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VIRGINIA RACING COMMISSION

August 24th, 2010

10700 Horsemen's Road

New Kent, VA 23124

Commencing at 9:35 a.m.

COMMISSION MEMBERS:

Peter C. Burnett, Chairman

David C. Reynolds

Mark T. Brown

Stuart Siegel

Clinton Miller

COMMISSION STAFF:

Victor I. Harrison, Executive Secretary

Kimberly M. Carter, Office Administrator

ATTORNEY GENERAL'S OFFICE:

Amy K. Dilworth

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1 AUGUST 24, 2010

2 MR. BURNETT: Good morning. We'll bring first
3 the informal fact-finding conference to order. I'm
4 hoping our capable counsel will keep me straight
5 here on the procedural side of life, make sure I'm
6 doing everything I should.

7 Everybody here, I think, is familiar with the
8 standard procedures for the informal fact-finding
9 conference. Inasmuch as we have never used the
10 allotted time for each side, I think I'll dispense
11 with reading through this entire process and just
12 let any member of the public know that there will be
13 an opportunity for oral comments from the public as
14 we go forward, but unless there's an objection, I
15 would simply ask the applicant to go ahead with its
16 initial oral presentation.

17 Counsel, do we need anybody sworn under oath?

18 MS. DILWORTH: Never have.

19 MR. BURNETT: I didn't think so.

20 Okay. Mr. Weinberg?

21 MR. WEINBERG: Thank you.

22 What I'd like to do is really review how
23 Colonial Downs and Stansley Racing Corp has
24 satisfied the legal requirement for licensure,
25 respond to any questions that the Commission has

1 regarding the application, and then just conclude
2 our remarks, reserving any time we don't use for
3 rebuttal.

4 There are a number of legal requirements which
5 the Commission may be familiar with, which an
6 applicant for a satellite wagering facility needs to
7 satisfy. Colonial Downs and Stansley Racing Corp
8 have satisfied those legal conditions. There is a
9 valid referendum in the City of Richmond which
10 remains valid and authorizes the location of
11 satellite wagering facilities.

12 Colonial Downs and Stansley Racing Corp are
13 the unlimited licensees of a racetrack, which,
14 therefore, makes them eligible for this satellite
15 wagering facility, and this Commission is authorized
16 to issue the license to those parties so long as
17 there is an agreement with the horsemen as to the
18 sharing of revenue from those facilities to fund
19 purses. The agreement with the thoroughbred
20 horsemen is in your -- was part of our application,
21 and I believe part of what has been provided to you.
22 The agreement with the standardbred horsemen is the
23 general agreement that has been in place and remains
24 in place for all satellite wagering facilities.

25 As part of the grant of a license, Colonial

1 Downs and Stansley Racing Corp are prepared to
2 comply with all of the Commission's regulations.
3 All contracts affecting the satellite facility have
4 been submitted or will be submitted as they arise
5 during the course of operation and all racing
6 officials that will be employed at the site either
7 have permits or will apply for permits as necessary.
8 For all of these reasons, Colonial Downs and
9 Stansley Racing Corp has satisfied the legal
10 obligations set forth in the Racing Act.

11 I believe the Commission has a copy of the
12 staff report, which is extremely thorough, complete,
13 and readable, and the nature of the application for
14 a facility at Mulligan's Sports Grille, but just to
15 review very briefly, this application differs from
16 the stand-alone facility with which the Commission
17 is most familiar with and is the model of the Finn
18 McCool's approach that we discussed in the spring.

19 First, it complements an existing business
20 rather than creating a stand-alone facility. We
21 anticipate that Colonial Downs' products will be
22 marketed both to Mulligan's existing clientele, as
23 well as seeking to attract new clientele who come to
24 Mulligan's. It will carry only a limited number of
25 simulcast signals given the expense of multiple

1 decoders for multiple signals. However, all races
2 that are streamed live on the internet will be
3 available for customers to view. There will be a
4 number of touchscreen computers that will be located
5 throughout the facility.

6 Additionally, we will be employing walkaround
7 tellers, which has been a success at Finn McCool's
8 and a way to cover various parts of the restaurant
9 and bar.

10 And, fourth, like Finn McCool's, this is an
11 effort to bring horse racing to a new clientele
12 rather than trying to attract necessarily clientele
13 to horse racing. We're trying to bring it out to
14 where we think there is a younger demographic that
15 will find the product appealing.

16 The staff report, as I mentioned, gives you a
17 complete overview of Colonial Downs' approach at
18 Mulligan's. As with any new experiment, we do
19 request the Commission's patience with some
20 flexibility, primarily concerning operating hours.
21 This is an experiment. We are trying to maximize
22 pari-mutuel handle and trying to assess when it
23 makes sense to have the facility open and fully
24 staffed and when it doesn't. So there may be, and I
25 would expect there will be requests over the next

1 four to five months to vary those operating hours to
2 meet demand.

3 The Commission report does a good job of
4 identifying possible opportunities such as Sunday
5 Night Football, which may not be anticipated in the
6 original operating hours, but may make sense as we
7 move into the fall.

8 To be clear, Colonial Downs is prepared to
9 accept the two conditions outlined in the staff
10 report, which are compliance with the Commission's
11 regulations and compliance with all applicable laws
12 and rules and in compliance with the terms of the
13 application as presented to you.

14 I'm happy to pause here to answer any
15 questions that the Commission has regarding the
16 application and operations at Mulligan's.

17 MR. BURNETT: Questions?

18 Mr. Weinberg, I have several. First is
19 perhaps just a legal formality, but my recollection
20 of the statute is that Colonial Downs is required to
21 have a majority interest in all of its SWFs. I take
22 it that the combination of -- well, or the fact that
23 this is a lease of a specific area of this facility
24 constitutes ownership of that lease hold, which
25 really is the SWF, and that the 50/50 sharing of

1 take-out for purses with the horsemen doesn't really
2 affect any issue of ownership of the SWF. It's just
3 a variation of the contribution to the purse
4 account. Is that a fair way to characterize that?

5 MR. WEINBERG: That is a fair way. Neither
6 Mulligan's Sports Grille nor the VHBPA have any
7 indicia of ownership.

8 MR. BURNETT: Right.

9 MR. WEINBERG: One receives, as you described
10 it, a lease payment. The other receives a
11 contribution to its purse account that is
12 performance-based rather than fixed.

13 MR. BURNETT: Right. But no ownership or
14 control?

15 MR. WEINBERG: Correct.

16 MR. BURNETT: The walkaround tellers, I'm
17 curious whether in addition to being a convenience
18 and perhaps an encouragement to patrons to bet,
19 whether or not they also perform something of an
20 educational function in terms of helping people
21 understand what the process is. I'm sort of looking
22 over your shoulder here to someone who may know.

23 MR. WEINBERG: You're looking at someone who
24 may know.

25 MR. BURNETT: Do you want to comment on that?

1 Don't keep looking back.

2 MS. BOUZEK: Of course. Of course.

3 MR. BURNETT: Are you finding that is a --

4 MS. BOUZEK: Of course. That's exactly what
5 it is. The walkaround teller is going to enable us
6 to get to the people that aren't in the specific
7 area that is specified for Colonial Downs, and we'll
8 go around and answer any questions and, you know,
9 have full knowledge. They're all existing employees
10 that are going to work there.

11 MR. BURNETT: This is not something new to
12 this facility. I mean, it's new to this facility,
13 but it's not something new to you all because aren't
14 you doing that as well at Finn McCool's?

15 MS. BOUZEK: At Finn's, but Finn's is so
16 small. In comparison, we're in a real small area,
17 but we do have it at Finn's and can utilize that,
18 but we use it at the track and have found it to be
19 very -- you know, so people don't have to -- there's
20 an upstairs now. People won't have to come all the
21 way downstairs to make a wager. We're going to go
22 to them. So it's a convenience, but also
23 educational.

24 MR. BURNETT: Okay. The betting of any races
25 that are streamed over the internet, is the access

1 to those races for betting purposes exclusively on
2 ADW terminals?

3 MS. BOUZEK: No.

4 MR. BURNETT: How are they able to bet in the
5 pools that you don't have decoders for?

6 MS. BOUZEK: It will be on the AmTote system.
7 All the signals that are available in our OTBs that
8 have been approved for our regular SWFs, our normal
9 SWFs will be on the AmTote system. So they will
10 have the ability to wager on the AmTote system,
11 watch it on video stream on ADW.

12 MR. BURNETT: So it's just the video component
13 of it is not available on the wall in the usual SWF
14 course?

15 MS. BOUZEK: Right.

16 MR. BURNETT: It's over a computer or some
17 other way, but the AmTote piece, they can pick it
18 up.

19 MS. BOUZEK: Correct. But if I could add
20 something.

21 MR. BURNETT: Please.

22 MS. BOUZEK: We're going to try something new
23 there. We're going to have a 37-inch monitor that's
24 hooked to a Netbook, then we're going to video
25 stream EZ Horseplay. So there will be a monitor on

1 the wall video streaming from the internet also.
2 We're going to try that. It's been a little
3 challenging, but we're hoping to get that straight.

4 MR. STEWART: We'll also have access to TVG
5 and HRTV.

6 MR. BURNETT: I was wondering if they were
7 going to be involved.

8 Mr. Petramalo?

9 MR. PETRAMALO: Can I ask a question?

10 MR. BURNETT: Please.

11 MR. PETRAMALO: I noticed that on the Dish
12 satellite system they are now offering a package for
13 50 bucks a month where they --

14 MS. BOUZEK: Residential. I don't mean to cut
15 you off. I've been in quite the negotiation with
16 Todd Roberts --

17 MR. PETRAMALO: Okay. Okay.

18 MS. BOUZEK: -- and right now it's
19 residential --

20 MR. PETRAMALO: I see. Okay.

21 MS. BOUZEK: -- because if we pay \$50 a month,
22 he would lose his \$300 a month per decoder.

23 MR. PETRAMALO: Gotcha. Just curious.

24 MR. BURNETT: Well, keep that negotiating
25 going, please.

1 MS. BOUZEK: I am.

2 MR. BURNETT: I think this is my last
3 question. What, if any, feedback from the
4 neighborhood or the community have you had as a
5 result of some publicity that's been out there for
6 this plan?

7 MR. WEINBERG: We met with the mayor's office.
8 We ultimately ended up with the director of
9 planning, Jane Ferrara and Brooke Hardin, in the
10 city to explain our proposal. I think once they
11 understood it, they were very supportive of it.

12 The location is also in the district of
13 councilman Marty Jewell. We offered to meet with
14 Councilman Jewell. He preferred to talk by
15 telephone. I think he is very enthusiastic because
16 they are eager to attract more business into the
17 Fan.

18 Mulligan's location is within a couple blocks
19 of the border of a different councilman's district,
20 Councilman Samuels, who did share a letter I wrote
21 him inviting him to meet with us to explain the
22 proposal with the Fan Association and the Lower Fan
23 Association. I think they had some consternation,
24 wanted to make sure they understood the zoning
25 requirements. The site is zoned urban business,

1 which encompasses both a restaurant and bar as well
2 as an entertainment facility, which Colonial Downs
3 has been classified as.

4 You may recall that there was some question of
5 that classification in the Broad Street facility.
6 It was ultimately passed upon by the Board of Zoning
7 appeal. So that is fairly well -- that is well
8 settled, but that -- it is in zoning compliance, and
9 I think once they understood that, they -- a number
10 of members of that association also met with
11 Mr. Sweeney, who is the owner of Mulligan's. I
12 think now that they understand the concept a little
13 better and recognize that it's not the equivalent of
14 a West Broad satellite wagering facility, nerves are
15 at rest. There may be members from the association
16 here to express their own personal views, but my
17 understanding is that association was not going to
18 take a position on the facility.

19 MR. SIEGEL: So to your knowledge, there's
20 been no vocal opposition at this point?

21 MR. WEINBERG: No one has spoken to me, and
22 all of the discussions, I believe, have been
23 internal to the association. Those discussions have
24 been shared with me and a number of questions have
25 been posed regarding zoning, hours of operation,

1 parking, things of that nature.

2 MR. SIEGEL: Well, as you know, the Fan
3 District Association is a pretty active group and
4 they would be vocal if they chose to be.

5 MR. WEINBERG: I understand.

6 MR. STEWART: I guess we'll see if any members
7 are here.

8 MR. BURNETT: Mr. Brown, do you have a
9 question?

10 MR. BROWN: I was just curious about the
11 neighboring businesses. Has anybody --

12 MR. STEWART: No one has contacted us.

13 MR. BROWN: Nobody.

14 MR. REYNOLDS: Can I say something?

15 MR. BURNETT: Mr. Reynolds?

16 MR. REYNOLDS: I live in the Fan and my wife
17 has a business almost directly across the street
18 from this, maybe a block away. We don't have any
19 problems. No one has come to me and expressed any
20 problem.

21 MR. BURNETT: It does raise a question as a
22 non-Richmond native, I don't know the derivation of
23 the Fan. Where did that name come from? Can
24 anybody help me with that?

25 MR. WEINBERG: If you viewed the area from the

1 air, there is a central park and from that park, the
2 roads radiate. It looks like a fan.

3 MR. REYNOLDS: It runs parallel to the river,
4 and it fans out.

5 MR. BURNETT: Any other questions?

6 I didn't want to deprive a business partner,
7 the VHBPA of any opportunity to comment on the
8 application.

9 MR. PETRAMALO: We support it.

10 MR. BURNETT: Likewise with the VHHA?

11 MR. WOOLNOUGH: And the VHHA.

12 MR. BURNETT: I guess we now come to any
13 comments from the public. Do we have any members of
14 the public here today that would like to comment on
15 this application? I don't want to sound
16 disappointed, but I thought we might have someone
17 come and comment.

18 All right. Seeing none, we'll close that
19 component of the hearing.

20 Does the applicant wish to make any summation
21 or rebuttal?

22 MR. WEINBERG: Just to reaffirm that I believe
23 we have satisfied all the legal requirements. Upon
24 the grant of the license, our goal is to open as
25 soon as we can, hopefully sometime before Labor Day,

1 and that we would ask given that there is no more
2 public comment that the record be closed.

3 MR. BURNETT: Gentlemen, anything further?
4 Any reason we can't close the record?

5 All right. We'll at this time close the
6 record on this public hearing. I would entertain a
7 motion for the approval of this tenant satellite
8 wagering facility in the City of Richmond.

9 MR. SIEGEL: So move.

10 MR. MILLER: I just have one observation --

11 MR. BURNETT: Yes, sir.

12 MR. MILLER: -- before we vote.

13 You said you agreed with the conditions set
14 forth by the staff. Of course, I do too, but the
15 second condition looks redundant to me. Why do we
16 need that?

17 MR. WEINBERG: Commissioner, I agree with you,
18 but for pure efficiency, I was happy to agree as
19 written.

20 MR. MILLER: Well, there's no harm in having
21 it, but it looks funny for a body responsible for
22 the compliance with the law to restate the obvious
23 as a particular condition of operation. I don't
24 have any problem with it, but it looks funny.

25 MR. BURNETT: As we lawyers hear so frequently

1 from the judge, saying it two or three times doesn't
2 make it any more true.

3 MR. MILLER: I'll go along with it, but it
4 looks like -- I don't want anyone to think that's a
5 precedent or something that you have to state the
6 obvious as a condition.

7 MR. BURNETT: We have a motion from
8 Mr. Siegel. I don't know whether he intended in the
9 motion to include conditions one and two or just
10 condition one in the motion.

11 MR. SIEGEL: Well, unless there's an
12 objection, I would just consider both.

13 MR. BURNETT: All right. Do we have a second?

14 MR. REYNOLDS: Second.

15 MR. BURNETT: It's been moved and seconded
16 that the SWF facility at Mulligan's be approved with
17 the conditions set forth in the staff report as one
18 and two. All in favor indicate by saying aye.

19 Note: (Aye.)

20 MR. BURNETT: It is approved unanimously.

21 MR. WEINBERG: Thank you very much.

22 MR. BURNETT: Thank you all very much. Let's
23 hope for the same kind of success and more that
24 we've been seeing at Finn McCool's.

25 We will now move into our regular meeting,

1 regular monthly meeting. The first order of
2 business in that meeting is the approval of the
3 minutes of our July 20th meeting.

4 Have the commissioners had a chance to review
5 those minutes that may be found at Tab 2? Any
6 changes or other comments on those minutes?

7 All right. Is there a motion to approve?

8 MR. BROWN: I move that we approve.

9 MR. BURNETT: Chair seconds. All in favor
10 indicate by saying aye.

11 Note: (Aye.)

12 MR. BURNETT: Motion carries unanimously.

13 The next item is commissioner comments. Any
14 comments from fellow commissioners?

15 I would simply report because I want to make
16 it part of the record that the Commission had a
17 meeting that was announced on the FOIA calendar a
18 week or two or three ago, I forget the exact date,
19 in Fredericksburg. We went into closed session to
20 deal with a personnel matter, came out of closed
21 session as we set forth in the calendar to simply
22 exchange comments and thoughts about Virginia racing
23 generally.

24 The meeting wrapped up at about -- a little
25 before seven o'clock and was held in compliance with

1 both FOIA and our usual procedures. I don't think
2 there was any specific decision making out of the
3 public component of the session that constitute any
4 action items. I don't have anything to report in
5 regard to that other than it just was a good
6 opportunity for commissioners to exchange ideas
7 about how we can all put our shoulder to the same
8 wheel and help Virginia racing.

9 MR. MILLER: That was a meeting, Mr. Chairman,
10 on August 3rd.

11 MR. BURNETT: Thank you, Commissioner Miller.
12 Any other comments?

13 All right. We move into the executive
14 secretary's report. Mr. Harrison?

15 MR. HARRISON: Thank you, Mr. Chairman.

16 The first item of business is the final
17 amendment to 11 VAC 10-50-290. It was discovered
18 that there exists a vestigial fee schedule, which
19 had never been formally deleted from this
20 regulation. This is the racing official regulation.

21 So now it's in there and it's outdated, and
22 it's wrong. It conflicts with our current fee
23 schedule that can be found under 10-60-15, entitled
24 "Fee Schedule for Permit Holders." We would like to
25 formally move forward with this deletion process, so

1 I would ask that you approve our making those
2 deletions and putting that into place.

3 MR. BURNETT: Does this require a formal vote
4 by the commission?

5 MR. HARRISON: It does, yes.

6 MR. BURNETT: Is it your pleasure that we do
7 that one item at a time?

8 MR. HARRISON: It is.

9 MR. BURNETT: Well, the chair would move that
10 we delete the fee schedule as found in 11 VAC
11 10-50-290 without prejudice to the existing fee
12 schedule for the same items.

13 MR. BROWN: Second.

14 MR. BURNETT: Seconded by Mr. Brown. Any
15 discussion? All in favor indicate by saying aye.

16 Note: (Aye.)

17 MR. BURNETT: That motion is approved.

18 Next item?

19 MR. HARRISON: Thank you.

20 Next item, list of racing officials for the
21 upcoming standardbred meet. The list that was
22 submitted to us and that you all approved last
23 month, it did not include a licensee vet. This
24 simply adds Mitzi Fisher as a licensee vet, and she
25 performed that function in the thoroughbred meet,

1 and it deletes Danielle Barr as the secretary to the
2 racing secretary. She cannot meet her obligations
3 to attend this meet and work this meet, so there
4 will be a replacement for her.

5 So I would ask that you approve this list
6 knowing that you will probably receive one at the
7 next -- at the September meeting, which will include
8 the secretary that's not listed here.

9 MR. BURNETT: Do we have a motion?

10 MR. MILLER: So move.

11 MR. BURNETT: The chair seconds. All in favor
12 indicate by saying aye.

13 Note: (Aye.)

14 MR. BURNETT: The list of racing officials for
15 the harness meet is approved as set forth by the
16 racing secretary. Thank you.

17 Next item?

18 MR. HARRISON: Thank you.

19 The next item is the approval of the VRC
20 judges for the upcoming standardbred meet.

21 We ask that you approve these three
22 individuals. They are George Hickman, the
23 Commonwealth Presiding Judge, Jean Chalk as
24 Commonwealth Judge, and Ozzie Cole as Commonwealth
25 Judge. The designated alternate would be Dave

1 Lermond.

2 I would like to add a few comments on each one
3 of these individuals. Mr. Hickman has been closely
4 associated with harness racing since 1960, and he
5 has been Commonwealth Judge here every year since
6 2004. He is very familiar with the Virginia
7 horsemen, standardbred horsemen, and with Colonial
8 Downs racing, and they are familiar with him.

9 He is being moved up this year from
10 Commonwealth Judge to Presiding Judge, and Jean
11 Chalk who had been Presiding Judge is stepping down
12 to the level of Commonwealth Judge, and all parties
13 agree to this arrangement. We promoted Brent
14 McLaren, who had been the Commonwealth Judge -- in
15 line to become Commonwealth Judge or Presiding Judge
16 this year. He has moved his tack, so to speak, to
17 California, and he's employed there as the Presiding
18 Judge. I think in Sacramento.

19 I have some comments on Mr. Chalk. Of course,
20 you know, you know him in his capacity as a Steward
21 and as a Commonwealth Standardbred Judge. He
22 started in the year 2000 and has been Presiding
23 Judge since 2004. He took off a couple years to go
24 to Hoosier Park, but then came back in 2008 in the
25 capacity of Presiding Judge.

1 And for the very first time, we're
2 recommending Mr. Ozzie Cole. He is a former
3 trainer/driver beginning in the year 1957, who most
4 recently has been racing secretary at Rockingham
5 Park in New Hampshire. His standardbred judging
6 experience began in 1979 and most recently included
7 a four-year stint as Presiding Judge at Plainridge
8 Race Course in Massachusetts. His list of personal
9 references include our own presiding judge, George
10 Hickman, former Commonwealth Judge Brent McLaren,
11 and long-time Colonial Downs starter, Bill Faucher.

12 So I would ask that the Commission approve
13 these individuals as our judges for the upcoming
14 2010 standardbred race meet.

15 MR. BURNETT: I take it you also are asking us
16 to approve Mr. Lermond as an alternate?

17 MR. HARRISON: That's right.

18 MR. BURNETT: One question I have for you,
19 Mr. Harrison. Are each of these Commonwealth Judges
20 subject to the same contractual requirements as the
21 stewards are in the thoroughbred meet?

22 MR. HARRISON: They are. We are in the
23 process -- I'm in the process of working with our
24 assistant attorney general on updating those
25 contracts.

1 MR. BURNETT: All right. Do we have a motion
2 for the approval of these judges for the upcoming
3 standardbred meet?

4 MR. BROWN: I make a motion to approve them.

5 MR. BURNETT: The chair seconds. All in favor
6 indicate by saying aye.

7 Note: (Aye.)

8 MR. BURNETT: Judges are approved. Thank you.

9 MR. HARRISON: The next item if it hadn't been
10 covered during the informal fact-finding conference
11 was the staff report for the Mulligan's SWF. Would
12 you like me to move on to the next item?

13 MR. BURNETT: I'll answer your question with a
14 question. Is there anything that we missed in the
15 informal fact-finding hearing that you would like us
16 to hear today about Mulligan's?

17 MR. HARRISON: No, I'm fine with it.

18 MR. BURNETT: All right. Good.

19 Then, yes, let's move on to Item E, which I
20 think --

21 MR. HARRISON: E is Commission Vet Comments.
22 Dr. Harden will offer his assessment of the recently
23 concluded 2010 thoroughbred race meet, so I turn the
24 floor over to him.

25 MR. BURNETT: Dr. Harden, good morning. Thank

1 you for joining us.

2 DR. HARDEN: Good morning. Thank you.

3 I'll start off by saying that June and July of
4 this year were the hottest June and July we've seen
5 in a number of years, and that combined with some
6 other factors I'll roll into in a minute contributed
7 to this being a very tough meet for the horsemen. I
8 guess I'll compliment Tyler in that we did manage to
9 pull off I thought a pretty successfully meet in
10 spite of a lot of the handicaps we were dealing with
11 right off the bat.

12 I guess it goes to prove the adage that we've
13 all been saying for years that Colonial Downs is the
14 place to go for ordinary horses to race on a world
15 class turf course. I think that proves that we
16 had -- 90 percent of our races were turf races and
17 53 percent of them were for a price of 16,000 or
18 less. So this is one of the few places in the world
19 that horses in that quality range have the
20 opportunity to race on such a good turf course.

21 Virginia horses did reasonably well in that we
22 had 392 starts with Virginia-breds, 384 of them
23 finished in money. Got a check for that start. So
24 I guess that was good for our -- for the Virginia
25 program.

1 One of the handicaps we were dealing with was
2 the number of horses that we had in the pool of
3 horses. We had roughly 1,544 by my estimate of
4 horses from which to fill 381 races, and this is the
5 lowest number we've seen in a number of years. And
6 as a result of that, we had several horses race
7 seven starts in eight weeks. We had a lot of horses
8 start six times in eight weeks.

9 We were carefully watching these horses. They
10 physically seemed to do well. I imagine they were
11 turned out the first of August for a prolonged rest,
12 but at any rate, it was an intense meet. We were
13 very fortunate with the heat. As hot as it was, our
14 test barn staff and the trainers and grooms were
15 very diligent at hosing these horses before and
16 after the races, and we had very few heat-related
17 medical problems with the horses. Actually fewer
18 this year than we've seen in most of the recent
19 years. So we were very pleased and fortunate with
20 that kind of outcome.

21 Supposedly the hot weather is good for our
22 grass and the grass did sustain a heavy racing meet,
23 but there were some situations where it was hard in
24 places, and then when they watered to soften it up,
25 then it got softer in places. So you occasionally

1 had an irregular racing surface that some of the
2 trainers and jockeys complained about. Whether or
3 not that was a factor in injuries, we don't know.

4 We had four catastrophic breakdowns on the
5 turf this year. We had one other fatality on the
6 turf that was not related to a breakdown. It was
7 just an accident where jockeys collided with one
8 another and the horse went down. We had one
9 catastrophic breakdown on the dirt. So those are
10 very unfortunate, but our total average is still in
11 the realm of the national average for catastrophic
12 breakdowns, even though this was what I considered a
13 tough meet for us.

14 One thing related to the heat, I sort of asked
15 Colonial Downs over the years to remove some plywood
16 panels. We put some panels in the stalls back
17 during the harness meet when it was in the middle of
18 the winter and the barns were so cold, and they've
19 never been removed. We've been racing in the
20 summertime. That just holds the heat in the barns.
21 So I sort of asked the maintenance staff if they
22 could get those panels down at least by next summer.
23 I don't think it'll be a huge factor for a fall
24 meet, but certainly by next summer, if we could get
25 at least half of them down and let some air

1 circulate up through the barns.

2 And one other maintenance item, I guess, while
3 I'm talking about maintenance items, we had -- the
4 numbers of the stalls, which we use to find a horse.
5 This horse is in barn 8, stall 27. Well, the
6 numbers are worn off or horsemen hang a hay bag over
7 that number or in some cases the doorjams were --
8 have been replaced because they were eaten up by
9 horses.

10 We've got new doorjams with no numbers, and
11 so I sort of asked Colonial if they would please
12 consider renumbering the barns and the stalls. I
13 know it's an aesthetic issue, but when you put the
14 number on the wood frame inside the door, and then
15 the horsemen hangs his hay bag over it, there's no
16 way to see the numbers. So I don't know if they
17 would consider putting the numbers in another area.

18 I apologize for talking about this. That
19 aspect has nothing to do with horses because I'm the
20 veterinarian, but I'm the only racing official
21 employed by the Commission who is in the barns
22 working with the horsemen and the grooms and the
23 trainers on a day-to-day basis. So I feel like some
24 of my observations are germane even if they aren't
25 related to the health and welfare of a particular

1 horse.

2 The test barn, we reduced our staff by
3 33 percent this year in the test barn because of the
4 financial prices that we're all suffering with. In
5 spite of this, we were able to sustain the
6 33 percent collection rate on the urine samples. It
7 was down from last year. Last year we did 97 and a
8 half. So our performance was down a little bit, but
9 I still think it was commendable considering the
10 money we saved the Commission in that case.

11 MR. BURNETT: Can I interrupt you for a
12 second?

13 DR. HARDEN: Yes, sir.

14 MR. BURNETT: You said we were able to retain
15 a 33 percent collection. Did you mean 93 percent?

16 DR. HARDEN: Ninety-three percent.

17 MR. BURNETT: Thank you.

18 DR. HARDEN: Our staff --

19 MR. BURNETT: The staff was 33, and then you
20 went on and repeated 33.

21 DR. HARDEN: I'm sorry.

22 MR. BURNETT: So it was down four percent.
23 That's commendable.

24 DR. HARDEN: That's significant. Thank you.

25 We had seven positive tests for the year. Six

1 were overages of Butazolidin and the seventh was a
2 positive for a drug called carisoprodol, which is a
3 muscle relaxant that's used in horses occasionally.
4 None of them are the evil kind of drugs that you
5 hear about, but at any rate, I felt that we had an
6 overall pretty clean meet drug-wise.

7 MR. BURNETT: Let me stop you there and ask
8 you. Did you have any suspicion that there was any
9 use of drugs on the backstretch for which you don't
10 yet have tests or for which you did not test?

11 DR. HARDEN: We did not have the rumor mill.
12 We didn't have people coming up saying he's using
13 something. We didn't see -- the stewards were a
14 little bit better this year in that if we had a
15 horse that raced contrary to his form, we would send
16 them to the test barn. So we had a lot of horses
17 that were finishing fourth or fifth winding up in
18 the next barn. We had some horses finishing second
19 that should have been fourth or fifth that wound up
20 in the test barn, so we were trying to cover the
21 field a little bit better insofar as our testing.

22 In conversations with the lab director out in
23 Iowa, we didn't have -- he was not seeing things
24 that he was concerned about and not identifying
25 because they weren't strong enough, but at any rate,

1 I thought we had a pretty clean meet.

2 MR. BURNETT: Good.

3 DR. HARDEN: We did have a little complaint
4 from the horsemen that the purses were so slow to be
5 paid because of waiting for the lab. However, this
6 turnaround time was identical with last year and the
7 year before. It's not a -- I think it was a
8 perception issue because everybody was counting on
9 their money a little bit more tightly than in prior
10 years. And so if the check wasn't forthcoming, they
11 grumbled a little bit more, but the lab did
12 perform -- the turnaround time was the same as it
13 has been over prior years.

14 The licensee veterinarian, this was the first
15 year that Colonial Downs provided a licensee
16 veterinarian. Dr. Fisher was with us. For the most
17 part, it all worked very well. Dr. Fisher was very
18 personable and very experienced, and so we didn't
19 have any significant issues there other than her
20 knee was killing her all month. So she was hobbling
21 around on crutches, but we look forward to her being
22 back for the harness meet.

23 Anyway, I guess the fact that we had a lot of
24 handicaps to overcome, it seemed to be a pretty good
25 meet. We had a lot of good races. There was not a

1 lot of runaway races. There were several horses in
2 the win picture, and that's what I presume the
3 bettors looked for. In the last week of the meet,
4 our entries and our number of horses starting each
5 race were significantly up. So the last week of the
6 week was very promising, so we hope that next year
7 will be even better.

8 Any questions?

9 MR. BURNETT: Mr. Petramalo?

10 MR. PETRAMALO: Doc, how extreme were the Bute
11 overages? Were they borderline or really --

12 DR. HARDEN: They were -- I would say most of
13 them were in the three to four microgram level,
14 which three years ago would have been -- would have
15 been in the normal, would not have been overages,
16 but we did reduce our Bute level in 2009 for what we
17 perceived as a safety measure. Actually, there's
18 been a paper that's been written relative to our
19 Bute levels.

20 MR. PETRAMALO: Thank you.

21 DR. HARDEN: Thank you.

22 MR. BURNETT: Doc, I have a couple questions.

23 One, I think it's worth pointing out that in
24 the last one, two, three, four, five, six, seven
25 years of racing, your chart here covers those years,

1 you've had 38 fatalities, which sounds like a lot of
2 horses until you appreciate that there were 22,164
3 starters.

4 DR. HARDEN: Yes.

5 MR. BURNETT: That's a -- I think that's a
6 number that's worth pointing out in terms of how
7 safe the racing has been here, and particularly when
8 you have horses that are coming in for a relatively
9 short meet and may not train year-round on exactly
10 the same surface and that may ship in and ship out,
11 I think sometimes that can contribute to missteps in
12 life. So that's an impressive number.

13 DR. HARDEN: I participated with Dr. Tobin in
14 Kentucky in publishing a paper this summer that
15 refers to the ship-in rate of breakdowns, and there
16 is a significantly increased risk of a breakdown to
17 a horse shipping in compared to a horse stabled on
18 the track.

19 MR. PETRAMALO: It was about four times as
20 great, wasn't it?

21 DR. HARDEN: It was about four times
22 increase -- fourfold increase in the likelihood of
23 the breakdown, shipping in versus stable.

24 MR. BURNETT: Looking at the last five years,
25 the sixth is generally part of a downward trend and

1 here you have an on-track pool -- well, not an
2 on-track, but you've got a pool of horses of 1,544.
3 I'm assuming that the on-track component was
4 probably lower this year than it has been in the
5 past years. You had a higher rate of ship-ins; is
6 that fair?

7 DR. HARDEN: I don't readily know. The barn
8 area was not as full this year as it has been.

9 MR. BURNETT: That's what I mean.

10 DR. HARDEN: So that could be a factor. We
11 tried to keep the ship-in statistics this year, but
12 it was -- we didn't have enough manpower.

13 MR. BURNETT: Right.

14 Doc, it's interesting that we had a few
15 thoroughbreds that were running like standardbreds
16 once a week, and there are some horsemen that would
17 say that the thoroughbred horse, most horses can
18 tolerate closeup racing for a period of time much
19 like human athletes to a certain extent if they get
20 the appropriate rest before and after, such it's
21 sort of a peak and valley design curve in terms of
22 performance for them and their durability.

23 That kind of thinking is a very nice fit for
24 the racing program that we have here in Virginia,
25 because I think it would be good for Virginia racing

1 to have many horsemen point to this meet,
2 particularly with its unique turf course and the
3 like and using good, quality horsemanship, plan on
4 running their horses pretty consistently here at
5 Colonial with the idea that they would be properly
6 rested thereafter.

7 Is there a way that we could statistically
8 track and perhaps support that kind of thinking to
9 see if that theory is really correct?

10 DR. HARDEN: There is a paper that I read
11 recently that indicated that the frequency of
12 starts -- in other words, once a week, once every
13 two weeks -- was irrelevant to breakdowns, what was
14 more significant was the number of starts per year.
15 And so this is precisely what you're saying, that a
16 horse can race intensively for eight weeks, ten
17 weeks, if he has adequate rest beyond that to heal
18 and recuperate. You couldn't race a horse on that
19 schedule, and then go to Maryland and race him for
20 ten more weeks and so forth.

21 MR. SIEGEL: Beyond that, though, Dr. Harden,
22 the performance of those horses, do you have any
23 statistics on those horses that may run seven times,
24 how they performed overall particularly in the last
25 few races?

1 DR. HARDEN: I don't have the statistics. I
2 don't know if --

3 MR. PICKLESIMER: No.

4 DR. HARDEN: Tyler doesn't have them either.
5 It is something, though, when we do our daily
6 inspection of the horses, we look at the number of
7 starts they have, and we factor that in. If the
8 horse looks sluggish and he's raced, you know, for
9 the past five weeks, we may discourage that horse
10 from starting.

11 MR. SIEGEL: Notwithstanding the condition of
12 our -- the fine condition of our track --

13 DR. HARDEN: Right.

14 MR. SIEGEL: -- I wonder whether seven starts
15 is an awful lot in our meet for any of these horses
16 to be expected to perform at their best.

17 DR. HARDEN: Here again, that was -- it was
18 something we looked at and we would tend to see if
19 the horse performed on track at least to
20 expectations. We did not see a significant change
21 from what we were expecting the horse to perform,
22 because it was something that the veterinarians
23 other veterinarians with us were concerned about
24 over racing. That's something that we do talk
25 about. And if we see something we can hang our hat

1 on and say, yeah, this horse's condition is -- I
2 mean, his performance is falling off because he's
3 over raced, we'll find a way to put him on the vet's
4 list. We were not able to identify that on any kind
5 of consistent basis in the eight-week period of the
6 meet. Had this gone on for 12 weeks, 16 weeks, then
7 absolutely. It would have started to show more
8 significantly, I think.

9 MR. BURNETT: On a statistical basis, if a
10 horse ran six times at Colonial Downs, he's done for
11 the year in the United States now. Thirty years
12 ago, a horse ran 12 times a year. Now six times a
13 year is the average. So it's even more phenomenal
14 when you think of the average number of times a
15 horse runs -- and, of course, averages are averages.
16 It can be misleading, but a horse could come here,
17 race somewhat intensively, and need to be off for
18 ten months to meet the national average.

19 Any other questions? Thank you.

20 MR. MILLER: Mr. Chairman, just an
21 observation.

22 MR. BURNETT: Commissioner Miller?

23 MR. MILLER: Your statement regarding the --
24 revisiting the regulation regarding the licensee
25 veterinarian, I might suggest that maybe Dr. Harden

1 should get together with our executive secretary and
2 the two of them communicate with our counsel and if
3 there are any suggestions that you think would be
4 helpful in revising the regulations to address this
5 concern, that ought to be brought to us as a
6 recommendation.

7 MR. HARRISON: That's our plan.

8 MR. MILLER: Okay. I just want to be sure.

9 MR. BURNETT: Thank you. Any other questions?

10 Dr. Harden, thank you. I really appreciate
11 your thorough report and your usual attention to
12 detail. It's very helpful to us to hear from you.

13 We'll next turn to section five of our agenda,
14 Colonial Downs update on the 2010 thoroughbred meet;
15 that is, if Mr. Harrison is done with his report.
16 Did you have any addition to what was on the agenda?

17 MR. HARRISON: No. No thanks.

18 MR. BURNETT: Thank you.

19 Mr. Stewart?

20 MR. STEWART: All right. We completed the
21 2010 thoroughbred meet on July 21st. First, I'd
22 like to review a few statistics from the meet, which
23 in some respects are not that encouraging. One key
24 statistic that drives horse racing is horses per
25 race. In our history, we generally see the national

1 average. I'm not sure we did it this year. Our
2 horses per race declined from 8.9 in 2009 to 7.7 in
3 2010.

4 Our average daily attendance declined to 1,499
5 from 1,694 in 2009. About 60 percent of that
6 decline was due to the switch from Fridays to
7 Wednesdays, which we knew was going to happen.
8 Another 25 percent of that decline was due to a
9 little lower attendance on July 3rd and 4th.

10 Live handle declined from 3.9 million in '09
11 to 3.3 million in 2010 or about 16 percent.
12 Simulcast handle at the track declined from a
13 million two in 2009 to \$900,000 in 2010 or about
14 19 percent, and the overall per capita wager went
15 from \$75 to \$71. Out-of-state handle increased from
16 25.1 million to 29.3 million or an average of
17 \$733,000 a day. This increase was primarily due to
18 the TrackNet boycott of 2009 no longer being in
19 effect. However, I'd point out that out-of-state
20 handle was significantly below the 2008 average of
21 \$961,000 per day and almost a third below our high
22 in 2006 of a million oh sixty-nine per day.

23 Overall purses per day declined from 159,000
24 in '09 to 148,000 in 2010. We're about a third
25 below our high in 2007 of 221,000. Overnight purses

1 are a little more complicated because of the
2 Breeders Fund. If you calculate them with the
3 Breeders Fund money, they were at \$10,646 per race
4 versus 11,496 last year. It's down about seven
5 percent. That's pretty much how we figured it was
6 going to come out. If you take out the Breeders
7 Fund, which not everyone -- including many
8 out-of-state horsemen we're trying to attract are
9 eligible for, they were 9,428 versus 10,296 last
10 year.

11 I might refer you to Glenn Petty's posting on
12 the VTA blog regarding average daily purses in the
13 Mid-Atlantic. Colonial Downs ranked seventh out of
14 eight Mid-Atlantic tracks in average overnight purse
15 per race. It's 23 percent below the No. 6 track,
16 Charles Town, and slightly ahead of the No. 8 track,
17 Mountaineer.

18 During the meet, we had several what I would
19 consider pretty successful marketing initiatives.
20 We had a successful launch of the Hoot On The Hill
21 on Virginia Derby Day with over 1,200 people in that
22 area, which is roughly twice as many as we had there
23 last year. I was very encouraged by that, and we're
24 going to continue to work on growing attendance in
25 this area.

1 In 2010, we initiated a lady's day promotion
2 that I thought went real well, and I think that has
3 a lot of promise. We held a fireworks after party
4 after the races on July 3rd and 4th in an effort to
5 alleviate the traffic problems that we had in the
6 past. We achieved that objective, and I thought
7 that turned out real well. We offered rides around
8 the track on the shuttle between the races. That
9 was well received. I was pleased with the Virginia
10 Derby, how we handled it, and our combined handle
11 was up over last year.

12 With respect to days of the week that we chose
13 to race, the switch to Wednesdays from Fridays was
14 successful, I thought, as we averaged 925,000
15 out-of-state on Wednesdays and three of the five
16 days where we went over a million dollars in
17 out-of-state handle were Wednesdays, with the other
18 two being the Turf Cup and the Derby. However,
19 Mondays and Tuesdays were kind of a disappointment,
20 and I think we'll consider -- seriously consider
21 replacing them with Thursdays and Fridays next year.

22 I thought the Memorial Day weekend opening was
23 the right decision, especially in light of the late
24 July weather and I anticipate that will be part of
25 our 2011 race day request.

1 We brought the food and beverage operation
2 in-house with Chef Johnson and after some growing
3 pains, I thought that turned out real well. Our
4 increased seating on the main floor was also very
5 well received. Every year we try -- you know, we
6 strive to make improvements, and we'll continue to
7 do so in 2011.

8 Regarding Dr. Harden's comments on the barn
9 area, I must confess the first time I became aware
10 of it was when I read the vet report. So,
11 obviously, we've -- while I make inquiries during
12 the meet, obviously we have some communication
13 issues that need to be improved, but we'll certainly
14 take care of those two issues.

15 MR. BURNETT: Questions?

16 MR. SIEGEL: Just one question about Fridays.
17 The reason I think that I remember to not race on
18 Fridays was the traffic to the beach was one of the
19 reasons. Am I correct about that?

20 MR. STEWART: Well, I think my view of Fridays
21 at the time was that we could do better on
22 Wednesdays out-of-state overall. The out-of-state
23 improvement on Wednesdays would offset the decline
24 in attendance we anticipated on Fridays. On Fridays
25 we were running into beach problems. I thought

1 historically we had -- we worked pretty hard to
2 market Fridays, and we had sort of hit a plateau of
3 about 1,200 people, you know, that was about as many
4 as we were going to get. The part I didn't count on
5 was the decline on Mondays and Tuesdays.

6 The last couple years, we've done really well
7 out-of-state on Mondays and Tuesdays. I don't have
8 the numbers, but I would venture to guess that we
9 averaged close to well over -- you know, a million
10 dollars on Mondays and Tuesdays. This year --
11 again, I don't have the number, but I would be
12 willing to guess it was about \$600,000. When you
13 sort of mix all that together, I think we'd probably
14 be better off on Thursday and Friday than Monday and
15 Tuesday, but you know, that's not a decision we're
16 going to make today.

17 MR. SIEGEL: Traffic wasn't a major issue to
18 the decision then, right?

19 MR. STEWART: Pardon me?

20 MR. SIEGEL: Traffic on Friday to the beach
21 wasn't a major decision -- part of the decision?

22 MR. STEWART: No. The prime driver was I
23 thought we would do better out-of-state on
24 Wednesdays.

25 MR. HARRISON: Peter?

1 MR. BURNETT: Yes.

2 MR. HARRISON: One other comment happily.
3 Whether it was due to -- it's a major issue, too.
4 Whether it was due to the earlier opening of the
5 race meet, so then an earlier closing of the race
6 meet, or whether it was due to more expedient
7 spraying or placing of some track bags, the issue of
8 flies was I'd say 75 to 80 percent better this year
9 than last year. I received many compliments from
10 the neighbors back here in Brickshire.

11 MR. STEWART: We took that seriously. Last
12 year Jeanna and Dawes and the staff, they researched
13 methods of fly control. They came up with these
14 bags. It was kind of late in the game for last
15 year, but we ordered them before the meet started
16 basically this year. We had them out there very
17 quickly. So if you drive around the racetrack,
18 around the perimeter, you'll see these bags hanging
19 on the fence. I wouldn't look in the bag if I were
20 you.

21 MS. BOUZEK: Or smell it.

22 MR. BURNETT: You can package and sell that
23 stuff.

24 MR. STEWART: They seemed to work out real
25 well.

1 MR. BURNETT: Thank you for raising that, Vic.
2 As most folks here know, the problem happens when
3 the food; that is, the horses leave, and that
4 population of flies starts looking around for a new
5 source and off they go to the subdivision, and then
6 the subdivision comes over and has something to say
7 to us. The fact that we haven't heard from folks
8 and you're getting compliments, it must be
9 noticeable. That's terrific.

10 MR. HARRISON: It was. It was a great
11 feeling. As a neighbor of yours, people know where
12 I live. They were happy. They were very happy.

13 MR. BURNETT: Thank you for being responsive.

14 A couple of questions. Do you think that
15 there may be any potential in the Finn McCool and
16 the Mulligan's facilities driving any increased
17 attendance to the track either generally or by
18 having a Finn McCool's Day or a promotion that ties
19 to that particular facility so that people will be
20 more than the occasional TV watching. There might
21 be some percentage of folks that will become actual
22 die hard fans.

23 MR. STEWART: Yeah. I think that there's an
24 opportunity to bring, you know, some groups out. I
25 don't think you're going to impact a number in the

1 realm of thousands --

2 MR. BURNETT: No.

3 MR. STEWART: -- but you know, it's part of
4 what we have to do. I've always believed that we
5 need to work at it gradually. You can win the
6 battle with small little victories. That's the best
7 part of it.

8 MR. BURNETT: A little bit tougher question.
9 You listed a wonderful number of initiatives that
10 you were pleased with and were successful, and I
11 agree with all of them. My observation from where I
12 sit, it seemed like they were all good ideas and
13 worked very well. Did you have any initiatives that
14 you were just disappointed in? Anything that were
15 learning experience, teaching moments, that kind of
16 thing?

17 MR. STEWART: Well, I mean, in 2009, we had a
18 program where we took people on kind of an extended
19 tour of the racetrack and the backstretch and the --
20 put them up next to the starting gate, which the
21 people who were on that tour really enjoyed it. I
22 was real pleased with it, but we weren't able to
23 really market it this year. We didn't get a whole
24 lot of response to that, but basically substituted
25 the 10-minute ride around the racetrack and we got

1 hundreds of people who wanted to do that.

2 MR. BURNETT: Really?

3 MR. STEWART: You don't win them all.

4 MR. BURNETT: What is the motivating factor
5 for someone to get on that shuttle and ride that
6 mile around the circle? Just something new and
7 different, want to see what it looks like from a
8 distance?

9 MR. STEWART: Yeah. If you've never done
10 it -- I mean, I think one of the things that over
11 time I don't really appreciate anymore is what a
12 unique facility this is. You know, for somebody
13 that just comes here for the first time, how unique
14 and interesting it is. So when I take somebody
15 around and I show them the racetrack and I show them
16 different things, you know, their eyes get like this
17 big. Whereas, for me it's old hat. Well, you'd be
18 surprised. You hop on the shuttle. It was fun.
19 See a different view.

20 MR. BURNETT: Eighty or 90 around the
21 racetrack.

22 MR. STEWART: No, they go slower than that.

23 MR. PETRAMALO: I think what you realize too
24 from a horse racing perspective is how long a
25 distance it is. You say, wow, from the stands, you

1 know, it looks relatively doable, but when you
2 actually travel the distance, you say good grief.
3 It's a long race.

4 MR. BURNETT: I think that the fourth floor
5 has that eye popping -- the balconies and the sky
6 suites and the like have that same effect on a lot
7 of people for the first time. When I've brought
8 guests and taken them out there, you know, they look
9 at it from the ground level walking in from the
10 parking lot and all, but when they go up and get
11 that remarkable view from up there, it is
12 eyeopening.

13 MS. BOUZEK: Well, I took the ride too. You
14 wouldn't believe how many people when you come
15 around say, now, the barns are back here. Oh,
16 barns. You have barns? They don't realize that you
17 have to -- how many barns, then you tell them and
18 they're just wow. That's barns. Been coming here
19 for "X" amount of years. Never knew there were
20 barns back there.

21 MR. STEWART: Sorry to interrupt, but I think
22 the other thing we have to appreciate is not
23 everybody that comes out here is a hard core
24 wagger. So when you come out here for three hours,
25 you need other things to do. If we have different

1 little attractions, you know, that helps.

2 MR. BURNETT: Particularly, if it's a group
3 with different levels of interest.

4 Any other questions?

5 Well, thank you for the update. It's been a
6 pretty tough year all the way around. It seems like
7 we'll roll up our sleeves for next year. I know you
8 will, but given the challenges nationally and the
9 difficulties that horsemen in the Mid-Atlantic have
10 had and the competition we have here, I think we
11 probably performed as well as we could have hoped.
12 I think all in all, it's a very positive outcome for
13 this year.

14 Next turn to your plans for the 2010 harness
15 meet.

16 MR. STEWART: I'd like Darrell to come up.

17 MR. WOOD: Good morning.

18 MR. BURNETT: Good morning.

19 MR. WOOD: I think the biggest thing we've got
20 going for us is we open up with the county fair.
21 They're back after a one year hiatus, and they're
22 going to be here for two days to kick things off on
23 Friday, the 17th, and Saturday, the 18th. On
24 Saturday, we're going to do the mixed breed card of
25 races again, and we're going to stretch it out

1 between one o'clock and seven-thirty or eight
2 o'clock.

3 So hopefully when 3, 4,000 people are on the
4 property on Saturday, they're going to be exposed
5 to -- if things work out, nine or ten harness races,
6 two steeplechase races, and a thoroughbred race. So
7 I'm pretty excited about getting, you know, that
8 kind of visibilty in front of the crowd we haven't
9 seen here in a couple years.

10 And then on the back end of the meet, it's the
11 Breeders Cup and Day of Champions Day again, which
12 last year I think drew over 1,300 people which was
13 our best crowd, our best betting crowd in a number
14 of years. We had a carriage parade that day, and
15 we're going to do that again as well with Debbie
16 Downs in New Kent. It should be a pretty nice day.

17 The six weekends in-between are where we're
18 really going to put our focus because with a racing
19 schedule on Tuesday and Wednesday at one o'clock,
20 we're kind of limited to retirees, and we are going
21 after senior groups with kind of a neat \$10 package
22 for those assisted-living centers and senior centers
23 as well.

24 On the six Saturdays, we're going to be doing
25 a couple comedy nights after the races. We've done

1 those successfully at the off-track betting centers
2 this past year. We're going to do a casino night up
3 in the ballroom after the races and with those three
4 events, we're partnering with non-profits with Quin
5 Rivers Domestic Abuse Group in New Kent, with the
6 New Kent Rotary Club, and with the Central Virginia
7 Food Bank. They're going out and selling tickets
8 for us. We're going to share proceeds for those
9 events, too. Hopefully, we can push some crowds
10 toward the four-digit numbers, hopefully toward a
11 thousand people on those Saturdays. The other
12 three, we're going to have Texas Hold 'Em Poker
13 Tournaments, which kind of have become a staple here
14 in the fall for the last several years. So that
15 will carry us for the weekends.

16 Every Saturday, we're going to be doing
17 harness racing bingo. We found a company that
18 created a game that ties the results of how a horse
19 does, how a driver or jockey does, what the payoff
20 is, what the quarter time is, and as much as -- it's
21 a fun game where people win prizes. It's an
22 educational game. It teaches them to learn more
23 about or to look at more things going on during the
24 races, so we're going to do that every Saturday.

25 And then every Sunday, we did some -- I think

1 we had a pretty good run with this thing. It's a
2 family four-pack deal, where for \$16 a family of
3 four can get four admissions, four programs, four
4 hot dogs, soft drinks, and a couple souvenir gifts.
5 We tested that last fall, had a pretty good run with
6 it this summer. There were some Sundays where we
7 were getting 600 people coming in as a result of
8 that, so we feel we've got some momentum going and
9 we're going to carry that through Sundays as well.

10 Other than that, we've got the Patriot
11 Invitational, which I guess is -- Iain turned into a
12 pace.

13 MR. WOOLNOUGH: Pace.

14 MR. WOOD: When the date is set, we're going
15 to, you know, build an event around that.

16 We're going to go after the Williamsburg
17 market a little bit more than we have. We tried
18 that this summer. In the fall, it's more of an
19 empty nester, tourist area more so than families in
20 the summer, and with our racing schedule and, you
21 know, harness racing attracting a bit of an older
22 customer, we think we've got a fighting chance there
23 as well.

24 MR. BURNETT: What kind of things do you do to
25 reach out to the Williamsburg demographic?

1 MR. WOOD: It's kind of a funky area because
2 it's between the Richmond and the Tidewater media
3 market, so radio and TV kind of blends between the
4 two, but there's a couple of publications there, the
5 *Virginia Gazette*, a magazine that -- they're kind of
6 like the main things that go on and it's what every
7 one of the local reads, and there's a Williamsburg
8 magazine that the tourists go to. We've done some
9 research, and I think we got more Williamsburg and
10 peninsula visitors this year than we've had in
11 recent years.

12 We did spend dollars in Tidewater before, but
13 the Hampton Roads Bridge Tunnel really is tough to
14 maneuver in the summer so we kind of focused on the
15 peninsula a little bit more and did see some results
16 with it.

17 MR. BURNETT: Any questions?

18 MR. SIEGEL: I was just going to comment that
19 the Prime Outlet Mall in Williamsburg is a huge
20 traffic generator. Other than Busch Gardens, it
21 attracts more people. And so you might want to try
22 to partner with those people some and try to reach
23 their customer. How you do that, I don't know.

24 MR. WOOD: That's a good thought. And the
25 neat thing is they could take Route 60 and it's only

1 20 miles away too, but good thought.

2 MR. BURNETT: Thank you, Darrell. Appreciate
3 it.

4 Anything further with respect to the harness
5 meet?

6 We next come to public participation. This is
7 the public's second opportunity today to speak to
8 the Commission. This time, whatever subject they'd
9 like to speak on.

10 Seeing no one, we'll go on to the next item,
11 which is our next meeting, September 28th. Is that
12 okay, gentlemen?

13 All right. I don't think we have any closed
14 meeting planned. Do we have a motion for
15 adjournment?

16 MR. BROWN: Move to adjourn.

17 MR. BURNETT: Chair seconds. All in favor say
18 aye.

19 Note: (Aye.)

20 MR. BURNETT: We're adjourned. Thank y'all.

21 Note: The proceedings concluded at 10:42 a.m.

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CERTIFICATE

VIRGINIA:

COUNTY OF NEW KENT:

I, MELISSA H. CUSTIS, RPR, hereby certify that I was the Court Reporter for the Virginia Racing Commission meeting on August 24th, 2010, New Kent, Virginia, at the time of the hearing herein.

I further certify that the foregoing transcript is a true and accurate record of the meeting and other incidents of the hearing herein.

Given under my hand this 1st day of September, 2010.

Melissa H. Custis, RPR

Notary Public for the State of Virginia at Large

My Commission expires:

March 31, 2011