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ENVIRONMENT DEPARTMENT

*Surface Water Quality Bureau*

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BUTCH TONGATE  
Deputy Secretary

JAMES H. DAVIS, Ph.D.  
Director  
Resource Protection Division

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**Certified Mail - Return Receipt Requested**

August 9, 2012

Mr. Shaun Hubbard, General Manager  
Ruidoso Downs Racetrack and Casino  
P.O. Box 449  
Ruidoso Downs, New Mexico 88346

**RE: Concentrated Animal Feeding Operation, SIC 7948, NPDES Compliance Evaluation Inspection, Ruidoso Downs Racetrack and Casino, NMU000638, July 31, 2012**

Dear Mr. Hubbard:

Enclosed, please find a copy of the report for the referenced inspection that the New Mexico Environment Department (NMED) conducted at your facility on behalf of the U.S. Environmental Protection Agency (USEPA). This inspection report will be sent to the USEPA in Dallas, for their review. These inspections are used by EPA to determine compliance with the National Pollutant Discharge Elimination System (NPDES) permitting program in accordance with requirements of the federal Clean Water Act.

Problems noted during this inspection are discussed in the Further Explanations section of the inspection report. You are encouraged to review the inspection report, required to correct any problems noted during the inspection, and to modify your operational and/or administrative procedures, as appropriate. Further, you are encouraged to notify in writing, both USEPA and NMED regarding modifications and compliance schedules. For additional information about the NPDES/CAFO program, you may wish to visit the following web site:  
<http://www.epa.gov/region6/6en/w/cafo/home.htm>

If you have any questions, please feel free to contact me at the above address or by telephone at (505) 222-9587.

Sincerely,

*/s/ Sarah Holcomb*  
Sarah Holcomb  
Surface Water Quality Bureau

cc: Rashida Bowlin, USEPA (6EN-AS)  
Abu Senkayi, USEPA (6EN-WT)  
Scott Stine, USEPA (6EN-P)  
Willie Lane, USEPA (6EN)  
NMED, District III, Las Cruces by email



**NPDES Compliance Inspection Report**

**Section A: National Data System Coding**

Transaction Code			NPDES								yr/mo/day					Inspec. Type		Inspector		Fac Type								
1	N	2	5	3	N	M	U	0	0	0	6	3	8	11	12	1	2	0	7	3	1	17	18	=	19	S	20	3
Remarks																												
L A R G E C A F O - R A C E T R A C K																												
Inspection Work Days						Facility Evaluation Rating						BI		QA		-----Reserved-----												
67						70						71		72		73 74 75 80												

**Section B: Facility Data**

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number) RUIDOSO DOWNS RACETRACK AND CASINO - 1461 HIGHWAY 70 WEST, RUIDOSO DOWNS, NM, - 3 MILES EAST OF RUIDOSO DOWNS, NM LINCOLN COUNTY		Entry Time /Date 0755 / 7-31-2012	Permit Effective Date 9-3-09
		Exit Time/Date 0950 / 7-31-2012	Permit Expiration Date 9-2-14
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s) LES NICHOLS, MANAGER		Other Facility Data LAT 33° 19.960' LONG -105° 36.533' SIC 7948	
Name, Address of Responsible Official/Title/Phone and Fax Number MR. SHAUN HUBBARD, GENERAL MANAGER, RUIDOSO DOWNS RACETRACK AND CASINO, PO BOX 449, RUIDOSO DOWNS, NM 88346 (575) 378-4431		Contacted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

**Section C: Areas Evaluated During Inspection**

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

U	Permit	N	Flow Measurement	M	Operations & Maintenance	N	CSO/SSO
U	Records/Reports	N	Self-Monitoring Program	S	Sludge Handling/Disposal	N	Pollution Prevention
M	Facility Site Review	N	Compliance Schedules	N	Pretreatment	N	Multimedia
N	Effluent/Receiving Waters	N	Laboratory	N	Storm Water		Other:

**Section D: Summary of Findings/Comments (Attach additional sheets if necessary)**

1.FACILITY DOES NOT HAVE NPDES/CAFO PERMIT COVERAGE.  
2.SINCE THE FACILITY EXCEEDS THE SIZE CRITERIA FOR DETERMINING A CAFO AT 40 CFR PART 122.23, IT APPEARS THAT THIS FACILITY MAY REQUIRE APPROPRIATE NPDES PERMIT COVERAGE.  
3.SEE REPORT AND FURTHER EXPLANATIONS

Name(s) and Signature(s) of Inspector(s) Sarah S. Holcomb /s/ Sarah Holcomb	Agency/Office/Telephone/Fax NMED/SWQB 505-222-9587	Date 8-9-2012
Signature of Management QA Reviewer Richard E. Powell /s/ Richard E. Powell	Agency/Office/Phone and Fax Numbers NMED/SWQB 505-827-2798	Date 8-9-2012

**NPDES Compliance Inspection  
Ruidoso Downs Racetrack and Casino  
Further Explanations**

**Introduction**

On July 31, 2012, a Compliance Evaluation Inspection was conducted at the Ruidoso Downs Racetrack and Casino, a large (1750 racehorses) concentrated animal feeding operation (CAFO) located in Ruidoso Downs, New Mexico by Sarah Holcomb of the NMED SWQB. The purpose of this inspection was to document the facility's status regarding the NPDES CAFO permit program and CAFO regulations at **40 Code of Federal Regulations (CFR) Part 122.23 and 40 CFR Part 412.**

This facility stables, confines, and feeds or maintains more than 1750 horses for a total of 45 days or more in any 12-month period. If not contained, runoff from this animal feeding operation would discharge to an the Rio Ruidoso in 20.6.4.209 NMAC. This report is based on a review of records maintained by the facility, on-site observation by NMED personnel and verbal information provided by the facility's representative, Mr. Les Nichols, Manager.

An entrance interview was conducted with Mr. Nichols at approximately 0800 hours on July 31, 2012. The inspector made introductions, presented her credentials and discussed the purpose of the inspection.

**Findings**

This existing large CAFO did not have NPDES permit coverage on the date of this inspection. However, the Ruidoso Downs Racetrack and Casino applied for coverage under an individual NPDES Permit for CAFOs by filing a permit application dated October 7, 2009 but there is no record that the application was deemed administratively complete by EPA. The only discharges from this facility to a surface watercourse (i.e. waters of the United States), not in violation of the Clean Water Act (CWA), are those which result from a 25-year, 24-hour, or greater, storm event **provided the facility is properly designed, constructed, operated and maintained to contain all process generated wastewater and the runoff from a 25-yr, 24-hr storm event (40 CFR Part 412).** These discharges include, but are not limited to, manure, litter, and/or process wastewater discharges resulting from the production area under the CAFO operator's operational control (except those discharges which represent agricultural storm water discharges as provided in 33 U.S.C. 1362(14)).

There was a pollution prevention plan (PPP) prepared (signed by Mr. Nichols in 2003) in written form and available at this site for the inspection, however it did not accurately capture the activities of the racetrack with respect to manure management activities and was sorely in need of an update. Mortality management was not addressed in this PPP, along with other specifics such as manure production rates, or certification to show that the ponds onsite will hold the drainage from a 25-yr, 24-hour rain event.

Runoff from the barn area (including runoff from the wash racks located around the barn area) drains to various earthen ditches that flow to various retention ponds (there are ten total ponds – please see Photo #1). The PPP available onsite did not specify the total drainage acreage of the facility and only gave very basic details about the function of the facility.

The Ruidoso Downs Racetrack does not land apply manure or wastewater, but instead hauls the manure offsite daily to the landfill via a contract hauler. The manure is contained in muck bins just outside the barn areas. Wash racks are also located outside of the barns, and the flow from the wash racks travels to the same earthen channels, which are directed to one of the runoff control structure (RCS) onsite.

In order to demonstrate that a facility is properly designed, constructed, operated and maintained to contain all process generated wastewater and the runoff from a 25-yr, 24-hr storm event, the facility operator must be able to document, among other things, the following:

- records of all calculations used to determine required retention facility designs (i.e., engineering data to verify the design criteria for the retention facilities), such as reports/designs/construction data prepared by NRCS or other qualified engineering establishments
- records that embankments are properly constructed and maintained
- as-built retention facility construction details and certifications
- liner construction and maintenance records, or documentation of no liner requirement
- records of wastewater removal and land application, including schedules of removal by contract haulers; evaporation system design, construction and maintenance records; and/or irrigation system operational records, including nutrient management plans and records, performance (when, where and how much) schedules, documentation that adequate de-watering equipment (ponds, pipes, ditches, pumps, diversion and irrigation equipment) is available and properly maintained
- records of manure and pond solids removal and/or application
- records of preventive maintenance plans and activities
- records of employee training schedules, contents and personnel
- records of inspection schedules, findings and responses

The operator of this facility either does not record and/or does not perform some of these required procedures. In particular, this facility has not documented that the containment system is actually operated to contain runoff from the 25-yr, 24-hr storm event, direct precipitation, residual solids, and process generated wastewater. The operator either does not maintain, or did not make available on the date of the inspection, a site-specific nutrient management plan. In addition, it is unclear that all of the storm water runoff from all the production is tributary to the onsite retention ponds. The PPP submitted with the facility's NPDES permit application in 2010 includes documentation, signed by a professional engineer, that no liner is required to prevent significant leakage from the RCS. This facility exceeds the size criteria for determining a CAFO at **40 CFR Part 122.23(b) and 40 CFR Part 412**, therefore this facility is a CAFO and requires appropriate NPDES permit coverage.

An exit interview to discuss the preliminary findings of this inspection was conducted from approximately 0940-0950 hours on July 31, 2012 with Mr. Nichols at the facility.

NMED/SWQB

Official Photograph Log

Photo # 1

Photographer: Sarah Holcomb	Date: July 31, 2012	Time: 0838 hours
City/County: Ruidoso Downs/Lincoln	State: New Mexico	
Location: Ruidoso Downs Racetrack and Casino		
Subject: Map of the facility contained in the onsite PPP.		



NMED/SWQB

Official Photograph Log

Photo # 2

Photographer: Sarah Holcomb	Date: July 31, 2012	Time: 0955 hours
City/County: Ruidoso Downs/Lincoln	State: New Mexico	
Location: Ruidoso Downs Racetrack and Casino		
Subject: N-1 pond, as indicated on the map shown in Photo #1. The Rio Ruidoso is about 150 feet to the right of the subject in this photograph.		



NMED/SWQB

Official Photograph Log

Photo # 3

Photographer: Sarah Holcomb	Date: July 31, 2012	Time: 0958 hours
City/County: Ruidoso Downs/Lincoln	State: New Mexico	
Location: Ruidoso Downs Racetrack and Casino		
Subject: One of the areas outside the barns. The muck bin is located behind the gentleman on the telephone. Any runoff is conveyed toward the drain/culvert shown here. This particular barn would drain to the holding pond shown in Photo #2.		



NMED/SWQB

Official Photograph Log

Photo # 4

Photographer: Sarah Holcomb	Date: July 31, 2012	Time: 0958 hours
City/County: Ruidoso Downs/Lincoln	State: New Mexico	
Location: Ruidoso Downs Racetrack and Casino		
Subject: One of the areas outside the barns. Discharge from the wash rack is shown leaving the barn and traveling to the ditch alongside the barn.		

