VIRGINIA RACING COMMISSION

AUGUST 23, 2011

10700 Horsemen's Road
New Kent, VA  23124
Commencing at 9:43 a.m.

COMMISSION MEMBERS:
I. Clinton Miller, Chairman
Mark T. Brown
Stuart Siegel
David J. Reynolds
J. Sergeant Reynolds, Jr.

COMMISSION STAFF:
Bernard Hettel, Executive Secretary
Kimberly M. Carter, Office Administrator

ATTORNEY GENERAL'S OFFICE
Amy K. Dilworth

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NOTE: The regular meeting is convened at 11:43 a.m.

MR. MILLER: Now, if I can -- I apologize again to those of you here for the regular Commission meeting, but as you can see -- as I hope you can readily see, these cases are very important, very important not only for the general public and for the integrity of racing in Virginia, but they are incredibly important to the individual who is directly affected.

Have the Commissioners reviewed the minutes of the regular meeting of June 29th, 2011, and if so, do I hear a motion for their approval?

MR. SIEGEL: So moved.

MR. J. SERGEANT REYNOLDS: Seconded.

CHAIRMAN MILLER: It's been moved and seconded that the minutes of the regular meeting of June 29th, 2011, be approved.

All in favor, say aye.

NOTE: All indicated by voting aye.

CHAIRMAN MILLER: They are approved.

Has the Commission had an opportunity to review the minutes of the special meeting of August 5th, 2011, and if so, is there a motion for their approval?

MR. SIEGEL: So moved.

MR. J. SERGEANT REYNOLDS: Seconded.
CHAIRMAN MILLER: It's been moved and seconded that the minutes of the special meeting of August 5th, 2011, be approved.

All in favor, say aye.

NOTE: All indicated by voting aye.

CHAIRMAN MILLER: They're approved.

Any comments from any of the Commissioners?

NOTE: There was no response.

CHAIRMAN MILLER: Any committee reports to be made to the Commission at this time?

NOTE: There was no response.

CHAIRMAN MILLER: There being none, we'll move onto the Executive Secretary's report, and the first item on the Executive Secretary's report is the approval of Racing Official's for the 2011 Harness Race Meet to be found at Tab 4.

Mr. Hettel?

MR. HETTEL: Sir, I seek on behalf of the Racing Secretary approval of the Racing Official positions that are entailed in his letter of July 8th to me. I think it's the usual and customary people, and I believe their competency is well-stated. I would seek their approval.

CHAIRMAN MILLER: Any comments from any of the Stakeholders regarding the individuals who are designated Racing Officials for 2011?
NOTE: There was no response.

CHAIRMAN MILLER: Any comments from any of the Commissioners?

NOTE: There was no response.

CHAIRMAN MILLER: Do I hear a motion that they be approved?

MR. J. SERGEANT REYNOLDS: So moved.

MR. SIEGEL: Second.

CHAIRMAN MILLER: It's been moved and seconded that the approval of the Racing Officials for the 2011 harness race be done.

All in favor say aye.

NOTE: All indicated by voting aye.

CHAIRMAN MILLER: Item B is the approval of Judges which will be found at Tab 5.

Mr. Hettel?

MR. HETTEL: Mr. Chairman, I seek the approval of this Commission for the approval of the stewards' Judges for the 2011 Standardbred Meet here at Colonial Downs. Again, this is the usual and customary line-up that includes the four people also with our alternate Commonwealth Judge being listed, so I'd seek your approval of this list that was submitted.

CHAIRMAN MILLER: Do I hear a motion?

MR. REYNOLDS: So moved.
MR. J. SERGEANT REYNOLDS: Second.

CHAIRMAN MILLER: It's been moved and seconded that the Judges for the 2011 Standardbred Meeting at Colonial Downs be approved.

All in favor say aye.

NOTE: All indicated by voting aye.

CHAIRMAN MILLER: They are approved.

C is the approval of the Virginia Breeders Fund Harness Incentive Payments for 2011, found at Tab 6.

Mr. Hettel?

MR. HETTEL: Yes, sir. I seek your approval -- your Commission's approval for the Standardbred subcommittee's recommendation for the following incentives for the 2011 standardbred meeting to be held here at Colonial Downs:

The first is to provide purse money for eight $30,000 Virginia-bred steak races to be held here at Colonial on November 5th for a total of $240,000.

The second item is the award of a 20 percent bonus for owners of Virginia-bred horses that finish in the first five spots of an unrestricted race during the standardbred meet for an estimated cost of approximately $40,000.

The third is payment -- it's normally the year-end awards for Virginia-breds at an estimated cost of approximately $15,000.

This was the recommendation made by all the

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Commissioners who responded and all of the members of the committee, the subcommittee that responded.

CHAIRMAN MILLER: Do I hear a motion for approval of the Virginia Breeders Fund Harness Incentive Payments for 2011?

DR. DUNNAVANT: Mr. Chairman?

MR. REYNOLDS: There's a question.

CHAIRMAN MILLER: Oh, I'm sorry.

DR. DUNNAVANT: I wanted to make a comment.

These were based on the monies that were available that the Racing Commission has, it comes through. We have been setting aside some monies for a rainy day from the advance deposits of wagering, and the VHHA intends to increase these payments to the Virginia Horsemen in these races. We intend to increase our two and three year-old stake races from $30,000 to $35,000. We're going to double over own enrollment from 20 percent to 40 percent. That's estimated that we'll add another $40,000 to that, and our breeder's bonus from 30 percent to 40 percent. In the past, we have raced our elimination races for these stakes for a $4,000 purse, and we're going to up that purse to $5,000 each for the eight elimination races, and we decided after having the $40,000 Patriot Trot that produced some outside horses, we're going to offer an age trot and pace for horses four years-old and up that were eligible as two and three...
year-olds for our stake races of one trot and one pace, mixed gate. That will be another $40,000.

So the VHHA is going to add $148,000 to the figure that is there in the hopes of we'll distribute this advance deposit wagering money to our Virginia horsemen.

CHAIRMAN MILLER: Thank you, Dr. Dunnavant.

Anyone else have any comment?

NOTE: There was no response.

CHAIRMAN MILLER: All right.

Now, I'm sorry, I was hasting on there, and I didn't give you an opportunity to comment.

DR. DUNNAVANT: That's all right.

CHAIRMAN MILLER: All in favor say aye.

NOTE: All indicated by voting aye.

CHAIRMAN MILLER: The Breeder's Fund payments for 2011 are approved.

Item E is veterinarian's comments regarding the 2011 Thoroughbred Race Meet, Tab 7.

DR. HARDEN: Well, thank you.

Basically, my report is just a compilation of statistics, and if you thumb through there and have any questions, I'm happy to answer them, but just in a capsule, the decision to race four days a week for an eight-week meet I think enabled a lot of the horsemen to participate, and we had fewer numbers of horses, and yet our field size was
larger, and I think that's because the horsemen were able to come here and utilize their horses better with a four-day a week schedule.

We had four fatal breakdowns during the flat racing, which we regret, but this is a statistic that is right in line with the national average, so we're no better and no worse than the other horses -- than the other states in those things, and I think our drug positives, we had a total of ten now, so -- but I think we've debated that enough already today.

One thing I would like to point out though, the horsemen -- many of the horsemen were appreciative of Colonial Downs for some of the maintenance items in the barn area this year. We got the wooden panels removed out of the top of the barns, and that made the barns a lot more comfortable to the horses, so my thanks to them. They also painted stall numbers on the wall above the stalls so now they're visible. That's made all the vets and those of us that have to find the horses very appreciative. So at any rate, that did not go unnoticed, and we thank you.

Basically, I think the horsemen, Colonial Downs, and the Commission staff, Colonial Downs staff basically try to cooperate at much as we could with each other to have a meet under pretty tough circumstances around the world.

Anyway, thank you.
MR. MILLER: Anyone have any questions?

MR. J. SERGEANT REYNOLDS: I've got one, if you don't.

Dr. Harden, can you talk a little more about what happened on July 3rd? There was a horse that just won a race that was in the test barn and you had a fireworks -- Colonial Downs had a fireworks display, that horse spooked and had to be euthanized?

DR. HARDEN: Yes, sir, the horse -- we had actually completed drawing the urine sample and had completed the drawing of the blood. The technician was putting a cotton ball on the horse's neck where he had stuck him, and this is approximately the time that the fireworks started, within a couple of seconds, and the horse basically reacted pretty violent, reared up, flipped over, injured himself to the extent that the horse had to be euthanized pretty much on the spot. And it was a very tragic happening, but it just points out the difficulty of having live fireworks when you've got 900 to a thousand horses on the back side here.

Every year, we have some instance of a horse getting injured or something happening, and this year was, you know, probably about the worst scenario we could imagine.

MR. J. SERGEANT REYNOLDS: All right. Thank you.
CHAIRMAN MILLER: Was it a Virginia owner or trainer?

DR. HARDEN: Yes, sir, the horse was owned by Gary Williams, who's 25 miles up the road here. He's been a long time Virginia resident and Virginia trainer/owner.

CHAIRMAN MILLER: Do we expect any ramifications from that?

DR. HARDEN: To my knowledge, he and Colonial Downs are in conversations, but I have no knowledge whatsoever beyond that.

MR. HETTEL: I believe they've completed the discussion and everybody's satisfied at this point.

MR. WEINBERG: (Nodding head indicating in the affirmative).

CHAIRMAN MILLER: All right. Thank you, very much.

Jim, do you have anything?

MR. WEINBERG: I think Darrell Wood would like to apprise you of the plans for the standardbred meet. I don't know if you're looking for other comments on Dr. Harden's report.

CHAIRMAN MILLER: No, no, I'm on -- I should have made that clear. I'm on Number 6.

MR. WOOD: Good morning. We start an eight-week season on September 17th, run through November the 5th, and
I think for the first time in recent memory, we're running all afternoons, so we'll put our promotional marketing focus on trying to draw a crowd especially on Saturday and Sunday afternoons.

For the second straight year, we start the meet off in conjunction with the New Kent County Fair. They're going to be running the fair on Saturday and Sunday; we'll be running at 1:00 o'clock both days, and I believe on that Sunday, we'll be running the mixed breed card with I believe the training flat and two jumps. So it's kind of a neat opportunity to run in conjunction. Hopefully, we'll expose the product to a lot of people that wouldn't normally come here.

On the back end of the meet, we run the Day of Champions for the Virginia-breds that Doc Dunnavant was just referring to, but the eight divisional championships will run on that day and they're held in conjunction with the Breeder's Cup Simulcast Races and the Annual Parade of Carriages, and that's probably been our best -- it's definitely been our best handle date of the past six, seven years, and look for more of the same.

In the middle of the meet, we're going to run a trackside tailgate party. Based on the success of the Virginia Derby First Turn Party that drew 2700 people, we're going to try to fill the green with cars; people can lit-
erally bring their cars trackside, tailgate, and we chose a
day that University of Richmond is not playing football and
hope to attract a good number of those students here that
day as well.

A number of other events going on: Saturdays and
Sundays, the horsemen just talked about an idea they've got
as well for a promotion, but hopefully we can carry the
momentum we gained from the thoroughbred meet, especially in
the second half of the season, into the fall harness meet
and go forward from there.

CHAIRMAN MILLER: Thank you. Anything further?

MR. WEINBERG: Nothing further.

CHAIRMAN MILLER: I do want to point out that at
our last meeting, we had a presentation by Colonial Downs
regarding some ideas for the future of harness racing, and
Dr. Dunnavant has advised us his group is working to put
together a plan for the future of harness racing in Virgin-
ia, and hopefully at the regular September meeting, we'll
have some fleshing-out of some of those ideas.

I commend both Colonial Downs and your group, Dr.
Dunnavant, for your efforts, and we look forward to hearing
from you in September.

DR. DUNNAVANT: Yes, we'll have a proposal in
September.

CHAIRMAN MILLER: Any member of the public wish to
make any comments at this time relating to anything?

    MR. SMITH: Yes, sir. Just two comments.

    I appreciate the Commission looking at each case by case basis. The hearing that we heard earlier on the drug results, I know the stewards have a very tough job in how they have to look at things, and sometimes in my history, you kind of look at things black and white. I think just like you mentioned, on a case by case basis, that it's not always black and white; there's gray areas. Sometimes you really have to look at stuff.

    So I think it's very important to the Racing Commission and it's a very important responsibility.

    Number two, I do have a question, I don't know if it can be answered, but I know with the premiere race that is on the turf that we have, is there any negotiations with the Breeder's Cup and, you know, one year-end race which is very, very -- you know, I think it's to bring out more of the -- as far as the public knowing about Colonial Downs, and when I say we, I understand we get into the pros and cons of the turf --

    CHAIRMAN MILLER: I'm not aware of anything. Jim, do you have any --

    MR. SIEGEL: First off, can you identify yourself?

    MR. SMITH: My name is Curtis Smith.

    MR. SIEGEL: Curtis Smith?
MR. SMITH: Curtis Smith.

MR. WEINBERG: There are no conversations that I could report on regarding that. It certainly is an idea that has a lot of appeal, and perhaps there have been discussions in the past.

CHAIRMAN MILLER: Did you hear that?

MR. SMITH: Yes, thank you.

CHAIRMAN MILLER: Any other members of the public or anyone else who's not a member of the public wish to make a comment?

NOTE: There was no response.

CHAIRMAN MILLER: All right. Okay.

Our next meeting is scheduled for September 27. Is that date satisfactory with everyone? Any conflicts?

September the 27th at 9:30 a.m.

MR. HETTEL: Mr. Chairman, at one of the previous meetings, you mentioned about the necessity to have a work session that's included in the governance manual. I was wondering if you want to do it on that date, either have an afternoon session for working or a morning session, dependent on your pleasure, and we could do that either in September or October as long as the group's combined rather than just have a special meeting just to do that.

CHAIRMAN MILLER: Let me suggest if we're going to be receiving the information from the harness racing stuff,
and hopefully maybe we'll get an update on the, you know, on the status of the thoroughbred industry, et cetera, et cetera --

MR. HETTEL: Yes, sir.

CHAIRMAN MILLER: -- maybe we'll make the working session in October.

MR. HETTEL: All right, I'll remind you of that.

CHAIRMAN MILLER: Remind us on the 27th so we can set the meeting in October so that we can have a -- at least several hours opportunity for a working session.

MR. HETTEL: Yes, sir.

MR. SIEGEL: Now, Mr. Chairman, would you schedule that after the meeting or --

MR. MILLER: What do you suggest?

MR. SIEGEL: Well, I would just like to put it on my calendar so I don't end up with a conflict that afternoon if we're going to do it.

CHAIRMAN MILLER: You mean in October?

MR. HETTEL: And certainly there's no urgency to do it. The governance manual does say annually have a working session, so we could do it at a later time if there's conflicts.

DR. DUNNAVANT: Mr. Chairman, just checking on that date, I was just going to suggest that we will be racing harness, and that's on a Tuesday, which is our dark
day. We'd sure invite the Commissioners to make that meeting on Wednesday so they can attend the harness race.

MR. SIEGEL: Are you talking about the September meeting?

DR. DUNNAVANT: Yes, sir.

MR. HETTEL: So it would be the 28th rather than the 27th?

CHAIRMAN MILLER: What do you think about that?

MR. SIEGEL: Well, let me go back to that again.

CHAIRMAN MILLER: The Virginia Racing Commission takes precedence over everything, Stuart.

MR. SIEGEL: What's that date again?

CHAIRMAN MILLER: The 28th. Wednesday the 28th.

MR. SIEGEL: I could do that.

CHAIRMAN MILLER: Is that all right with you, Sarge?

MR. J. SERGEANT REYNOLDS: Works well for me as long as I get me some winners.

CHAIRMAN MILLER: What time does the harness racing begin?

DR. DUNNAVANT: 1:00 o'clock.

CHAIRMAN MILLER: Let's have our meeting at 10:00 on that date, if that's all right. It gives me an extra half hour to get here from the mountains. Is that all right? Our next regular meeting then will be on Wednesday,
September the 28th at 10:00 a.m. And let's all plan to stay
for the harness racing; we'll eat lunch here that day and
attend the harness racing in the afternoon at 1:00 o'clock.
Okay?

MR. PETRAMALO: Commissioner Siegel, I'm much
better handicapping harness racing than I am thoroughbred.

MR. SIEGEL: I hope so. You didn't do so well.

CHAIRMAN MILLER: All right, I don't see any need
for a closed meeting, but I do want to meet with -- if it's
all right with everyone, I want to meet with Mr. Hettel and
Amy just for a few minutes following the meeting, if we
could meet in Mr. Hettel's office.

MR. HETTEL: Yes, sir.

CHAIRMAN MILLER: Anything further to come before
the Commission?

NOTE: There was no response.

CHAIRMAN MILLER: Thank you-all for your
attendance. Again, I apologize for taking so long.
We're adjourned.

NOTE: The meeting adjourned at 12:04 p.m.

MEETING ADJOURNED

CAPITOL REPORTING, INC.
CERTIFICATE OF COURT REPORTER

I, Roy Garrison Wood, hereby certify that 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, the foregoing transcript is a true and accurate record of the proceedings herein.

Given under my hand this 4th day of October, 2011.

______________________________         ________________________________         ________________________________         ________________________________
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