

Virginia Racing Commission

MINUTES

OF THE

COMMISSION MEETING

January 6, 2016

**Patrick Henry Building
West Reading Room
1111 East Broad Street
Richmond, VA 23219**

In Attendance

Commission Members:

D.G. Van Clief, Jr., Chairman
Carol G. Dawson, Vice Chairman
I. Clinton Miller
Charles Steger, PhD
J. Sargeant Reynolds, Jr.

Commission Staff:

Bernard J. Hettel, Executive Secretary
C. Richard Harden, DVM, Equine Medical Director
David S. Lermond, Jr., Deputy Executive Secretary
Kimberly C. Mackey, Office Administrator

Office of Agriculture and Forestry

Sam Towell, Deputy Secretary of Agriculture and Forestry

Attorney General's Office:

J. Duncan Pitchford, Esquire

At 10:02 a.m., the regular monthly meeting of the Virginia Racing Commission (VRC) was called to order by Mr. Hettel.

Commissioner Reynolds nominated Commissioner Van Clief as the 2016 Chairman. The motion was seconded by Commissioner Steger. All were in favor. The motion carried unanimously with abstentions.

Commissioner Miller nominated Commissioner Dawson as the 2016 Vice Chairman. The motion was seconded by Commissioner Steger. All were in favor. The motion carried unanimously with abstentions.

A discussion ensued regarding the administrative process with regard to Churchill Downs, Inc. d/b/a Twin Spires ADW. Harry Johnson, Esq. was present as counsel for Churchill Downs. Mr. Johnson objected, because improper notice was issued. Commissioner Miller commented on the non-compliance of Churchill Downs/Twin Spires of a directive issued by the VRC in December.

Commissioner Miller moved a proper notice be issued for a hearing. The motion was duly seconded. All were in favor. The motion carried unanimously.

Commissioner Steger suggested mediation rather than legal action, noting the difference were not irreconcilable and a professional mediator could bring the issues to closure.

Following some discussion, the Commission went into closed session at 10:55 a.m. under the provision of §2.2-3711(a)(7) which was recited by Attorney General J. Duncan Pitchford. “In accordance with the provisions of §2.2-3711(a)(7) of the code of Virginia, I move that the Commission go into closed meeting for the purposes of consultation with legal counsel and briefing by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating of litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel concerning agenda item number four, the application, the APA hearing for TwinSpires. The commissioners will only ask counsel questions and will not engage in deliberations or any other activity”. The motion for approval was made by Commissioner Miller and seconded by Commissioner Steger. All were in favor. The motion carried unanimously.

Returning from closed session at 11:28 a.m. General Pitchford recited the enabling statutory reference to resume the regular meeting. “Section 2.2-3712 of the code of Virginia requires a certification by this Commission that the closed meeting was conducted in conformity with Virginia law. Now, therefore, be it resolved that the Virginia Racing Commission certifies that to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission in the closed meeting”. The motion for approval was made by Commissioner Reynolds and seconded by Vice Chairman Dawson. All were in favor. The motion carried unanimously.

Commissioner Miller moved to withdraw his previous motion direct notice of hearing the Churchill Downs, Inc. d/b/a Twin Spires ADW. The motion was seconded by Vice Chair Dawson. The motion carried unanimously.

Minutes of the regular meeting held on December 16, 2015 were approved. The motion for approval was made by Commissioner Steger and duly seconded. All were in favor. The motion carried unanimously.

Mr. Hettel recommended approval of the 2016 Gold Cup Contract. The motion for approval was made by Commissioner Miller and duly seconded. All were in favor. The motion carried unanimously.

Mr. Hettel recommended approval of the 2016-18 Xpressbet/VEA/VGA/VHBPA/VHHA rebate contract. The motion for approval was made by Commissioner Miller and seconded by Commissioner Reynolds. All were in favor. The motion carried unanimously.

During the public comment period, Jeb Hannum and Debbie Easter of the VEA expressed visions of the future for this year and beyond.

Mr. Tom Eshelman, manager of the Shenandoah County Fair gave an update on the progress at Woodstock in preparation of pari-mutuel wagering in September and October.

During Commissioners' comment period, Commissioner Reynolds stated his hope for the resumption of business in the Commonwealth with Twin Spires. Vice Chair Dawson express her gratitude to former Chair Reynolds, and her excitement for the future of racing. Commissioner Miller thanked the horsemen affiliated groups for the hard work during difficult times.

Chairman Van Clief expressed his gratitude for collaboration by the secretary and the administration in creating a productive working environment that has resulted in great progress and an exciting future.

With no further business, the meeting was adjourned at 11.58 a.m.