

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

CANNABIS CONTROL APPEALS PANEL

400 R STREET

HEARING ROOM 330

SACRAMENTO, CALIFORNIA

WEDNESDAY, NOVEMBER 19, 2025

9:30 A.M.

Reported by:

Christopher Caplan

APPEARANCES

BOARD MEMBERS

Oscar Gonzales, Vice Chair

Damascus Castellanos, Commissioner

Dennis Alfieri, Commissioner

Brenda Washington Davis, Commissioner

Thomas Hudnut, Commissioner

Peter Stern, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Deputy Executive Director

Jeff Blea, Equine Medical Director

Rita Baker, Executive Assistant

ALSO PRESENT

Eric Sindler, Counsel, Monarch Content Management, LLC

Nate Newby, Senior Vice President and Assistant General
Manager, Stronach Group LLC

Bill Nader, President and CEO, Thoroughbred Owners of
California

Orlando Gutierrez, Director of Publicity and
Marketing, Los Alamitos Racing Association

Cathy Allred, Secretary, Los Alamitos Racing Association

Dino Perez, Pacific Coast Quarter Horse Racing Association

Cade Leatherman, General Manager, Oaks Local Craft Kitchen &
Bar

Ty Leatherman, Advisor, Oaks Local Craft Kitchen & Bar

APPEARANCES

ALSO PRESENT (cont'd)

Rick Baedeker, General Manager, California Off-Track
Wagering

Doug Burge, President, California Thoroughbred Breeders
Association

Ed Cummins, President, Watch & Wager

Christopher Schick, General Manager, Watch & Wager

PUBLIC COMMENT

David Elliott, CEO, Bernal Park Racing

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| | A. The Board may convene a Closed Session to
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- 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).

Adjournment

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P R O C E E D I N G S

9:30 A.M.

WEDNESDAY, NOVEMBER 19, 2025

VICE CHAIR GONZALES: Good morning. It's 9:30 Wednesday here in November. This is a regularly noticed meeting of the California Horse Racing Board on Wednesday, November 19th, 2025 at the Cannabis Control Appeals Panel.

Present at today's meeting are myself, Oscar Gonzalez, Vice Chair. Also, we have Commissioner Dennis Alfieri, Commissioner Brenda Davis, Commissioner Damascus Castellanos, Commissioner Tom Hudnut, Commissioner Peter Stern. So welcome to all of you. We also have Executive Director Scott Chaney, along with several members of his staff. Chairman Gregory Ferraro was unable to attend this month.

Before we go into the business of the meeting, I need to make a few comments. The Board invites public comment on the matters appearing on the meeting agenda. Procedurally, the Board will first hear from those directly involved in the agenda item. I will then invite public comment on the agenda item. The Board will not answer questions. This item is for comment, not questions.

Unsolicited speakers are limited to two minutes. During all public comments, a tone will sound to indicate

1 the speaker's time is up. The Board may ask questions of
2 individuals who speak, which may extend their two-minute
3 time limit.

4 There are public comment sign-in sheets located at
5 the designated table for each agenda item on which the Board
6 invites comments. There's also a sign-in sheet for those
7 wishing to speak during the public comment period for
8 matters not on the Board's agenda, if it concerns horse
9 racing in California. Please print your name legibly on all
10 sign-in sheets.

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

17 I will insist that all speakers stay strictly on
18 topic for each agenda item. If a speaker strays off topic,
19 I will ask to move to the next speaker. If a speaker
20 repeats himself or herself, I will ask if the speaker has
21 any new comments to make. If there are none, the speaker
22 will be asked to let others make comments to the Board.

23 If anyone has comments of a more general nature
24 that are not specific to earlier agenda items, those
25 comments must wait until agenda item number five during

1 public comment period. There will be a 30-minute time limit
2 for a public comment period. In order to allow as many
3 individuals to speak as possible within that half an hour, I
4 will strictly enforce the two minute time limit for each
5 unsolicited speaker.

6 With that, we will begin today's meeting starting
7 off with the agenda item number one, approval of the minutes
8 from October 8th, 2025.

9 EXECUTIVE DIRECTOR CHANEY: And just a reminder
10 that the four Board members that were there were Vice
11 Chairman Gonzales and Commissioners Alfieri, Washington
12 Davis, and Stern.

13 VICE CHAIR GONZALES: So I will move to approve
14 the minutes as submitted to us.

15 COMMISSIONER STERN: Stern. Second.

16 VICE CHAIR GONZALES: Okay. Great.

17 Commissioner Stern, how do you vote?

18 COMMISSIONER STERN: Yes.

19 VICE CHAIR GONZALES: And these are just the
20 people who attended; right? Okay.

21 That's Commissioner Davis?

22 COMMISSIONER DAVIS: Yes.

23 VICE CHAIR GONZALES: Okay. Great.

24 COMMISSIONER DAVIS: Yes.

25 VICE CHAIR GONZALES: I'm going to vote yes. And

1 who was up for it?

2 EXECUTIVE DIRECTOR CHANEY: Alfieri.

3 COMMISSIONER ALFIERI: Yes.

4 VICE CHAIR GONZALES: Alfieri?

5 COMMISSIONER ALFIERI: Yes.

6 THE COURT: Great. Okay, a four-zero vote there
7 on the minutes. And thank you very much.

8 Item number two, and action by the Board on the
9 Application for License to Conduct a Horse Racing Meeting of
10 the Los Angeles Turf Club at Santa Anita Park, commencing
11 December 17, 2025, through June 16, 2026.

12 We have before us Eric and Nate from 1/ST Racing.
13 Gentleman?

14 MR. SINDLER: Yes. Good morning. Eric Sindler.

15 As submitted, we have applied to conduct a race
16 meeting on December 17th through June 16th. As is noted in
17 the Board materials, all materials have been submitted.

18 One correction, though, just for record keeping,
19 Exhibit 3-D2 was inadvertently submitted. That was actually
20 for last year's recently concluded fall meet. Those two
21 stakes are fall meet stakes, not spring winter meet stakes.
22 So please just disregard exhibit 3D2. And we apologize for
23 accidentally including a fall meet exhibit instead of a
24 winter-spring meet exhibit.

25 VICE CHAIR GONZALES: Great.

1 Nate, do you have anything to share?

2 MR. NEWBY: Yeah. Nate Newby, Santa Anita. Good
3 morning. We're very much looking forward to kicking the
4 season off. Obviously, opening day on 12/26 is our
5 traditional big opener. Last year on opening day, we had
6 over 41,000 in attendance with all-source handle of \$21.4
7 million. So it was actually our largest opening day crowd
8 in eight years. And we're really looking forward to this
9 year. Opening day falls on a Friday this year, so that's
10 typically a really strong opener. And, of course, we're
11 giving away their traditional wall calendar and all the
12 festivities that come with the opening day tradition.

13 Highlights of the meet, a 78-day meet. We're
14 happy to report overnight purses are going to be increased
15 by five percent. So purses continue to rise basically every
16 meet over the last two years, 81 stakes races worth \$11.775
17 million in purses, and that includes 14 Cal-bred stakes. So
18 good news there. We added back two stakes that were on
19 hiatus last year, the Providencia and the Astra. So those
20 are back after a one-year hiatus.

21 And I'm looking forward to a strong season and
22 happy to answer any questions.

23 VICE CHAIR GONZALES: Thank you.

24 Any questions from the Board? Do you have
25 anything, Scott?

1 EXECUTIVE DIRECTOR CHANEY: Yeah, just one.
2 You'll be taking a dark week mid-meet at some
3 point?

4 MR. NEWBY: Yeah, the week after Santa Anita
5 Derby, which is --

6 MR. SINDLER: Yeah, it's noted on the Board
7 materials.

8 EXECUTIVE DIRECTOR CHANEY: Okay.

9 MR. SINDLER: We won't be running on April 10, 11,
10 or 12.

11 EXECUTIVE DIRECTOR CHANEY: Okay.

12 MR. SINDLER: The gray box is in April on the
13 Board materials.

14 MR. NEWBY: And that's the traditional week.
15 We'll do the turf course maintenance that week to get us
16 ready for the spring. And one note on the turf course, if
17 you haven't been to Santa Anita in the last couple of days,
18 we had five inches of rain in this last storm. And we were
19 out going around the property yesterday. The turf course
20 looks absolutely amazing. People are asking if we painted
21 it. So we're in good shape there. I was very happy with
22 that rain.

23 VICE CHAIR GONZALES: Thank you for that. I have
24 two quick questions, one related to Santa Anita Derby in the
25 last conversation we had during the summer meeting of the

1 CHRB.

2 But before I ask that question, one is related to
3 computer-assisted wagering. And I know there's been some
4 adjustments at Del Mar and, I believe, at the more recent
5 meet. But there's been some discussion about, or at least
6 some information that's being shared about a possible new
7 approach that Santa Anita might be having to the CAW. Is
8 there anything that you want to share as it relates to
9 cutoff time?

10 MR. SINDLER: At Santa Anita, we always look to
11 improve the customer wagering experience but no decisions
12 have been made at this time.

13 VICE CHAIR GONZALES: Okay. Thank you.

14 As it relates to Santa Anita, the Derby itself,
15 the discussion we had during the summertime was of the
16 Churchill Downs point system related to the Derby and how,
17 if there's five entrants or less in the Santa Anita Derby,
18 you only get a percentage of the points, which, as we
19 mentioned at that conversation, Baeza (phonetic) almost did
20 not make the big race there in Kentucky.

21 As I looked at your application, I did not notice
22 a purse increase for the Santa Anita Derby, nor did I see
23 anything new or different in the area of creativity. You're
24 really trying to make it so that if you have a Derby
25 prospect, you see that Southern California is where you want

1 to be.

2 So Nate, is there anything you would like to
3 share? I think that what you and Jason, your racing
4 secretary, shared was very honest, was very candid, and was
5 very open. But what we also saw not that long ago at Del
6 Mar is the Bob Hope Stakes, which is, also, is a prep for
7 some of the big three-year-old races coming up. And I think
8 any horsemen or horsewomen need to be concerned about an
9 important race like that getting pulled down. So Nate, what
10 was your take? And then what more can be done to keep
11 horses engaged and excited about the Santa Anita Derby?

12 MR. NEWBY: Sure. Yeah, so there was a lot of
13 discussion about that. And, you know, just looking at the
14 stakes calendar, I know there was some that were questioning
15 if we should trim back some of the three-year-old races just
16 because of field size. And that's something we believe we
17 should not do, hold the calendar together. You know, even
18 though some of the purse levels aren't as strong, we're
19 still able to put together really quality fields that have
20 went on. And obviously, the two examples this year with
21 Journalism and Baeza that did well in the Triple Crown and
22 continued into Breeders' Cup.

23 You know, I think the Santa Anita Derby purse is
24 still something we would like to get up there working with
25 our partners at TOC. We wanted to add back the two stakes

1 that we did this year as a first priority. We're still
2 overpaid, as you probably know, in the purse account. But
3 we made quite a bit of progress this last year. And so as a
4 first priority, just giving those two additional
5 opportunities, stakes opportunities, back to the horsemen
6 was important. But I think long term, you know, increasing
7 the Santa Anita Derby purse and continuing to -- I shouldn't
8 say the pie profile because our horses do so well in the
9 Triple Crown --

10 VICE CHAIR GONZALES: Yeah.

11 MR. NEWBY: -- but just making sure that the purse
12 backs that up is a priority for us as soon as we're able to.

13 VICE CHAIR GONZALES: Thank you. Well, I think
14 there's still time, you know, to do some creative things. I
15 would really encourage you and your team to really think
16 through, I know, the numbers we're looking at. You know, so
17 if, you know, after further discussion, if there's a
18 reaction to it just being at \$500,000 in years past,
19 \$750,000, wasn't it up to \$1 million at one point in some
20 year?

21 MR. NEWBY: It was, yeah. I'd like to get it back
22 there.

23 VICE CHAIR GONZALES: It would be great to get
24 back there.

25 I know we have Bill. You know, Bill, I don't know

1 if you have any thoughts on either the Bob Hope Stakes being
2 pulled down, Santa Anita Derby, you know, what we've got to
3 do to really keep what are just some real important elements
4 of our great program together.

5 But, yeah, we have Bill Nader from the TOC up at
6 the podium here.

7 MR. NADER: Thank you, Mr. Vice Chairman.

8 I think first on the Bob Hope, unfortunately, it
9 drew only two entries when it was initially scheduled to be
10 run. Del Mar did bring it back a second time, and it only
11 got three entries. So it's something not only in
12 California, but I think in a lot of the two-year-old stakes,
13 the numbers have been down in 2025. But it's something I
14 think we have to address and the industry at large needs to
15 address.

16 With respect to the Santa Anita Derby, Churchill
17 did not change its methodology in terms of points. I agree
18 with you. Baeza, it would have been a travesty if he wasn't
19 allowed to run in the Kentucky Derby 2025. But when we
20 looked at it, along with Santa Anita, when I say we, I mean
21 the TOC, for this upcoming '25-26 Classic Meet and the
22 Hollywood Meet, trying to use our resources, and something I
23 keep saying, and you hear it from me all the time, more
24 efficiently and wisely, we looked this year and just didn't
25 think we had enough to really increase any of the stakes.

1 You remember a couple years ago, we cut the purse
2 levels of the Santa Anita Derby, the Santa Anita Oaks, and
3 the Santa Anita Handicap. And in that, we were trying to
4 protect the overnight races, the bread and butter races.

5 VICE CHAIR GONZALES: Mm-hmm.

6 MR. NADER: And we have a sense of loyalty to
7 those people, obviously. On the other hand, for our brand,
8 we would like to also elevate the Santa Anita Derby to a
9 much higher purse, especially when you compare to other
10 three-year-old races across the country, which is your
11 point.

12 But in weighing that again this year, we thought
13 it was best that we just didn't have enough. Even though
14 we've consolidated into the single circuit and we've reduced
15 the overpayment, we're not at a point where we have the
16 luxury of increasing the upper tier races, the upper tier
17 races being the graded stakes, but to again focus our
18 resources into more the bread and butter races or the
19 overnight races.

20 And even there, we targeted over 90 percent of the
21 money into two categories, maiden special weight and
22 allowance races. And the maiden special weight races, this
23 in the Classic Meet at Santa Anita, will be at the highest
24 level that they've been maybe in history, really, \$70,000
25 per race. Last year we started out at \$60,000. We were

1 able to increase on February 28th for the last five weeks to
2 \$65,000, and this year to \$70,000. Now, why that's
3 important to us -- and the allowance race, by the way, is
4 also going to be the one other than condition will be
5 \$70,000.

6 And why we thought that would be the better way to
7 go is half of those races are for Cal-breds and half are for
8 open company. And so there's a lot of upside to the people
9 who have stuck by California and supported our program, not
10 only at Santa Anita but also at Del Mar and Los Alamitos, to
11 give those people the benefit of the upside that we have.
12 And it was -- so it was more about taking care of the core
13 and recognizing that at this point in time, we don't have
14 enough resources to really do both, so we had to make a
15 tough decision.

16 Now with that, the recent news in the Cal-bred
17 program, I think there's a renewed sense of optimism because
18 now, these main races will be \$70,000. You know, Cal-breds
19 represent half of those races. Same with the 1X allowance
20 race, so that's great news for them. Also, as we reported
21 earlier, beginning on December 26th, the Cal-bred Maiden
22 Bonus gets a nice increase at Santa Anita of 25 percent,
23 from \$10,000 to \$12,500. And then the recent news in the
24 last couple of weeks, Rancho San Miguel bringing in two new
25 stallions from Kentucky "Collected" and "Eight Rings."

1 So things are looking pretty good on the Cal-bred
2 side over the last several weeks. And the actions that
3 we've taken, I think, are more responsible. And I share,
4 you know, your viewpoint that in a perfect world, we could
5 do both. But we had to make the tough choice.

6 VICE CHAIR GONZALES: Understood. Thank you for
7 that, Bill. Appreciate it.

8 Any comments or reaction from the Board on this
9 matter here? A lot of good stuff has been shared.

10 Okay, thank you, Bill. No other questions.

11 Do we have any public comment period on agenda
12 item number two? Okay, thank you, Rita, no comments.

13 Is there a motion to approve agenda item number
14 two as submitted?

15 COMMISSIONER ALFIERI: I'll make a motion.

16 COMMISSIONER HUDNUT: I second.

17 VICE CHAIR GONZALES: Okay, that's Commissioner
18 Alfieri with the motion, seconded by Commissioner Hudnut.

19 Commissioner Stern, how do you vote?

20 COMMISSIONER STERN: Yes.

21 VICE CHAIR GONZALES: Commissioner Davis?

22 COMMISSIONER DAVIS: Yes.

23 VICE CHAIR GONZALES: Thank you.

24 Commissioner Alfieri?

25 COMMISSIONER ALFIERI: Yes.

1 VICE CHAIR GONZALES: Commissioner Castellanos?

2 COMMISSIONER CASTELLANOS: Yes.

3 VICE CHAIR GONZALES: Commissioner Hudnut?

4 COMMISSIONER HUDNUT: Yes.

5 VICE CHAIR GONZALES: And Vice Chair Gonzales
6 votes yes.

7 So thank you. Have a great meet.

8 MR. NEWBY: Thank you very much.

9 VICE CHAIR GONZALES: Sure thing.

10 Agenda item, excuse me, number three, discussion
11 and action by the Board on the Application for License to
12 Conduct a Horse Racing Meeting of the Los Alamitos Quarter
13 Horse Racing Association at the Los Alamitos Race Course,
14 commencing December 24, 2025, through December 22, 2026.

15 We have presenting Cathy Allred from Los Al. We
16 have Orlando. And we also have -- well, John is not here,
17 so we have -- okay, we've got who we need.

18 Can you give me your name again, sir?

19 MR. PEREZ: Dino Perez.

20 MR. PEREZ: Dino, that's right, Dino from Los Al
21 sitting in for John. Okay, thank you.

22 Cathy, do you want to start off with you or
23 Orlando?

24 MS. ALLRED: Orlando.

25 VICE CHAIR GONZALES: Okay, Orlando, please.

1 MR. GUTIERREZ: Good morning, Commissioners of the
2 California Horse Racing Board, Vice Chairman Gonzales,
3 Executive Director Chaney. My name is Orlando Gutierrez,
4 Marketing Director at Los Alamitos Race Course, joined here
5 by Cathy Allred, the President of Los Alamitos Race Course,
6 and Dino Perez, the Business Manager of the Pacific Coast
7 Quarter Horse Racing Association.

8 We are here to request approval of racing dates
9 for the Los Alamitos Quarter Horse Racing Association meet
10 beginning on Saturday, December 27th of this year to Sunday,
11 December 20th of 2026. Los Alamitos staff has submitted a
12 complete racing application and just wanted to share a few
13 highlights for our year-long meet.

14 Our racing schedule remains consistent with past
15 years. We'll be racing Saturday and Sunday evenings.
16 Highlights for the meeting include a nation's best 14 Grade
17 1 Quarter Horse stakes races led by a strong winter program
18 kicking off the year that features the grade one Brad
19 McKenzie Los Alamitos Winter Championship. Earlier this
20 year, the AQHA Stakes Grading Committee voted to give a
21 higher grade to six stakes races at Los Alamitos for 2026,
22 now giving us a total of 35 graded Quarter Horse stakes
23 races, the most for any Quarter Horse track in the country.
24 We also do not have a single stakes race downgraded for
25 2026.

1 During the spring, we host one of our richest
2 races of the year, the PCQHRA's Ed Burke Million Futurity.
3 That race always features the million-dollar purse, and
4 we're looking forward to having another tremendous futurity
5 to kick off the spring part of the year.

6 In the summer, the PCQHRA's California Breeders
7 Champions Night will return in late July and is the marquee
8 event for California Breeds. We are very proud of this
9 night as it truly showcases California's outstanding
10 breeding program with races for every major division.
11 Several young stallions have been introduced to the
12 California breeding industry over the last few years. So we
13 are very excited and hopeful for the future of the breed in
14 our state.

15 Dr. Allred, the owner of Los Alamitos Race Course,
16 continues to invest resources to make sure that his track
17 has the nation's strongest and most versatile stakes program
18 for Quarter Horse fillies and mares. More than a dozen top
19 events will be held for this division in 2026. And we are
20 proud to say that one of our newest events, the Abigail
21 Kawanakoa Stakes, will now be a Grade 2 stakes race,
22 hopefully a Grade 1 in the future.

23 Of course, the Grade 1 Champion of Champions
24 remains our most important race on the stakes calendar, and
25 will be held towards the end of the meet in December of

1 2026.

2 Los Alamitos will also host California's richest
3 race of any breed next year with the running of the Los
4 Alamitos \$2 Million Futurity. And I'd like to take this
5 opportunity to invite the entire Board to join us for this
6 year's running of the champion of champions in the Los
7 Alamitos \$2 Million Futurity. And you'll see a very
8 enthusiastic crowd, a big crowd at Los Alamitos, enjoying
9 two of the sport's biggest races.

10 On the marketing side, all of our community
11 events, like our Winter Nationals and our Halloween
12 Carnival, will be held once again next year. We always
13 partner with respected and well-known organizations in our
14 community to create events that the entire family can enjoy.
15 These are among our highest attended events of the year.

16 For our horse care professionals working at Los
17 Alamitos, Dr. Allred, Cathy Allred, PCQHRA, and the Quarter
18 Horse Benevolent Foundation, Rick English is here with the
19 Board as well, he is also our CFO, they continue to sponsor
20 weekly events throughout the year. These include deliveries
21 of pan dulce in the barn area on Tuesday morning, every
22 single Tuesday morning, spiritual service and hot dinners in
23 the Los Alamitos chaplaincy on Tuesday nights, bible study
24 and game nights on Wednesdays, and special fellowship
25 dinners served in the track kitchen every other Thursday.

1 Cathy attends just about every single one of those.

2 We also have a chaplain based at Los Alamitos who
3 is available to everyone for counseling, mentoring, and
4 morning prayers, as well as for prayer with the jockeys and
5 the starting gate crew on race nights.

6 And I also can't forget about our thoroughbred and
7 mixed breed programs for 2026 that once again will include
8 summer and winter stake series for horses racing at 1,000
9 yards. Our Racing Office works diligently to make sure that
10 we have races available at the appropriate racing levels so
11 that these horses and their connections can benefit from
12 racing at Los Alamitos.

13 The inventory of thoroughbreds is always fluid,
14 and our racing department looks to make sure that we can
15 provide racing opportunities for our new barns, as well as
16 our established barns. We are here for them around the
17 clock throughout the entire year.

18 And of course, Los Alamitos will continue to abide
19 by the CHRB inclement weather policy.

20 Just one last note. The 2026 Los Alamitos Equine
21 Sale is currently planned for October 3rd and 4th, following
22 back to back years of record averages for yearling sales.
23 For the 2025 sale, the recently concluded one, the owners of
24 the number one Quarter Horse sire in the country brought a
25 consignment to California for the very first time. And they

1 were so impressed with the organization of the sale, they've
2 already told us that they will be back in 2026.

3 There's a lot of good, positive things that happen
4 at Los Alamitos Racecourse. I know there's challenges as
5 well, but I can assure you that with the leadership of Dr.
6 Allred and Cathy Allred, we are ready to tackle them, and as
7 well as share them with you, everyone here on the
8 Commission.

9 Thank you for your time, and we respectfully
10 request approval for the Los Alamitos Quarter Horse Racing
11 Association meet. And we're here to answer any questions
12 that you might have. Thank you.

13 VICE CHAIR GONZALES: Thank you very much,
14 Orlando.

15 Any questions from the Board about the
16 presentation? Yes, Commissioner Davis.

17 COMMISSIONER DAVIS: Can you talk to us? We've
18 been very concerned about some of the fatalities at Los
19 Alamitos. And it seems to be mostly focused around your
20 training. And I know we've had that conversation before.
21 So could you talk some more about what you're doing about
22 that, how you're handling that issue?

23 MS. ALLRED: Well, this Friday we have fatality
24 reviews for the last two that were morning works. Dr.
25 Arthur conducts those meetings prior to the CHRB hearings.

1 I also want to mention that this year we had four
2 mandatory trainer meetings attended by Dr. Blea, where we
3 emphasized and focused on safety. And then recently, within
4 the last couple months, we had a meeting with all the
5 attending veterinarians, regulatory and monitoring vets,
6 along with Dr. Mcilwraith. And we talked about equine
7 practices and equine safety. But the fatality reviews do --
8 we do conduct them right shortly after each one.

9 Do you --

10 COMMISSIONER DAVIS: And you have a training
11 program in place?

12 MS. ALLRED: A training program?

13 COMMISSIONER DAVIS: Yes, to look at the kinds of
14 things that are causing the fatalities and --

15 MS. ALLRED: Yes, Dr. Arthur does. After the
16 meetings, we do have a discussion with the staff, or
17 depending on the situation, Dr. Arthur conducts those.

18 I just want to say that we have year-round racing
19 and stabling. And the track management and our horsemen,
20 our Los Alamitos family, make equine safety for the rider
21 and -- well, the equine and rider safety a priority.

22 MR. GUTIERREZ: And if I may add, as well, it's
23 the integrity factor as well. Los Alamitos instituted our
24 own hair testing for major stakes, and other competition
25 testing programs, which were approved by the CHRB. And all

1 the results are shared with Dr. Blea. Los Alamitos uses
2 portable cameras and adds security for our major races. So
3 we stay very involved in making sure that we, from the
4 integrity aspect, that we stay ahead of the issues.

5 VICE CHAIR GONZALES: Thank you. Thank you,
6 Commissioner Davis, for asking that really important
7 question.

8 And can Cathy and Orlando want to just say thank
9 you for your response. And I did catch on to the last part
10 of your presentation, Orlando, about challenges that remain
11 and what you're doing.

12 Any other questions from the Board as it relates
13 to -- yes, Commissioner Hudnut.

14 COMMISSIONER HUDNUT: Just an informational point.
15 How many horses are stabled at Los Al at the moment?

16 MS. ALLRED: Total? I think --

17 MR. GUTIERREZ: That does stay fluid, as well,
18 especially this time of the year as some of the two-year-
19 olds start -- well, they're yearlings right now, so when the
20 two-year-olds start coming in for next season for the
21 morning training aspect. As for example, this weekend, we
22 have trials to the Los Alamitos \$2 Million Futurity. Some
23 of those horses will be leaving if they do not qualify.
24 Some of them will be staying. We'll have some new barns
25 coming in as well. And --

1 MS. ALLRED: I think it's about 1,200.

2 MR. GUTIERREZ: Yeah, it is about 1,200.

3 COMMISSIONER HUDNUT: That's the number I had in
4 mind --

5 MR. GUTIERREZ: Yeah.

6 COMMISSIONER HUDNUT: -- because that's a typical
7 number for Los Al, and I just wanted to make sure that it's
8 static. Thank you.

9 MR. GUTIERREZ: Yeah, it is.

10 VICE CHAIR GONZALES: Any other questions from the
11 Board?

12 MR. GUTIERREZ: In fact, if I just may add?

13 VICE CHAIR GONZALES: Yes, Orlando.

14 MR. GUTIERREZ: In fact, you may have heard that
15 Ruidoso Downs did have some major issues in their barn area.
16 So over the course of the past fall, we did see a lot of
17 barns, new barns at Los Alamitos from those folks that came
18 to our racetrack looking for opportunities to race. So we
19 have, you know, our futurities especially have been very
20 strong. And even next year's races, we've seen an increase
21 in input, higher input of horses that are planning now to
22 join, you know, the racing programs at Los Al.

23 VICE CHAIR GONZALES: Well, thank you for that,
24 Orlando. You know, I did just a couple of quick points, not
25 so much questions, so -- but, you know, this Board over the

1 last few years has brought up on a couple of instances is
2 whether a year-long license makes sense. And with a year-
3 long license goes a lot of responsibility.

4 We did in the past attempt to try to cut that in
5 half with great resistance from you and your team, and some
6 adjustments were made. But just so you know, not only does
7 this Board have that kind of authority, but also under
8 Senate Bill 469 gives Executive Director Scott Chaney and
9 others also the opportunity to pause racing when necessary.

10 So I don't think that, you know, you all need a
11 reminder, but I just want to make sure that Commissioner
12 Davis and the question and the points that she's bringing up
13 are taken very seriously.

14 You know, and I really want to point, you know, it
15 wasn't that long ago when San Luis Rey Downs was having a
16 lot of issues there. There were fatalities, numerous of
17 them. And it really took Dr. Blea, it took Scott Chaney and
18 staff to really come together to really figure out what
19 needed to happen. And as a result of that, some rules, new
20 rules came about from that that really helped the overall
21 safety of horses.

22 So if there's anything that you identify that we
23 ought to be doing more of? But I'd make sure that, you
24 know, everything is on the table as it relates to what
25 you're doing. Because as you can tell, this Board is

1 watching and we're watching very carefully. And I wanted
2 also to state SB 469 and what we try to do on a six-month
3 license, so Commissioner Stern, who's the newer member,
4 understands that we do have some tools that we work with.

5 So with that, it doesn't look like there's any
6 other questions. As it relates to agenda item two, do we
7 have a motion to approve the application for Los Alamitos
8 Racecourse from December 3rd to December 16th?

9 COMMISSIONER HUDNUT: I move approval.

10 EXECUTIVE DIRECTOR CHANEY: Just point of
11 clarification, this is agenda item three.

12 VICE CHAIR GONZALES: Three. Oh, I'm sorry, yeah,
13 I meant three. That's right.

14 COMMISSIONER HUDNUT: I move approval of Los
15 Alamitos' application for racing.

16 VICE CHAIR GONZALES: Oh, my apology. Do we have
17 no public comment? Okay, let's make sure. There's no
18 public comment. Thank you, Rita.

19 COMMISSIONER HUDNUT: So moved.

20 COMMISSIONER CASTELLANOS: Second.

21 VICE CHAIR GONZALES: Okay, I hear a motion from
22 Commissioner Hudnut. Damascus Castellanos seconded?

23 COMMISSIONER CASTELLANOS: Second.

24 VICE CHAIR GONZALES: Okay, great, we have a
25 second.

1 Commissioner Stern, how do you vote, sir?

2 COMMISSIONER STERN: Yes.

3 VICE CHAIR GONZALES: Commissioner Davis?

4 COMMISSIONER DAVIS: Yes.

5 VICE CHAIR GONZALES: Commissioner Alfieri?

6 COMMISSIONER ALFIERI: Yes.

7 VICE CHAIR GONZALES: Commissioner Castellanos?

8 COMMISSIONER CASTELLANOS: Yes.

9 VICE CHAIR GONZALES: And Commissioner Hudnut?

10 COMMISSIONER HUDNUT: Yes.

11 VICE CHAIR GONZALES: And Chairman Gonzalez votes
12 yes. Thank you.

13 MR. GUTIERREZ: Thank you.

14 VICE CHAIR GONZALES: Thank you. Good luck to
15 you.

16 Agenda item number four, discussion and action by
17 the Board on the Application for License to Operate a
18 Minisatellite Wagering facility at Oaks Local Kitchen & Bar
19 in Thousand Oaks for a period of five years.

20 We have as the industry presenter, I hope I
21 pronounced this correctly, is that Cade Leatherman? `

22 MR. LEATHERMAN: Yes, sir.

23 VICE CHAIR GONZALES: Okay, I got it. Thank you.

24 It looks like we're also joined by Mr. Baedeker.

25 Thank you, sir. It's always great to see you.

1 MR. BAEDEKER: Good morning.

2 VICE CHAIR GONZALES: And the gentleman to your
3 left, Cade, who do we have there?

4 MR. LEATHERMAN: That's my dad, Ty Leatherman.

5 VICE CHAIR GONZALES: Hello. Hello, sir. Thank
6 you for joining.

7 I'll turn it over to you, Mr. Baedeker, for
8 opening comments.

9 MR. BAEDEKER: Yeah, thank you, Mr. Chairman.
10 This is kind of a unique situation, and pleasantly so.

11 Usually, when we have a minisatellite, we have an
12 existing restaurant and we have people that are very
13 familiar with the restaurant business but generally aren't
14 very familiar with the horseracing side of things. That's
15 different here. We have the applicants in front of you that
16 are both licensed owners with the CHRB, and so very familiar
17 with the industry. And you'll hear from them about their
18 enthusiasm for promoting the business.

19 Oaks Local, as it's now called in Thousand Oaks,
20 was previously called the Tilted Kilt. It's been a licensed
21 minisatellite, I think, for 11 years. Remodeled last year,
22 it's a lovely facility with a good kind of steady business
23 there.

24 And so from our perspective, from an industry
25 perspective, this is a positive move, the sale of the

1 restaurant, and the continuance of the minisatellite.

2 So I'll hand it over to Mr. Cade Leatherman and
3 his dad, Ty.

4 VICE CHAIR GONZALES: Cade?

5 MR. LEATHERMAN: How's it going?

6 VICE CHAIR GONZALES: Great.

7 MR. LEATHERMAN: I'm the owner and general manager
8 of Oaks Local.

9 VICE CHAIR GONZALES: Great.

10 MR. LEATHERMAN: And I'm going to serve as an
11 advisory.

12 VICE CHAIR GONZALES: Okay, great.

13 Questions from the Board?

14 COMMISSIONER STERN: I have a quick question.

15 VICE CHAIR GONZALES: Yes, Commissioner Stern.

16 COMMISSIONER STERN: And this is probably for
17 Director Chaney. What have we seen from a revenue or
18 wagering uptick by having these satellite facilities? Do we
19 have any historical data?

20 EXECUTIVE DIRECTOR CHANEY: Not on, yeah, not on
21 me. Thanks for putting me on the spot, Commissioner Stern.

22 COMMISSIONER STERN: We could table that. Is that
23 it?

24 EXECUTIVE DIRECTOR CHANEY: Right, right, right.

25 I could --

1 COMMISSIONER STERN: It's something -- I think
2 it's fantastic that we're extending the reach of that, but
3 just would be curious in terms of the answer.

4 EXECUTIVE DIRECTOR CHANEY: I know a person or two
5 who can probably answer that question. And frankly, Mr.
6 Baedeker probably can speak to it as well.

7 MR. BAEDEKER: Yeah, it's actually a timely
8 question. And I don't have a positive answer for you
9 because, first of all, I liken finding a suitable location
10 to the old needle in the haystack. Because this
11 minisatellite business does change the culture of the
12 restaurant. Our folks are there during the daytime
13 generally. And our folks generally don't eat and drink a
14 lot. You know, they're focused on the racing. And
15 meanwhile, you have people that come in just for the
16 restaurant side of things. So it's difficult to find that
17 kind of compatibility.

18 And another negative that I must make you all
19 aware of, and maybe you are already, our biggest
20 minisatellite for many years, Sammy's, recently closed in
21 Lake Forest. Closed after the Breeders' Cup. And the
22 reason being that it had nothing to do really with the
23 business. It was extremely successful. It was the value of
24 the property. The property was sold. And it was a better
25 deal for the owner to sell the property.

1 So it's a tough business. So when we get
2 enthusiastic new owners like I have sitting next to me, you
3 know, we're excited about that. And we continue to pursue
4 every opportunity.

5 I will say, just given the public opportunity here
6 to speak about it, that our biggest frustration is
7 penetrating the City of Los Angeles. We had an owner that
8 was interested in having a minisatellite in Panorama City.
9 And we literally can't get past the front counter at the
10 City of L.A. with the Planning Commission. And we just seem
11 to get the stiff arm from everyone after we try to get past
12 there. We're told that it's prohibited by the city charter
13 of Los Angeles. And yet, our attorneys have reviewed the
14 city charter, every which way from Sunday. And there is no
15 reference whatsoever to this use there.

16 So I say it publicly in case there's anybody --

17 VICE CHAIR GONZALES: Yeah.

18 MR. BAEDEKER: -- here or that is listening that
19 might have a way for us to make some inroads with the City
20 of L.A. That is the single biggest opportunity we have.

21 I think everybody is aware that in the law, every
22 fairgrounds location and every existing racetrack location
23 has a 20-mile protective circle around it. So no
24 minisatellites can be licensed within those circles without
25 the permission of that racetrack or fairgrounds. Now,

1 several have reduced, just in the interest of good business,
2 their protective circle from 10 to 9 miles and so forth.
3 But the biggest piece of land available with no protective
4 circles is the San Fernando Valley, which is the City of
5 L.A. And we could have three of these in the San Fernando
6 Valley, the business there is so large.

7 And what we usually do is look at the account
8 wagering business that's done from a particular area. And
9 we can have a better gauge as to whether or not a
10 minisatellite would be successful there. There is no better
11 area than the San Fernando Valley.

12 So thanks for the opportunity to diverge a little
13 bit. But it's an exciting business. And particularly when
14 we get a group that's interested in promoting the racing
15 side of things, it feels very positive.

16 Well, thank you. Appreciate it.

17 MR. LEATHERMAN: Just if I could add one thing
18 real quick?

19 MR. BAEDEKER: Get a little closer to the mic.

20 MR. LEATHERMAN: Oh, there we go. Just if I could
21 add one thing real quick, is currently the facility is not
22 doing any marketing or advertising with the horse side of
23 the things. And I think we can get in there and we are
24 going to lean into the horse racing. And I think we can
25 increase the wagering quite a bit if we can do that. I

1 think the area will support it.

2 VICE CHAIR GONZALES: Okay. Thank you both.

3 Commissioner Stern, great question. Thank you.

4 Any other questions from the Board?

5 You know, I just want to say, Mr. Baedeker, thank
6 you. And, you know, I'd actually like to volunteer
7 Commissioner Alfieri and I. We have a few friends in the
8 City of L.A. where maybe if we just get a conversation going
9 to find out. Because you were asking, when people come and
10 ask for help, we take this literally.

11 So I think, Commissioner, I think I speak for us
12 both, a conversation to see how we might be able to explore,
13 you know, what the holdup is with the City of L.A.

14 But thank you for asking for help.

15 And then to Cade, you know, you're one of the
16 younger gentlemen that come before this Board, you know?
17 And so I just want to say, it's really your generation that
18 we try our very best to get excited about this great
19 industry. So thank you and congratulations on what you're
20 undertaking.

21 And there's a guy behind you by the name of Bill
22 Nader, who's the president of the TOC. You ought to ask him
23 for some brochure, maybe have some laying around so that if
24 anybody's interested in becoming an owner of your
25 generation, maybe they can call up the TOC and figure out

1 how to also become a racehorse owner. So --

2 MR. LEATHERMAN: Thank you. Yeah, we're going to
3 really push the younger generation, try to get that flowing.
4 I think that's a big move for us.

5 VICE CHAIR GONZALES: Excellent. And you're in a
6 great area, too, so all right.

7 Any other?

8 COMMISSIONER ALFIERI: Mr. Vice Chairman, for full
9 transparency, I actually have made calls to the council
10 district for Mr. Baedeker. And it's unbelievable. And the
11 city attorney of Los Angeles got involved, and they have no
12 answer. I mean, they keep -- it's the same, it's like a
13 broken record. And as Rick has said, there's nothing that
14 says it's, you know, it's not doable. Short of calling the
15 mayor --

16 VICE CHAIR GONZALES: Yeah. Well --

17 COMMISSIONER ALFIERI: -- don't know what else to
18 do there. So I've tried to assist --

19 VICE CHAIR GONZALES: Yeah.

20 COMMISSIONER ALFIERI: -- going back a few several
21 months ago.

22 VICE CHAIR GONZALES: Thank you for that.

23 I see Commissioner Hudnut's hand being raised.
24 Yes?

25 COMMISSIONER HUDNUT: Yeah. Speaking of the

1 mayor, her successor in Congress is Senator Sydney Kamlager.
2 And at the time, Commissioner Castellanos and I were vetted
3 by the Senate, she was the only senator who really appeared
4 interested in and knowledgeable about horseracing. And it
5 occurs to me that if you were trying to get the mayor's ear,
6 going through Congresswoman Kamlager might be a good way to
7 do it.

8 VICE CHAIR GONZALES: Excellent. Thank you for
9 that.

10 COMMISSIONER HUDNUT: You're welcome.

11 VICE CHAIR GONZALES: Appreciate both your inputs.
12 And this turned out to be a good conversation.

13 You know, if I could just say to Cade and your
14 dad, one of the first thing that they ask typically is about
15 safety. And I know if there was a SEIU local 280 from the
16 pari-mutuel side, they stress safety, not just for their
17 clerk but for everybody. So the more that you can be
18 committed to that, because I think that's among the things
19 that are always wanting to be -- that will always want to be
20 asked is, is this a safe location?

21 So just make sure that you, like all the other
22 facilities, do their very best to make sure that workers and
23 patrons and fans are protected. So more to come on that.

24 Rita, do we have any public comment on this agenda
25 item?

1 Okay, is there a motion to approve this agenda
2 item number four?

3 EXECUTIVE DIRECTOR CHANEY: If I may, Mr. Vice
4 Chairman, staff has recommendation that should there be a
5 motion that it should be for a start date of December 1st,
6 obviously it's a period of five years, with the caveat that
7 a facility inspection be completed within 30 days of
8 licensure, so we send our folks out within 30 days.

9 VICE CHAIR GONZALES: Okay. If and when a motion
10 is made, it will be with the understanding that you take in
11 staff recommendations. Is that what you're asking for, Mr.
12 Chaney?

13 EXECUTIVE DIRECTOR CHANEY: Well, just the motion,
14 my recommendation would be to -- the motion should say that,
15 you know, the license is granted starting December 1st, with
16 the caveat that they get an inspection within 30 days of
17 December 1st.

18 VICE CHAIR GONZALES: Okay, is there a motion as
19 stated by Executive Director Chaney?

20 COMMISSIONER DAVIS: Davis moves.

21 VICE CHAIR GONZALES: Thank you, Commissioner
22 Davis.

23 COMMISSIONER STERN: Stern seconds.

24 VICE CHAIR GONZALES: And Commissioner Stern on
25 the second. We'll go from the other end.

1 Commissioner Hudnut, how do you vote on this?

2 COMMISSIONER HUDNUT: Yes.

3 VICE CHAIR GONZALES: Commissioner Castellanos?

4 COMMISSIONER CASTELLANOS: Yes.

5 VICE CHAIR GONZALES: Thank you.

6 Commissioner Alfieri?

7 COMMISSIONER ALFIERI: Yes.

8 VICE CHAIR GONZALES: Commissioner Davis?

9 COMMISSIONER DAVIS: Yes.

10 VICE CHAIR GONZALES: Commissioner Stern?

11 COMMISSIONER STERN: Yes.

12 VICE CHAIR GONZALES: And the Vice Chairman votes

13 yes.

14 So thank you. Congratulations.

15 MR. LEATHERMAN: Thank you.

16 VICE CHAIR GONZALES: Mr. Baedeker, again, great,

17 great job.

18 MR. BAEDEKER: Thank you.

19 VICE CHAIR GONZALES: Okay, agenda item number

20 five, discussion and action by the Board regarding the

21 proposed amendments of Board Rule 1481, Occupational

22 Licenses and Fees; Rule 1483, Application for License; Rule

23 1486, Term of License; and Rule 1487, Address of Licensees.

24 We have Executive Director Chaney that's going to

25 weigh in on this item.

1 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr. Vice
2 Chairman. And, yes, this is part of the licensing overhaul
3 that the Board has seen several iterations of over like the
4 last year, year and a half. As you may recall, we're
5 narrowing license categories to better comply with the
6 Department of Justice. We also are aiming to clean up the
7 fees associated with occupational licenses and a few other
8 things in that space.

9 So the Board has seen this constellation of rules.
10 This will be the third time. This last time is one more
11 change from Office of Administrative Law who want us to
12 change a fingerprint waiver requirement and use the term
13 "will" rather than "may." And so it's pretty technical, but
14 staff is hoping that the Board send this out for what would
15 be a 15-day comment period in this particular case.

16 VICE CHAIR GONZALES: Any questions of the Board?
17 Okay, no questions.

18 Any public comment period? Okay, no comment
19 period.

20 So we're looking for this to be adopted, right, as
21 outlined and stated by you?

22 EXECUTIVE DIRECTOR CHANEY: Correct.

23 THE COURT: Okay. Is there a motion for agenda
24 item number five as written and as expanded upon by
25 Executive Director Chaney?

1 COMMISSIONER HUDNUT: So moved. Hudnut.
2 VICE CHAIR GONZALES: Thank you, Commissioner
3 Hudnut.
4 Is there a second?
5 COMMISSIONER CASTELLANOS: Second.
6 VICE CHAIR GONZALES: Commissioner Castellanos --
7 COMMISSIONER CASTELLANOS: Yes.
8 VICE CHAIR GONZALES: -- thank you for that
9 second.
10 Commissioner Stern, how do you vote?
11 COMMISSIONER STERN: Yes.
12 VICE CHAIR GONZALES: Commissioner Davis?
13 COMMISSIONER DAVIS: Yes.
14 VICE CHAIR GONZALES: Commissioner Alfieri?
15 COMMISSIONER ALFIERI: Yes.
16 VICE CHAIR GONZALES: Commissioner Castellanos?
17 COMMISSIONER CASTELLANOS: Yes.
18 VICE CHAIR GONZALES: Commissioner Hudnut?
19 COMMISSIONER HUDNUT: Yes.
20 VICE CHAIR GONZALES: And the Vice Chairman votes
21 yes. Thank you for that, Mr. Chaney.
22 Agenda item number six, discussion and action by
23 the Board regarding the delegation of authority to the
24 Executive Director pursuant to California Business and
25 Professions Code section 19428 for one year.

1 And again, we have Executive Director Chaney
2 weighing in on this item.

3 EXECUTIVE DIRECTOR CHANEY: Sure. I guess it's
4 sort of odd that I'm --

5 COMMISSIONER CASTELLANOS: (Indiscernible)
6 yourself.

7 (Laughter)

8 EXECUTIVE DIRECTOR CHANEY: -- that I'm pushing
9 this item, because I'd like you to delegate some of your
10 authority to me. No, we've done this -- we do this every --
11 the beginning of every year. I would actually suggest that
12 you do it for calendar year 2026, because I think the last
13 time we did it was in January, you know, for continuity.

14 There are certain things, authorities that are
15 delegated that, you know, that rest with the Board that tend
16 to be very timely and just don't afford -- and waiting for a
17 Board meeting just doesn't make sense. And they're listed
18 in the staff analysis, things like tracks asking permission
19 to change first post time, to cancel a place or show pool,
20 and a few others, to make up a day that is canceled because
21 of inclement weather or some other reason, and so on.

22 So it's the type of things that we just don't have
23 time, you know, to bring to the Board at a regular scheduled
24 meeting. And we're asking that the Board give me the
25 authority in order to approve them.

1 VICE CHAIR GONZALES: Any questions from the Board
2 of Executive Director Chaney?

3 I have just one. As I read this item, Scott, I
4 just wanted to -- so this is just for one year. And then
5 you come back to us?

6 EXECUTIVE DIRECTOR CHANEY: Correct. And I mean,
7 usually, sometimes we'll add or subtract based on how the
8 year went. But rather than just give blanket authority in
9 perpetuity, we thought bringing it to you each year makes
10 sense --

11 VICE CHAIR GONZALES: Yes.

12 EXECUTIVE DIRECTOR CHANEY: -- because we don't
13 want it to be kind of lost in the shuffle.

14 VICE CHAIR GONZALES: Yes. And if I recall, you
15 do a pretty good job of bringing this to the attention of
16 the Chair, and at least on a couple of occasions, the Vice
17 Chair. Is that something you're going to continue to do?

18 EXECUTIVE DIRECTOR CHANEY: Absolutely, especially
19 with respect to not the place and show pools, or even change
20 of first post time, but anytime there's a racing day that's
21 canceled and added, I alert the Board to that eventuality.

22 VICE CHAIR GONZALES: Okay. Okay. You know, I
23 bring that up only because, you know, one of the ADW -- or
24 just one of the -- look, we try every tool at our disposal
25 to support, hold responsible the different racetracks and

1 different entities. And sometimes, believe it or not,
2 whether it's voting on a license, or whether it's showing
3 some flexibility when asked.

4 And so that's among the reasons that I really
5 believe that the authorities that we delegate to you, that
6 you also are mindful of, you know, being in coordination
7 with the Board. Because sometimes, you know, we may have an
8 issue, as was brought up by Commissioner Davis as it relates
9 to Los Alamitos. If she knew there was a way to, you know,
10 maybe not go so severe as a six-month license, or Senate
11 Bill 469, you know, maybe something else comes up that is of
12 relevance to her.

13 But again, as long as you continue to do that kind
14 of coordination, I myself, you know, speaking from an
15 individual, don't see an issue with that.

16 So Rita, any public comment on this? Okay.

17 Is there a motion to approve this agenda item as
18 explained by Scott Chaney, and as was in our paperwork?

19 COMMISSIONER CASTELLANOS: Castellanos. Motion.

20 COMMISSIONER DAVIS: Davis moves.

21 VICE CHAIR GONZALES: Okay, so we'll go
22 Commissioner Castellanos on the initial motion, with
23 Commissioner Davis on the second.

24 Commissioner Stern, how do you vote?

25 COMMISSIONER STERN: Yes.

1 VICE CHAIR GONZALES: Commissioner Davis?

2 COMMISSIONER DAVIS: Yes.

3 VICE CHAIR GONZALES: Commissioner Alfieri?

4 COMMISSIONER ALFIERI: Yes.

5 VICE CHAIR GONZALES: Commissioner Castellanos?

6 COMMISSIONER CASTELLANOS: Yes.

7 VICE CHAIR GONZALES: And Commissioner Hudnut?

8 COMMISSIONER HUDNUT: Yes.

9 VICE CHAIR GONZALES: And the Vice Chairman votes
10 yes. Thank you, Scott.

11 Item number seven, discussion and action by the
12 Board regarding the California Thoroughbred Breeders
13 Association's request for authorization of its upcoming
14 horse sale at Fairplex in Pomona, pursuant to CHRB Rule
15 1807, Authorized Horse Sales.

16 We have Doug Burge from the CTBA. I don't see
17 Justin Oldfield, but I was on the phone with him earlier
18 this morning. So hopefully he's okay.

19 But why don't you take it away, Doug?

20 MR. BURGE: Yeah, good morning. Doug Burge,
21 California Thoroughbred Breeders Association.

22 This is our annual winter mix sale we have every
23 January at Fairplex in Pomona. We get a mixture of pretty
24 much everything. We're expecting to catalog roughly 180
25 horses, mostly early two-year-olds. You know, without a

1 two-year-old in training sale in California for the last
2 several years, we're getting a lot of the early two-year-
3 olds. We've actually created a very good market for them.
4 And then also early yearlings, horses of racing age, as well
5 as broodmares as well.

6 And we utilize the old Barretts' barns. I've been
7 doing this a long time. It's the best and safest venue to
8 sell horses in California. And we may have a few
9 supplements after we release the catalog.

10 We placed the sale again this year the Tuesday
11 after Cal Cup weekend. That really worked out well last
12 year. You know, we're giving out roughly \$1 million to Cal-
13 bred on a Saturday. And then we're selling pretty much
14 mostly Cal-breds on a Tuesday. And last year, the average
15 was up. The median was up. It was a very solid sale. So
16 we're hoping to build on that.

17 I'll answer any questions.

18 VICE CHAIR GONZALES: Thank you, Doug.

19 Any questions from the Board for Doug? Okay, no
20 questions?

21 MR. BURGE: If I could --

22 VICE CHAIR GONZALES: Yeah.

23 MR. BURGE: -- can I make a couple just real brief
24 comments --

25 VICE CHAIR GONZALES: Yes.

1 MR. BURGE: on the Cal-bred program?

2 VICE CHAIR GONZALES: Yes.

3 MR. BURGE: You know, it came up earlier.

4 VICE CHAIR GONZALES: A hundred percent, yes.

5 MR. BURGE: Thank you. So when I first started 30
6 years ago, Cal-breds were a nice little complement to
7 racing, made up about a third of the field sizes. Well,
8 we've gone from a complement to a necessity. As Bill
9 mentioned, these Cal-breds are now 50 percent of our fields.
10 And when we look at the trends with, you know, with the live
11 foal crop and the mare's bread, it's obviously very
12 concerning to all of us, given the dependency on these Cal-
13 breds.

14 So what we recently announced, so besides the \$30
15 million, you know, Restricted Racing and Incentive Program
16 that we oversee, which is one of the largest in the country,
17 and it's very popular, we're also going to introduce,
18 beginning next year, the Incentive Awards for Board's
19 (phonetic) success. On top of that now, we're going to
20 reward production. We're basically going to hopefully
21 further incentivize people to breed horses.

22 So beginning with the mares that are bred next
23 year, when those resulting foals hit the ground in 2027 and
24 are registered with the Jockey Club, and then Cal-bred,
25 registered with us, we're going to pay the breeder of record

1 \$1,000 per foal up to a cap of 25. You know, with the
2 consolidation of racing to the south, and we're very
3 concerned about the farms in the north and continuing to
4 hopefully, you know, get them to stick with us and continue
5 to breed, we're hoping that, you know, that this carrot on
6 top of the \$30 million program works.

7 The other part that we're introducing, which
8 basically began this year, or really a couple weeks ago,
9 with the breeding stock sales in Kentucky, is this Mare
10 Recruitment Program that we've put into place as well. With
11 that, any mare that's purchased at a commercial sale that
12 then comes to California, when that mare drops her foal and
13 is bred back, we're going to pay the purchaser a
14 reimbursement of \$3,000 per mare to help, hopefully, offset
15 some of the transportation costs to get her to California.

16 Now we put some criteria in there. The mare has
17 to bring at least \$20,000, you know, an upgrade hopefully to
18 our breeding stock, and a cap of an age restriction of 12.
19 So we want the young, hopefully quality mares, you know, to
20 come into the state on top of, as I said, incentivizing
21 people strictly to breed horses.

22 And then the third part to this program is we've
23 waived all of our Cal-bred registration fees for the next
24 three years. We, you know, we recently sold our property.
25 We're giving that money back to the breeders, not all of it,

1 but over time, because we got to get in front of this thing.
2 And those are some of the commitments we've made, and we're
3 hoping a year from now we can have this conversation and see
4 some positive results.

5 VICE CHAIR GONZALES: Thank you very much, Doug.
6 Any questions for Doug? Commissioner Hudnut?

7 COMMISSIONER HUDNUT: Question: How many
8 thoroughbred mares are in foal right now in the state? Do
9 you have an idea?

10 MR. BURGE: Oh, well, you're looking at about,
11 well, in foal, that's a good question, but as far as if you
12 look at the mares bred numbers, you're looking at about
13 1,200 to 1,300 mares that were bred this year.

14 COMMISSIONER HUDNUT: And how does that compare
15 with past years?

16 MR. BURGE: Well, we were off 12 percent, but the
17 rest of the country's been off as well.

18 COMMISSIONER HUDNUT: Uh-huh.

19 MR. BURGE: And what we -- when I mentioned all
20 these new programs, you know, our goal here is obviously to
21 reverse that trend, but also to stabilize that trend. We
22 don't need to see a 12 to 15 percent reduction in the number
23 of mares bred going forward.

24 COMMISSIONER HUDNUT: Right.

25 MR. BURGE: But basically, yeah, so you're going

1 to see a foal crop a little south of 1,000 for next year.

2 COMMISSIONER HUDNUT: Okay. As opposed to?

3 MR. BURGE: Well, I mean, you go back 15, 20 years
4 ago, and it was two to three times that.

5 COMMISSIONER HUDNUT: Yeah.

6 MR. BURGE: But the other thing that's important,
7 and it's the reason why, like the Santa Anita schedule that
8 was mentioned, and the emphasis on Cal-breds, is, you know,
9 I go back to where we were putting two to three times as
10 many horses on the ground, but we couldn't get races written
11 at Santa Anita like we -- or Del Mar, or, you know, in
12 Southern California, like we're getting today. You know,
13 the opportunities are there.

14 We ran a bill 20 years ago or so, maybe 30 years
15 ago, that guaranteed at least one Cal-bred race a day be
16 written. Well, now that's -- you don't even have to police
17 that anymore. You know, it's three, sometimes four,
18 sometimes five Cal-bred races a day.

19 So even with half the foal crop, the opportunities
20 have increased. We're getting races written, we're getting
21 races split, they're bringing them back. You know, the
22 opportunities are definitely there, and it's more of a
23 focus, honestly, on quality than it is quantity.

24 COMMISSIONER HUDNUT: Okay. Thank you very much.

25 VICE CHAIR GONZALES: Thank you, Commissioner.

1 COMMISSIONER ALFIERI: I think it's great, Doug,
2 what you guys are doing. I mean, you're thinking out of the
3 box, you're being proactive, you're, you know, really
4 figuring it out in ways to incentivize the breeding.

5 MR. BURGE: Yeah, thank you.

6 VICE CHAIR GONZALES: Thank you.

7 COMMISSIONER ALFIERI: It's great.

8 VICE CHAIR GONZALES: Commissioner Davis?

9 COMMISSIONER DAVIS: Yeah, along the same lines of
10 what Commissioner Alfieri is saying, I really appreciate
11 your going into the details of the incentives you're
12 providing and how you're trying to keep the foal crop up and
13 guarantee quality, even if the quantity is off, so that they
14 are more competitive and racing daily. So thank you for
15 that kind of information --

16 MR. BURGE: You're welcome.

17 COMMISSIONER DAVIS: -- that level of detail.

18 VICE CHAIR GONZALES: Thank you, Commissioner.

19 You know, Doug, before we move on here to voting
20 on this item, you know, I just want to just welcome you to
21 keep us informed, you know, whether it's how the sale went.
22 I know we read as many articles as Mike Marten sends us,
23 which we're so appreciative. I know *Thoroughbred Daily News*
24 did a story about four months ago where they really took a
25 look, a close look at data, you know, where the trends were,

1 where the red alert zone is. I mean, if we get below a
2 certain number.

3 But never hesitate just to shoot a note to Scott
4 so he could send this to the Commissioners so that we're not
5 waiting for new stories, but really rather hearing from you.

6 MR. BURGE: Sure.

7 VICE CHAIR GONZALES: And I think if we merge what
8 you presented to what Mr. Nader presented on the commitment
9 by the middle level, where the kind of the meat and potatoes
10 of our industry are, I mean, we're doing everything that we
11 can, it appears, as leaders and as policymakers. So
12 continue the good work and really appreciate you being here.

13 So do we have a motion to approve agenda item
14 number seven as written?

15 COMMISSIONER STERN: Stern. Motion to approve.

16 COMMISSIONER DAVIS: Davis seconds.

17 VICE CHAIR GONZALES: So we have Commissioner
18 Stern as the initial motion, seconded by Commissioner Davis.

19 Commissioner Hudnut, how do you vote on this item?

20 COMMISSIONER HUDNUT: I vote yes.

21 VICE CHAIR GONZALES: Thank you very much.

22 Commissioner Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 VICE CHAIR GONZALES: Thank you.

25 Commissioner Alfieri?

1 COMMISSIONER ALFIERI: Yes.

2 VICE CHAIR GONZALES: And Commissioner Davis?

3 COMMISSIONER DAVIS: Yes.

4 VICE CHAIR GONZALES: And Commissioner Stern?

5 COMMISSIONER STERN: Yes.

6 VICE CHAIR GONZALES: And Vice Chairman votes yes.

7 So thank you. Agenda item number eight -- thank
8 you, Doug.

9 Agenda item number eight, discussion by the Board
10 regarding the submission to the board of the Southern
11 California stabling and vanning proposed financial and
12 operational plans for the upcoming calendar year, as
13 required pursuant to Business and Professions Code section
14 19607.1.

15 We have before us Bill Nader, President and CEO of
16 the Thoroughbred Owners of California.

17 Bill?

18 MR. NADER: Thank you. As one of my colleagues
19 said to me the other day, and I think you'll like this,
20 we're working together in harmony.

21 So I'm pleased to report that the racing
22 associations that do provide off-site stabling have agreed
23 to terms for 2026. We've submitted the schedule of dates to
24 the CHRB and we've since produced a fully executed
25 agreement. So we're in good shape.

1 VICE CHAIR GONZALES: Commissioners, any questions
2 of Mr. Nader?

3 You know, Bill, the only question I have, just
4 remind the Board who make up the committee itself, if you
5 could just --

6 MR. NADER: It's Los Alamitos, Santa Anita, San
7 Luis Rey, TOC, and also Del Mar.

8 VICE CHAIR GONZALES: Del Mar. Thank you for that
9 reminder. Do you have anything --

10 MR. NADER: And California -- and CTBA, I should
11 include. CTBA is also part of the team.

12 VICE CHAIR GONZALES: Excellent. Okay. Thank you
13 for that. No questions from the Board.

14 Rita, do we have any questions from the public?
15 Okay.

16 Do we have a motion to agenda item number eight?

17 COMMISSIONER HUDNUT: So moved.

18 VICE CHAIR GONZALES: Thank you, Commissioner
19 Hudnut.

20 COMMISSIONER ALFIERI: I'll second.

21 VICE CHAIR GONZALES: And Commissioner Alfieri on
22 the second.

23 Commissioner Stern?

24 COMMISSIONER STERN: Yes.

25 VICE CHAIR GONZALES: Commissioner Davis?

1 COMMISSIONER DAVIS: Yes.

2 VICE CHAIR GONZALES: Commissioner Alfieri?

3 COMMISSIONER ALFIERI: Yes.

4 VICE CHAIR GONZALES: Commissioner Castellanos?

5 COMMISSIONER CASTELLANOS: Yes.

6 VICE CHAIR GONZALES: Commissioner Hudnut?

7 COMMISSIONER HUDNUT: Yes.

8 VICE CHAIR GONZALES: Thank you, sir. And the
9 Vice Chairman votes yes.

10 Thank you for that, Bill.

11 Agenda item number nine, which will once again be
12 presented on by Bill Nader, discussion and action by the
13 Board regarding the request to modify the distribution of
14 market access fees from Advanced Deposit Wagering for
15 wagering conducted by Thoroughbred Associations and Racing
16 Fairs in the Central and Southern zones to include a
17 distribution to the Southern California Stabling and Vanning
18 Fund, and to adjust the amount distributed to that fund from
19 brick and mortar wagering to the same percentage as for ADW
20 for 2025.

21 Bill?

22 MR. NADER: Yes. There's no change from the prior
23 year. So the 2025 rates will apply to 2026, so that's 1.85
24 percent from ADW and 1.15 from brick and mortar. So we'll
25 carry the same percentages forward. They'll be payable to

1 the fund administered by the Southern California Stabling
2 and Banning Committee.

3 VICE CHAIR GONZALES: Thank you very much.

4 Any questions from the Board of Mr. Nader?

5 Okay, Rita, any questions? Okay.

6 Do we have a motion to approve agenda item number
7 nine?

8 COMMISSIONER DAVIS: Davis moves.

9 COMMISSIONER CASTELLANOS: Second.

10 VICE CHAIR GONZALES: Commissioner Davis on the
11 initial motion with Commissioner Castellanos on the second.

12 Commissioner Stern, how do you vote?

13 COMMISSIONER STERN: Yes.

14 VICE CHAIR GONZALES: Commissioner Davis?

15 COMMISSIONER DAVIS: Yes.

16 VICE CHAIR GONZALES: Commissioner Alfieri?

17 COMMISSIONER ALFIERI: Yes.

18 VICE CHAIR GONZALES: Commissioner Castellanos?

19 COMMISSIONER CASTELLANOS: Yes.

20 VICE CHAIR GONZALES: And Commissioner Hudnut?

21 COMMISSIONER HUDNUT: Yes.

22 VICE CHAIR GONZALES: And the Vice Chairman votes
23 yes. Motion approved.

24 Agenda item number 10, discussion and action by
25 the Board regarding the request to modify the distribution

1 of market access fees from ADW for wagering conducted by the
2 signatory racing association, Santa Anita Park, for 2026 to
3 include a distribution to be utilized to fund a California
4 co-op marketing program.

5 We have before us Joe -- well, actually it's going
6 to be Mr. Nader on behalf of TOC. And Mr. Sindler, if
7 you're still here, please join us, from Monarch Content
8 Management, LLC.

9 MR. NADER: We actually have a reduction in the
10 rate. The rate this year was 0.72 and in 2026 we are in a
11 position to reduce that to 0.48. We've been able to reduce
12 the deficit that was created a couple of years ago in the
13 Ship & Win budget and now we have that in check. So the
14 deduction for 2026, again, would be reduced from 0.72 to
15 0.48.

16 VICE CHAIR GONZALES: Mr. Sindler, anything you'd
17 like to add?

18 MR. SINDLER: No, nothing to add, thank you.

19 VICE CHAIR GONZALES: Okay. Thank you.

20 Any questions from the Board of the two gentlemen
21 before us?

22 COMMISSIONER HUDNUT: A question. Define co-op in
23 this context, please.

24 MR. NADER: Co-op would be purses and commissions
25 come together to fund such things as Ship & Win, programs

1 that we have for -- loyalty programs for higher volume
2 customers. So it's a co-operative effort to really advance
3 or promote the business activity, whether it be horses
4 coming in to compete or wagering related activity.

5 COMMISSIONER HUDNUT: So co-operative among all
6 the Southern California tracks?

7 MR. NADER: Yeah, in this particular case it would
8 be Santa Anita specific with the purse account managed by
9 the TOC.

10 VICE CHAIR GONZALES: Okay. Thank you.

11 EXECUTIVE DIRECTOR CHANEY: For some context,
12 Commissioner Hudnut, up until about four or five years ago,
13 there was actually a statutory provision that afforded a
14 statutory distribution. That sunsetted, I think, as I
15 recall, about four or five years ago. So in order to
16 continue that program, the TOC and each track come to an
17 agreement to spend some of their money for market access
18 fees. I think co-op marketing program actually comes from
19 that statute, if I'm not mistaken.

20 MR. NADER: Correct.

21 VICE CHAIR GONZALES: Thank you for that, Mr.
22 Chaney. I do know in the broader world of agriculture, as I
23 know Commissioner Davis knows, it's very common, you know,
24 co-op, as is our other industry. So it's good to see that
25 you're going to be pulling resources together.

1 So no question from the Board. We have no public
2 comment period. So is there a motion to approve agenda item
3 number 10?

4 COMMISSIONER HUDNUT: So moved. Hudnut.

5 VICE CHAIR GONZALES: Thank you, Commissioner
6 Hudnut.

7 Is there a second?

8 COMMISSIONER STERN: Stern. Second.

9 VICE CHAIR GONZALES: Thank you, Commissioner
10 Stern. Commissioner Stern, how do you vote?

11 COMMISSIONER STERN: Yes.

12 VICE CHAIR GONZALES: Commissioner Davis?

13 COMMISSIONER DAVIS: Yes.

14 VICE CHAIR GONZALES: Thank you.

15 Commissioner Alfieri?

16 COMMISSIONER ALFIERI: Yes.

17 VICE CHAIR GONZALES: Thank you.

18 Commissioner Castellanos?

19 COMMISSIONER CASTELLANOS: Yes.

20 VICE CHAIR GONZALES: Thank you.

21 Commissioner Hudnut?

22 COMMISSIONER HUDNUT: Yes.

23 VICE CHAIR GONZALES: Thank you.

24 VICE CHAIR GONZALES: And the Vice Chairman votes
25 yes.

1 EXECUTIVE DIRECTOR CHANEY: For this one, it's
2 going to be Rick rather than Josh for the next one.

3 VICE CHAIR GONZALES: Okay. Agenda item number 10
4 is approved. Thank you very much. And I appreciate that,
5 Scott.

6 MR. NADER: Thank you.

7 VICE CHAIR GONZALES: You said --

8 EXECUTIVE DIRECTOR CHANEY: It's going to be Rick.

9 VICE CHAIR GONZALES: Okay. Got it.
10 Agenda item number 11, discussion and action by
11 the Board regarding the request to continue the distribution
12 of market access fees from Advanced Deposit Wagering for
13 wagering conducted by Thoroughbred Associations in the
14 Central and Southern zones for 2026, to include
15 distributions to Southern California Off Track Wagering.

16 We have Mr. Baedeker back up to present on this
17 item. Rick?

18 MR. BAEDEKER: Yes. Good morning once again,
19 Chairman and Commissioners. This is similar to the previous
20 item. This relates to the expenses incurred through the
21 whole satellite wagering network in the statute that was
22 developed 30 years ago. It accounted for about 2.5 percent
23 to go to expenses over these last many years. Those
24 expenses have increased and they're now at about 4.5
25 percent.

1 And so this is simply a measure to alter the
2 distribution of market access fees to SCOTWINC directly
3 rather than go to the individual parties and then to
4 SCOTWINC. It makes the reconciliation much more efficient.

5 Happy to answer any questions. I did bring a list
6 of some of the expenses that at the satellite facilities.
7 Just FYI, the biggest number, about 60 percent, is payroll
8 and benefits. And then you've got -- the other big number
9 is the actual tote process and the downlink process and the
10 satellite facilities and all of those things needed to get
11 the signal down to each of the individual satellites. So
12 those are the largest line items among the expenses.

13 VICE CHAIR GONZALES: Thank you for that extra
14 information.

15 EXECUTIVE DIRECTOR CHANEY: If I might --

16 VICE CHAIR GONZALES: Yeah, please.

17 EXECUTIVE DIRECTOR CHANEY: -- just to kind of,
18 for the Board's edification, I think I might -- you actually
19 coined this, Mr. Baedeker, and I always use it, but market
20 access fees are just a fancy way of saying what's left over
21 after all the distributions normally divided between purses
22 and commissions, between TOC and the tracks. So market
23 access fees are quite literally their money, we just have to
24 approve how they spend it.

25 MR. BAEDEKER: That's correct, that's the net.

1 VICE CHAIR GONZALES: Well, thank you very much.
2 Any questions from the Board for Mr. Bedeker?
3 Okay, Rita, any public comment? Okay, none.
4 Do we have a motion?
5 COMMISSIONER ALFIERI: I'll make a motion --
6 VICE CHAIR GONZALES: Thank you very much.
7 COMMISSIONER ALFIERI: -- to approve.
8 VICE CHAIR GONZALES: Thank you very much,
9 Commissioner Alfieri.
10 Commissioner Davis? Do I hear -- oh, I'm sorry,
11 was there a second?
12 COMMISSIONER DAVIS: Davis seconds.
13 VICE CHAIR GONZALES: Okay, Davis seconds. Thank
14 you very much.
15 Commissioner Stern, how do you vote on agenda item
16 number 11?
17 COMMISSIONER STERN: Yes.
18 VICE CHAIR GONZALES: Commissioner Davis?
19 COMMISSIONER DAVIS: Yes.
20 VICE CHAIR GONZALES: Great.
21 Commissioner Alfieri?
22 COMMISSIONER ALFIERI: Yes.
23 VICE CHAIR GONZALES: Commissioner Castellanos?
24 COMMISSIONER CASTELLANOS: Yes.
25 VICE CHAIR GONZALES: And Commissioner Hudnut?

1 COMMISSIONER HUDNUT: Yes.

2 VICE CHAIR GONZALES: Thank you. The Vice
3 Chairman votes yes.

4 Mr. Baedeker, thank you.

5 MR. BAEDEKER: Thank you.

6 VICE CHAIR GONZALES: Okay, the agenda item number
7 12, discussion and action by the Board on the request for
8 racing date allocation by Watch and Wager, LLC for a
9 standard bred race meeting at the Big Fresno Fair from
10 November 11th, 2026 to May 11th, 2027.

11 We have Christopher Schick, General Manager of
12 Watch and Wager. And we have -- would you like to introduce
13 yourself to the Board?

14 MR. CUMMINS: You've forgotten my name.

15 VICE CHAIR GONZALES: Thank you. Good to see you
16 guys back. Just for the court reporter, can you repeat your
17 names again?

18 MR. CUMMINS: Ed Cummins, President, Watch and
19 Wager.

20 VICE CHAIR GONZALES: Thank you.

21 MR. SCHICK: Good morning, Vice Chair and members
22 of the Commission. Christopher Schick, Watch and Wager
23 Harness.

24 VICE CHAIR GONZALES: Thank you. Okay.

25 EXECUTIVE DIRECTOR CHANEY: Just one note for the

1 Board. There's a mistake on the date allocation and on the
2 agenda itself. It should say November 4, rather than 11.
3 The staff would be upset if I didn't make that correction.
4 But it is correct in the staff analysis and in the Board
5 materials.

6 Additionally, and I think you'll probably speak to
7 this, but I did get a communication from Gary Chahil this
8 morning who is the president -- or is the chairperson of the
9 Fresno Fair Board, who had planned on being here today, but
10 couldn't. He has, frankly, a death in the family and
11 couldn't make it this morning, so sends his regrets. But I
12 think he maybe sent something to you in order to communicate
13 to us.

14 VICE CHAIR GONZALES: Okay.

15 MR. CUMMINS: Well, I'm very sorry to hear about
16 that.

17 MR. SCHICK: Let me address that.

18 MR. CUMMINS: You go. No.

19 MR. SCHICK: Yes, he did, Mr. Chaney. Mr. Chahil
20 had an international tragedy in the last couple of days, and
21 he had planned on being here, along with the Vice Chairman
22 of the Fresno Fair Board, Frank Flores. They both sent me a
23 brief statement that I would, with your permission --

24 VICE CHAIR GONZALES: Please.

25 MR. SCHICK: -- I would like to read to the Board.

1 This is from Vice Chairman Frank Flores.

2 "As Vice Chairman of the Big Fresno Fair Board of
3 Directors, I want to personally express my strong
4 support for bringing Live Harness back to the big
5 Fresno Fair after nearly 100 years. Horse racing has
6 been a big part and a heart of soul of the big Fresno
7 Fair for over 140 years. It is woven into the fabric
8 of our Central Valley agricultural heritage, supports
9 hundreds of local jobs, keeps family farms in business,
10 and brings generations of Fresno County residents
11 together."

12 "I grew up coming to these races with my own family,
13 and I know how much they mean to so many of you."

14 End of that statement.

15 The next statement is from Mr. Gary Chahil, who is
16 the President and Chairman of the Fresno Fair Board.

17 "Fresno and the Central Valley have a deep love for
18 horse racing, consistently demonstrated by strong
19 attendance and enthusiastic community support. The Big
20 Fresno Fair management team and board of directors
21 remain fully committed to preserving live horse racing
22 and maximizing the use of our beautiful track and
23 historic grandstand, a priority strongly backed by
24 electorate officials and the entire community.

25 "Watch and Wager enjoyed an outstanding and successful

1 13-year-run operating racing at Cal Expo, building a
2 loyal fan base and delivering a high-quality racing and
3 entertainment product. We are excited to welcome Watch
4 and Wager to Fresno as their new home, bringing harness
5 back to the Central Valley for the first time in nearly
6 100 years, and ensuring continued live racing at the
7 Fresno Fairgrounds for a year to come.”

8 End of statement. Thank you.

9 VICE CHAIR GONZALES: Thank you very much.

10 Appreciate those message points there.

11 Anything else that either of you would like to
12 elaborate?

13 MR. CUMMINS: Well, I --

14 VICE CHAIR GONZALES: This is a pretty big deal,
15 guys. I want you to know.

16 MR. CUMMINS: I know.

17 VICE CHAIR GONZALES: It wasn't long ago where you
18 guys were down and out, and you guys are back.

19 MR. CUMMINS: Talk about it. Talk about it.
20 Yeah, I mean, it was all quite shocking. I'd to thank
21 everyone who's worked hard on getting this deal. I couldn't
22 echo those words more than with our new home, with our new
23 landlords --

24 VICE CHAIR GONZALES: Yeah.

25 MR. CUMMINS: -- and we're very, very excited.

1 The model is going to be very similar. Same team.
2 Christopher Schick and Ben Kenney's here. All the same
3 team. A very similar model. Similar dates. We just want
4 to get the show back on the road.

5 VICE CHAIR GONZALES: Okay.

6 MR. SCHICK: Yeah, I just want to kind of add to
7 that. Obviously, we know this is -- we're going to face
8 some big challenges here. This is not Cal Expo. The public
9 has never wagered Standardbred racing on this track, so
10 trying to figure out, first of all, how the betting public's
11 going to react to this.

12 VICE CHAIR GONZALES: Right.

13 MR. SCHICK: As it's clear, we're going to have to
14 race during the daytime because there are no lights at
15 Fresno at this point. We do anticipate moving our post
16 times back as the days get longer in the winter and as we
17 move to daylight savings time. So that's kind of an unknown
18 for us as well, quite frankly, coupling that with the track.
19 So it's a gamble for sure.

20 I do want to say that our entire management team
21 has signed on to this. So we have a very, what I consider a
22 very strong team in all our departments, people that are
23 25-, 30-year veterans and we're going to need them, that's
24 for sure. But everybody's committed to this project and,
25 you know, we're asking your support for obviously harness

1 states at a facility that hasn't had harness racing in over
2 100 years.

3 VICE CHAIR GONZALES: Thank you for that.
4 Appreciate the context as well.

5 Any questions from the Board, the two gentlemen in
6 front of us here? Yeah, Commissioner Hudnut.

7 COMMISSIONER HUDNUT: If I'm not mistaken, there
8 is no Standardbred racing -- no harness racing in the state
9 at the moment; is that correct?

10 MR. SCHICK: That is correct. When the Fair
11 Board, the Cal Expo Fair Board terminated our lease --

12 COMMISSIONER HUDNUT: Right.

13 MR. SCHICK: -- at the end of April, they gave us
14 a six-month termination notice. And that lease actually
15 expired on October 27th. So historically, we would be
16 coming before you either in October or right now, asking for
17 our traditional dates to race at Cal Expo, which is not
18 available for us this year. So you are correct.

19 COMMISSIONER HUDNUT: So my question is, if we're
20 not going to have any harness racing until November the 4th,
21 2026, where are those Standardbreds going to go? What are
22 they going to do?

23 MR. SCHICK: Yeah, so we've obviously been in
24 close contact, and the president of the Horsemen's
25 Association is here today, and we obviously have ongoing

1 discussions.

2 But what has essentially happened, just to give
3 you a quick overview, about 80 percent of our horsemen that
4 race in California in the winter, race in Minnesota in the
5 summer. So when Minnesota ends, historically, they come
6 right into California. This year, that option is not
7 available, so they have scattered. We have people racing in
8 Batavia in New York, Vernon Downs in New York, Monticello in
9 New York. We have them at Hawthorne in Chicago. We have
10 them at Hoosier Park in Indiana. We have them over in
11 Virginia racing.

12 And so there's not one kind of blanket statement.
13 They're all trying to find a place to race their horses
14 this season in absence of no California racing.

15 COMMISSIONER HUDNUT: But you think most of them
16 are going to come back?

17 MR. SCHICK: We do.

18 COMMISSIONER HUDNUT: You have assurances?

19 MR. SCHICK: We do. We actually, Ben and I, went
20 back to Running Aces before the end of the meet, because we
21 didn't want to go down this path without knowing that the
22 horsemen were fully committed --

23 COMMISSIONER HUDNUT: Right.

24 MR. SCHICK: -- to coming back. And to that end,
25 we told him about Fresno. Fresno is a beautiful facility.

1 For those of you who haven't been there, it is really,
2 really a good facility. We don't know how the track's going
3 to play, but as far as, there's no deferred maintenance to
4 speak of. It is just, it's a gem, let me tell you.

5 So we kind of sold them on that idea, and they
6 seem to be all in. And I think after spending -- most of
7 them are in a cold weather environment this winter, they may
8 be really happy that Fresno could potentially open.

9 COMMISSIONER HUDNUT: All right, well, thank you,
10 and good luck.

11 MR. SCHICK: Thank you.

12 VICE CHAIR GONZALES: Thank you. Appreciate the
13 question, Commissioner Hudnut.

14 Any other questions here on the Board?

15 The only -- you know, again, just, it's great to
16 see you guys back. You both look sharp. Just a couple
17 quick points, making sure that the coordination with the
18 regular thoroughbred meet, that there's seamless
19 coordination, getting the track prepared. I'm sure you're
20 going to be conferring with Dr. Blea and his team. I know
21 you guys like to get a little bit of a slope or an angle,
22 but whatever it is that you guys got to do, make sure that
23 you're in coordination.

24 The other thing, as you mentioned, it does get
25 warm, and we're talking the heart of the Central Valley. So

1 also be aware that Dr. Blea and his team look at, you know,
2 some of the things you were dealing with in Sacramento
3 weather, where if it gets too hot, you know, the -- you
4 know, things are changing, especially in that part of the
5 state. So make sure you're being flexible and open-minded.

6 And then the other thing is just on the ADW. You
7 know, you guys are going to be inserting yourself and what
8 we've learned is, you guys, it's whether you're in the north
9 or the south and how all that's going to factor and play
10 out, so make sure you're coordinating with, you know, others
11 who you may be overlapping with.

12 And then, you know, as I mentioned, the heart of
13 the Central Valley, a vibrant, proud area that I think is
14 going to be welcoming you with open arms, so take that very
15 seriously, do as best as you can on the marketing front,
16 engaging and, you know, pick up where you left off. I mean,
17 always room for improvement, as we know, with just about
18 everything we do.

19 But I really just want to say it's good to see you
20 guys back, and Standardbreds a part of what we do. So we
21 will be looking forward to figuring out how we support you.
22 And who knows, maybe a few of us will be there for your
23 opening day as well if you have a big kickoff there.

24 MR. CUMMINS: Thank you.

25 VICE CHAIR GONZALES: Okay. Great.

1 Rita, do we have any comments from the Board?

2 Okay.

3 Is there a motion to approve agenda item number 11
4 as written --

5 COMMISSIONER CASTELLANOS: Castellanos. Motion.

6 VICE CHAIR GONZALES: -- or 12, sorry. 12.

7 COMMISSIONER ALFIERI: 12.

8 EXECUTIVE DIRECTOR CHANEY: Right. The one edit
9 that the allocation will begin November 4th.

10 VICE CHAIR GONZALES: That's right, with -- agenda
11 item 12, with the change to agenda item -- I'm sorry, to the
12 date of November 4th.

13 So do we have a motion?

14 COMMISSIONER CASTELLANOS: Motion. Castellanos.

15 VICE CHAIR GONZALES: Thank you, Commissioner
16 Castellanos.

17 COMMISSIONER HUDNUT: Second. Hudnut.

18 VICE CHAIR GONZALES: Commissioner Hudnut, thank
19 you for the second.

20 Commissioner Stern, how do you vote on agenda item
21 number 12?

22 COMMISSIONER STERN: Yes.

23 VICE CHAIR GONZALES: Commissioner Davis?

24 COMMISSIONER DAVIS: Yes.

25 VICE CHAIR GONZALES: Commissioner Alfieri?

1 COMMISSIONER ALFIERI: Yes.

2 VICE CHAIR GONZALES: Commissioner Castellanos?

3 COMMISSIONER CASTELLANOS: Yes.

4 VICE CHAIR GONZALES: Commissioner Hudnut?

5 COMMISSIONER HUDNUT: Yes.

6 VICE CHAIR GONZALES: The Vice Chairman votes yes.

7 Thank you, gentlemen. Good luck to you.

8 MR. SCHICK: Thank you very much.

9 Okay, agenda item number 13, the Executive
10 Director's Report. We have Scott Chaney.

11 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr. Vice
12 Chairman and good morning, Commissioners.

13 I will begin with the handle report. For the
14 month of October, day racing handle was up 32 percent, night
15 racing handle was up 10 percent and total handle was up 30
16 percent compared to October of 2024. Now, of course, that
17 includes the first day of the Breeders' Cup, which was on --
18 which was held on October 31st this year. And we don't have
19 that, you know, that same October bump from last year.

20 For calendar year 2025 to date, day racing is down
21 three percent, night racing is up eight percent, and total
22 handle is down two percent compared to total handle for the
23 first 10 months of 2024.

24 Speaking of the Breeders' Cup, as the Board knows,
25 the event was held for a second year in a row at Del Mar two

1 and a half weeks ago. Many in the room attended. The
2 success has been well-documented in the press, but I'd like
3 to highlight two aspects.

4 One, just a massive thank you to everyone
5 associated with the CHRB for their hard work. It's
6 licensing, enforcement, stewards, vets, headquarter
7 employees. It's a lot more work from their daily routines.
8 And I just want to express my appreciation for that.

9 And then secondly, and somewhat relatedly,
10 choosing California with such frequency is not accidental.
11 It is directly related to the professionalism displayed by
12 the CHRB, the track, other stakeholders, as well as the
13 beautiful weathers and venues we have here in California.

14 Most importantly, Breeders' Cup chooses California
15 for its commitment and leadership in the area of safety, a
16 fact that cannot be underscored enough, especially, you
17 know, given the work we've done over the last, you know,
18 specifically five or six years.

19 The CHRB has one new employee since last month,
20 Investigator Leo Ibarra-Corda (phonetic), who is working
21 down in San Luis Rey Downs, which is, you know, one of the
22 additions we made that the Vice Chairman highlighted earlier
23 in the meeting. Just like to welcome Leo.

24 Next, I'd like to invite Deputy Executive Director
25 Cynthia Alameda to describe to the Board her involvement in

1 some recent Women in Racing activities with respect to that
2 organization.

3 MS. ALAMEDA: Good morning. I have a clock in
4 front of me. I'm assuming it's still morning. Good
5 morning, Commissioners. I have the pleasure yet again to
6 share my experience representing the CHRB at the annual
7 Horse Racing Women's Association Conference this year held
8 in Lexington, Kentucky.

9 Amy Gregory was honored with the 2025 Jane
10 Goldstein Award for her profound influence and exemplary
11 leadership in horse racing by the executive committee, who
12 also presented two phenomenal speakers to share personal and
13 professional inspiration for growth. Molly Fletcher, one of
14 the first female sports agents, and Lindsay Czarniak, an
15 accomplished sports journalist, shared insights on their
16 individual success that propelled their careers amid life's
17 challenges and barriers.

18 But what stood out to me the most was their
19 appreciation and awe of the Women's Association itself,
20 stating in their experience in sports this was one of the
21 few, if not the only association with a mission to engage,
22 elevate, and invest in women of a sport, believing in doing
23 so it will continue to transform the sport but
24 exponentially.

25 The association committee members, all volunteers,

1 by the way, much like all of our commissioners, with full
2 lives and demanding careers consistently provide an
3 expanding view to conference participants of the many facets
4 of the racing industry through intelligently designed
5 panels. There were three panels this year. Panel one,
6 Roadblocks to Relationships, Building Networks that Change
7 the Game. Panel two, Fueling the Fire Without Burning Out.
8 Panel three, Horse Racing Ecosystems, Markets, Models, and
9 Money.

10 All panels were of great interest and all
11 panelists valuable contributors, but I wanted to highlight
12 one of the panelists, Kelly Stobie, the founder of Caribbean
13 Thoroughbred Aftercare, and thank her for her raw honesty
14 during the panel on the strain and toll that her labor of
15 love for aftercare takes. In California, we pride ourselves
16 on our dedication to the safety of the horse, fully
17 understanding the significant consequences at stake for
18 making tough calls. And we see this perspective expanding
19 in a nationwide culture change as well. Specifically,
20 though, the specific, the subject of aftercare continuously
21 comes up as a current area of genuine investment, but one
22 that requires, stated simply, more.

23 One side story, while in Kentucky, with all the
24 wealth of exposure and inspiration from the conference fresh
25 in mind, I took the opportunity to go on a farm tour. I

1 found myself at Kismet Farms, owned and operated by Matthew
2 Pineda. He happens to be the son of legendary jockey,
3 Alvaro Pineda, who had an incredible career and a very
4 emotional connection to California.

5 Pineda was an incredible host, sharing his immense
6 knowledge with our tour group, but one thing he shared
7 resonated with me. He raises all of his horses from the
8 moment of their birth to love human touch. He does this
9 with the intention of providing for them for the rest of
10 their lives. He shared that in his experience, out of every
11 three horses born on his farm, one will race, one will race,
12 but transition quickly to retirement, and one won't race at
13 all. And by imprinting that love on them in combination
14 with their other like-minded practices on his farm, his
15 horses are given the best opportunity for success anywhere
16 in a life of quality on the track or off it.

17 I mention both Stobie and Pineda because from my
18 reflection, they have the more that will take the community
19 that is horse racing with an existing desire to be a truly
20 humane and ethically sustainable industry to one that
21 demonstrates through their actions from beginning to end
22 their love for the horse.

23 In conclusion, I was flattered to be asked to
24 participate in the Horse Racing Women's Association event at
25 Del Mar during Breeders' Cup week as a panelist, sharing the

1 California perspective and contribution. This provided me
2 with the opportunity to share the Board's passion and
3 commitment to the racing industry that can at times be
4 misunderstood given the regulatory role it must fulfill.

5 That's my report.

6 EXECUTIVE DIRECTOR CHANEY: Thank you, Cynthia.
7 We enjoyed watching you on that panel. That was fantastic.

8 COMMISSIONER ALFIERI: May I say something?

9 EXECUTIVE DIRECTOR CHANEY: You can.

10 COMMISSIONER ALFIERI: Commissioner Stern and
11 myself and Executive Director Chaney sat in the back and we
12 listened to our wonderful Assistant Executive Director.
13 Anyway, you did an amazing job. We were very proud of you
14 and representing California and CHRB, and thank you.

15 EXECUTIVE DIRECTOR CHANEY: Yes, thank you.

16 This will sound boring because it's
17 administrative, but lastly, a reminder that there is no
18 scheduled Board meeting next month. The next scheduled
19 Board meeting will be Wednesday, January 14th and will occur
20 on the second Wednesday of every month, every other month
21 thereafter with the exception of November.

22 With this new schedule, I want to be clear that
23 stakeholders will have to be more organized regarding
24 deadlines, especially in the area of applications. Staff is
25 very nervous about this and just really want to underscore

1 the importance. We are currently working on a Board meeting
2 agenda plan for the entire year and plan -- and we also plan
3 to inform stakeholders about the associated deadlines for
4 those agendas.

5 And that, Mr. Vice Chairman, is my report.

6 VICE CHAIR GONZALES: Any questions from the Board
7 for Scott Chaney?

8 Scott, the only question that I have is would you
9 like to reference -- apologies -- anything that the Board
10 needs to know on Northern California? I know we decided to
11 table their agenda item until January, but is anything like
12 you would like to share in case there's anybody in the
13 audience who are listening on, you know, what there is to
14 know about Northern California?

15 EXECUTIVE DIRECTOR CHANEY: Sure. Northern
16 California thoroughbreds, in particular, Bernal Racing, LLC,
17 asked to be on the agenda this November. The way it works
18 with the California Horse Racing Board is that the chairman,
19 you know, decides what goes on the agenda and what doesn't.

20 And based on staff recommendation, me, in
21 consultation with Dr. Ferraro, we decided not to agendize
22 that item. We just didn't think, in contrast to the
23 Standardbred racing allocation, you know, they had a lease
24 agreement in place that they negotiated over the last three
25 months, that sort of the plan was not complete enough yet to

1 bring to the Board. We also made several suggestions how
2 they could make it more complete and I believe they're
3 looking at January for that next request.

4 You, as Chairman of the Race Dates Committee, also
5 generously offered to host a Race Dates Committee meeting,
6 you know, sometime before that January meeting if both staff
7 and, quite frankly, the Northern California folks think that
8 would be beneficial. So that's, you know, perhaps more to
9 come on that front.

10 VICE CHAIR GONZALES: Thank you for that update.
11 And that offer does still stand. I believe they're going to
12 take you up on the offer to have a fuller explaining,
13 elaborating all the concerns, describing and discussing
14 opportunities. So if there's a Race Dates Committee meeting
15 in December, by the time it comes to January, the Board will
16 have all the information they need for consideration of
17 Northern California in January. So thank you for that,
18 really appreciate that.

19 Any questions for Scott? Okay.

20 We'll go to the Equine Medical Director's Report.

21 Dr. Blea, and here you are, sir. Thank you, sir.

22 DR. BLEA: Good morning, Vice Chairman Gonzales,
23 Commissioners, Executive Director, Mr. Scott Chaney.

24 I'll start off with the Breeders' Cup. All the
25 Del Mar TCO2 and post-race results from testing that

1 occurred on 10/31/2025 and November 1st, 2025, i.e. the
2 Breeders' Cup Championship event, are negative and are
3 clear.

4 Regarding out-of-competition testing that occurred
5 during Breeders' Cup week at Del Mar from October 27th
6 through October 30th, all results have been reported
7 negative.

8 In addition to Mr. Chaney's comments regarding
9 Breeders' Cup at Del Mar this year, I would like to add an
10 incredible amount of gratitude to the veterinary team at Del
11 Mar, not only the team, but their staff for their
12 dedication, hard work, and most importantly, their genuine
13 professionalism.

14 Moving into fatalities in October, there were two
15 musculoskeletal fatalities and one sudden death in racing.
16 Two musculoskeletal fatalities occurred in training in
17 October, one of which was a result of an accident when two
18 horses collided. Two fatalities that were referred to local
19 hospitals related to gastrointestinal disease, or colic,
20 also occurred in the month of October.

21 Regarding testing at the Maddy Lab -- (clears
22 throat). Excuse me. Regarding testing in October at the
23 Maddy Lab, in CHRB testing in October, 118 paired blood and
24 urine samples, four blood-only samples, and one hair sample
25 underwent routine post-race testing. Moreover, 152 post-

1 race samples underwent supplementary analysis for anabolic
2 steroids, EPO, and cobalt. Thirty-six out-of-competition
3 blood, hair, or urine samples were submitted for routine
4 testing, including EPO. Additionally, 12 official vet list
5 work bloods were also tested. In the month of October,
6 there were no adverse analytical findings in October in all
7 of CHRB testing.

8 This concludes my report, and I'm happy to answer
9 any questions you may have.

10 VICE CHAIR GONZALES: Thank you, Dr. Blea. Any
11 questions for Dr. Blea from the Board?

12 COMMISSIONER ALFIERI: I have one. How many,
13 during Breeders' Cup, horses were scratched because of
14 health-related or --

15 DR. BLEA: I think the number that I saw was 12
16 total for the two race card -- two-day race card, but I may
17 not be completely correct on that number.

18 COMMISSIONER ALFIERI: Okay.

19 VICE CHAIR GONZALES: Thank you, Commissioner
20 Alfieri.

21 Any other questions for Dr. Blair? Commissioner
22 Hudnut, I see you might.

23 COMMISSIONER HUDNUT: Well, I was wondering about
24 the one that was scratch that attracted all the attention.
25 White Abarrio.

1 DR. BLEA: Which one?

2 COMMISSIONER HUDNUT: White Abarrio. That horse
3 was scratched after being evaluated in the post-parade and
4 was determined to be unsound left front in the post-parade.
5 Other than that, at this time, I can't comment any further.

6 COMMISSIONER HUDNUT: Right, that's what I
7 figured, but thank you.

8 VICE CHAIR GONZALES: Thank you so much. Okay,
9 Dr. Blea, thank you. Great report, and congratulations on a
10 successful and safe Breeders' Cup. Thank you.

11 You know, before -- I just wanted, just a couple
12 quick folks that are in the audience, I wanted to just say
13 thank you to Alan Balch again, CTT, thanks for being here.
14 I see Josh, DMTC, thank you both for being here. I know
15 it's a trip to come up here. If I've left anybody else out,
16 Jamie Thomas, thank you. Trainer in Nor Cal, thank you for
17 being here. If anyone else, I just wanted to recognize, I
18 know it's difficult to come up here at times, you know,
19 leaving your desk, but really appreciate you all being here.

20 That concludes our Executive Director Report, our
21 Equine Medical Director Report. Anything specific to --

22 EXECUTIVE DIRECTOR CHANEY: 14, so public comment
23 now.

24 VICE CHAIR GONZALES: Okay, this is what we have
25 for -- okay.

1 So agenda item number 14, public comment period.
2 We only have one individual I see, that's David Elliott from
3 Bernal Park Racing.

4 EXECUTIVE DIRECTOR CHANEY: That's all we have.

5 MR. ELLIOTT: Good morning. Good morning,
6 Commissioners. As we move forward, I just thought it was
7 important that you would, as we submit documents to the
8 Board, that you put a face with a name. I have nothing to
9 present today. Thank you very much.

10 I wanted to, since re-engaging back into the horse
11 racing industry, I wanted to just compliment Dr. Blea. His
12 reporting is just outstanding. And I don't know if that's a
13 push from Scott Chaney.

14 EXECUTIVE DIRECTOR CHANEY: It's all him.

15 MR. ELLIOTT: But it really --

16 EXECUTIVE DIRECTOR CHANEY: We're very --

17 MR. ELLIOTT: -- it really --

18 EXECUTIVE DIRECTOR CHANEY: -- we're lucky to have
19 him.

20 MR. ELLIOTT: -- it's great compared to what has
21 occurred in previous years, so I just wanted to --

22 VICE CHAIR GONZALES: And David, could you just,
23 your role again with Bernal Racing?

24 MR. ELLIOTT: I'm CEO of Bernal Park Racing.

25 VICE CHAIR GONZALES: Okay, thank you very much.

1 We'll be seeing you.

2 MR. ELLIOTT: Hi. (Indiscernible.)

3 VICE CHAIR GONZALES: Hi. And then if there's a
4 Race Dates Committee meeting, which we're hoping in
5 December, you know, you'll be coordinating with staff --

6 MR. ELLIOTT: We will absolutely attend --

7 VICE CHAIR GONZALES: -- on how to be prepared.

8 MR. ELLIOTT: -- and we will absolutely provide
9 everything necessary.

10 VICE CHAIR GONZALES: Okay, thank you very much
11 for being here.

12 MR. ELLIOTT: All right. Thanks.

13 VICE CHAIR GONZALES: Appreciate you.

14 Well, we have no other public comment. We now
15 have closed session.

16 EXECUTIVE DIRECTOR CHANEY: Yeah, I will say with
17 this venue, we actually have a room for closed session,
18 which we traditionally --

19 VICE CHAIR GONZALES: Okay.

20 EXECUTIVE DIRECTOR CHANEY: -- haven't had, so
21 we're not going to kick everybody out. But we will return
22 once we're done in order to adjourn the meeting.

23 COMMISSIONER HUDNUT: Can we have a break, Mr.
24 Chairman?

25 VICE CHAIR GONZALES: Yes, yes, we'll take --

1 COMMISSIONER DAVIS: Yes.

2 VICE CHAIR GONZALES: -- we'll take a five-minute
3 break. Thank you very much for that.

4 (Closed session from 11:04 a.m. until 11:42 a.m.)

5 VICE CHAIR GONZALES: Okay, we have critical mass,
6 it looks like. We're back from closed session. Thank you
7 for a successful meeting, productive meeting staff and
8 Scott, Cynthia.

9 We are now here to adjourn, officially adjourn.
10 Is there a agenda item 16 is to adjourn? Is there a motion
11 to adjourn?

12 COMMISSIONER DAVIS: Davis moves.

13 COMMISSIONER CASTELLANOS: Second. Castellanos.

14 VICE CHAIR GONZALES: Davis motion, Castellanos
15 with a second.

16 Commissioner Stern?

17 COMMISSIONER STERN: Yes.

18 VICE CHAIR GONZALES: Commissioner Davis?

19 COMMISSIONER DAVIS: Yes.

20 VICE CHAIR GONZALES: Commissioner Alfieri?

21 COMMISSIONER ALFIERI: Yes.

22 VICE CHAIR GONZALES: Commissioner Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 VICE CHAIR GONZALES: Commissioner Hudnut?

25 COMMISSIONER HUDNUT: Yes.

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VICE CHAIR GONZALES: And I vote to adjourn as
well. Thank you everyone.

(The Board adjourned at 11:42 a.m.)

REPORTER'S CERTIFICATE

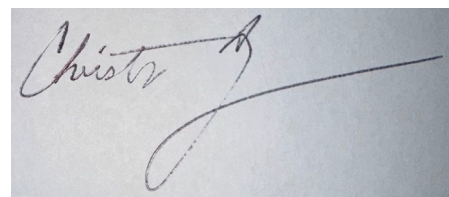
I do hereby certify that the testimony in the foregoing hearing was taken at the time and place

therein stated; that the testimony of said witnesses were reported by me, a notary public and 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 6th day of January, 2026.

A handwritten signature in black ink, appearing to read "Chris Caplan", with a long horizontal flourish extending to the right.

Chris Caplan
Electronic Reporter
CER**1971

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 6, 2026