want to see  
24 Humboldt come up or Alameda come up, excuse these gentlemen  
25 here, because if you're in a supportive role, then I think

1 now, today's a good time to start that. That means --

2 COMMISSIONER DAVIS: Yeah.

3 VICE CHAIR GONZALES: -- instead of being the  
4 front guys, you guys are going to be in a supportive role.  
5 Let the leadership here be before us and respectfully ask.

6 So, Mr. Chairman, I don't want to like bring in,  
7 you know, the counties if you don't feel that's necessary,  
8 but that's how I think we can get toward --

9 CHAIR FERRARO: Yeah, we have --

10 VICE CHAIR GONZALES: -- a possible motion here.

11 CHAIR FERRARO: We have some here.

12 VICE CHAIR GONZALES: Okay. Oh, got it, okay.

13 That's fine.

14 CHAIR FERRARO: Maybe --

15 VICE CHAIR GONZALES: Anyway, that's what I just  
16 wanted to say, I mean, I remain a very strong supporter of  
17 the north. I think everybody in this room knows this.

18 COMMISSIONER DAVIS: Mm-hmm.

19 VICE CHAIR GONZALES: But structured organization,  
20 especially because the bar has been raised on us for safety,  
21 looking out for the welfare of workers, et cetera, I think  
22 we really just have to make sure there's a right structure.  
23 So let's hope, you know, after, you know, some public  
24 comment period with some more feedback here, we can get to  
25 something that we can act on, rather than sending everybody

1 home empty handed.

2 MR. SCHMITT: I appreciate your comments.

3 CHAIR FERRARO: Damascus?

4 MR. ELLIOTT: I'm sorry. Please. I'm sorry.

5 COMMISSIONER CASTELLANOS: The only thing I -- I'm  
6 listening to everything. But the only thing I need and I'd  
7 like to address is, Mr. Elliott, is that we need to remain  
8 respectful of what we're doing here. We don't need to be  
9 accusatory or rude or sarcastic as we're speaking to each  
10 other. And I get that from you. And for me, that's not  
11 acceptable.

12 MR. ELLIOTT: I'm sorry. I apologize.

13 COMMISSIONER CASTELLANOS: There's no reason to  
14 apologize. It's done. The thing is, is that it shouldn't  
15 be happening, not in this boardroom, okay?

16 That's my request, Mr. Chairman.

17 CHAIR FERRARO: Peter?

18 COMMISSIONER STERN: No comment at this point.

19 CHAIR FERRARO: I want to hear from the public.  
20 I've got quite a list here, so I'm going to ask you to be  
21 brief. If you're going to say the same thing as the person  
22 ahead of you, don't come up.

23 Andy Titus.

24 MR. TITUS: Good. I mean, are you going to bring  
25 up the fairs to speak individually or not?

1 CHAIR FERRARO: I got a list here of sign-ins.  
2 That's what I'm going to bring up.

3 MR. TITUS: Good morning. Andy Titus, Humboldt  
4 County Fair Board President. I appreciate you guys giving  
5 us the time and taking the time out of your day.

6 You know, it doesn't sound like we're at the point  
7 that I was hoping we were going to be at, you know, after  
8 last year. You know, we were told to reset, come back with  
9 a better plan, and be ready for this year.

10 And you know, the biggest thing to me is if we're  
11 not granted dates, the losers here, it's a big -- there's a  
12 lot of losers here; right? I mean, I would love to be able  
13 to work together with the CHRB, the north, and everyone to  
14 have fair racing in the whole state of California. You  
15 know, right now, I mean, the elephant in the room, I  
16 believe, is host status.

17 And I mean, if you consider that there is still 40  
18 weeks potentially going to the south that from 24, 2024  
19 before never happened at all, right, I mean, there was 52  
20 weeks granted in '25, you know, it would be very nice if in  
21 26, you know, the fairs could be granted race dates, and we  
22 could allow people to come back to work in this state. We  
23 could bring horses that have left the state back into  
24 California, buying hay, vet services in California,  
25 providing more jobs in California that bring taxes to

1 California that makes us better as a whole; right? I mean,  
2 what has kind of happened in '25 is, for lack of better  
3 terms, the rich got rich and the poor got nothing; right?

4 I mean, this is a way to bring grassroots fair  
5 racing back to the north, give the north some time to have  
6 some fair racing. It is, yes, quote, unquote, "the minor  
7 leagues," but that's where you get new owners. That's where  
8 you get new trainers. That's where you get new people.

9 I know you guys know all this stuff, so I don't  
10 want to take up a bunch more of your time. I'm just asking  
11 for you to give the fairs, that have proven, the opportunity  
12 to race in '26, you know, which we've done before and been  
13 successful with.

14 CHAIR FERRARO: Thank you.

15 VICE CHAIR GONZALES: Andy, just one quick  
16 question from you, okay? Today was an allocation. When it  
17 comes to the race meet application, it's going to be  
18 Humboldt County Fair that's going to be submitting the  
19 application, not Bernal; correct?

20 MR. TITUS: That's correct.

21 VICE CHAIR GONZALES: Okay. Thanks for  
22 clarifying, because that's really important. Now, by the  
23 way, you have your support from the Board of Supervisors and  
24 your Fair Board, and you take all responsibility, and you're  
25 going to manage these guys as you do any other employees if

1 you guys get approved for the Race Meet application?

2 MR. TITUS: That's correct.

3 VICE CHAIR GONZALES: Okay. Thank you, Andy.

4 MR. TITUS: All right. Thank you.

5 CHAIR FERRARO: Frank Imhoff.

6 MR. IMHOF: Frank Imhof, Alameda County Fair, past  
7 president. I've been on the board for 22 years.

8 Our board voted last week in unanimous to approve  
9 this. We've been working on it for a year and a half, and  
10 we're asking your support to do this. We have one of the  
11 nicest facilities in the state, and we need to continue  
12 this.

13 And not only that, but it's the owners, the  
14 restaurants, everything around Pleasanton, and even Alameda  
15 County in a whole, has shown a loss of 30, 40 percent in  
16 their business. And this is caused by one thing, in that  
17 month of racing, there's no racing. So keep that in  
18 consideration.

19 Thank you.

20 VICE CHAIR GONZALES: Excuse me, Frank, I'm going  
21 to ask you the same question, okay, please. When a race  
22 meet application is submitted for Alameda, it's going to be  
23 the Alameda County Fair that's going to submit their  
24 application to the CHRB; is that correct?

25 MR. IMHOF: As far as I know, yes.

1 VICE CHAIR GONZALES: Okay. And then you guys are  
2 going to be responsible, managing, and these gentlemen right  
3 here, you're going to be managing them and holding every  
4 other person accountable; right?

5 MR. IMHOF: That's right.

6 VICE CHAIR GONZALES: But it's you guys that are  
7 on the hook?

8 MR. IMHOF: And they guarantee us not to lose no  
9 money.

10 VICE CHAIR GONZALES: That's right.

11 MR. IMHOF: Their guarantee is they will take all  
12 the loss.

13 VICE CHAIR GONZALES: Okay.

14 MR. IMHOF: They are going to get bonded. They've  
15 already got that approved. This has really nothing to do  
16 with anybody else but get the race dates and make a race  
17 happen.

18 VICE CHAIR GONZALES: Okay. And you know if it  
19 gets allocated today, there's no guarantee that you guys get  
20 the Race Meet application approved; right? That's just how  
21 this works. I mean, it's allocation and the bar gets  
22 raised. Okay. I just want to make sure --

23 MR. IMHOF: Right.

24 VICE CHAIR GONZALES: -- you guys know. All  
25 right, thank you.

1 MR. IMHOF: Right.

2 VICE CHAIR GONZALES: Thank you, Frank.

3 MR. IMHOF: Thank you.

4 CHAIR FERRARO: Allen Aldrich.

5 MR. ALDRICH: Allen Aldrich, Chair of the Racing  
6 Committee of the Alameda County Fair.

7 I'll go with what Frank said. We've been -- our  
8 racetrack, as Dave said, is the jewel of Northern California  
9 fair racing. And we are a turnkey operation. We're ready  
10 to go. And we would hope you would accept the dates.

11 Changing my hats to an owner for the last 45  
12 years, I've spent the last couple months traveling to  
13 Arizona. I was there last Thursday. Talked to some  
14 trainers that are here today that want Northern California  
15 racing to return. We need the fairs. We need to build our  
16 product. We need to keep these people from going to Arizona  
17 and to Washington State, So hopefully you'd accept our race  
18 date proposal.

19 CHAIR FERRARO: Thank you.

20 MR. ALDRICH: Thank you.

21 CHAIR FERRARO: Steve Wood.

22 MR. WOOD: Steve Wood, track superintendent at the  
23 fairs and other places. And the only reason I wanted to  
24 speak was to advise you what I had done at Tehama. I added  
25 82 loads of sand. We surveyed it. We graded it. It's got

1 a big, nice, long, quarter-mile chute, which it's all ready.

2 The dirt part is ready.

3 That's all I wanted to say.

4 CHAIR FERRARO: Okay. Great.

5 MR. WOOD: Thank you guys for the time.

6 CHAIR FERRARO: Thank you.

7 Rex Bohn?

8 MR. BOHN: Thanks, you guys, for being here and  
9 making me get up at three o'clock in the morning and drive  
10 down here for five hours with three people I don't like. So  
11 thanks.

12 I'm a five-term county supervisor. I'm the  
13 longest serving supervisor of the Board of Humboldt by two  
14 terms. I've been very successful there, grown up there,  
15 lived there for 71 years. Been going to the Humboldt County  
16 Fair for 63 of those because I live next door to a horse  
17 owner and his son happened to be my best friend.

18 I'm going to talk to you about economics. The  
19 State of California, the federal government are not helping  
20 rural counties with our economics. The economic hit we took  
21 last year from not having fair racing, we had a very  
22 wonderful chili cook-off with Guy Fieri, who I talked to  
23 this morning about this. He wanted to come to the meeting.  
24 He didn't know it was today. But he understands because he  
25 grew up at the fair. We're, I think, the oldest racetrack

1 in California. This is where it started.

2           And I keep hearing governing body, Scott, you guys  
3 are tired. I understand that. I'm coming off a board  
4 meeting yesterday, we get one every week, and they are  
5 tiresome because you get pulled out in every direction. But  
6 as a governing, regulating body, you need to work as much as  
7 you can with the people out here that are asking for your  
8 time and asking for your consideration to bring horse racing  
9 back that has been very, very popular in our county of  
10 Humboldt with 136,000 people, 4,400 square miles, but it is  
11 an economic boom, and our fair actually showed a tremendous  
12 loss of attendance. The Fair Board and their manager did a  
13 great job on offering other options, but we lived around  
14 horse racing.

15           It's that little high school in the town of 1,200  
16 people in Ferndale, they plan all their class reunions on  
17 fair week. That says a little bit.

18           (Timer buzzes.) So, damn, I keep thinking we have  
19 to evacuate the building.

20           But I'm just saying, when you guys consider as a  
21 Board, we have three places to race horses now. What did we  
22 have at our height? So, I mean, to manage what we have and  
23 to work with everybody -- and this is confusing, because  
24 we're trying to throw a recipe together that has never been  
25 thrown together before, but you as a regulating body and us

1 as the public wanting it to work, we should be able to do  
2 this for our public.

3           Because what happens now is you're taking more  
4 money out of rural California, basically Humboldt County,  
5 because it was budget day yesterday, and they say, we're  
6 going to pull this, we're going to pull this, we're going to  
7 pull this. Nobody's given us much of an effort, and what  
8 you've done with the fair is pulled a big -- we expect \$6  
9 million to \$8 million, what we think, just from the fair  
10 loan, but there are other turricular (phonetic), you know,  
11 on that.

12           So I appreciate your consideration. There are  
13 rules. You as a regulating body can take those rules and  
14 make them work for everybody involved. And much like my  
15 staff and the people I get to work with, they're tired, too,  
16 but we have a lot of things on the plate that we have to get  
17 done.

18           So I thank you for your time.

19           CHAIR FERRARO: Okay, very good.

20           Mandy Staley?

21           MS. STALEY: Good afternoon, Commissioners. My  
22 name is Mandy Staley and I'm with the Tehama District  
23 Fairgrounds.

24           I'm not sure if any of you all have ever been to  
25 our fairgrounds. We've had horse racing a long time ago,

1 long before I was even born, but I'm here to tell you we've  
2 worked our butt off with the help of this man right there,  
3 Mr. George Schmitt, to get our facility ready for you, and  
4 within a few weeks, we could be ready to race, and I am  
5 confident in that.

6 The majority of the events that we do at our  
7 fairgrounds are horse-related. Last weekend, I had 350  
8 horses on my fairgrounds for five days. It's not that I  
9 don't do horse events. We do over 330 events a year. So I  
10 am confident that we are more than ready to be able to hold  
11 races at our fairgrounds.

12 And I'd like to introduce to you my president of  
13 my Board as I have the full Board support in moving forward  
14 with horse racing, as well as our county supervisors.

15 MR. MULLINER: Mr. Chair, Commissioners --

16 CHAIR FERRARO: State your name. State your name,  
17 please.

18 MR. MULLINER: My name is Mark. I was getting  
19 there.

20 CHAIR FERRARO: Okay.

21 MR. MULLINER: My name is Mark Mulliner. I am the  
22 30th DAA president, Chairman of the Board, if you will. I  
23 was appointed by Governor Brown. I don't know that I've  
24 ever been re-upped since him. This isn't a highly sought-  
25 after position, these fair boards. We have nine directors,

1 and I think we've been at five for like 7 years of my 10  
2 years -- 11 years that I've been on the Board. And of my 11  
3 years, I've been the president for probably 7 of those 11.

4           You know, I just, I want to be real clear here, we  
5 want horse racing. I don't appreciate being carved out of  
6 the overall business plan and the model.

7           And I'm going to just go ahead and take a little  
8 ownership here. I'm a labor leader. I've been a labor  
9 leader for 33 years. I care about wages, benefits, and  
10 jobs. That's my number one priority for being involved with  
11 this was we are trying to grow our fair. We are trying to  
12 maintain our fair. When I got on the Board, we had 60  
13 events. We had \$1,500 in the bank.

14           We hired this young lady. This young lady came,  
15 and of the nine people on the board at that time that we had  
16 hired her, there was a little bit of a rift. She is now at  
17 330 events. We came off the watch list within her five  
18 years of being CEO. We have to hunt. We have to go out,  
19 and we have to find events.

20           What I'm asking from you is recognize that CDFA,  
21 they don't help us. They didn't call me as the fair board  
22 president and say, we have an issue with this relationship  
23 that you're trying to create with Bernal Racing. They  
24 didn't call and give us a heads up. You know what they do?  
25 They call you up and they give you their advice or their

1 opinion based on something that they just don't even have in  
2 front of them.

3           And I ask you this. If we can be part of a team  
4 as an apprentice -- I'm a building tradesman. I was taught  
5 my craft through an apprenticeship. We need these other  
6 fairs to help teach Mandy. We need George. We need all  
7 these seasoned people in this room to help us be successful.  
8 And the best time to come on board as a new fair would be  
9 with some experience. And we should be working with you  
10 guys. CDFA should be working with us. This should be, you  
11 have to do these things to make this happen. Please do  
12 these things. And we would do them.

13           But what we get is last minute, 11th hour stuff  
14 like that happened last night, and then everybody's got to  
15 react. They did a stop and desist against Fresno and the  
16 other fairs, because that's why it changed, Mr. Chaney. It  
17 changed because they did a stop and desist. You want to  
18 know why? Because I know how the state work. I know how  
19 business is. I know how commissions work. I understand a  
20 lot. And I said, let's get this voted on and approved now.  
21 And if we hadn't have done that, we would have been on that  
22 list of stop and desist, okay?

23           CHAIR FERRARO: Okay.

24           MR. MULLINER: So we had to move. We moved.

25 We're asking for support. We want to work with everybody

1 here --

2 CHAIR FERRARO: Okay.

3 MR. MULLINER: -- and we'll do whatever it takes.

4 CHAIR FERRARO: Okay.

5 MR. MULLINER: Thank you, Mr. Chair.

6 CHAIR FERRARO: All right. I understand.

7 MR. MULLINER: I know I went over my time. Thank  
8 you.

9 CHAIR FERRARO: Rosemary Barclay -- or Rozamund  
10 Barclay. I didn't get it right the first time. I didn't  
11 get it right the second time.

12 MS. BARCLAY: Rozamund Barclay again.

13 I, first of all, want to thank all of you. I know  
14 it's a tireless job. And just especially the last two  
15 years, it's been terrible for horse racing. But I do want  
16 to assure you, the north still wants an opportunity to run  
17 and we're in so much appreciation of all these fairs and  
18 people that are trying to make this work and we know it's  
19 not perfect. It's a work in progress. But anything this  
20 Board can do to help bring us back to life, I can't speak  
21 for others, my own business, I was down more than 50  
22 percent.

23 It's not about me. It's about my horses, my  
24 employees. They're all going elsewhere. And unless we do  
25 something to help the north come back, the state's the

1 loser. If we don't invest in the historic infrastructure of  
2 horse racing in the north, we're going to just continue to  
3 lose. We can't survive on the south alone.

4 Thank you for your time.

5 CHAIR FERRARO: Thank you.

6 Don Smith?

7 DR. SMITH: Hello. Back again. Mr. Elliott  
8 covered most of what I was going to speak about. I just  
9 wanted to make one or two quick points.

10 I think that the best way to safeguard and promote  
11 horse racing industry in the state is to have a broad  
12 foundation upon which to build. You know, we all heard  
13 Aesop's fable when we were young about putting all of our  
14 eggs in one basket. And unfortunately, that's the direction  
15 we're taking in this state. And the one basket is Stronach  
16 Racing. And when Stronach Racing closes Santa Anita to  
17 develop that property, which is the business model they  
18 followed and which they're pursuing, for instance, in  
19 Florida, then we're going to be left with no racing. But if  
20 we have, if we promote as many venues as we can as we go  
21 forward, then we'll be able to survive any kind of  
22 consequence that could occur then.

23 And so I think it makes racing much, much  
24 stronger, you know, to have a good solid foundation across  
25 the state to work with. And I really appreciate the fact

1 that I get the impression that the Board here is trying to  
2 figure out how to make it work, which I think is really  
3 important that we all, like everybody's saying, that we all  
4 work together for this.

5 Thank you.

6 CHAIR FERRARO: Thank you, Don.

7 Jamey Thomas? Did he leave? I don't see him.

8 Okay, Joshua [sic] Oldfield?

9 EXECUTIVE DIRECTOR CHANEY: Justin. Justin. It  
10 does kind of look, to be fair, it does look like Joshua.

11 CHAIR FERRARO: Oh, Justin? Okay.

12 EXECUTIVE DIRECTOR CHANEY: Yeah.

13 CHAIR FERRARO: All right. Sorry about that.

14 MR. OLDFIELD: No, that's okay. Justin Oldfield,  
15 owner, farm owner, breeder.

16 You know, I was going to read some prepared  
17 statements, and I don't think I'm going to do that. I think  
18 there's been a lot that's been discussed already, and I  
19 guess I just want to implore the Board outside of the  
20 context of the merits of the proposal and the context of the  
21 legalities of the proposal to really look at what's  
22 happened. And I think it's been discussed, but you know, I  
23 lay awake at night, every night, figuring out how we're  
24 going to keep our business going in Northern California. I  
25 think we're the last forum standing. Maybe, you know,

1 there's one other big one.

2 But in terms of people that largely dominated  
3 racing in Northern California, and promoted racing in  
4 Northern California, you know, I was doing our P&L last  
5 year. Our wife and I lost \$120,000 just in training,  
6 shipping, and that work on the racetrack. You know, up  
7 until 2023, we had a very good program. And last year, you  
8 know, we're now in a position of having to think about what  
9 we're going to do in the future. You know, every year,  
10 moving forward now, we have less people breeding, and that  
11 ultimately results in less weanlings, less yearlings, and  
12 less horses that we put into training.

13 And so, you know, you look at the race record down  
14 south, you know, we've obviously struggled. We've sent a  
15 lot of horses out of state, and you know, the trainers have  
16 struggled. I would highly encourage you to do your own  
17 research. You know, we had one leading trainer that largely  
18 dominated the leaderboard in Northern California. He made  
19 \$1.3 million in 2024. This last year, he made \$527,000.

20 You know, I don't know, you know, I think that the  
21 merits of this proposal, I think, largely need to be  
22 discussed. You know, further, I think there's the right  
23 people in the room here to do this today. But at the very  
24 least, something needs to happen. We need to have some  
25 investment in Northern California or we'll lose the people

1 and the infrastructure. You know, we're heading down that  
2 path. And I think it's very important that this Board, you  
3 know, look out for folks like us, as well, and so, I know  
4 you're attempting to do that today.

5 But I will just say one last thing. I think --  
6 and I don't know the legal stipulations behind this, but you  
7 know, I know there is no meeting that's been agendized for  
8 February, but perhaps maybe the Board can look at that as  
9 well.

10 So thank you.

11 CHAIR FERRARO: Thank you.

12 Gloria Haley?

13 EXECUTIVE DIRECTOR CHANEY: She isn't -- she's not  
14 feeling well.

15 CHAIR FERRARO: Johnny Taboada; is that correct?

16 Did I say that correct?

17 EXECUTIVE DIRECTOR CHANEY: Taboada, yes.

18 CHAIR FERRARO: Taboada.

19 MR. TABOADA: Hi. Good morning, Board.

20 CHAIR FERRARO: Good morning.

21 MR. TABOADA: Sorry, I'm a little shorter than  
22 Jesse. First of all, I want to thank everybody for your  
23 time.

24 And just to let you know, I'm very involved in  
25 horse racing, being a breeder and an owner with, actually,

1 the most starts in California, not too long ago, '23,' 22.  
2 But I, before I came today, I did my due diligences. I  
3 talked to every trainer. I have about five. I did also,  
4 being the end of the year, the beginning of this year, I did  
5 my finances. I'm doing my finances as well. Just about  
6 every trainer I have, they lost about 85 percent of their  
7 income. That came not only with money, but that came 85  
8 percent of their employees, and their grooms, and so forth.  
9 I sent about, let me say, about 35 horses to Southern  
10 California. Currently, I have five left in Southern  
11 California.

12           So it's not that we're not trying, it's that we  
13 cannot survive at this pace. So I'm here asking for the  
14 Board to do what's right. You know, we have three different  
15 cities now asking for the four weeks that each of the  
16 city -- each of the counties belong to. So this is Tehama,  
17 there is Alameda County, and Humboldt County. And I hear  
18 from the Board, speaking up in front of you, so you got what  
19 it takes. You got the support from the cities. You got the  
20 support from the counties. So we're asking just for what's  
21 allowed for horse racing to remain in place, or to come back  
22 to place.

23           So I know that the plan isn't perfect. I know  
24 that here, all these, that you have lawyers. But you know,  
25 in reality, the fairs were going along just well. Forget

1 about GSR, don't even talk about GSR, because it's no longer  
2 around. This is the first, the cities, that want the four  
3 weeks of phrasing. And they're allowed to do so.

4           So I'm here for, again, from the three boards,  
5 from the three cities, here in front of you, so we can get  
6 all the little details in place by the time it's needed.  
7 Whether we need to waive the 90 days, or whatever, is not a  
8 question. It just allows these people to have -- to keep  
9 the light on, remaining in Northern California. That's what  
10 I'm asking for.

11           CHAIR FERRARO: Thank you.

12           MR. TABOADA: Thank you so much.

13           MR. ELLIOTT: Chairman Ferraro, may I ask a  
14 question?

15           CHAIR FERRARO: Hold on one second. Go ahead.

16           MR. ELLIOTT: Would you entertain allowing the  
17 fair manager from the Humboldt County Fair to speak? Her  
18 name is Moira Kenny. She's right here.

19           CHAIR FERRARO: Oh, go ahead.

20           MR. ELLIOTT: Thank you.

21           MS. KENNY: Good morning. Good morning,  
22 everybody.

23           CHAIR FERRARO: Good morning.

24           MS. KENNY: Good morning members of the CHRB  
25 Board. Are you guys able to hear me? Sorry, I'm a little

1 taller there.

2 I did have a full speech prepared. I had thought  
3 we'd come up with everybody. And so I just want to thank  
4 you all for allowing me to speak today, and speak regarding  
5 the Humboldt County Fair race date allocation request. I'm  
6 here to outline the financial impacts experienced during  
7 last year's fair when live horse racing did not occur and  
8 compare those results to prior years.

9 The absence of racing resulted in significant and  
10 measurable declines across nearly all on-site revenues,  
11 excluding Junior Livestock Department-related things.  
12 Admission revenues declined by 30 percent. And that number  
13 is not capturing live race weekends that offered admissions  
14 for free. Carnival revenue was heavily impacted with on-  
15 site sales down 54 percent. And I believe that's  
16 specifically related to lack of repeat attendance from our  
17 race attendees and our sponsors. Food concessions declined  
18 25 percent. Alcohol was 65 percent down. Sponsorship  
19 donations decreased by 56 percent, which depicts a  
20 significant reduction in our community support. With the  
21 exception of the Junior Livestock Department, all remaining  
22 revenue source declined.

23 In addition to these revenue losses, over 100 jobs  
24 were not renewed last year. It was devastating to the  
25 people of our local community, as well as the people who

1 travel in. The economic impact extended well beyond the  
2 fairgrounds, affecting local businesses, lodging, providers  
3 saw significant reductions in their bookings. Government  
4 entities suffered from lack of TOT taxes and related  
5 revenues. The trickle down effect of the loss of horse  
6 racing was evident throughout the surrounding communities.

7           These figures clearly demonstrate that live horse  
8 racing is an economic driver for the Humboldt County Fair,  
9 as well as the regional economy. Restoring race dates is  
10 not simply about tradition, it's about restoring jobs,  
11 stabilizing fair operations, and supporting local businesses  
12 and public revenues.

13           And I appreciate the opportunity to speak today  
14 and hope that you will take everything that's been stated as  
15 sincerely as I can possibly ask.

16           CHAIR FERRARO: Thank you very much.

17           MS. KENNY: Thank you for your time --

18           CHAIR FERRARO: Thank you very much.

19           MS. KENNY: -- and thoughtful consideration.

20           CHAIR FERRARO: What's the pleasure of the Board?  
21 Do we have any suggestions here? Go ahead.

22           VICE CHAIR GONZALES: If I could, Mr. Chairman,  
23 thank you. Really appreciate all the attendees.

24           Just a question for Tehama. Is there a  
25 possibility, just because it just does not look, if we took

1 action, even if we did take action in March, or today, it  
2 would be cutting it really close for an April meet. Is  
3 there any way you would consider --

4 MS. STALEY: I'm not scared if you want to say yes  
5 in March.

6 VICE CHAIR GONZALES: Or we're looking at just --  
7 you know, but if we did March, because the thing is, is once  
8 we say yes to an allocation, you literally have to have the  
9 paperwork in by, was it 90 days prior to race meet? So  
10 we're really working against the clock. I guess what I'm  
11 referring to is, is there a possibility to look at later in,  
12 not April, in other words, is there a possibility to do it  
13 some other point in 2026? Because what we see here is  
14 Pleasanton and Ferndale, you know, June and kind of going  
15 into August. Is there, is it make or break? In other  
16 words, is it all or nothing? It's like April or we just  
17 have to wait until 2027 with you guys?

18 MS. STALEY: No, I'm --

19 MR. MULLINER: Yeah, it's our dates, the May  
20 dates.

21 MS. STALEY: That's when our fair is.

22 MR. MULLINER: That's when the fair is.

23 VICE CHAIR GONZALES: That's your fair. So that's  
24 what you're trying to coincide this with?

25 MS. STALEY: And we've already extended the

1 fair --

2 VICE CHAIR GONZALES: I can understand.

3 MS. STALEY: -- to cover the dates.

4 VICE CHAIR GONZALES: Okay.

5 MS. STALEY: Yes.

6 VICE CHAIR GONZALES: And is there any way that  
7 you would consider, I mean, if you wanted to do a race meet  
8 without the actual fair going on, is there any way to do  
9 that or it just wouldn't work?

10 MR. MULLINER: Well, I mean, we're the -- this is  
11 the first time. We can't -- we don't have any data. We  
12 can't tell you who's all going to be excited to show up. We  
13 know we have support of community. We know we have support  
14 of electeds. We know that people are going to show up.

15 VICE CHAIR GONZALES: Right.

16 MR. MULLINER: But the fair is a good catalyst to  
17 help make sure that our first year is successful.

18 VICE CHAIR GONZALES: Right.

19 MR. MULLINER: And we have great fair dates. Our  
20 fair dates are -- everybody really wants our dates.

21 VICE CHAIR GONZALES: Yeah, I understand. I  
22 understand.

23 MR. MULLINER: Okay.

24 VICE CHAIR GONZALES: Okay.

25 COMMISSIONER HUDNUT: Please remind us your fair

1 dates.

2 MS. STALEY: We are -- our fair actually starts on  
3 April 30th through May 3rd. But we've extended our dates to  
4 cover the four weeks that we would be racing.

5 CHAIR FERRARO: Okay, Commissioner Davis, you had  
6 a comment?

7 EXECUTIVE DIRECTOR CHANEY: Triple Crown trail, I  
8 think is what everyone's getting at.

9 CHAIR FERRARO: Go ahead.

10 COMMISSIONER DAVIS: Thank you, Mr. Chair. I  
11 didn't have any questions. You had something else you  
12 wanted to say?

13 MS. STALEY: Is there anything that I can --

14 VICE CHAIR GONZALES: No.

15 MS. STALEY: Are there any --

16 VICE CHAIR GONZALES: No.

17 MS. STALEY: What your concerns --

18 VICE CHAIR GONZALES: Well, it's just --

19 MS. STALEY: -- that I could address?

20 VICE CHAIR GONZALES: -- just --

21 MS. STALEY: Yeah.

22 VICE CHAIR GONZALES: -- it's just, I just,  
23 because we're not meeting in February unless the Board  
24 decides otherwise --

25 MR. MULLINER: Uh-huh.

1 VICE CHAIR GONZALES: -- I just think we're  
2 getting really, you know, close to --

3 MS. STALEY: Is it the grounds that you're  
4 concerned with or --

5 VICE CHAIR GONZALES: No, no, none of that.

6 MS. STALEY: Okay.

7 VICE CHAIR GONZALES: It's just more the approval  
8 process.

9 MS. STALEY: Okay.

10 VICE CHAIR GONZALES: Like, if we weren't to act  
11 today, but we were to act in March, March, you know, it's  
12 just not going to provide enough time.

13 So, I mean, I'm going to tell you this, I'm  
14 supportive and I like the idea of racing, not just at your  
15 fairgrounds, but any other future sites. It's just what  
16 we're dealing with here is a calendar with potentially no  
17 February meeting.

18 MR. MULLINER: With all due respect, would it be  
19 acceptable to put a caveat on the approval of the dates that  
20 we have to have -- we have to be ready, track inspected? I  
21 read the report from your staff. The staff did an amazing  
22 job of listing every potential issue that could happen. I  
23 mean, why not approve the dates, give us an opportunity, you  
24 know, 30 days before? I mean, why not help us get there?

25 VICE CHAIR GONZALES: Understood. Okay.

1 MR. MULLINER: Thank you.

2 VICE CHAIR GONZALES: My other question just  
3 finally is this, is you've been working through Bernal.  
4 Going forward, it is going to be imperative that you work  
5 directly with the CHRB. I mean, that is just -- and that  
6 will be an expense and an investment. Because I think what  
7 Mr. Chaney and his team are wanting is to deal directly with  
8 the licensee. You know, whoever's going to provide support,  
9 they've got to deal with the actual fair, you know, the fair  
10 CEOs and managers. You're going to be okay with that going  
11 forward; right?

12 MR. MULLINER: Yeah.

13 VICE CHAIR GONZALES: Okay.

14 MR. MULLINER: Oh, yeah. I mean, we were brought  
15 to the dance because of Bernal --

16 VICE CHAIR GONZALES: Understood.

17 MR. MULLINER: -- and so we're learning the  
18 process as we go, and we're learning a lot. This is a  
19 college education that you're providing us here today. But  
20 what we recognize is hard work and determination can  
21 overcome anything. And that's --

22 VICE CHAIR GONZALES: Understood.

23 MR. MULLINER: -- who we are. We're rural  
24 America. We are used to that.

25 CHAIR FERRARO: Okay.

1 VICE CHAIR GONZALES: Understood. Thank you both.

2 CHAIR FERRARO: Thank you.

3 VICE CHAIR GONZALES: Thank you both.

4 COMMISSIONER DAVIS: Okay.

5 COMMISSIONER CASTELLANOS: Chairman --

6 CHAIR FERRARO: Mr. Chaney, can we legally -- I  
7 mean, given there's no approval by CDFA and some of the  
8 other legal issues, our staff --

9 EXECUTIVE DIRECTOR CHANEY: I can't, frankly, Mr.  
10 Chairman, I can't even believe the Board would consider  
11 allocating fair dates today. It's still --

12 MR. MULLINER: Come on.

13 EXECUTIVE DIRECTOR CHANEY: I've gotten three or  
14 four emails throughout the course of the meeting from my  
15 attorneys that the legal structure is not clear, the MOUs  
16 that they have in place. I mean, what I can say is we  
17 are -- the staff is not in a position to recommend. I don't  
18 know what the plan is. This is not a way in which a  
19 regulatory body should act. I mean, I understand it's not a  
20 popular --

21 COMMISSIONER DAVIS: Yeah.

22 EXECUTIVE DIRECTOR CHANEY: -- opinion, but --

23 VICE CHAIR GONZALES: Well, Scott, would you  
24 consider --

25 EXECUTIVE DIRECTOR CHANEY: -- we have been put in

1 this position. We have not --

2 COMMISSIONER DAVIS: Yeah.

3 EXECUTIVE DIRECTOR CHANEY: -- created this  
4 position.

5 MR. ELLIOTT: Chairman Ferraro, may I just  
6 interject one thing, please?

7 COMMISSIONER HUDNUT: No, no, let us finish.

8 COMMISSIONER DAVIS: All right.

9 CHAIR FERRARO: Sit down.

10 COMMISSIONER DAVIS: No.

11 CHAIR FERRARO: Sit down.

12 COMMISSIONER DAVIS: Would it be possible and  
13 acceptable to have a February meeting to consider --

14 COMMISSIONER HUDNUT: That's exactly what I was  
15 going to ask.

16 VICE CHAIR GONZALES: Same here.

17 COMMISSIONER CASTELLANOS: Yeah.

18 CHAIR FERRARO: Damascus?

19 EXECUTIVE DIRECTOR CHANEY: You guys can do what  
20 you want. You're the Board.

21 CHAIR FERRARO: Well --

22 EXECUTIVE DIRECTOR CHANEY: We're at the 11th  
23 hour. I personally think it's a mistake, but I work for the  
24 six of you here.

25 COMMISSIONER CASTELLANOS: Yeah, I think, I

1 support the motion.

2 CHAIR FERRARO: Okay, well, the Chairman makes a  
3 motion that we table this discussion. We have a February  
4 meeting, at which time we will make some sort of decision.  
5 That will give us time to -- my concern is what we're doing  
6 is violating certain laws, and the Board can't act that way.  
7 We have to actually know. So I would move that we hold a  
8 February meeting and have a single discussion at that  
9 meeting over this.

10 COMMISSIONER STERN: I second that motion.

11 CHAIR FERRARO: Commissioner Hudnut?

12 COMMISSIONER HUDNUT: Yes.

13 CHAIR FERRARO: Commissioner Castellanos?

14 COMMISSIONER CASTELLANOS: Before I answer, I  
15 would suggest that those fairs that want to do a meet, a  
16 horse racing meet, you need to step up, take care of your  
17 own. The mess is coming from Bernal and the group that is  
18 causing the mess and the confusion. So those fairs that  
19 want to run, step up and start taking leadership and do your  
20 own paperwork, take care of your own plan and present it. I  
21 believe that's just one piece. It's not everything, but  
22 it's one piece.

23 And we all need to remember that what happened  
24 here after Golden State Racing went away is that all the  
25 fairs just stopped doing what they were doing. That's what

1 happened. The engine just stopped. So it's a combination  
2 of a lot of things.

3 But I vote yes, let's meet in February and discuss  
4 it, but I think the fairs really need to step up, take care  
5 of their own paperwork, such as Oscar spoke about.

6 VICE CHAIR GONZALES: Thank you, Damascus. And I  
7 also think the February meeting allows for Commissioner  
8 Alfieri to be here as well.

9 I will also add that when we meet in February, we  
10 just have to be -- if we're going to consider Tehama,  
11 there's going to have to be consideration for a possible  
12 one-time waiver with that 90-day rule, which I know we have  
13 the ability to do. So I just want to make sure that as we  
14 say a February meeting, the minute Tehama walks out, they're  
15 going to say, well, we don't fit that criteria. I think we  
16 should keep that open.

17 In other words, yes to the February meeting, but  
18 keeping all three fair options open with the caveats that  
19 Commissioner Castellanos indicated. So yes on the February  
20 meeting, Mr. Chairman.

21 CHAIR FERRARO: Commissioner Stern?

22 COMMISSIONER STERN: Yes.

23 CHAIR FERRARO: Commissioner Davis?

24 COMMISSIONER DAVIS: Yes.

25 CHAIR FERRARO: The Chairman votes yes. It's my

1 motion, I guess I have to vote yes.

2           Okay, I would tell the three counties, get your  
3 paperwork together, get your plan together, get your  
4 finances together, make everything very clear. We're going  
5 to check on the legality, as I'm not violating some kind of  
6 law. And we'll do the best we can. It will be a single  
7 subject meeting in February and we'll see what we can do.

8           We're trying to be fair to you all, I hope you  
9 understand that. But, you know, you realize that failure is  
10 not an option. If you fail, you could bring the whole state  
11 of California racing to an end. So we can't afford failure,  
12 it has to be successful.

13           MR. DICKENS: Mr. Chairman, will there be a  
14 checklist coming from staff for all the fairs for that?

15           CHAIR FERRARO: I would -- it probably be best if  
16 you sent an email to the Board asking for what's required,  
17 and they'll send it to you.

18           MR. DICKENS: This is just so everybody's on the  
19 same page.

20           CHAIR FERRARO: Yes. Right.

21           MR. DICKENS: Thank you, sir.

22           VICE CHAIR GONZALES: Okay.

23           CHAIR FERRARO: All right. Thank you all.

24           VICE CHAIR GONZALES: Get to work, everyone.

25           CHAIR FERRARO: Move on to number seven,

1 discussion of future challenges. We just did. So --

2 COMMISSIONER CASTELLANOS: I move we skip number  
3 seven.

4 CHAIR FERRARO: Let's go on --

5 VICE CHAIR GONZALES: Yeah. Yeah, like he said.

6 CHAIR FERRARO: -- to Executive Report.

7 EXECUTIVE DIRECTOR CHANEY: Okay.

8 COMMISSIONER CASTELLANOS: So you guys don't want  
9 to hear the report?

10 EXECUTIVE DIRECTOR CHANEY: Is it something I  
11 said?

12 Hey folks, if you're going to mill about, just get  
13 out of the room, please, with all due respect. Sure.

14 Thank you, Mr. Chairman and good morning,  
15 Commissioners. I will begin with the handle report. For  
16 the month of December, day racing was down 24 percent, night  
17 racing was down 17 percent, and total handle was up 23  
18 percent as compared to December 2024. To be fair, this was  
19 almost entirely due to the fact that the entire first  
20 weekend of racing was canceled due to rains in Southern  
21 California.

22 Interestingly, for calendar year 2025, the entire  
23 calendar year, day racing was down seven percent, night  
24 racing was actually up six percent, and total handle is down  
25 five percent compared to total handle for calendar year

1 2024.

2           While there are many ways to interpret handle,  
3 only being off five percent when compared to a year that  
4 included an entire Northern California circuit at the very  
5 least demonstrates resilience on the part of horse racing in  
6 our state.

7           Next, I want to report to the Board that I  
8 attended the 51st Annual Global Racing Symposium put on by  
9 the University of Arizona Race Track Industry Program.  
10 Additionally, ARCI held a Board meeting and model rule  
11 meetings, which obviously I attend. California sits on the  
12 executive Board of ARCI.

13           In addition to meeting with HISA and HIWU  
14 representatives, I was able to attend many interesting  
15 panels and discussions. Topics ranged from CAW wagering to  
16 a Hall of Fame jockey panel, social media in racing, mental  
17 wellness in racing, as well as the U of A capstone projects  
18 and mentoring lunch.

19           Just a note on deadlines, although a lot of the  
20 stakeholders have already left and organization, as everyone  
21 knows, the CHRB has planned a meeting every other month this  
22 year, save for next month. We have also spent the last five  
23 years requiring completed applications, streamlining Board  
24 meetings, and generally trying to foster a more  
25 professional, efficient environment.

1 Prior to this Board meeting, and it was, I'm not  
2 talking about number six, there are several agenda items, we  
3 received some late requests and documents on a few different  
4 topics. I want to give everyone fair warning that late  
5 submissions and requests will not be entertained going  
6 forward, so I implore folks to follow the due dates on our  
7 website.

8 And that, Mr. Chairman, is my report.

9 CHAIR FERRARO: Thank you very much.

10 Mr. Blea, Dr. Blea?

11 DR. BLEA: Good morning, Chairman Ferraro, Vice  
12 Chairman Gonzales, Commissioners, and Executive Director,  
13 Mr. Scott Chaney.

14 I'm going to give -- start with a update on New  
15 World screwworm. The United States remains New World's --

16 CHAIR FERRARO: Compared to Old World screwworm?

17 DR. BLEA: Well, I don't think we want to meet  
18 either one of the screw worms, new or old. That being said,  
19 the United States remains New World's screwworm free, and we  
20 are hoping that that designation continues.

21 I'm currently a member of a task force that is  
22 focused on addressing New World screwworm preparedness from  
23 the horse industry perspective, with participants discussing  
24 USDA's recently released New World screwworm response  
25 playbook. The group, representing various sectors of the

1 equine industry, was established to serve as a point of  
2 contact for equine veterinarians, horse owners, and  
3 governmental agencies should this parasite enter the United  
4 States.

5           Next, I'll move on to the Sleip update. We  
6 recently began integrating the Sleip app in some of our  
7 regulatory examinations. As you recall, Sleip is an AI-  
8 powered app that measures gait asymmetry with a smartphone  
9 or tablet to objectively provide data while assessing a  
10 horse's gait at the trot. There is somewhat of a learning  
11 curve, as with any new technology. However, I'm excited  
12 about the possibilities that this tool may provide to not  
13 only regulatory veterinarians, but practicing veterinarians,  
14 as well as horsemen and horsewomen.

15           Regarding fatalities, in November, there were four  
16 musculo fatalities in racing, three musculo fatalities in  
17 training, one gastrointestinal fatality, and one fatality in  
18 a pony horse related to monensin. Monensin is an ionophore  
19 which is used in poultry feed as an anti-parasitic, and in  
20 cattle feed to improve feed efficiency. Unfortunately, this  
21 product is very toxic to horses, causing severe muscular and  
22 cardiac lesions. Needless to say, it is critically  
23 important for horsemen to remember and remind them to feed  
24 horses grain that is specifically manufactured and milled  
25 specifically for horses alone.

1           In the month of December, there was one  
2 musculoskeletal fatality in racing. Two fatalities occurred  
3 in training as a result of accidents involving loose horses  
4 on the track. An additional horse succumbed to colitis, a  
5 gastrointestinal condition.

6           Regarding the Maddy Lab, in CHRB testing at the  
7 Maddy Lab in November, 103 paired blood and urine samples, 5  
8 blood-only samples, and 2 hair samples underwent routine  
9 post-race testing. Moreover, 137 post-race samples  
10 underwent supplementary analysis for anabolic steroids, EPO,  
11 or cobalt. Five out-of-competition blood, hair, or urine  
12 samples were submitted for routine testing, including EPO.  
13 Three official work or vet list work bloods were also  
14 tested. There were no analytical, adverse analytical  
15 findings in November in all CHRB testing.

16           In December at the Maddy Lab for CHRB, 120 paired  
17 blood and urine samples, 3 blood-only samples, and 2 hair  
18 samples underwent routine post-race testing. Moreover, 210  
19 post-race samples underwent supplementary analysis for  
20 anabolic steroids, EPO, or cobalt. Seven out-of-competition  
21 blood, hair, or urine samples were also submitted for  
22 routine testing, including EPO. Four official vet list work  
23 bloods were also tested. Again, there were no adverse  
24 analytical findings in the month of December for CHRB  
25 testing.

1           Just to reiterate the comments made from Los  
2 Alamitos, that working group spent a lot of time trying to  
3 improve that culture down at Los Alamitos. I will tell you,  
4 California is leading the way regarding Quarter Horse and  
5 Quarter Horse culture. We were given a blank canvas, and I  
6 think what was presented earlier today is a step in the  
7 right direction in not only changing the culture in Quarter  
8 Horse racing, but improving horse welfare and protecting  
9 horses.

10           So I was pretty happy with the compliance of  
11 management there. I pushed pretty hard for horse welfare  
12 and safety, and they were very accommodating. So it's a  
13 start. I think that will make great strides in improving  
14 welfare in the Quarter Horse population. I implore the  
15 other jurisdictions around the country, especially in the  
16 southwest, to follow California's leads regarding the  
17 Quarter Horse racing changes that we're about to make.

18           This concludes my report, and I'm happy to answer  
19 any questions.

20           CHAIR FERRARO: Any questions from the Board? No?

21           Thank you, Jeff.

22           No public comments?

23           We have to go into closed session, so I'll have to  
24 ask you all to leave the room. Not that we don't like you,  
25 but --

1 (The Board convened closed session from 11:52 a.m.  
2 until 11:59 a.m.)

3 CHAIR FERRARO: Can I entertain a motion to  
4 adjourn, please?

5 COMMISSIONER CASTELLANOS: Castellanos. Motion.

6 COMMISSIONER HUDNUT: Hudnut. Second.

7 CHAIR FERRARO: Commissioner Stern?

8 COMMISSIONER STERN: Yes.

9 CHAIR FERRARO: Commissioner Davis?

10 COMMISSIONER DAVIS: Yes.

11 CHAIR FERRARO: Commissioner Castellanos?

12 COMMISSIONER CASTELLANOS: Yes.

13 CHAIR FERRARO: Commissioner Gonzales?

14 VICE CHAIR GONZALES: Yes.

15 CHAIR FERRARO: Commissioner Hudnut?

16 COMMISSIONER HUDNUT: Yes.

17 CHAIR FERRARO: The Chairman votes yes. Thank you  
18 all very much.

19 (The Board adjourned at 11:59 a.m.)  
20  
21  
22  
23  
24  
25

## CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of January, 2026.



MARTHA L. NELSON, CERT\*\*367

## CERTIFICATE OF TRANSCRIBER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



MARTHA L. NELSON, CERT\*\*367

January 28, 2026