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VIRGINIA RACING COMMISSION

COLONIAL DOWNS
BALLROOM 4TH FLOOR
10515 COLONIAL DOWNS PARKWAY
NEW KENT, VA 23124

Monday, June 14, 2021 at 11:00 a.m.

COMMISSION MEMBERS:

J. Sargeant Reynolds, Jr., Chairman
Stuart Siegel, Vice Chairman
Marsha K. Hudgins
Stephanie B. Nixon

COMMISSION STAFF:

David S. Lermond, Jr., Executive Secretary
Kimberly C. Mackey, Director of Operations
Rhonda Davis, Director of Pari-Mutuels and Licensing
Ada K. Caruthers, DVM, Equine Medical Director

ATTORNEY GENERAL'S OFFICE:

Elizabeth Myers, Esquire

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1 VICE CHAIRMAN SIEGEL: Ladies and Gentlemen,
2 we'll begin the meeting, if you'll take your seats.
3 Good morning and welcome to another meeting of the
4 Virginia Racing Commission. As most of you are
5 aware, given the current and seemingly ongoing
6 nature of racing today, this group is much needed
7 and we're proud that D.G. Van Clief served on it.
8 He represented the industry and the Commonwealth
9 and our Commission very well. D.G. is an
10 outstanding commissioner as well as a leader of our
11 organization and we will certainly miss him. He
12 has kindly offered to help in any way he can to
13 move forward and we certainly ask for the help.

14 Because the role as Vice Chairman is to seek a
15 new Chairman, I open the floor for nominations.

16 COMMISSIONER NIXON: Commissioner Sargeant
17 Reynolds.

18 VICE CHAIRMAN SIEGEL: Sargeant Reynolds is
19 nominated to be the Chairman. Any other
20 nominations? Hearing none, I'll ask for a second.

21 COMMISSIONER HUDGINS: Second.

22 VICE CHAIRMAN SIEGEL: We have a second
23 nomination. All in favor, say aye.

24 COMMISSIONER REYNOLDS: Am I allowed to vote?

25 MR. LERMOND: You're still allowed to vote.

1 You're elected.

2 NOTE: The Commission votes aye.

3 VICE CHAIRMAN SIEGEL: Congratulations. You
4 are elected by unanimous consent. I'll turn the
5 meeting over to you.

6 CHAIRMAN REYNOLDS: Thank you very much,
7 Mr. Vice Chairman. I'm ready for round two as
8 Chairman. Everyone remembers round one. Everybody
9 remembers 2014 and '15. We went through a lot and
10 we have come a long, long way, largely thanks to
11 everybody, but largely thanks to former Chairman
12 Van Clief. We'll have more to say about Mr. Van
13 Clief probably in a few minutes.

14 Anyway, we've got a large agenda today because
15 we haven't met since last December 16th. If any of
16 us are not speaking loudly enough, please just let
17 us know. We want to make sure everybody can hear.
18 We appreciate that.

19 Our first order of business is approval of the
20 December 16, 2020 minutes. Commissioners, behind
21 Tab One. Has everybody had a chance to review the
22 minutes? Are there any additions or corrections?
23 Hearing none, I'll make a motion to accept the
24 minutes of December 16th, 2020.

25 VICE CHAIRMAN SIEGEL: So moved.

1 CHAIRMAN REYNOLDS: Do I hear a second?

2 COMMISSIONER NIXON: Second.

3 CHAIRMAN REYNOLDS: We have a second. All
4 those in favor, say aye.

5 NOTE: The Commission votes aye.

6 CHAIRMAN REYNOLDS: The motion carries. The
7 minutes are approved.

8 Next on the agenda is the request for approval
9 of a license to conduct pari-mutuel wagering on
10 Historical --

11 MR. LERMOND: Sir.

12 CHAIRMAN REYNOLDS: Yes.

13 MR. LERMOND: Public comment first.

14 CHAIRMAN REYNOLDS: I apologize. We're going
15 to go with public comments. The public is invited
16 to speak whatever is on their mind and please be
17 reminded that you have five minutes to speak. Does
18 anybody wish to speak and make a public comment?
19 Mr. Berman, are you good?

20 MR. BERMAN: Yeah.

21 CHAIRMAN REYNOLDS: Thank you. All right. I
22 don't see anybody who wants to make a public
23 comment, so thank you for that.

24 Now we move on to the next agenda item;
25 request for approval of a license to conduct

1 pari-mutuel wagering on Historical Horse Racing at
2 Rosie's Collinsville for 2021, submitted by
3 Colonial Downs Group, LLC.

4 Mr. Lermond, do you want to talk about that?

5 MR. LERMOND: I'll start us out. Sure. Thank
6 you, Mr. Chairman.

7 Several months ago, I got a call from John
8 Marshall and he was floating the idea of putting 37
9 HHR terminals at the OTB in Collinsville.

10 Apparently, Henry County has a limitation on 37
11 such devices and Mr. Marshall felt that they could
12 fit 37 terminals nicely into the existing windmill
13 OTB in Collinsville.

14 Initially, I had a few concerns and I think my
15 concerns were almost a compliment to Colonial Downs
16 in a way, because my feeling is they had set the
17 bar very high at their existing Rosie's locations
18 and I just wanted to make sure that this smaller
19 business model would still provide the same guest
20 entertainment and also provide a safe and secure
21 environment for the patrons and also for the
22 employees of Colonial Downs.

23 I requested the help of our HHR compliance
24 specialist, Joe Rudisill. Mr. Rudisill examined
25 Mr. Marshall's proposal and came up with a pretty

1 extensive list of questions through email.

2 After some discussion with Mr. Marshall, that
3 email boiled down to about 19 or 20, I'll just call
4 like a punch list of things that the Commission
5 would want to see in place for concerns that we had
6 that needed to be satisfied before I thought that I
7 would be comfortable recommending a location like
8 this to the full Commission.

9 I'm happy to report that about three weeks
10 ago, Mr. Rudisill and I actually took a site visit
11 out to Collinsville. There were I think three VPs
12 there from Colonial Downs; Mr. Hartman, Steven
13 Hubba [ph] and Chad, who is vice president of
14 development and I'm sorry, I don't know Chad's last
15 name. I should because he is in the office with us
16 some days.

17 We were very pleased with the attention to
18 detail and the willingness of Colonial Downs to
19 provide the necessary items that we thought would
20 be necessary to provide a safe and secure
21 environment.

22 I don't want to get into too many of the
23 details, but some of those listed from the
24 requirements were the count room, money storage,
25 segregation of duties, lock and alarm schematics,

1 amount of security and of course surveillance; not
2 only in the facility, but in the parking lot.

3 Again, after our visit and meeting with the
4 individuals from Colonial Downs, we were very happy
5 and I can go into more detail about the location
6 itself.

7 Briefly, its occupancy of 560 people, it
8 measures a little over 14,000 in square feet. I
9 have been to the room up there several times before
10 and it is a good-size room. I think it will be
11 sufficient for the number of people they're going
12 to have there and still provide the type of guest
13 entertainment that folks are used to when they go
14 to a Rosie's.

15 The rest of the application was complete with
16 all of the required information and I would be
17 happy to take some questions from commissioners,
18 and if there are none, then I would recommend
19 approval of this application.

20 CHAIRMAN REYNOLDS: Any questions?

21 COMMISSIONER NIXON: Thank you very much.

22 CHAIRMAN REYNOLDS: I think we're good. I
23 read through it and it's very thorough and I
24 appreciate your work on it. Thank you.

25 MR. LERMOND: You're welcome, Sarge. In that

1 motion would you please include the two conditions
2 on Page Five and Seven?

3 CHAIRMAN REYNOLDS: Why don't I go ahead and
4 make the motion that we approve the license to
5 conduct pari-mutuel wagering on Historical Horse
6 Racing, Collinsville, in 2021 as submitted by the
7 Colonial Downs Group, LLC, with the following
8 additions.

9 One. Pari-mutuel wagering on Historical Horse
10 Racing shall be operated in accordance with all
11 representations, plans and specifications as
12 submitted in the application and as described to
13 the Virginia Racing Commission's June 14th meeting.

14 The licensee shall not deviate materially from
15 these representations, plans and specifications
16 without prior consent of the Commission or its
17 executive secretary.

18 Two. The pari-mutuel wagering on Historical
19 Horse Racing shall be operated in accordance with
20 all applicable state and federal statutes and
21 regulations, regulations of the Commission and all
22 local ordinances.

23 Do I hear a second?

24 VICE CHAIRMAN SIEGEL: Second.

25 CHAIRMAN REYNOLDS: Very good. I have a

1 second. Any additional comments? Hearing none,
2 all those in favor, say aye.

3 NOTE: The Commission votes aye.

4 CHAIRMAN REYNOLDS: Those opposed? Motion
5 carries unanimously.

6 Next on the agenda is a request for approval
7 of a limited license submitted by the Virginia Gold
8 Cup Association for 2021. Mr. Lermond, will you
9 take us through that, please.

10 MR. LERMOND: Yes, Mr. Chairman. On May 14th,
11 I received by email an application from Barbara
12 Shannon from the Virginia Gold Cup Association.
13 I, for one, and I'm sure the rest of you are very
14 pleased to know, that we will once again have
15 pari-mutuel wagering at the Gold Cup this fall.

16 Unfortunately, the COVID didn't clear up quite
17 soon enough for us to do anything for the spring
18 event, even though they pushed the date back some
19 hoping that things would clear up, but according to
20 Barbara, I think they still had a gray day of
21 racing in the spring. Dr. Allison, I believe,
22 would concur.

23 Once again, the Gold Cup's application is
24 always very thorough and complete. I don't have
25 any concerns at all or staff or any reason not to

1 issue this license again and I'm very pleased to
2 see that we will be able to go out to the Great
3 Meadow race course in October and enjoy some
4 steeplechase racing with pari-mutuel wagering.

5 Unless anyone has any questions, I would again
6 ask for a motion, to include those same two
7 recommendations.

8 CHAIRMAN REYNOLDS: All right. Thank you.

9 VICE CHAIRMAN SIEGEL: So moved.

10 CHAIRMAN REYNOLDS: Second?

11 COMMISSIONER NIXON: Second.

12 CHAIRMAN REYNOLDS: I'll entertain a motion.
13 Anybody have any comments before we take a vote?
14 I'll entertain a motion to request approval of a
15 limited license as submitted by Virginia Gold Cup
16 Association for 2021 with the following conditions.

17 One. Horse racing and with pari-mutuel
18 wagering shall be operated in accordance with all
19 representations, plans and specifications as
20 submitted in the application and as described to
21 the Virginia Racing Commission's June 14, 2021
22 meeting.

23 The licensee shall not deviate materially from
24 these representations, plans and specifications
25 without the prior consent of the Commission or its

1 executive secretary.

2 Two. The horse racing with pari-mutuel
3 wagering shall be operated in accordance with all
4 applicable state and federal statutes and
5 regulations, the regulations of the Commission and
6 all other ordinances.

7 Do I hear a motion?

8 VICE CHAIRMAN SIEGEL: So moved.

9 CHAIRMAN REYNOLDS: Do I hear a second?

10 COMMISSIONER NIXON: Second.

11 CHAIRMAN REYNOLDS: All those in favor, say
12 aye.

13 NOTE: The Commission votes aye.

14 CHAIRMAN REYNOLDS: Aye. All those opposed?
15 Hearing none, the motion carries unanimously.

16 Next up on the agenda is a request for
17 approval of the Virginia Gold Cup racing officials
18 for 2021, behind Tab Four. Mr. Lermond, will you
19 take us through that, please?

20 MR. LERMOND: Thank you, Mr. Chairman. As
21 part of the application, they are required to
22 provide us with a list of racing officials, but it
23 has always been our practice to not only approve
24 the license application, but the list of officials
25 as well.

1 I would also point out that the list does
2 include the three stewards that will be employed by
3 the Virginia Racing Commission that also needs your
4 approval, but in meetings past, we have done both
5 of those by approving this list.

6 The only thing I would mention is that I was
7 fortunate enough that our Thoroughbred chief
8 steward, Jack Houghton, informed me he would still
9 be in the area in October and agreed to be one of
10 the three stewards for Gold Cup and I think that's
11 great.

12 I can talk about Jack a little bit later, but
13 he's just an excellent steward and I think he would
14 add to the other two that we already have,
15 including Chief Steward Tad Zimmerman and Mr. Gus
16 Brown. Gus Brown is an ex-rider and provides a lot
17 of knowledge and experience to the three stewards
18 that we have. I'm very happy with them.

19 The rest of the racing officials, it seems
20 like I see these names every year, which is a very
21 good thing for continuity's sake and I'm confident
22 that everyone on this list will be able to perform
23 their duties in a professional fashion.

24 I would request approval for this list, but in
25 the motion, I would like the Commission to grant me

1 the authority to approve any last minute changes to
2 this list.

3 Sometimes something happens at the last minute
4 and I think it would just be good if I had that
5 authority so that we can say that anybody who
6 worked there was approved by the Commission,
7 whether it's today or by me in some last minute
8 type thing. I would request that motion.

9 CHAIRMAN REYNOLDS: Thank you, Mr. Lermond.
10 Commissioners, do you have any comments or
11 questions?

12 I will seek a motion for the approval of the
13 Gold Cup racing officials for 2021 and further add
14 that the executive secretary for the Virginia
15 Racing Commission has our authority to make any
16 last minute changes to that list as needed.

17 Do I hear a motion?

18 COMMISSIONER NIXON: Yes.

19 VICE CHAIRMAN SIEGEL: Yes.

20 CHAIRMAN REYNOLDS: Commissioner Nixon and
21 Mr. Siegel seconds. All those in favor, say aye.

22 NOTE: The Commission votes aye.

23 CHAIRMAN REYNOLDS: All those opposed, say no.
24 Motion carries unanimously.

25 Moving right along. Next on our agenda is a

1 request for approval of a limited license for the
2 2021 -- limited license submitted by the Shenandoah
3 County Agricultural Foundation for Shenandoah
4 Downs. Mr. Lermond.

5 MR. LERMOND: Thank you, Mr. Chairman. On
6 June 3rd, 2021, I received an application from the
7 Shenandoah Agricultural Foundation for a limited
8 license to conduct ten days of harness racing with
9 pari-mutuel wagering at Shenandoah Downs from
10 September 17, 2021 to October 16, 2021.

11 Once again, I'm very happy to see racing
12 return to Shenandoah Downs with pari-mutuel
13 wagering. They had to take a break as did the Gold
14 Cup due to COVID and we are very, very happy to see
15 this racing continue.

16 A few differences this year. One is that we
17 have decided to move the test barn to a better
18 location that we feel is directly off of the
19 racetrack but not close enough to the racetrack
20 where the horses are bothered when they see the
21 horses running by. That sometimes makes it hard
22 for them to concentrate on why they're at the test
23 barn. So I think it's also, I think, a more secure
24 location, so I think that's a good improvement.

25 Other than that, we've always been very happy

1 with the racing there and I would again recommend
2 approval with the two conditions listed in the
3 staff report on Page Four.

4 CHAIRMAN REYNOLDS: Thank you. Any comments
5 or questions? Hearing none, I'll go ahead and make
6 a motion that the Commission approve the limited
7 license for 2021 as submitted by Shenandoah County
8 Agricultural Foundation for the running at
9 Shenandoah Downs with the following conditions.

10 One. The horse racing with pari-mutuel
11 wagering shall be operated in accordance with all
12 representations, plans and specifications as
13 submitted in the application and as described at
14 the Virginia Racing Commission's June 14th meeting.

15 The licensee shall not deviate materially from
16 these representations, plans and specifications
17 without the prior consent of the Commission or its
18 executive secretary.

19 Two. The horse racing with pari-mutuel
20 wagering shall be operated in accordance with all
21 local state and federal statutes and regulations,
22 regulations of the Commission and all local
23 ordinances.

24 Do I have a second?

25 COMMISSIONER HUDGINS: Second.

1 CHAIRMAN REYNOLDS: We have a second. All
2 those in favor, say aye.

3 NOTE: The Commission votes aye.

4 CHAIRMAN REYNOLDS: Those opposed? Hearing
5 none, the motion carries unanimously and it is
6 approved. Thank you.

7 Next is a request of the approval of racing
8 officials for Shenandoah Downs for 2021.
9 Mr. Lermond.

10 MR. LERMOND: Thank you, Mr. Chairman. Just
11 as with the Gold Cup application, the application
12 for Shenandoah Downs included the list of racing
13 officials and they again include the three stewards
14 or judges as they're called at Artis.

15 We have presiding judge, Jack Remy, who has
16 been with us almost since the beginning at
17 Shenandoah Downs. Mr. Remy is the presiding judge
18 at Ocean Downs and also at Rosecroft. It would be
19 hard for us to find a more knowledgeable person than
20 Mr. Remy.

21 The second name is Joel Milby. He is a new
22 person for us. He's a younger guy I could say for
23 a judge. I think he's in his 40s. Mr. Remy has
24 taken him under his wing the last year or two.
25 Mr. Milby has a full USDA judge's license and I

1 think it's good for us to try to bring in some
2 younger blood to some of these positions just for
3 the future for attrition and things like that.

4 The third one is Jimmy Mitchell, who has been
5 with us, again, since the beginning, who is a fine
6 judge.

7 The rest of the names as with the Gold Cup are
8 all familiar names that we see each year. These
9 people have always done a fine job and they're
10 performing their duties as racing officials and I
11 would again ask for approval of this list and I
12 think it's even more important since we're so far
13 out to grant me the authority to make any changes
14 that may occur between now and September. So I
15 would seek that motion.

16 CHAIRMAN REYNOLDS: Okay. Do I hear a motion
17 for the approval of racing officials for Shenandoah
18 Downs for 2021 and in addition, allowing our
19 executive secretary to make any last minute changes
20 as deemed necessary?

21 VICE CHAIRMAN SIEGEL: Yes.

22 CHAIRMAN REYNOLDS: Do I hear a second?

23 COMMISSIONER HUDGINS: Second.

24 CHAIRMAN REYNOLDS: I hear a second. All
25 those in favor, say aye.

1 NOTE: The Commission votes aye.

2 CHAIRMAN REYNOLDS: Any opposed? Hearing
3 none, the motion carries unanimously.

4 Next on the list is the request for approval
5 of the horseman's agreement between Shenandoah
6 County Agricultural Foundation, Virginia Equine
7 Alliance and Virginia Harness Horse Association,
8 which you can find behind Tab Seven.

9 Mr. Lermond, do you want to take us through
10 that?

11 MR. LERMOND: Thank you, Mr. Chairman.

12 CHAIRMAN REYNOLDS: You're welcome.

13 MR. LERMOND: As required by the code of
14 Virginia, an operator of a limited race meet where
15 there has not been a referendum passed has to be a
16 501(c)(3) or (4) corporation. In this case, the
17 corporation requesting the license is the
18 Shenandoah County Agricultural Foundation and this
19 is not the first time that this contract has been
20 written this way.

21 The way it works, basically, is the Virginia
22 Equine Alliance paying the foundation a fee of
23 \$10,000 for sponsoring and obtaining the license
24 from the Commission and then anything above and
25 beyond that would go to the Virginia Equine

1 Alliance.

2 This guarantees that the Shenandoah County
3 Agricultural Foundation will receive \$1,000 a day
4 for putting on the races and applying for the
5 license.

6 Furthermore, it states that the purses will be
7 at least 800,000 for the meet, which is about
8 50,000 a day, which for harness racing is very,
9 very, a very good amount and should again attract
10 many horses.

11 The agreement is just for the one year this
12 time and unless anyone has any questions, I would
13 recommend approval of this contract.

14 CHAIRMAN REYNOLDS: All right. Are there any
15 comments or questions from my fellow commissioners?
16 I'd like to seek a motion for approval of the
17 horsemen's agreement between Shenandoah County
18 Agricultural Foundation and Virginia Equine
19 Alliance and the Virginia Harness Horse
20 Association.

21 COMMISSIONER HUDGINS: So moved.

22 CHAIRMAN REYNOLDS: Do I have a second?

23 COMMISSIONER NIXON: Second.

24 CHAIRMAN REYNOLDS: I hear a second. All
25 those in favor, say aye.

1 NOTE: The Commission votes aye.

2 CHAIRMAN REYNOLDS: Any opposed? Hearing
3 none, the motion carries unanimously. Thank you.

4 Next on the agenda is a request for approval
5 of the racing officials for Colonial Downs for the
6 2021 season. Mr. Lermond.

7 MR. LERMOND: Thank you, Mr. Chairman. I
8 received a list from Jill Byrne with the racing
9 officials for the Colonial Downs meet which is
10 getting ready to start here very soon.

11 Again, this list does include our three
12 stewards and Jack Houghton will be our presiding
13 steward once again.

14 I may have said this the first year or two,
15 but we are very fortunate to have Mr. Houghton as
16 our chief steward. People who have been around the
17 Mid-Atlantic racing know of Mr. Houghton's
18 reputation as a great steward. If I was a young
19 steward starting out, that is somebody I would want
20 to emulate in every way.

21 Also, we have Pat Bovenzi, who came to us last
22 year and unfortunately only got to be a steward for
23 seven days of racing, but Pat had worked in the
24 racing office the first year at Colonial Downs and
25 is fully accredited, and even though it was only

1 seven days, I thought that the three stewards
2 worked very well together.

3 The third one, again, is our Thoroughbred
4 slash steeplechase steward, Tad Zimmerman. This
5 will be his third year as a steward at Colonial
6 Downs. He has worked out extremely well and again,
7 I'm just thrilled that we have three qualified
8 stewards in the stand, and again, we're just very
9 fortunate that we have these folks.

10 As far as the rest of the names, I sound like
11 a broken record, but these are all people that we
12 have seen the first two years. I think a lot of
13 the folks come from Tampa Bay Downs and they work
14 very well together as a group since they're used to
15 working together during other parts of the year.

16 So unless there are any questions about any of
17 these names, I would recommend approval and also
18 even though we don't have too much time, I would
19 still like the Commission to grant me the authority
20 to make any last minute substitutions if they are
21 needed.

22 CHAIRMAN REYNOLDS: Okay. Any questions or
23 comments from fellow commissioners? Hearing none,
24 I will seek a motion to approve the racing
25 officials for Colonial Downs for 2021, which

1 further allows our executive secretary to make any
2 last minute changes that are deemed necessary.

3 VICE CHAIRMAN SIEGEL: So moved.

4 CHAIRMAN REYNOLDS: Do I have a second?

5 COMMISSIONER NIXON: Second.

6 CHAIRMAN REYNOLDS: I have a second. All
7 those in favor, say aye.

8 NOTE: The Commission votes aye.

9 CHAIRMAN REYNOLDS: Any opposed? Hearing
10 none, the motion carries unanimously.

11 All right. Let's see. Behind Tab Nine,
12 we have a request for approval of VHBPA's
13 benevolence budget for 2021 and I ask for Mr.
14 Petramalo to present to us, please.

15 MR. PETRAMALO: Thank you, Mr. Chairman. The
16 budget you see before you is very similar to the
17 ones that we've presented in the past. I'll just
18 hit some highlights.

19 MR. BERMAN: Can you move over? We can't hear
20 you.

21 MR. PETRAMALO: That's deliberate.

22 CHAIRMAN REYNOLDS: Can you come to the front,
23 if you'd like, and speak?

24 MR. PETRAMALO: I'm sorry, Tad. I didn't
25 realize you couldn't hear me.

1 Mr. Chairman, this is pretty much the same
2 type of budget --

3 CHAIRMAN REYNOLDS: will you come to the
4 middle?

5 MR. PETRAMALO: It's the same type of budget
6 that we've submitted for every year the past 15
7 years. The highlights are as follows.

8 We have a food program that includes meals at
9 the track kitchen. This year, probably for 12
10 years in a row now, Miguel and his family are
11 coming most of the time to work at the Maryland
12 tracks and always come to Colonial Downs.

13 We subsidize these operations so they'll come
14 down here, and more importantly, keep the prices in
15 check.

16 We do something else. We give out the meal
17 tickets. The chaplain works the back side of the
18 field. He's here probably six days a week and he
19 is constantly touring the back side and counseling
20 people. He's more of a problem solver, et cetera,
21 and in the process, he also gives out meal tickets
22 like this to those who may want or need them.
23 They're redeemable in the track kitchen for a \$7
24 meal.

25 We also rent a 12 passenger van and we have a

1 driver. The purpose of this is to take those who
2 are living on the back side in dorms. As you know
3 we have 240 beds. Many, many of the people working
4 in the back side do not have transportation. They
5 come in on the trucks with the horses and I was
6 going to say they're stuck here. That's not quite
7 accurate.

8 They're in the middle of a rural county so we
9 provide a van to take them to entertainment venues
10 if they have time off to go to Kings Dominion or
11 Busch Gardens or sometimes, more importantly, it's
12 used to transport them to Walmart and places like
13 that, including grocery stores.

14 The chaplain will talk about that. This will
15 be the third year in a row that the chaplain will
16 be with us. His church and congregation are down
17 the road, but he lives right next door to the
18 racetrack. He's a wonderful chaplain and gets
19 along well with everyone. So he will be here.

20 You will also note that there's an allocation
21 in the budget for medical and dental care. Over
22 the years, it has turned out to be principally
23 dental care. We have usually probably sixty to
24 seventy percent of the money we spend for dental
25 treatment.

1 We usually set up (inaudible) -- prices and we
2 send folks who need dental care to -- last year, I
3 think it was the next exit down for medical
4 treatment. We send folks down to an urgent care
5 center. As I said, most of our money is for
6 medical.

7 A couple other things. Educational programs.
8 As you may remember, we have had in the past one or
9 another of our national Groom Elite training
10 programs, which is a combination of classroom
11 training coupled with training, hands-on training.

12 We're not having that this year, but we are
13 instituting something new with the assistance of
14 the medical director who is here someplace, Dr. Ada
15 Caruthers, and that is, we're having at least three
16 one-hour training sessions for trainers and
17 assistant trainers.

18 As some of you may know, the Virginia Racing
19 Commission is required as of January 1, 2022 that
20 every trainer complete four hours of continuing
21 education in order to receive a license, so we are
22 setting up these programs to at least provide
23 something.

24 Next, we hope to have our disabled jockeys
25 (inaudible) this year. We didn't have one last

1 year because of the shutdown; there before, we had
2 one. We may try to bring that back again. But
3 this is something we've set up and all the proceeds
4 go to the foundation.

5 CHAIRMAN REYNOLDS: I'll start out with a
6 couple questions. I notice the budget has gone way
7 up. I guess there's a lot more breakage these
8 days.

9 MR. PETRAMALO: Well, there are also more
10 days.

11 CHAIRMAN REYNOLDS: More days. That leads to
12 my second question. The chaplain is now 11,000.
13 Is the chaplain getting a price increase or is he
14 doing more work?

15 MR. PETRAMALO: It's more days. We provide
16 the chaplain a golf cart and I believe the
17 compensation is \$30 an hour. Something like that.

18 CHAIRMAN REYNOLDS: Okay.

19 MR. PETRAMALO: He's well worth it.

20 CHAIRMAN REYNOLDS: I'm sure. That's all I
21 have. Other commissioners?

22 COMMISSIONER HUDGINS: Nice job.

23 CHAIRMAN REYNOLDS: Thank you, Mr. Petramalo.
24 Are there questions or comments from the
25 commissioners in general?

1 COMMISSIONER HUDGINS: I'm very satisfied with
2 what I see so far.

3 CHAIRMAN REYNOLDS: I will seek a motion for
4 the approval of the VHBPA's benevolence budget for
5 2021.

6 VICE CHAIRMAN SIEGEL: So moved.

7 CHAIRMAN REYNOLDS: Do I hear a second?

8 COMMISSIONER HUDGINS: Second.

9 CHAIRMAN REYNOLDS: I have a second. All
10 those in favor, say aye.

11 NOTE: The Commission votes aye.

12 CHAIRMAN REYNOLDS: Any opposed? Hearing
13 none, the motion carries unanimously. Thank you,
14 Mr. Petramalo.

15 Next on the agenda is the request for approval
16 of the VHHA's benevolence budget for 2021. Debbie
17 warnick, would you like to present? Is Debbie
18 here?

19 MS. WARNICK: Thank you, Mr. Chairman. We are
20 requesting that you give us \$25,000 this year.

21 CHAIRMAN REYNOLDS: will you come up here
22 and stand up? We don't want to miss a word. Thank
23 you.

24 MS. WARNICK: \$25,000 is what we're requesting
25 would be spent for meal tickets and group meals as

1 we've done in the past. It's a slight increase
2 from last year. I think last year was \$23,000, but
3 this was in line with what we actually spent last
4 year.

5 As some of you may know, we don't have
6 facilities for people to stay. There's no rooms
7 like they have here in Colonial and the cheapest
8 rate -- if people are coming to stay for the entire
9 meet, that works out to be almost six weeks or five
10 weeks if they leave a couple days early.

11 The cheapest hotel rate around that Darryl was
12 able to negotiate for us is \$85 a night. This
13 turns out to be a significant amount of money for
14 people that come and stay the entire meet.

15 what we would like to do is reimburse them
16 some of that money. we plan based upon what we had
17 last year, we had 26 horsemen who came and stayed
18 the entire meet. Not everybody stays the entire
19 time. Some come for a weekend or come for a couple
20 days.

21 we would like to take that 20,000 and divide
22 it by the people that actually stay. Based on last
23 year's number of 26, it worked out to be \$21 per
24 day we reimburse them for staying. That's it.

25 CHAIRMAN REYNOLDS: Commissioners, do you all

1 have any questions?

2 COMMISSIONER NIXON: I do. Does that
3 encompass -- when you say horsemen, does that mean
4 the groomers, drivers and trainers?

5 MS. WARNICK: It's the group; trainers,
6 drivers, lap people. We don't have drivers that
7 come down and stay.

8 COMMISSIONER NIXON: Okay.

9 CHAIRMAN REYNOLDS: Thank you very much.

10 MS. WARNICK: Thank you.

11 CHAIRMAN REYNOLDS: Any further comments or
12 questions? Hearing none, I make a motion for the
13 approval of VHHA's benevolence budget for 2021.

14 COMMISSIONER HUDGINS: So moved.

15 CHAIRMAN REYNOLDS: Do I hear a second?

16 COMMISSIONER NIXON: Second.

17 CHAIRMAN REYNOLDS: Hearing a second, all
18 those in favor, say aye.

19 NOTE: The Commission votes aye.

20 CHAIRMAN REYNOLDS: Any opposed? Hearing
21 none, the motion carries unanimously. Thank you.

22 The next item on the agenda is approval of the
23 final amendments to Chapter 100, lip tattoo
24 requirements. Mr. Lermond, that's you or
25 Dr. Caruthers.

1 MR. LERMOND: Mr. Chairman, I'll take the
2 first two and then we'll let Dr. Caruthers handle
3 Item 15, if that's okay.

4 CHAIRMAN REYNOLDS: Okay.

5 MR. LERMOND: Behind Tab 11 of your notebooks
6 is a proposed final amendment to Chapter 100,
7 § 100-30, lip tattoo requirements. I would just
8 frame this as basically housekeeping.

9 This would allow the use of a micro chip to
10 identify a horse without a lip tattoo. Micro
11 chips, actually called a digital tattoo, are the
12 wave of the future, so we wanted to insert this
13 into this section which would allow for a readable
14 micro chip to be used if there is not a tattooed
15 number or in a few years when tattoo numbers go
16 away completely, this is going to be the method of
17 the future going forward.

18 This amendment would be exempt from the
19 Administrative Process Act because it concerns a
20 technical rule concerning live horse racing, so we
21 would have this in place before the Colonial Downs
22 meet starts and I would seek a motion to approve
23 this final amendment to Chapter 100.

24 CHAIRMAN REYNOLDS: Thank you. Any questions?
25 Hearing none, I will seek a motion for the approval

1 of the final amendment to Chapter 100, lip tattoo
2 requirements.

3 COMMISSIONER NIXON: So moved.

4 CHAIRMAN REYNOLDS: Do I hear a second?

5 VICE CHAIRMAN SIEGEL: Second.

6 CHAIRMAN REYNOLDS: We have a second. All
7 those in favor, say aye.

8 NOTE: The Commission votes aye.

9 CHAIRMAN REYNOLDS: Opposed? Hearing none,
10 the motion carries unanimously.

11 Next is the request for approval of final
12 amendments to Chapter 110, the horses ineligible to
13 start. Mr. Lermond.

14 MR. LERMOND: Thank you, Mr. Chairman. As is
15 the case sometimes in our rulebook, a rule will
16 appear in one section and appear in another. The
17 rationale for this amendment is the same as what I
18 just articulated for Chapter 100, although this
19 section has to do with horses that are ineligible
20 to start and the premiss is that a Thoroughbred
21 horse that has not been lip tattooed or does not
22 possess a readable micro chip or a Standardbred
23 that does not possess a lip tattoo, freeze-branded
24 number or readable micro chip.

25 So again, this is another housekeeping item.

1 It's the same rationale for the Chapter 100 change
2 and I would recommend or seek a motion to approve
3 this as a final amendment to Chapter 110 and the
4 same exemption I spoke about a minute ago that
5 would apply to this, this rule would also be in
6 place before the Thoroughbred race starts.

7 CHAIRMAN REYNOLDS: Any questions or comments?
8 Hearing none, I request a motion for the approval
9 of the final amendments to Chapter 110, horses that
10 are ineligible to start.

11 VICE CHAIRMAN SIEGEL: So moved.

12 CHAIRMAN REYNOLDS: Do I hear a second?

13 COMMISSIONER HUDGINS: So moved.

14 CHAIRMAN REYNOLDS: I have a motion and a
15 second. All those in favor, say aye.

16 NOTE: The Commission votes aye.

17 CHAIRMAN REYNOLDS: All those opposed?
18 Hearing none opposed, the motion carries
19 unanimously. Thank you, Mr. Lermond.

20 MR. LERMOND: Thank you.

21 CHAIRMAN REYNOLDS: Next is a request for
22 approval for final amendments to Chapter 180,
23 clenbuterol. I'd ask Dr. Caruthers to comment on
24 that. Come forward, please. Thank you.

25 DR. CARUTHERS: Thank you, Mr. Chairman. Can

1 everybody hear me? I'll give a brief synopsis
2 about clenbuterol so that everybody understands
3 where we're coming from. So I just wanted to read
4 to you.

5 Clenbuterol is an FDA-approved prescription
6 medication given orally for treatment of various
7 respiratory disorders, including recurrent airway
8 obstruction or inflammatory airway disease.
9 Clenbuterol acts as a bronchial dilator and a
10 mucokinetic agent that helps decrease resistance in
11 the respiratory pathway, thus increasing the
12 airflow to the lungs.

13 Clenbuterol also acts as a de-partitioning
14 agent that redirects energy away from fat
15 (inaudible) in the direction of lean muscle tissue
16 production. Muscle-building effects have been used
17 to enhance performance of horses; however, the
18 muscle-building benefits are offset by the negative
19 effects of long-term administration, including a
20 decrease in aerobic capacity, time to fatigue,
21 cardiac function and maximal oxygen consumption.

22 Studies have shown that even minimal
23 concentrations of clenbuterol adversely affect
24 aerobic performance, high intensity exercise
25 capacity and the horse's ability to recover from

1 exercise.

2 Clenbuterol has also been demonstrated to
3 induce changes in the structural dimensions of the
4 equine heart, including both cardiac remodeling and
5 an enlarged aorta immediately after exercise. This
6 increases the risk of aortic rupture and sudden
7 death in equine animals. Studies also have shown
8 clenbuterol becomes less effective as a bronchial
9 dilator when the treatment period extends beyond 14
10 consecutive days.

11 Clenbuterol has been used improperly in race
12 horses for muscle building, disregarding the
13 negative effects the drug has on the equine animal.

14 To restrict the improper use of the
15 clenbuterol, the Mid-Atlantic's Virginia plan has
16 recommended that all of its members adopt the
17 proposed amendment for the regulation regarding
18 medication of horses. We will accomplish this by
19 adding § 11VAC10-180-73 Clenbuterol to our chapter
20 on medication.

21 As the equine medical director, I recommend
22 approval of this new section on the chapter of
23 medication. Would you like for me to read it?

24 CHAIRMAN REYNOLDS: We don't need to read all
25 that. I have a question.

1 DR. CARUTHERS: Okay.

2 CHAIRMAN REYNOLDS: If somebody was caught
3 with this, there are different levels of
4 seriousness? They're all serious.

5 DR. CARUTHERS: Right. It's a 3B, which I
6 have the pages there. It's a first offense, second
7 offense. I can look at my notes.

8 CHAIRMAN REYNOLDS: I was just curious.

9 DR. CARUTHERS: Okay.

10 CHAIRMAN REYNOLDS: All right. Thank you.
11 Are there any additional questions from any of the
12 commissioners? Thank you, Doctor.

13 DR. CARUTHERS: Thank you.

14 CHAIRMAN REYNOLDS: So I would entertain a
15 motion for approval of final amendments to Chapter
16 180, clenbuterol, as outlined in Tab 13. Any
17 motion?

18 COMMISSIONER HUDGINS: So moved.

19 CHAIRMAN REYNOLDS: Second?

20 VICE CHAIRMAN SIEGEL: Second.

21 CHAIRMAN REYNOLDS: All those in favor, say
22 aye.

23 NOTE: The Commission votes aye.

24 CHAIRMAN REYNOLDS: Any opposed? Hearing
25 none, the motion carries unanimously.

1 Mr. Lermond, I believe that takes care of all
2 of our action items for today. I'll ask that Jill
3 Byrne or John Marshall let us know about you alls'
4 plans for the 2021 scene, if you all would like to
5 chat about that a little bit.

6 MR. MARSHALL: Sure. Thank you, Chairman
7 Reynolds. First of all, we apologize for the
8 acoustics of the room today. It's a situation
9 where we need to choose between audio or cool air.
10 So please bear with as you have been.

11 So we look at recent history. We all know
12 what happened with the revival of horse racing in
13 2019 and the opening of Rosie's locations. We get
14 into 2020.

15 Of course we had the pandemic, strikes, and we
16 found a way to continue to operate through a long
17 list of restrictions and quite happily we did
18 because we were able to keep the core of why we're
19 here; horse racing, strong through our
20 contributions to the industry and contributions to
21 purses to where over the first three years we will
22 have actualized 42 live days of racing, paying
23 nearly \$20 million in purses over that period,
24 which is a tremendous rise from the ashes.

25 Going forward, we are prepared more this year

1 than we have been in '19 and '20. Soon, Jill will
2 share specifics of our preparations and where we
3 stand in different areas.

4 I would really like to share that we are in
5 the same situation as every other employer in the
6 Commonwealth and across the country as it relates
7 to attracting and retaining talent, employees,
8 labor. So we reacted by increasing some hourly
9 rates to try to attract some people and we've also
10 issued some hiring incentives to stay competitive.

11 Those most related to the race meet are we
12 instituted a completion bonus of \$500 to any
13 employee hired before July 19th and completes
14 employment throughout the race meet to
15 September 2nd. So that's helpful.

16 We have also instituted a \$750 hiring bonus to
17 those in regular full-time and part-time positions
18 even beyond the race meet; \$250 paid on day 90 and
19 \$500 paid on day 180. So that is very helpful to
20 try to stay competitive with the competing
21 workforces.

22 Also, I often get the question why are you
23 racing on Monday, Tuesday, Wednesday at 1:45. The
24 answer is in November when we applied for dates,
25 we knew what we knew as far as restrictions go, as

1 far as the mandates and the trajectory of the
2 pandemic.

3 In doing so, we tried to safeguard ourselves
4 from an abundance of attendance, although we're
5 expecting great attendance for Monday, Tuesday,
6 Wednesday, but we wanted to try to control crowds.

7 With a 1:45 post time on Monday, Tuesday and
8 Wednesday, we feel we're optimally positioned for
9 the simulcast network based on our learning across
10 the country. That's the path we chose in November
11 and we stayed with it.

12 It's not until recently on Friday we rolled
13 back our masking mandates across the business and
14 it's so nice to see everyone's complete face today
15 for the first time in a long time.

16 So we remain cautious as we roll back our
17 restrictions. Some examples related to the live
18 race meet. In working with the HBPA and Frank,
19 we're offering a vaccination clinic on July 14th to
20 all stable workers, whether they're residents or
21 shipping and we're working right now to try to
22 convert from the Moderna vaccine to the Johnson and
23 Johnson vaccine so it's a one-time inoculation.
24 The Chickahominy health district has been very
25 helpful in accommodating that.

1 we've also contracted with an outside cleaning
2 company called James River Cleaning. James River
3 Cleaning is tasked with excessive cleaning of the
4 bath houses, the warm areas, the race office, the
5 track kitchen, the jocks' room. All those
6 high-touch points that are necessary to keep us
7 safe and in business for 21 full days of racing.

8 we'd like to thank Frank and the HBPA for
9 working on us and defining that scope and leading
10 us in the direction that the horsemen feel
11 comfortable and safe with.

12 Currently, we're working with our team
13 internally to decide how we're going to handle our
14 protocols internally. So just Friday, we stopped
15 taking temperatures for guests and employees for
16 the first time, along with relaxing masks for those
17 that are vaccinated.

18 As it relates to the stable area, we had
19 protocols last year where every dorm resident
20 needed to report to the stable gate for a temp
21 check and a series of questions every single day.
22 We are evaluating whether or not that will be
23 necessary come July 19th. Also, we did temp checks
24 at the stable gate each day as well.

25 From a cleaning and sanitation perspective, we

1 are maintaining the standard that we had through
2 the pandemic across Rosie's, across the workforce,
3 across the stable area, across horse racing.

4 As it relates to other precautions, we are in
5 the process of (inaudible). I thought that was
6 important for the Commission to know.

7 So I'd like to turn it over to Jill to focus
8 on specifics. Before I do that, I would like to
9 say that we have 1,550 advance ticket sales for the
10 live meet today, so that's a good number given the
11 time of day and days of the week.

12 VICE CHAIRMAN SIEGEL: How does that compare
13 to two years ago?

14 MR. MARSHALL: In 2019 for year one, it's
15 probably half. There were a lot of problems
16 throughout the first year, as you all know, but
17 that number of 1,500 is nice. I'll also mention
18 that tickets went on sale before the rollback. The
19 tables were distanced, seats were distanced.

20 When the Governor relaxed that, we rearranged
21 all of our seating charts, the different spaces and
22 reissued them on a mind to sell. Those people that
23 purchased during the distance configuration, the
24 only option available was two-tops. I think there
25 were 40 people we contacted to say, congratulations

1 your two-top is now a four-top at no additional
2 charge. So our inventory expanded about two weeks
3 ago and we're back to market full capacity.

4 CHAIRMAN REYNOLDS: I have a question. You
5 all did such a great job of kicking off a couple
6 years ago. The meet was fabulous. It was
7 wonderful. Everything went very well. This year,
8 we're in kind of an unknown territory. It's tough
9 to hire help, as you all know, workers, and we
10 anticipate large crowds, hopefully.

11 How are you all going to balance I can't get
12 enough staff in here to help? How do you strike a
13 balance between having too many people in here and
14 not serve them well; therefore, they don't have a
15 good experience down here because we're
16 understaffed? How do you balance all that? Is
17 that a moving target at that point?

18 MR. MARSHALL: It's a good question. We've
19 done some things strategically to keep service at a
20 high level during the meet without putting too much
21 pressure on us during those conditions that you're
22 explaining.

23 Some examples of that, the cleaning company is
24 one. Last week, we made an arrangement with a
25 catering company to service the fourth floor suites

1 only for additional help. The name of that
2 catering company is Two Ladies and a Kitchen,
3 formerly known as Defazio's. Defazio's, Two Ladies
4 and a Kitchen, will be servicing the suites only.
5 The 1609 restaurant will be focused on that area.
6 We will include that along with the Jockey Club
7 with an a-la-carte menu rather than a buffet.
8 Buffets are not en vogue, as we all know at the
9 moment, so we switched to an a-la-carte situation
10 in the Jockey Club.

11 Outside, we have a plan to operate our own
12 concessions. For the first year or two, we
13 in-sourced all of our food and beverages and went
14 through the capital expenditures to re-outfit the
15 kitchens to be able to handle that.

16 So we do have plans to do our own concessions
17 outside, but our back-up support are food trucks.
18 So we have a long list of food trucks that we are
19 having for each live race day; Monday, Tuesday,
20 Wednesday, 1:45.

21 The question is how do you keep a food truck
22 interested. If there aren't enough people,
23 sometimes they just drive away. We're in the
24 process now of negotiating minimums for those food
25 truck vendors to keep them here during the meet.

1 Another example is that Jill and team have
2 reached out to temp labor organizations, at least
3 two, maybe three. Granted, we have not had success
4 in the past with the labor organizations, but we
5 contracted with them to have a fall-back plan in
6 the case that we're unable to (inaudible).

7 we've had two job fairs the last two
8 Saturdays. We have two more coming the next two
9 Saturdays. I'll call on Jill to tell you about the
10 racing positions. It looks very good. Our areas
11 of focus right now are food and beverage. Jill.

12 MS. BYRNE: Chairman, Commissioners. The
13 stable area --

14 CHAIRMAN REYNOLDS: We're having a hard time
15 hearing you.

16 MS. BYRNE: Okay. The stable area will open
17 on July 5th and horses will be on the track
18 training on July 6th. I just had a report this
19 morning from Allison DeLuca, our racing secretary,
20 and as Mr. Lermond mentioned, we have a full team
21 coming back from Tampa, so we are really pleased to
22 have the same group of people returning.

23 I think that says a lot about their experience
24 that we have a lot of the same people returning
25 here. As of right now, she has commitments for

1 around 600 horses to be stabled on the grounds.

2 We have around 840 stalls, but we like to hold
3 Barn 14 separately for an isolation barn and our
4 equine medical director, Ada Caruthers, we've
5 worked with her on that. In case of any kind of a
6 breakout, we have a separate barn so the horses can
7 be isolated there. But this is a great interest in
8 our product this year. The purses are back up to
9 \$500,000 a day.

10 Some other things going on within the industry
11 and other racetracks that have initiated a lot of
12 interest in coming to Colonial Downs for racing
13 this summer.

14 We have trainers coming from Kentucky.
15 Churchill Downs is closing their stable area,
16 kicking everybody out as they redo their turf
17 course. So we've had a lot of interest from
18 Kentucky trainers. We have trainers like Dale
19 Romans that have asked for 30 stalls; Michelle
20 Lovell, 25 stalls; Mike Tomlinson, 35 stalls. So a
21 lot of trainers coming from Kentucky. They will be
22 coming to support this race meet and try to take
23 some of our purse money.

24 We have obviously a lot of interest from our
25 Virginia hosemen. They will all be fully

1 accommodated with stalls as requested, providing
2 that the horses on their application meets the
3 criteria to stable and race at Colonial Downs.

4 Maryland regulars and more. Because of
5 Maryland's situation as well, a lot of people are
6 aware of the Laurel racetrack having some issues.
7 They've had to juggle around where they are, so a
8 lot of interest from more of the Maryland people to
9 actually stable on-site as opposed to shipping.

10 Mike Trumbetta is actually one that we haven't
11 had stable here before who is coming. Ferris
12 Allen, of course being a trainer here will have 30
13 stalls. So a lot of interest from there, from
14 Monmouth, from around the country as well. And
15 then of course we will get our usual ship-ins to
16 come in for racing.

17 So it really is, I think, very exciting what
18 our prospects are for our racing product this year
19 to really be something the betting public, fans and
20 to get some consistency and place us in that where
21 we should be with our purse structure and the
22 facility we have and the people behind the scenes
23 as a Class A racetrack offering a really good
24 facility, but a really good racing product as well.

25 Some of the work that is going on right now.

1 The stable area, always ongoing work on the barns.
2 we finished two more barns. That's why we have
3 more available stalls. So now all 14 barns are
4 completely renovated; new plumbing, hot water
5 heaters, everything completely redone. So very
6 nice, the barns.

7 The dorms as well; complete renovation there.
8 we painted the bath house floors again, air
9 conditioning units, new mattresses. Thanks to
10 Frank Petramalo and the Horsemen's Association for
11 always helping provide for our staff of employees
12 in the stable area.

13 Some of the other things to note. As we
14 talked about staffing and John mentioned as well,
15 we talked about our staff coming back from Florida;
16 our assistant starters as well. We have a great
17 team coming in.

18 We have a much better outlook this year for
19 (inaudible) and pony people. Maryland has said
20 their (inaudible) can work for us providing they're
21 all vaccinated and the same with their pony people
22 and a couple additional starters.

23 So that should help us in some key roles. As
24 you all know, these are roles that are very
25 skilled, that aren't just for getting somebody off

1 the streets to come in and handle. So we are
2 fortunate there that we should be in a pretty good
3 position.

4 Some areas where staffing is difficult because
5 of our seasonal racing and not year-round.
6 Equipment operators. Very difficult to get people
7 locally that have experience with racetrack
8 management and luckily, we're very fortunate to
9 have Ken Brown back again as our lead track
10 superintendent and consultant for track safety.

11 He is as Dave mentioned about Jack Houghton.
12 Ken Brown is the standard that all track
13 superintendents pretty much defer to for track
14 surface safety.

15 So we do have Ken back and he's putting
16 together a team. We have some rehires which is
17 good. People he trained last year on the track.

18 We're definitely still looking for more
19 people, reaching out to Maryland, to Tampa, to
20 Kentucky; everywhere we know to see if they can
21 help us. People that have experience in racing.

22 The other areas that John mentioned, mutuel
23 tellers. Again, that's a skilled position. We can
24 train, we do train, we offer training for that to
25 hire, but the racing language, as you all aware and

1 everybody here, it's a very difficult language. If
2 somebody walks up and wants to make a partial wheel
3 with a two and six, you know it can be confusing.

4 So trying to fill those roles has been a bit
5 challenging, but as John mentioned, too, with an
6 increase in an hourly rate and these incentives,
7 bonus incentives that are being offered, people now
8 that have been sitting at home maybe not thinking
9 about going back to work, they might see those
10 numbers now and think this is a great part-time job
11 for the summer. So I'm hoping to get some more of
12 those in place.

13 TVG will be back covering all of our races on
14 TVG One on Monday, Tuesday, Wednesday. Mondays, we
15 will have two steeplechase races prior to our flat
16 card and that will start around noon, around 12:15.
17 Get those two races done and then flat card will
18 kick in after that. So we are looking forward to
19 having steeplechase purses back that are very
20 popular here, especially in Virginia.

21 We will again be contributing to the
22 Thoroughbred Aftercare Alliance. It's very
23 important. Offtrack Thoroughbreds and taking care
24 of retired race horses. So the HBPA gives \$15 a
25 start. Colonial Downs matches \$15 per start, which

1 is nice. By the time the season is over, we
2 estimate we would have given about 100,000 to
3 Thoroughbred Aftercare Alliance.

4 So that pretty much about wraps up what is
5 going on in the stable area and on the track. If
6 you get a chance to walk out front, take a look at
7 the Secretariat turf course. Finally, Mother
8 Nature has been kind the last couple days. Thanks
9 for coming out. Questions?

10 COMMISSIONER HUDGINS: I have a question.
11 Sounds like a banner year.

12 CHAIRMAN REYNOLDS: We have a question, Jill.

13 MS. BYRNE: I'm sorry.

14 COMMISSIONER HUDGINS: The question is, Jill,
15 this sounds like a banner year for racing in
16 Virginia. I mean it feels like an opportunity that
17 we haven't seen for some time. The combination of
18 other tracks failing to get up to speed and us
19 coming back on sounds like a real opportunity.

20 I am so excited about this opportunity to
21 really nail it and maybe steal some of the thunder
22 of the other tracks if they can't sustain the
23 quality product and we can, that maybe it's a huge
24 difference, but it also makes it obvious how hard a
25 comeback will be with the Corona virus shutdown.

1 I personally know how hard it is to get any
2 employees that are skilled and even the non-skilled
3 ones, it's very difficult.

4 So where do you feel that you are? I know a
5 little bit from this talk, but how confident do you
6 feel? I could ask John this, too. I know he's
7 going to tell me we're going to nail it and that's
8 good. I want you to feel that way; if you don't,
9 we're all in trouble. Are we closing in on being
10 able to handle that mostly? What do you think?

11 MS. BYRNE: I can say the last couple weeks
12 that we're, as I mentioned, we're starting to get
13 some of those key positions for operation. So all
14 of our racing officials and those positions, we're
15 in great shape.

16 As I mentioned, we have the best racing office
17 team, our stewards, all those key positions, our
18 assistant starters are filled and all rehires
19 except for a couple new ones. We do have a safety
20 officer starting this year. Rick Williams will be
21 in that position. That is now required in the
22 Mid-Atlantic. So we've filled all of those roles
23 with the best.

24 People always say to me how do you get such
25 an incredible team. Because we are known for

1 Allison DeLuca and her team and everybody, the
2 officials, and we just have great people that want
3 to come in here and put on a great product.

4 So to answer your question about opportunity.
5 This is our opportunity this year. So many things
6 have collided in racing that may be negative for
7 someone else, but it's all pointing us to be able
8 to pick up the bill and run with it.

9 Kentucky closing their stable area in
10 Churchill, Maryland having issues. Our days of the
11 week; Monday, Tuesday, Wednesday. Since Maryland
12 will be running on weekends, Monmouth on weekends,
13 we have a huge opportunity to attract horses,
14 horsemen of top quality and get full fields and a
15 very well-balanced field. So that in turn puts the
16 pressure on us to put on a good show.

17 We have to be able to take care of those
18 horsemen when they're here. Priority number one is
19 a safe track, both track surfaces and a safe stable
20 area and then racing product and racing operation
21 has to go smoothly. We have the support to do
22 that.

23 And then of course the fans and patrons that
24 decide to come out. We have to be able to give
25 them a good experience. As John mentioned, none of

1 us knew where we would be today back in November
2 and really until the last couple of weeks. So it's
3 definitely a lot of work on the team to step up and
4 make sure that experience will happen.

5 We want Kentucky trainers who may -- everybody
6 might think they're just going to come down because
7 Churchill is closed for the summer. We want them
8 to come here and say that is the best racing
9 experience I have ever had. I'm coming back next
10 year whether Churchill is open or not. I'm going
11 back to Colonial Downs because it's a great
12 experience.

13 So we know we have an incredible facility, we
14 have two amazing surfaces and now it's just putting
15 it all together and operating it.

16 We always know you're going to have things
17 beyond our control. Yes. Mother Nature is one we
18 can't control. So hopefully she will be a little
19 kinder to us this year.

20 To that point, we did invest in a lightning
21 detection system, a very state-of-the-art lightning
22 detection system; weather system as well. Some
23 additional tools for testing the track surface and
24 Dr. Caruthers had asked for a special tool that is
25 a heat stress meter to test for when we have the

1 high heat.

2 So she will have that actually in her hand to
3 go around and be able to know what that humidity
4 and what that heat temperature is at all parts of
5 the racetrack.

6 So when we started back racing in 2019, safety
7 is our main interest. It has to be. Everything
8 starts there and then you go from there and you
9 start with safety. Then the horsemen will be taken
10 care of properly and the rest.

11 So we do have some challenges as the entire
12 nation does with staffing, but we have incentives
13 and adjustments and really word of mouth
14 improvement and rehiring. We're feeling a lot
15 better.

16 COMMISSIONER HUDGINS: I'm glad to hear that.

17 MS. BYRNE: It's such an exciting time for
18 Virginia racing. If anybody follows on social
19 media, we're really getting a lot of attention,
20 Colonial Downs, and we have two fantastic
21 ambassadors in Jason Beem, our track announcer, who
22 has returned with an incredible (inaudible) racing,
23 as well as Jessica (inaudible). She just competed
24 in the retired race horse Thoroughbred makeover
25 show this weekend and is a real promotor of horse

1 racing and the industry. So between that and the
2 team we have, it's a lot of work but --

3 COMMISSIONER HUDGINS: Yes. It is.
4 Congratulations to all of you.

5 MS. BYRNE: We're excited about it and
6 appreciate the support.

7 VICE CHAIRMAN SIEGEL: I just want to make a
8 comment to Marsha's comment. This has been an
9 incredible year for everyone. We have all had to
10 adjust and do everything right, so I certainly
11 applaud you for it.

12 The racetrack experience, as you said earlier,
13 is an important part of the role of Colonial Downs
14 and it sounds like you have this experience nailed.
15 When you get the crowds on Monday, Tuesday and
16 Wednesday early afternoon, I hope so, but that's
17 (inaudible) for everybody. So you just have to
18 adjust. I for one feel like if you can't get
19 crowds out here, then we need to re-adjust.

20 MS. BYRNE: Racing is a social experience.
21 Having grown up in this industry, there is nothing
22 like going to the racetrack.

23 VICE CHAIRMAN SIEGEL: We have a beautiful
24 facility. If we have everything right to keep it
25 that way, we have to draw crowds.

1 MS. BYRNE: We get new fans by bringing them
2 out. Where else in sports can they be this close
3 to a horse walking through the paddock with a
4 general admission ticket? So yes, the experience
5 on site is absolutely a key component.

6 As John mentioned, back in November nobody
7 knew where it would be today and we also need to
8 establish a racing product in the simulcasting and
9 with wagering patrons as well of some consistency
10 to know Colonial Downs racetrack is back. We
11 really only have one year under our belt, 2019.

12 So to establish Colonial Downs racing as a
13 product, then maybe next year make adjustments to
14 be able to accommodate more fans to come on site.

15 But this year, too, with everybody now with
16 the pandemic coming to a close, people are busting
17 at the seams just to get outside and to be able to
18 come to a sporting event like this when you also
19 have indoor dining and enjoy the day, get out of
20 the heat in the AC here, and we expect to get
21 decent crowds.

22 Are we going to get maximum crowds? Probably
23 not, but I think by establishing our product and by
24 people that are coming, having a great experience
25 at the track, word of mouth gets out and then

1 adjustments can be made to schedule our next days.

2 COMMISSIONER HUDGINS: So you think eventually
3 next year it's possible to do a conglomeration of
4 weekends or the early part of the week to make the
5 horsemen happy, but also weekends? How is that,
6 Jill?

7 MS. BYRNE: I mean there's lot of options to
8 get through this season, see what it looks like.
9 But I think, you know, we have the advantage of
10 being and restarting, so I think we have the
11 opportunity to learn from things, make adjustments,
12 but also make sure those dates and where we fall in
13 the racing world, that we accommodate.

14 So we have several groups to accommodate
15 still; horsemen, wagerers, fans, on-site patrons.
16 It's a mix. We have to be able to figure out how
17 to appease everybody. And yes, we want to get
18 people here. Who wouldn't want to show off the
19 facility that we have at this racetrack and
20 experience?

21 VICE CHAIRMAN SIEGEL: 2019 was a great start.

22 MS. BYRNE: Yes.

23 VICE CHAIRMAN SIEGEL: I think we're building
24 on something good here and of course the pandemic
25 got in everyone's way. We need to continue that

1 momentum. We never had huge droughts over years
2 even predating Colonial, but I think we have the
3 potential to do that and certainly larger crowds
4 over time and that's one of the goals.

5 MS. BYRNE: I agree and I think by getting the
6 product out there again on TVG where a lot of
7 people are watching and also getting local stations
8 to come out and cover our racing and experience
9 on-site as well and just being able to really
10 market what the racing experience is from a fan's
11 perspective here on site as well as what the
12 product is that we're offering from a wagering
13 perspective, it's combining those two to come out
14 with something that is more entertaining.

15 VICE CHAIRMAN SIEGEL: Thank you very much.

16 MS. BYRNE: John, did you want to say
17 anything?

18 MR. MARSHALL: Happy to. We very much look
19 forward to putting the cake topper on this race
20 meet, doing it well, doing it right and the overall
21 experience is very important to us.

22 One thing we're going to try throughout the
23 year. We're going to try something different by
24 doing an owner and trainer survey during and after
25 the meet to gain input from those participants so

1 that we know where we stand.

2 Those participants, they know their last
3 experience, whether it was at Laurel, Pimlico,
4 Churchill, wherever they're coming from. It's not
5 about comparing ourselves to an experience at other
6 places as it is us getting satisfaction and results
7 back to help us improve for 2022, '23 and beyond.

8 So we'll be working with Frank on drafting
9 those questions and we'll survey as we have in the
10 past our guests at Colonial's Rosie's, who are very
11 good at getting information to people and that will
12 be great feedback. Thank you.

13 CHAIRMAN REYNOLDS: Thank you. That was a
14 great discussion. Thank you all very much.

15 Next is a report from Jeb Hannum on the
16 recently completed Economic Impact Study on the
17 Virginia Racing and Breeding Industry. You don't
18 need to read the whole thing to us.

19 MR. HANNUM: It's only 90 pages. So thank
20 you, Commissioners. Just wanted to let you all
21 know, and I think Dave sent you the report, but in
22 March of this year, we sent out the results of the
23 economic impact study of the industry and I hope
24 you had a chance to take a look at that.

25 Just some of the quick numbers. The overall

1 economic impact from 2019 was 442 million, so we
2 can safely say this is a half a billion dollar
3 industry. Then total tax revenue to the state in
4 2019 is little over 26 million. Over 5,000 jobs
5 supported, et cetera. So there's just a couple of
6 bullets on a long list.

7 But it is an important study for us because we
8 wanted to look at kind of where we have come since
9 the Chairman alluded to at the beginning of the
10 meeting the low point for the industry in 2014.
11 This is an important document to look at where we
12 are, but also when we're in the legislature to be
13 able to tell a story.

14 Debbie and I and Frank and all the others,
15 Darryl, are down there talking to the delegates and
16 senators, who intuitively knew what it all meant
17 and speak to personal experience to people that
18 have farms, but this is the first time we really
19 had a document that says this is the average amount
20 people are spending on their horses per year. This
21 is going to the state, tax revenues, et cetera. So
22 that's really important. This is something we can
23 do again in five years and see how we grow. So I
24 think it's a great story.

25 John was very helpful. He got information

1 about Colonial's side of the business which he
2 shared and was enormously helpful and we appreciate
3 his contribution to the project.

4 So we mailed a hard copy of this to all of the
5 senators, all of the delegates in the state, all
6 of the finance committees. We are going to follow
7 up.

8 On a related note, we invited all the
9 legislators to a legislators' day at Colonial on
10 Derby Day, so we hope we'll some people come out
11 and we can follow up again and talk to them and
12 explain what we're doing.

13 So we see this as a resource to the entire
14 industry. If you all are in a meeting and want to
15 go through this with me or want hard copies, we are
16 happy to provide that. So it's for all of us to
17 use to tell a story.

18 If there are any questions, I think otherwise,
19 thank you, Mr. Chairman.

20 CHAIRMAN REYNOLDS: Thank you.

21 COMMISSIONER HUDGINS: I think this is one of
22 the most important documents that we have.

23 MR. HANNUM: Yes.

24 COMMISSIONER HUDGINS: It's a benchmark of
25 what we have now, where we are going in the future

1 and resources that we allocated and jobs that we
2 created in rural areas of Virginia. The political
3 weight of this is pretty big, so well done.

4 MR. HANNUM: Thank you, Commissioner.

5 CHAIRMAN REYNOLDS: Next on our agenda is a
6 report from Debbie Easter talking about racing
7 changes and the Certified Program.

8 MS. EASTER: Thank you, Mr. Chairman.

9 CHAIRMAN REYNOLDS: You're welcome.

10 MS. EASTER: I'm going to follow up with just
11 one little comment from Jeb's, that our former
12 chairman has been hoping that we would get a
13 document like that for how many years, D.G.?

14 MR. VAN CLIEF: At least seven.

15 MS. EASTER: I know. As John reported
16 earlier, the addition of Rosie's, the positive
17 numbers we're seeing with ADW which is going on in
18 the OTBs has finally allowed us, the industry, to
19 have the money to do some of these things. Now we
20 have a baseline. As we all have spoken here today,
21 I just hope we get to see it grow.

22 COMMISSIONER HUDGINS: We will.

23 MS. EASTER: So as far as what I'm supposed to
24 be speaking about, the Virginia Certified Program,
25 which you all don't regulate, but Dave, we have

1 presented the program to you every bit along the
2 way when we started five years ago. We made some
3 changes and Dave thought it would be a good idea if
4 I came up and told you about the changes.

5 First of all, it has been incredibly
6 successful. We built the program from 400 horses
7 coming into the state here. We are now at 700
8 horses with a 2019 crop, which maybe doesn't sound
9 like much, but at any given time, we have 600 to
10 700 horses pending residency. So if you split that
11 up between say 100 farms, that's seven horses a
12 farm that we didn't have prior to this program. So
13 we're very excited about that.

14 One of the things that we changed was -- one
15 of the only complaints we had about our program was
16 that the people that actually did business here,
17 when their horses were claimed away from them,
18 sometimes when they would put in their horses to
19 run, they made their horses more valuable and they
20 complained that they never got to participate in
21 the actual bonus part.

22 So we changed the person as of April 1st that
23 receives the bonus. From now on, it's somebody we
24 find that is the developer. The developer is the
25 person who owned the horse the first time it ran.

1 so mostly likely, that's the person who either sent
2 their horse here to board or train in Virginia or
3 bought that particular Virginia board-certified
4 horse at a horse sale.

5 So we're actually bonusing the people that did
6 business in Virginia instead of the guy that
7 claimed the horse three times down road and never
8 spent a dime in Virginia and all of a sudden is
9 like, wow, I get all this money.

10 CHAIRMAN REYNOLDS: That's nice.

11 MS. EASTER: The other change we made was a
12 result because of our own success. We have a
13 budget for the Certified Program that we've agreed
14 with the Standardbred folks on how much we can
15 spend for the five years future and we were looking
16 like we were going to go over budget and one of the
17 big reasons why that was happening was the state of
18 west Virginia, horses in west Virginia.

19 West Virginia races about two to five races a
20 day, so the horses that were running and winning in
21 a restricted program were taking a huge percentage
22 of the bonus money that we were sending out.

23 So we met many times, the committee that we
24 had, and we came up with the change that would
25 affect the least amount of people and effect the

1 Least amount of change to the number of horses
2 coming to Virginia. We felt it was to decrease the
3 amount we paid on a West Virginia restricted race,
4 so we now pay ten percent for a horse that wins a
5 West Virginia restricted race and we still pay 25
6 percent on an open race just like we do for any
7 other Mid-Atlantic state.

8 So those are our changes. Overall, they have
9 been very positive. I'm sure the West Virginia
10 guys are not as happy about the ten percent.

11 There is one thing that I can't give the
12 numbers for yet. We won't have them until the end
13 of the year. There's a little float between that
14 ten percent we're paying on the restricted and the
15 fact that the guy that got his horse claim money
16 now is getting a bonus he wasn't getting before.

17 So I don't know what that float is going to be
18 yet, but it's happening, so I haven't heard too
19 many complaints. Any questions?

20 CHAIRMAN REYNOLDS: Makes sense to me.

21 MS. EASTER: It has been the greatest thing.
22 Stephanie can tell you it has been great for our
23 farms.

24 CHAIRMAN REYNOLDS: If West Virginia is
25 complaining, they should have never left Virginia

1 in the first place.

2 MS. EASTER: It's a program that's built for
3 Virginia, not West Virginia.

4 CHAIRMAN REYNOLDS: Anything further from Ms.
5 Easter?

6 Let me get out of my seat. The first thing
7 I'm thinking sitting up there is Kimberly and her
8 family and their precious daughter like, Mommy, why
9 couldn't we be first on the agenda? We had to sit
10 there through all that. But we saved the best for
11 last. So you all are going last, but we'll be
12 getting there. But thank you all for coming.

13 You'll always be Mr. Chairman to me. D.G. Van
14 Clief, would you come up here, please?

15 D.G., I think I got to the Commission I think
16 about 2012. I believe Mr. Commissioner Siegel was
17 then Chairman. I remember talking and we met
18 D.G. -- I don't know when you moved back to
19 Virginia, but we got wind -- I think I saw you at a
20 UVA football game.

21 MR. VAN CLIEF: That's right.

22 CHAIRMAN REYNOLDS: We got wind that D.G. had
23 moved back to Virginia with no real political
24 affiliation or anything, having just come back and
25 Stuart and I got together and with Stuart's

1 Leadership lobbied the heck out of the Governor's
2 office and said we got a guy and we need him.

3 D.G. has done just about everything you can do
4 in Thoroughbred racing. He's the former president,
5 chairman of Mason Tipton, the NTRA, the National
6 Thoroughbred -- I'm trying to do this without
7 reading my notes. We all know what he has done.

8 He has been one of the founders and past
9 president and executive director of the Breeders'
10 Cup and we all know where the Breeders' Cup is
11 today versus where it was and D.G. was a big, big
12 part of that. He has been a longstanding member
13 and perhaps an officer of the Jockey Club and
14 probably 15, 20 other things.

15 Now D.G. called and said, Sarge, I have this
16 opportunity, this National Safety and Integrity
17 Board. I don't have the formal name here, but we
18 all know what it is.

19 D.G. says I have an opportunity to go do that,
20 but I feel horrible about leaving the Commission as
21 Chairman and not finishing out my term. I said,
22 well, D.G., back when you were my Vice Chairman and
23 back in 2014, it was pretty bad and having D.G. by
24 my side to help shepherd me through all those
25 miserable days was a God send for me and I

1 appreciate all of your help and support. It meant
2 the world to me. I was able to sleep a little
3 better at night. Not great, but it was okay.

4 But then after all that was over and we were
5 going to put Humpty Dumpty back together again, he
6 said, well -- I was Chairman for two years. D.G.
7 was like, wouldn't you want to continue to be
8 Chairman and just kind of see this thing through?

9 I said, you know, D.G., we need fresh energy,
10 fresh blood, fresh ideas. Two years is plenty and
11 I couldn't think of a more perfect person to come
12 in as Chairman and work with Colonial Downs and all
13 of the horsemen around Virginia and the
14 stakeholders to get together, collaborate and put
15 this thing back together again.

16 with our executive secretary and working with
17 everybody, you all have done just that and so I
18 said D.G., if you were ever going to go take on
19 something else, I think your country needs you and
20 you have left Virginia horse racing and
21 particularly this Commission better than it has
22 really ever been, so if there is ever a time to go
23 on to the next challenge, this is it.

24 MR. VAN CLIEF: Thank you.

25 CHAIRMAN REYNOLDS: So he just took right off

1 and left. So anyway, D.G., I want to read this to
2 you, signed on behalf of the rest of the Commission
3 as you're leaving. Why don't you read it? I
4 can't. I don't have my glasses.

5 MR. VAN CLIEF: I'll look it over.

6 CHAIRMAN REYNOLDS: Your eyes are not as bad
7 as mine. All right. Be it hereby resolved that
8 the Virginia Racing Commission recognizes D.G. Van
9 Clief, Jr., for his many years of service as a
10 member of this Commission for the effective
11 leadership that he has demonstrated throughout a
12 variety of chapters and the formative history of
13 Virginia's native horse racing industry.

14 We, his fellow Commissioners, offer our
15 sincere thanks and appreciation to Chairman Van
16 Clief for his many efforts, his keen sense of
17 direction and his unfailing dedication to
18 successfully achieving our Commission's mission and
19 the rebirth of horse racing in Virginia.

20 We know that Virginia's horse racing industry
21 stands today with tremendous position to grow and
22 prosper in great measure because of Chairman Van
23 Clief's diligence, skills, clear-sightedness and
24 love of the sport that means so much to all of us.

25 We hope that our paths will continue to cross

1 frequently and we wish you much happiness and
2 success in the years ahead in his new role as a
3 member of the Board of Horse Racing Integrity and
4 Safety Authority Board. On behalf of the
5 Commission, thank you very much.

6 MR. VAN CLIEF: Thank you very much.

7 CHAIRMAN REYNOLDS: Here are your glasses.

8 MR. VAN CLIEF: I'll take them back.

9 CHAIRMAN REYNOLDS: I'm going to give you a
10 chance to say a few things.

11 MR. VAN CLIEF: All right. Thank you. Thank
12 you very much.

13 CHAIRMAN REYNOLDS: Come on up to the middle.
14 I shouldn't have been standing there. I apologize
15 to all of you all back there.

16 MR. VAN CLIEF: This is a singular honor. Mr.
17 Chairman, thank you of all of those lovely remarks
18 and also thank you for shortening my own remarks by
19 at least fifteen minutes. I know nobody wants to
20 hear an ex anything, so I'll try to keep it brief.

21 I did want to come back to this meeting to
22 take a minute since in a normal course of things, I
23 would have been sitting here still and had the
24 luxury of explaining to all of my colleagues in the
25 industry where I was going and why I was going and

1 when I was going. Things have been moving fast
2 and we have not been meeting all that often since
3 last January.

4 I was invited to serve as one of nine members
5 of the board of the Horse Racing Integrity and
6 Safety Authority. It is divided, just FYI, and I
7 hope you will call me with any questions because
8 this association isn't about to be over. I'm just
9 going to be leaning on all of you in that capacity.

10 There are nine directors, five of which are
11 independent. They come from completely outside of
12 the horse racing world. Four of us are chosen as
13 representatives of horse racing and so in that
14 respect, part of my job is to represent everybody
15 in this room on this new authority which has been
16 given the responsibility under the federal law of
17 creating a body of regulatory recommendations; on
18 one hand, medication rules and enforcement of those
19 rules; on the other, safety protocols and the
20 enforcement of those protocols, a lot of which
21 Colonial Downs provides us with examples of.

22 Our job is to get that body of recommendation
23 to the Federal Trade Commission, under whose
24 umbrella we have been created and we have until
25 next February to do it. So we have a lot to do in

1 a very short period time and I'm serious when I say
2 I'll probably be calling on some of you for help
3 and advice.

4 At some point in the past, I think it was when
5 the Commission wasn't moving quickly enough for the
6 VTA and the HBPA and VHA's satisfaction, somehow my
7 cell phone number was given out by somebody whose
8 name I will not -- Debbie -- ever say. My number
9 hasn't changed, so please call any time and I am
10 looking for recommendations and will be looking for
11 support. So thank you.

12 Listening to conversation today, I have to say
13 how proud I have been to serve on this Commission
14 for the last seven-and-a-half years and moreover
15 the last several years in the role as Chairman.

16 It is amazing what the Virginia horse racing
17 industry has done and what this Commission has been
18 fortunate enough to be a part of and what I have
19 been honored to be part of.

20 I think we're a great example to almost
21 anybody. With the creation of the VEA, which is a
22 unique model anywhere, the Virginia HBPA and the
23 VHHA, the Gold Cup, the VTA, track management, all
24 coalesced under one umbrella and immediately gave
25 the industry credibility, political clout and a

1 common will and a common voice and it's amazing
2 what that allows you to get done and it's not too
3 amazing why it doesn't allow people to get much
4 done in other states compared to the fast track we
5 have been on and it's absolutely incredible.

6 Commissioner Hudgins and Commissioner Siegel
7 spoke a few minutes ago about the opportunity in
8 front of us, where we stand. I am absolutely
9 convinced that not only have we seen rapid growth
10 over the last couple years and the reemergence of
11 what I think is going to be one of the nation's
12 best boutique race meets, but I think we are poised
13 for a really rapid growth and significant things in
14 this industry, not only in terms of real growth,
15 but as a moral establishment for our industry.

16 I am honored to have been asked to serve. I
17 thank my fellow commissioners for the privilege of
18 serving with them. I thank our executive staff.
19 Dave. There he is. Kimberly, Rhonda, you all have
20 done an amazing amount of work with a very small
21 staff. Our medical director, Dr. Caruthers, thank
22 you for your leadership and to all of you, I will
23 be guilty of a sin of omission if I try to name
24 everybody.

25 The leadership in this industry has put its

1 best foot forward. It has done so consistently. I
2 am delighted to have been along for the ride. I'm
3 honored to have served my home state. Debbie will
4 give you my phone number if you want to call.
5 I'm happy to be available any time you need my
6 help. Thank you all very much.

7 CHAIRMAN REYNOLDS: You'll always be
8 Mr. Chairman.

9 So Kimberly, please come up. would you like
10 to bring your family or would they like to stay
11 there?

12 MS. MACKEY: They're going to stay.

13 CHAIRMAN REYNOLDS: Come on up. I've been on
14 the Commission probably 11 years. I'm in overtime
15 right now, I think, until the Governor figures it
16 out and throws me out and we'll see what happens.

17 Kimberly has been here since day one and I
18 have been so impressed over these 11 years by how
19 well organized the Commission office is and how
20 small a staff they were, because I think it was
21 just Kimberly and a couple of people. Maybe it
22 still is. Maybe you have a little more help around
23 the office, but Kimberly has been there since day
24 one.

25 She's well organized, the best organized, and

1 the agenda, everything is always in its place when
2 you need it and she makes us look good up there and
3 she has done it for years and actually makes Dave
4 Lermond look great every day.

5 Anyway, I just on behalf of the Commission, I
6 want to thank you for what you have done. She's
7 not going anywhere. All we are doing is
8 celebrating 20 years of her service to the
9 Commonwealth of Virginia, almost all of it with the
10 Virginia Racing Commission.

11 The Executive Secretary asked me to read a
12 little something that he wrote on behalf of himself
13 and the office and us. I would like to read it to
14 you and present you with something. If you want to
15 say anything, you can do that, too.

16 This is from Dave Lermond. The Virginia
17 Racing Commission is extremely fortunate to have
18 had Kimberly Mackey on staff for almost all of the
19 20 years she has served the Commonwealth of
20 Virginia.

21 Kimberly's position with the Commission
22 evolved greatly over the years and now entails many
23 roles which normally would be handled by numerous
24 employees of a larger agency and requires knowledge
25 in many different areas. Her willingness to learn

1 new things and take on additional responsibility is
2 truly an asset.

3 In addition, responsibilities and workload
4 increased in recent years due to the return of live
5 racing and the implementation of Historical Horse
6 Racing in the Commonwealth.

7 Kimberly is critical to the success of the
8 agency and it would be impossible to replace her.
9 So don't go anywhere.

10 I can always depend on Kimberly to perform her
11 assigned duties extremely well with little or no
12 supervision and I truly appreciate her efforts,
13 knowledge and strong work ethic.

14 Now from the Commonwealth of Virginia. In
15 appreciation and recognition of continuous and
16 loyal service, we present this certificate and
17 emblem of award for 20 years of service to Kimberly
18 Carter Mackey, issued on the 25th day of July,
19 2021. I guess we'll give it to you then. Anyway,
20 congratulations.

21 Do you want to say anything?

22 MS. MACKEY: I would like to say it has been a
23 pleasure serving with you all and I look forward to
24 many years with the Commission.

25 CHAIRMAN REYNOLDS: we'll present you a 40

1 year award, but I won't be here. Thank you so much
2 and thank you Kimberly's family that came out. You
3 all were very patient with us. She should have
4 gone first, but like I said, we saved the best for
5 last. Kimberly, thank you.

6 All right. Well, that was great. Next on the
7 agenda -- we are almost done -- are Commissioners'
8 comments. I will start on my far left with
9 Commissioner Nixon.

10 COMMISSIONER NIXON: I would like to comment
11 on how fortunate we are having such folks who are
12 so passionate about what they do in their roles,
13 especially you, D.G.

14 MR. LERMOND: We can't hear you.

15 COMMISSIONER NIXON: I really am very
16 appreciative of all of the support that you have
17 given over the years, especially when I was sitting
18 on that side. Your role is integral to where we
19 are today and I just wanted to thank you very much.

20 MR. VAN CLIEF: Thank you.

21 CHAIRMAN REYNOLDS: Commissioner Hudgins.

22 COMMISSIONER HUDGINS: I would like to echo
23 Stephanie's thoughts. Thank you for braving the
24 slings and arrows, particularly from your early
25 part with the Commission and the rocky roads that

1 we have had.

2 I think you laid the groundwork for where we
3 are going in the future and certainly that boggled
4 me and I think that we will have our challenges,
5 I'm sure. I think D.G. is right. We will have our
6 challenges, but I thank you.

7 CHAIRMAN REYNOLDS: Vice Chairman Siegel.

8 VICE CHAIRMAN SIEGEL: Most of my comments
9 have been said. I just reiterate how optimistic I
10 am about the future of racing. I don't think we've
11 been in a better position ever. We have strong
12 leadership in terms of Colonial as well as the
13 horsemen and everyone else associated with racing
14 in Virginia. I'm very optimistic about the future.
15 We have a long, long life ahead of us and I think
16 we'll be successful as we go along and I'm happy to
17 be a part of it.

18 CHAIRMAN REYNOLDS: Thank you, Mr. Vice
19 Chairman. Mr. Lermond, is there any need for a
20 closed session?

21 MR. LERMOND: No, sir.

22 CHAIRMAN REYNOLDS: Great. So with that
23 closed session not necessary, I will not make a
24 comment because I already talked enough today. I
25 will seek a motion for adjournment.

1 VICE CHAIRMAN SIEGEL: So moved.

2 COMMISSIONER NIXON: Second.

3 CHAIRMAN REYNOLDS: We have a second. All
4 those in favor, say aye.

5 NOTE: The Commission votes aye.

6 CHAIRMAN REYNOLDS: Any opposed? Hearing
7 none, I declare this meeting adjourned. Thank you
8 all very much for coming today. I look forward to
9 seeing you all here in July.

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11 NOTE: This meeting of the Virginia
12 Racing Commission is adjourned at 12:45 p.m.

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CERTIFICATE OF COURT REPORTER

I, Sandra G. Spinner, hereby certify that having first been duly sworn, I was the Court Reporter at the meeting of the Virginia Racing Commission at the time of the hearing herein.

Further, that to the best of my ability, in a ballroom with an extremely loud air conditioning system and no microphones, the foregoing transcript is a true and accurate record of the proceedings herein.

Given under my hand this 24th day of July, 2021.

Sandra G. Spinner

Sandra G. Spinner

Court Reporter