VIRGINIA RACING COMMISSION

December 15, 2010

10700 Horseman's Road

New Kent, VA  23124

Commencing at 9:35 a.m.

COMMISSION MEMBERS:

Peter C. Burnett, Chairman
I. Clinton Miller, Vice Chairman
Mark T. Brown
Stuart Siegel
David Reynolds

COMMISSION STAFF:

David S. Lermond, Jr., Acting Executive Secretary
Kimberly M. Carter, Office Administrator

ATTORNEY GENERAL'S OFFICE

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MR. BURNETT: Good morning. We'll commence our meeting. Sorry to be about five minutes late starting. The first order of business is the approval of the minutes of the special meeting of October 6th, 2010. That was in Richmond and it's under your Tab One. Anybody have any corrections, additions, deletions?

NOTE: There is no response.

MR. SIEGEL: Move they be approved.

MR. BROWN: Second.

MR. BURNETT: Moved and seconded. Those being approved, all in favor, indicate by saying aye.

NOTE: All indicated by saying aye.

MR. BURNETT: Minutes of the October 6th meeting are approved.

We'll move to minutes of the October 26th meeting, which was our regular meeting here in October.

Any -- Mr. Lermond pointed out one typographical error in the third full paragraph on the second page. It should say Senator Houck's, apostrophe "s", possessive.

MR. BROWN: Move to approve.

MR. BURNETT: Is there a second?
MR. SIEGEL: Second.

MR. BURNETT: All in favor of approving the October 26th meeting minutes, indicate by saying aye.

NOTE: All indicated by saying aye.

MR. BURNETT: Those minutes are approved.

Move to Commissioners' comments. Comments from any Commissioners?

NOTE: There is no response.

MR. BURNETT: I just wanna make a brief comment, and others in the room may know more about it than I do, but I understand that our leaders in Washington, D.C. in the Senate today are going to be voting on the much-publicized tax bill.

I'm told that attached to that bill at the behest of Senator Reid from Nevada is a Internet poker statute or provision that would allow Internet poker in all states that approve it.

I just think it's something that we ought to stay abreast of because there seems to be consensus that if such a bill were passed, while it would not place any restrictions that I'm aware of on our industry, it would probably further erode our customer base; some have estimated to the tune of $50 million or more a year nationally.
I think it's a -- Horse racing is about a $13 billion, $14 billion a year business right now, I think in the United States in handle, and I think they say Internet poker is about a $5 billion business right now, most of it being handled by off-shores.

The bill has an opt-in/opt-out provision, as I understand it, so Virginia, if they wanted to engage in it, would have to opt in. Were we to opt in, I think our industry would have a bit of a leg up because it favors established race tracks and other operators of gaming devices and the like for licensing for the poker. It excludes start-ups and the like off-shore.

So without getting into any more detail, that was probably too much, I think we ought to keep an eye on it to make sure we do what we need to do to preserve our own best interests here in the Commonwealth.

It's been cold out. I hope everyone's horses and pipes are all right.

We'll move on to the Executive Secretary's report. Mr. Lermond.

MR. LERMOND: Thank you, Mr. Chairman.

Before I get to my first item on the agenda,
seeing as this is the last meeting of the year, I just wanted to take a minute to thank the staff of the VRC. We've got a really dedicated, talented, loyal, hard working group of people working for us and I can just say that I feel very fortunate to be part of such a great team of people.

We go to Tab Three of your books. We've got the final statistics from the Live Harness meet that was conducted this fall.

When you get -- When you're trying to compare two meets and they don't have the same number of days from one year to the next, generally, what you do is you go to a per-day basis to try and get a more apples-to-apples comparison.

The first item, the on-track attendance, if you look at Total, they were up, and then if you look at a per-day basis, they were up significantly.

Now, we know part of this is due to the New Kent County Fair, which was held the first two days of the meet, but if you normalize the numbers and kind of take the fair attendance out of the equation, I think they were still up a couple people on a per-day average, so I think that was a good sign to see.

The next three, four items, you can use a
per-day average, but when I was looking at Dr. Harden's report, I noticed that the number of races in 2010, we ran 304 races in 28 days, compared to 367 races over a 36-day period in 2009.

So in essence, what they did was this year, they ran almost 11 races per day, where last year, it was slightly over ten races per day. So if you use a per-day average on these numbers, I think the better thing to do is use a per-race average.

The number of days was a 22 percent decrease, whereas the number of races was only down 17 percent, because again, they ran more races per day than they did the year before.

So when you look at the on-track, on the live wagering, the per-day average was only down $100 per race for a decrease of five percent.

I think Mr. Chairman asked two meetings ago how the people here were betting on the live racing, and if you look at the percentage decrease on the live here on-track, as compared to the next item, which is the wagering at the SWFs, you can see that the decrease was not as great here at the track as it was on SWFs.

The out-of-state wagering was down 23 percent on a per-race basis. Altogether, all sources on a
per-race basis, they were down 19 percent.

But I think the good thing is that they ran more races per day and they actually had more horses per race; 8.5 per race in 2010, compared to 8.3 in 2009.

If I could get you to turn to Tab Seven in the book, I just wanted to briefly show what I say is some good news in the top section here, where you're looking at the total handle from the bricks and mortar site.

The decline in October was only eight-and-a-half percent and the decline in November was four-and-a-half percent and I think I noticed a trend a couple months ago where I thought the percentage decrease was gonna continue to get smaller, so hopefully to the point where we'll bottom out and hopefully start to show some increases in the future.

My next item is the final report from our Standardbred judges. The report was prepared by Mr. Hickman, who was the presiding judge.

I think it's a good report from Mr. Hickman. The very first sentence is: From the Judges' perspective, the 28-day meet went very well. I think that really sums it up in a nutshell.
The one item I'd like to bring your attention to is the new paddock procedure that we instituted this meet. This was a combination of Joe Roney and Pat Kelleher from Colonial Downs and the judges from last year, where we just decided that we wanted the paddock to be a more secure environment.

So what we do is well before the races start, we lock down the paddock and there's only one way in and one way out. One of our employees is stationed there and they scan the participants' badges going in and out of the paddock and the drivers are breathalyzed at that point.

It just gives us a better feeling to know that only the people that should be in there are in there. I think that went very well, and again, I want to thank Pat for his efforts and Colonial Downs as well for making that a good change for this year.

Other than that, I'd be happy to try to answer any questions the Commissioners or anyone might have on this judges' report.

MR. BURNETT: Questions?

MR. BROWN: I'd like to know what BOQ means.

MR. BURNETT: Yeah. We've got a question and an observation. Mr. Brown and I would like to know what BOQ means.
MR. LERMOND:  BOQ is when a horse breaks after a qualifying race.

Breaking, for everyone that doesn't know, is when in a pacing race, when the horse goes off-stride and will start to gallop or sometimes they'll say he's running.

It's to protect the bettors, because really, once a horse breaks, the chances of that horse coming back and winning the race are -- It can happen, but they're not very great. So if a horse breaks two races in a row, that's repeated breaks. They have to go on a list which means then they have to requalify and run a qualifying race under a certain time and without any breaks.

MR. BURNETT:  So Break On Qualification means?

MR. LERMOND:  I think it's break after or break on. It means the horse breaks the very next race after he's qualified successfully, so he's got to go back and qualify again.

MR. BURNETT:  If you'd taken just two more breathalyzer tests, we'd be at 1/1000, if I'm not mistaken, positive testing on breathalyzers. In fact, we're slightly less than that, so you have to move the decimal over to .0009.

Doc, did I do that right?
DR. HARDEN: Yes, sir.

MR. BURNETT: Thank you. Appreciate that.

And while we've got the doc on the spot over here, I notice that Mr. Hickman said there was one accident and Dr. Harden's report said there were none, and so because the way I reconcile that is that -- said both horses and drivers were not injured; therefore, I assume an accident in the doc's report would require some level of injury.

DR. HARDEN: Yeah. Basically, if I don't pick up the pieces, I don't make a note of it.


MR. BROWN: I like that.

MR. BURNETT: Thank you.

MR. LERMOND: Fair enough.

The next item is, coincidentally, Dr. Harden's report on the Live Harness meet. Did you want to say a few words to that?

DR. HARDEN: Yeah. As everybody knows, 2010 was a tough year for horse racing, particularly the Harness racing.

We raced fewer days, the fewest days we've raced since 2003, and we had the fewest number of horses available for our entry box than we've ever
We had 575 horses that were available to race. Given the handicap we're starting with, I think the horsemen did an excellent job. I think they pulled together and worked hard and put off what I consider a pretty good meet under the circumstances we were dealing with, and so I commend everyone in that aspect.

So far as the glitches, we still need to smooth out a little bit of the logistics if we're gonna continue the have steeple chase racing on Harness days. There's just too many things that we plan out and then we change on race day or too many things we haven't thought about that happen on race day and so we still need to work on that.

It was a little rough this year. We had post times they changed three or four times in the week immediately prior to the day, and finally when the post times were set, we set the times and all the horsemen were planning and everything and then on race day, the post times get changed almost as we're going, so that was pretty disconcerting to the veterinary teams, as well as the horsemen trying to race, and so it's just we need to get a little better logistics if we're gonna continue that.
Basically though, I thought we had a very clean meet. We had one drug positive and this was a case that a trainer got the horse in on Thursday and raced on Friday, opening day, and as we investigated the situation, the owner had given the horse Naquasone Sunday, Monday, Tuesday before the trainer got it and so it was just quite a mistake on the owner's part, but at any rate, that was the only positive we dealt with for the meet, so we were very pleased with that.

And the only other concern, we've always had a shortage of private veterinarians at the Harness meet and we had two veterinarians who are licensed trainers and they both grumbled that they have to pay a vet to treat their horses.

So next year, they're considering turning their training stable over to their spouse or to someone else as the trainer and they have a veterinary license.

This is an area that's a little bit gray in our regulations and I would like sometime during the winter for us to sharpen up that particular rule to address that.

Anyway, thank you all very much.

MR. PETRAMALO: Wasn't that rule -- Wasn't
that rule changed? Didn't we talk about changing it to permit a vet to treat his own horses but no other horses?

DR. HARDEN: We had begun to discuss --

MR. BURNETT: Yeah.

DR. HARDEN: -- it, but we never, for various reasons, were never able to get it completed.

MR. BURNETT: There are interesting connections between spouses and prohibitions related to spouses that are sort of scattered about in the code, so we need to have a look at that probably.

DR. HARDEN: Right.

MR. BURNETT: Doc, one question about the surface that you commented on, certainly for the benefit of the horses. Softening the track pad towards the end of the meet would make sense, it seems to me.

I would anticipate that horsemen might object to that and that it might have some impact on veterans and handicappers as well. Do you have any comment on that? I understand the salutary purpose of making that track less hard.

DR. HARDEN: Well, I wouldn't consider softening it to the degree that it would be perceptively obvious to, you know, to bettors or
whatever, but some of the horsemen actually were complaining that it was too tight. Towards the end of the meet, some of those horses, their feet were stinging pretty badly when they're racing.

   Particularly, when you've got short -- you have a number of horses and they're racing back twice a week, some of them, and so my concern was for the comfort and welfare of the horses.

   I've grumbled and griped about racing so frequently and I've lost that battle so many times. I'm trying to look at a different direction.

   MR. BURNETT: Maybe you're not the right person to ask, but maybe you are. How difficult an undertaking -- From where I sit, it strikes me as quite harrowing.

   DR. HARDEN: That's my perception as well. I guess the trackmen would probably have a better insight into it, but I would think they could just scratch it a quarter inch deeper or something.

   MR. BURNETT: Okay. Thank you. I hope you'll bring it up as we go forward in the future, because it seems like a simple way to give greater longevity to the horses.

   Any questions of the doc?

   MR. MILLER: Before we leave racing, the race
meet, one negative in the report was the problem with the starter and it was -- They suggested listing the complaints. Are we going to do something about it or was something done about it or will this be addressed, other than the fact that apparently, the starter had a medical problem?

MR. LERMOND: The starter is an employee of Colonial Downs, not the Commission, and those people are approved each year by the Commission before the meet starts.

I think we wanted to bring it to Colonial's attention.

MR. STEWART: Mr. Boucher's [ph] been our starter since the inception of Harness racing at the track. He does have some medical issues. We were not aware of the exact extent of those until he arrived on the property; however, I believe his brother-in-law was filling in for him. I certainly hope Billy can bounce back.

MR. MILLER: So you're aware of the magnitude of the complaints and you've looked in to it and you're determining whether or not they're significant or if there is any substance to the complaints?

MR. STEWART: I'm not aware of the complaints.
I'm aware of Billy's medical condition.

MR. MILLER: They said the gate's going too slow, the gate's going too fast. It must be in between. Every other week a new starter and drivers cannot get used to the change. Starters leaving horses, should have had more recall. Those things will be looked into, I guess, by someone.

MR. STEWART: I will certainly handle our end of it. I don't know to what extent the judges and -- where their authority begins and ends and where ours takes over, but I'll certainly make sure in the future that it is handled.

MR. BURNETT: Why don't we plan on getting ourselves clear on where the authority starts and ends so that we can avoid this?

I'm hearing from the track that they'll do what needs to be done and I assume Mr. Hickman will do what needs to be done, but I think we need to do a little bit more than hope for someone's help and hope that things work out.

I think we need to, for the safety of the horses and for the benefit of racing, need to look into it and satisfy ourselves that the starter is, through the experts who know these things, is fully capable of doing the job in a satisfactory way.
So if we can just chase it down and let the judges have adequate input once they're appointed and have the track have adequate input and hope to have this paragraph removed next year.

MR. LERMOND: Mr. Boucher is an excellent starter and I could just tell that he just wasn't himself this week. He really wasn't and I think Mark saw that, too.

MR. BROWN: In his defense, he's a grand horseman, but he's had some health problems and I think that's something worth checking in to. And there are some people that I know that I can call to find out what kind of shape he is in. That shouldn't be a problem.

MR. BURNETT: Great.

MR. LERMOND: It's difficult for the horsemen when you have one starter one week and then somebody else fill in the following week, because each guy's just slightly different and you get used to the way he's gonna do things and it makes it more difficult.

MR. MILLER: Well, I only brought it up since it's in the report. We should make sure that it's addressed.

MR. BROWN: Absolutely.

MR. LERMOND: I think Mr. Hickman thought it
was important enough to put in there. I'm glad you brought it to our attention.

MR. SIEGEL: Mr. Chairman, we had a rather lengthy discussion about safety on the path. The comment in the report is that signs were posted eliminating training on the path.

Was that the end of it? Were there issues? Did the sign do the trick? You know, speed limit sign doesn't always stop speeders. I don't know what the outcome there was.

MR. RONEY: Mr. Chairman, Commissioner, what happened was, we would occasionally take a ride back on the backside along with Colonial Downs security, and if we saw somebody that was on the path, we would give them a warning and then if we caught them a second time, then we'd bring them before the stewards.

But again, we couldn't be back there 24/7, so it was kind of hit and miss, but for the most part, I think there was one person back there that was training that was going back the cart path when they shouldn't have been and they were just given a verbal warning at that point.

MR. SIEGEL: It was clear to everyone that the rules had changed?
MR. RONEY: Yes. Oh, yes.

MR. SIEGEL: And there would be penalties?

MR. RONEY: Definitely. It was addressed by the judges during the trainers' and drivers' meeting prior to the opening of the meeting.

MR. SIEGEL: There was also a discussion about having an ambulance available and I can't recall how that ended. There was gonna be some discussions about it, I think between the horsemen and the track. Did anything get resolved there?

MR. STEWART: Yes, it just did. The ambulance was there and I think that expense was covered out of the Benevolence Fund.

MR. SIEGEL: Good.

MR. KELLEHER: Once we shut down the path and they made the arrangements, the ambulance was there, they got the extended time and that's probably one of the reasons that we didn't have many on the path after that.

They were using the track and so Jack King, the supervisor back there, made a concerted effort to keep people -- As Joe said, they checked it periodically, so I think people got the message and they were able to adapt to it.

MR. SIEGEL: Good.
MR. BURNETT: All right. Anything further on that item?

NOTE: There was no response.

MR. BURNETT: Mr. Lermond, I think your last item was the ADW extension.

MR. LERMOND: That's correct. It's kind of a housekeeping item.

In October, the Commissioners decided that we would wait until the January meeting to hear the ADW licenses and to do that, we just need a motion from someone to extend the current licenses until the January meeting.

MR. BURNETT: All right. The Chair would move to extend the existing ADW licenses that are in good standing -- to my knowledge, they all are -- until our January meeting for further action on any renewals.

MR. MILLER: Second.

MR. BURNETT: And moved and seconded. All in favor, indicate by saying aye.

NOTE: All indicated by saying aye.

MR. BURNETT: All right. That motion passes unanimously.

Anything further, Mr. Lermond?

MR. LERMOND: No, thank you.
MR. BURNETT: All right. We'll move to the Stakeholders' section. The first item is Colonial Downs' review of the 2010 Harness meet.

MR. STEWART: Dave went through the statistics, so there's not a whole lot more to say on that score.

We did shoot some video this year. There's always a risk of the presentation not working, so we'll see if it turns on or not. See if we can fire it up. This is Paul. He handles all of your Internet. We've assigned him to this task.

MR. SIEGEL: See how good he is, right?

MR. STEWART: Perform under pressure. We're looking good.

MR. BURNETT: Give that man a raise.

MR. STEWART: I thought it might be kind of nice to give you sort of a flavor of what the Harness meet looks like for those that maybe didn't make it out quite that often.

We opened the meet with the New Kent County Fair on Friday and Saturday. Friday, we had our third highest attendance, about 830 people, and Saturday, we had our highest attendance, 2,362. Had a lot of families out, had a lot of kids having fun. It was a nice atmosphere, nice day,
Okay. Another day we shot here was a Wednesday. It turned out to be kind of a rainy afternoon. Not a lot going on. I guess the horses were still out there running. Just gives you a sense of what it looks like at the racetrack.

Turned out this actually had our highest Wednesday out-of-state handle; over $70,000.

MR. PETRAMALO: What was the post time on Wednesdays?

MR. STEWART: We were running at one o'clock.

Then I think the next one coming up here is a Saturday. This is our first poker tournament. We ran a couple poker tournaments to kind of increase the interest, get some more folks out to the track. We raced at five o'clock on Saturday and Darryl, what time did poker start?

DARRYL: After the fifth race.

MR. STEWART: See, we got a lot of people out there playing. Nice crowd. We had about 670 people out there.

The following Saturday, the 9th of October, we had a casino night, brought in a casino vendor, set up on the fourth floor.

It was a good event. It was a beautiful
night. I actually brought my family out here that night. We didn't stay at the casino. My eight-year-old wasn't really interested. She had a nice time. We all had a good time, too.

There was a live handle of $30,000 that night. That was the highest of the meet, except for the Breeder's Cup day.

MR. BURNETT: How did you do attendance-wise that casino night; do you recall?

MR. STEWART: Six ninety-three. It was a good atmosphere up on the fourth floor. People were having fun.

MR. PETRAMALO: Is that actual wagering at the casino? How does that work?

MR. STEWART: You play with play money, unfortunately.

MR. BURNETT: Championship points. Is that how it ends?

MR. STEWART: Something like that.

Next, we have shot of a Wednesday afternoon. We raced at one o'clock. It was kind of a beautiful day. It was a really nice afternoon in the fall.

Then we've got coming up some shots from our second poker tournament. We had two poker tournaments. This was a Saturday night.
We had a few more people than we had at the first one. A little over 800 folks came out and they actually bet a little more than they did the first time. Poker has been a good draw for us. We've done it both for Thoroughbreds and for the Harness, and you know, if nothing else, we sell a little beer.

MR. BURNETT: Do you attribute the increase to people coming the first time, liking it, coming back, telling friends, that kind of phenomenon?

MR. STEWART: Yeah, that's generally how it works. Like I said, we've done it over the last couple years and had reasonable success with it.

MR. REYNOLDS: Is the poker money play money as well?

MR. STEWART: Oh, absolutely. Absolutely. We can't charge admissions. We can't have people pay in order to play. We have to make sure the players don't get charged admission.

Then the 24th, it's a beautiful Sunday afternoon. We had about 655 folks come out for the races. They bet a little over $30,000.

Then Halloween, a Sunday afternoon. It was a pretty day. Attendance was a little light. We had 400 people. I guess people were out getting ready
for trick or treating, though we did pass out candy
to all the kids that came through.

MR. BURNETT: Do you know what the handle was
that day, Ian?

MR. STEWART: We handled 27,000 and
out-of-state, we did 78,000, which wasn't too bad
for out-of-state.

Then we've got Breeder's Cup Day. Throughout
the meet, both the track and the field OTBs ran a
promotion called Harness Bingo.

Basically, we passed out a Bingo card and
based on various events, whether a particular driver
won or a typical, you know, there was a payout that
exceeded a particular number, you marked off a
square on your Bingo card, and so this was fairly
popular and this was the culmination of it.

We actually gave away a car coming up here.
On Breeder's Cup Day, we did have our largest live
handle and our largest handle for people betting,
obviously, the other races, the Breeder's Cup races.

MR. SIEGEL: What was the live handle?

MR. STEWART: 53,000 and they bet another
103,000 on simulcast. Probably 85 percent of that
was on Breeder's Cup.

MR. MILLER: What was your attendance that
day?

MR. STEWART: 1,207.

MR. BURNETT: How about signal sales?

MR. STEWART: 73,000, which is about average.

So we culminated our presentation by giving away a car.

MR. SIEGEL: People registered for it?

MR. STEWART: Yeah. You had to qualify. I guess Darryl explains how we did it, but you had to qualify by filling out your Bingo card.

MR. BURNETT: How many eligible participants?

MS. BOUZEK: One from each site and two from the track. Right, Darryl?

DARRYL: Yeah.

MS. BOUZEK: One from each OTB.

MR. BURNETT: So it was narrowed to 10 or 12?

DARRYL: It was a season-long deal at the OTBs every Wednesday.

MR. SIEGEL: Did you have to be present to win?

DARRYL: No. We contacted the winner at each OTB, invited them out.

MR. SIEGEL: Oh, I see.

DARRYL: Everyone showed up to win a car, of course.
MR. SIEGEL: Oh, good. It was limited down to a random group and then there was a drawing from that group?

DARRYL: Yeah. One per site.

MR. STEWART: That gives you kind of a flavor of what the Harness meet was like this year.

If I can answer any questions.

MR. MILLER: How did your handle on the fair days -- How many fair days to compare with other days? Did the people that came to the fair bet much?

MR. STEWART: Well, I guess it depends on how you look at it. Each individual person probably didn't bet that much, but if you have a lot of people betting a little, you get a bigger number.

MR. MILLER: But did the total go up? The total; was it favorable, comparable to the other days?

MR. STEWART: Yeah, it was. The fair day, if you add the on-track live plus what they've bet on the simulcast, it was a little over 43,000, which I believe was the biggest day. That combined handle was bigger than any day, except for Breeder's Cup Day.

MR. MILLER: Did your restaurant open on all
those days? Did a lot of people eat meals? Was it a pretty big, full meal day or not?

MR. STEWART: On Saturdays and Sundays, we opened the fourth floor. It's okay.

MR. MILLER: It's holding it's own. Okay.

MR. STEWART: It's okay.

MR. BURNETT: I'm doing some math in my head, similar to perhaps Mr. Miller. Let me just walk through a day with you, because I think it demonstrates what a challenge you all have.

Let's assume that live takeout is roughly 20 percent and the track gets to keep roughly 10 percent, for easy math.

MR. STEWART: More like about eight, but whatever works for you.

MR. BURNETT: That's fine. So pick a day. Any good day. Say Halloween; that was 450 people, something like that.

MR. STEWART: Right.

MR. BURNETT: You did on track that day how much wagering?

MR. STEWART: We did $28,000.

MR. BURNETT: All right, so let's make it 30 and multiply by eight. That's 2,400 bucks --

MR. STEWART: Right.
MR. BURNETT: -- for the track. Then what did you do on simulcast?

MR. STEWART: $80,000.

MR. BURNETT: So a similar number?

MR. STEWART: Yeah.

MR. BURNETT: So eight times eight is --

MR. PETRAMALO: No, no, no.

MR. STEWART: You get another $2,400.

MR. BURNETT: Oh, $2,400. Then you've got signal sales.

MR. STEWART: That's what it is.

MR. BURNETT: I'm sorry. That's signal sales. What did you do for out-of-state wagering?

MR. STEWART: That was combined in the first number I gave to you.

MR. BURNETT: Okay, so that's all of it.

MR. STEWART: That's all of it.

MR. BURNETT: All right. So to keep that cavernous facility open with -- and having to pay, you know, Jeanna and Pat's salaries and things like that, you've got a grand total of $4,800 for operating that whole operation, plus what you might make on concessions; is that a fair generalization?

MR. STEWART: Right. Yes. That's not far off.
MR. BURNETT: And approximately how many employees do you have being paid during a given meet?

MR. STEWART: I guess Jeanna can speak to that.

MR. BURNETT: About. I don't mean at SWFs. I mean just right here on the facility. A bunch of people, right?

MS. BOUZEK: Oh, yeah, because you have to include the race office, security.

MR. KELLEHER: The race office, security, restaurant.

MR. BURNETT: Thirty, 40 people, 50?

MS. BOUZEK: Fifty, at least.

MR. BURNETT: When you say 50 at least --

MS. BOUZEK: Well, International Sound. You know, they're all our employees.

MR. BURNETT: You've got less than $100 per person you're taking in, as far as people here at the meet. It's just consciousness raising is all I'm doing.

I picked a random day. I'm sure there are a lot of days that are worse than that and there are some days that are better, but for what that's worth.
All right. Do we need to do anything further with Item A, the review of the Harness meet? Any further questions?

NOTE: There was no response.

MR. BURNETT: All right. Unless you have more to offer, Ian, let's move on to the presentation of Race Day Requests for 2011.

MR. STEWART: Okay. Submitted a letter, I guess a month or so ago, that outlined our proposal for 2011 and submitted another letter yesterday that basically is essentially the same thing.

I guess where Colonial Downs is at this stage, I think it would be in everybody's best interest, both the track and the horsemen, to combine the meets similar to what they do at Woodbine.

I think there would be tremendous efficiencies. I think that you would have a number of advantages.

First, for example, and we would propose combining it in the fall. It could be done in the summer. My understanding is it would be a little more difficult to attract harness horses in the summer, but you could do it in the fall. We could avoid the extreme heat, which is kind of hard on both the horses and the fans.
I think there's a number of people who have just simply given up trying to get to Colonial Downs on a summer afternoon. The traffic is horrendous. There's just no question about it.

I think it would be very beneficial for Standardbred racing, because I think they would be able to piggyback a little bit on the larger fan base of Thoroughbred racing tracks.

We would create some significant operating efficiencies to make Standardbred racing a more attractive live product for Colonial Downs.

Just to digress slightly. In my opinion, Standardbred racing generates -- It has fans and it generates revenue, but it's very difficult to sustain itself by itself, but if you were to combine it as kind of an add-on to the Thoroughbred meet, then all of a sudden, I think it becomes something that generates some incremental revenue for us all.

Perhaps to use sort of a bad analogy, it's kind of like if you set up a popcorn stand on the corner and were selling popcorn, you might not do as well, but if you take that popcorn and you put it in a movie theater, all of a sudden, you're making a pile of money. Anyway.

It would also -- moving to the fall -- would
eliminate the need for gap funding for a
Thoroughbred meet and the overall cost savings would
really enhance the viability of racing.

All of that being said, it's obviously easier
said than done and we've spent a fair amount of
time.

Jeanna's assembled a team. How long you been
working on this? Probably since the summer she's
been working on it. We've looked at a lot of
different alternatives.

We've looked at moving, having some racing at
the state fair and maybe at the county fairs around
the state. You could see the New Kent County Fair
was a good event, something we could build upon.

We've looked at a number of ways that perhaps
we could reconfigure our current facility. Perhaps
building a Standardbred track in the infield, use
the main track for Thoroughbred dirt racing and
training.

We could build a dirt track in the infield and
use the main track for Standardbred racing.

We could build a dirt training track in the
infield and just have turf racing and then run the
Standardbreds on the main track.

We've looked at building a harness track out
in the polo field out in front of the property and use that for racing and training.

Or possibly building a dirt training track between the main track and the turf course. There's a number of permutations here that, you know, we're working through, we're getting cost estimates on.

So I don't have for you this morning what my recommendation is, but I guess what I would hope is that perhaps you all could give us another 30 days to crack through this and we'll bring you a recommendation in January, and the recommendation in January may very well be we can't do it.

But I think when you look at sort of the macro environment that racing is in this country and you look at what's going on in Maryland, what's going on in New York, what's going on in New Jersey and ask ourselves, well, how do we avoid putting ourselves in those positions, and I think that the only way we can do that is we've got to try to stay ahead of the curve a little bit. We can't wait for all the forces to catch up to us like they've caught up to them out there.

At the end of the day, really, and I guess I've been saying this for a number of years and you have all heard me say this probably a number of
times, but for racing to succeed, it has to succeed
for everybody and it has to succeed economically for
the track owner and I just think that this is
something that we could do that would benefit
everybody.

So at any rate, that's our race day request.
If you don't want to do that, then we basically
request that a meet very similar to last year for
the Thoroughbred -- Well, I take that back.

The Thoroughbred horsemen have come to us and
said they want to reduce the number of days. We
certainly don't have a problem with that. We want
to increase the purse levels, so we both, I believe,
are a 33 day meet. We'd like to start on the 4th of
June. I believe Mr. Petramalo would like to start
on the 11th of June.

And then from the Standardbred point of view,
we would request 25 days starting in mid September
and ending in sort of toward the end of October.
Like I said, we would like another 30 days to
sort of work on this combined meet idea.

MR. BURNETT: Any questions of Ian?

MR. MILLER: I didn't note you were talking
about the construction of new track facilities.
What about the barns? Would you have sufficient
barns for a combined race meet for the horses?

MR. STEWART: Well, there's a lot of issues and that's one of the ones we're exploring.
We've got some ways to deal with that. The number of horses that are actually on the property is always kind of a mystery if you count the noses and the ears and the feet.

MR. MILLER: But of course, you're looking. I just didn't see that mentioned there. That's why I asked.

MR. STEWART: There's any number of issues that we have to deal with. There's the number of barns.

Jeanna, why don't you explore every one of them. Why don't you list them all?

MS. BOUZEK: Well, you would need -- Depending on where we put the track, you would need a paddock for harness horses so the receiving barn could be used for the Thoroughbred ship-ins. We would need more temporary housing for the workers on -- for the back.

We would need, you know, new timing. Depending on where we put it, new timing. Bleachers if it's out on the polo field. International Sound. I mean it's -- We've looked at everything. To put a
temporary paddock, you've got to run hot and cold water to it.

Dave's been a great asset. I mean the committee gets together every week and we’ve, you know, got everything that can come up.

I mean what we've talked about is, you know, there's always the possibility of banning horses in. If you go back to banning the horses in, then you don't have as many here and --

But we've addressed, you know, we've got quotes for temporary stalls, temporary housing, temporary paddocks, bathrooms, moving tote machines, moving the tote board, moving the irrigation heads. Whatever needs to be done. Every single project.

You know, if you go in the infield, you have to move timing, you have to move irrigation, you have to move electric. If you go out front, you have to cut down trees. I mean it's --

MR. MILLER: Suffice to say, you're looking at a lot of infrastructure.

MS. BOUZEK: A lot. We do have some drawings if anyone's interested in seeing them.

MR. MILLER: One more, Mr. Chairman.

Have you visited Woodbine?

MS. BOUZEK: I've been to Woodbine.
MR. MILLER: Have they been -- How many times have they done this?

MS. BOUZEK: That's how they run their meet. They have -- you know, they have -- Their tracks are set up with the three tracks. We're set up --

MR. REYNOLDS: They've always done it.

MS. BOUZEK: They've always done it. Since the Breeder's Cup, which was 12 years ago or something like that.

MR. BROWN: It's been longer than that. I remember going up there in '95.

MR. PETRAMALO: They have a harness track inside, dirt track in the middle and the outer ring is their turf track and they have a tunnel to get the harness horses into the very inner ring and they solve the stabling problem by having all of the harness horses train at a different facility and ship in for the day racing.

SPEAKER: It's mostly night racing.

MR. PETRAMALO: So the Thoroughbreds run during the day and the Standardbreds run at night.

MS. BOUZEK: But they have the luxury of having all three tracks there already.

MR. PETRAMALO: Right.

MS. BOUZEK: What we've got is we have three
tracks that have to run on two positions, so we're trying to figure out the most economical way to run both these meets is to run them at the same time, but we only have two surfaces and we have to have three, so.

MR. BURNETT: Is there any explanation or ready explanation at this point as to why Woodbine's the only one that has tried this experiment? I mean you've got a guy like Frank Stronack [ph] that for a while seemed to have endless amounts of money for experimentation and I'm curious why this wasn't tried by that conglomerate or Churchill's conglomerate. I don't know the answer. I'm just wondering.

MR. STEWART: Well, I guess one answer is that a lot of racetracks only race one breed.

MS. BOUZEK: Once the tracks are there, it's not, you know -- Boy, when I went in to this, I thought, okay, I'll find a place to put a track. But boy, oh, boy. You've got catch basins, you've got ponds, you've got, you know, photo finish. You can't just -- I mean it's very expensive to add a track to your existing track. So I would venture to say it's almost starting a new track and to have both breeds, they would follow Woodbine
because it's a great model.

MR. REYNOLDS: What kind of time frame are you talking about going in and doing this thing?

MR. STEWART: The time frame to construct the track is not a huge issue to people we've talked to. I think you can build a track in 60 days.

MR. MILLER: Mr. Chairman?

MR. BURNETT: Yes.

MR. MILLER: Not being a horse owner or ever really -- my daughter was, but how do these breeds get along? Is there any problem?

MR. REYNOLDS: The owners or the horses?

MS. BOUZEK: Again, that's why we've strategically talked about putting a training facility out front, we've talked about putting a harness track out front.

So I'll give you an example. Put the harness track out on the polo field. The harness horses would have the higher barns; 12, 13, 14, 15, their path would be to walk around that way. Their paddock would be over there. Never the two shall cross.

MR. MILLER: Is there a problem though if they do?

MR. PETRAMOLO: Depends on the horse. Depends
on the equipment.

MS. BOUZEK: Anything can happen any day.

MR. STEWART: It's any number of issues, but when you look at the big picture of what we need to do, we can either take a fairly dramatic step, or as much as I like our annual jousting with Charlie and Frank, we're just fighting over scraps and we're not getting that far.

MR. MILLER: Mr. Chairman, as they go on on their endeavor, I'll just say one thing and shut up. I commend you for thinking outside the box because something has to be done.

MR. BROWN: Absolutely.

MR. MILLER: Maybe this might not be the answer. Maybe you might come back and say we can't do it, but I commend you for looking at the possibility.

MR. SIEGEL: Do both breeds sort of think this is a creative idea?

MR. STEWART: Well, I can't speak for Frank. Charlie's told me he's very receptive.

MR. PETRAMOLO: It's -- Yes. It's interesting, no doubt about it.

MR. SIEGEL: And Thoroughbred folks want to reduce the days?
MR. PETRAMALO: I can get into my little pitch now, if you want.

MR. SIEGEL: Not necessarily. I have never seen that before.

MR. PETRAMALO: Well, the answer is quite simple; because our purses are dropping. Our handle is dropping and our purses are dropping.

Let me just give you some numbers. Our highpoint here in Virginia was in 2007. We were racing 40 days for an average of $226,000 a day. This year, we race 40 days for about 169,000, so we're dropping substantially and that's simply a reflexion of the overall drop in year-round handle in the Commonwealth.

So what we want to do is at least stabilize it, if not increase it, and the way to do that is you've got the same amount of money; you run fewer days, you run more money per day. That's it.

MR. SIEGEL: I guess I sort of made the assumption from Ian's presentation that perhaps the numbers would go up if you combine them, but that's not necessarily the case?

MR. PETRAMALO: Well, yes and no.

MR. SIEGEL: It's an unknown, I guess as well.

MR. PETRAMALO: Well, but, Commissioner, what
you have to keep in mind is we live on imports. We don't live on the money generated during the live meet, to a great extent.

MR. SIEGEL: Right.

MR. PETRAMALO: All of our money comes from the 325 days that we're not racing. That's where we get the money and that's where we've got the income problem. No, it helps, obviously, if we have more handle during the live meet, but that won't solve our problem.

MR. SIEGEL: Right.

MR. BURNETT: And you're at the mercy, because of that, as an importer, source market fee rates and other rate changes for buying signals to have the SWFs.

MR. PETRAMALO: Well, our legislature, in it's wisdom, took care of the source market for us, but yes.

MR. BURNETT: On ADW, but at SWF, not necessarily.

MR. PETRAMALO: No. That's a problem. The host fees are going up.

MR. STEWART: I think what you could see is an increase in harness racing, because once you make the decision to open the door, it's in our best
interest really to run as many races as we can. So once we decide to have a Thoroughbred day, we might as well have a harness day, too.

MR. BURNETT: Let's pick this off a piece at a time here. I take it that the horsemen are in favor of our acquiescing to their request that we defer any decision until January 15th?

MR. PETRAMALO: That's correct.

MR. BURNETT: Any objection to that? You're in favor of that?

MR. PETRAMALO: That's correct. We agree.

MR. BURNETT: My view is we ought to do it. I agree with Commissioner Miller that you all should be commended for thinking in new ways. That's, you know, the circumstances I think dictate that and it's great that you are doing it and I'm all for it. Where it takes us, we don't yet know.

My other comment is that we seem to be doing that Einstein law thing that the industry's been doing for a long time, which is we just keep looking at changing how the product is pedaled to the public, without considering the product itself.

We've got Bet Fair in New Jersey now making some progress. We've got some new ways that the customer approaches wagering. I think we've got to
jump on that piece as well. We're still popping the gate open with 12 horses running in a circle every half an hour and the young people won't tolerate that.

We can package it with shopping centers a-la Frank Stronack. We can package it with poker nights, but those are all -- To use the popcorn and the movie theater, you know, you can put that popcorn with a drive-in, with a movie theater, with a NASCAR race, but if people don't want to eat popcorn, it doesn't do you that much good. So I would ask you, while we're doing this creative thinking, be looking at the product itself.

We talked a little bit about in-race betting. I think it's something we can do now under our statutory scheme. Bet Fair apparently says, I haven't confirmed this, but about 50 percent of their wagering is in race betting.

There's some technological challenges, but we've had demonstrated to us today the great technological competence of Colonial and the ability to make that TV screen to work just like that.

I'm sure you can get the technology in the grandstand so the young people wanna come out and hit that button and get that action. It's gonna
jack up handle and bring some attention.

I don't know what impact it has on those other 325 days, but maybe more people would go to SWFs and more people would bet online if they could bet another kind of product, another way of betting to appeal to this younger generation that does everything with a screen in front of them. So I just ask you to look at that and I do favor that we defer and I would so move.

MR. BROWN: I'll second.

MR. BURNETT: All in favor of deferring.

NOTE: All indicated by saying aye.

MR. PETRAMALO: Can I ask you a question?

MR. BURNETT: Sure.

MR. PETRAMALO: How did you come to the conclusion that under the current statute -- or when did you come to the conclusion that under the current statute you can do things like in-race betting? Because I came to the same conclusion.

I always thought that we couldn't do it until I read the statute again and it seemed to me that the Racing Commission has got all the discretion in the world to create all kinds of bets other than win, place, and show and trifecta, et cetera. Are we on the same page there?
MR. BURNETT: Preliminarily, I think we're on the same page. I think to complete the picture, being able to have discretion over the setting of take-outs would be helpful, and if we're somewhat handicapped or handcuffed by the statute in that regard --

MR. PETRAMALO: Right.

MR. BURNETT: Mr. Weinberg has been here since the beginning and knows that statute probably before that.

MR. PETRAMALO: He's been here before that.

MR. BURNETT: So I'd ask you to pipe up if we're missing anything in that analysis.

MR. WEINBERG: I thought we agreed earlier that you could do the in-race betting. There are some ambiguities and if we were gonna change the statute, we would fix it to make it clearer, but clearly, we are bound by the 18 and 22 regime.

MR. BURNETT: Sure.

MR. PETRAMALO: Yes, yes.

MR. BURNETT: And much like the physical changes to the facility, I think there are economic and technological considerations of some consideration for some substance for addressing these things, but we're looking comprehensively.
Jeanna's been hard at work since the middle of the summer. You know, let's look at the whole thing is my suggestion.

Okay. Move on to the next item, the Virginia HBPA. Frank, do you have more to add?

MR. PETRAMALO: Well, what I was gonna say is the following: We traditionally have been running in the summer time.

We've created a niche for ourselves over the past ten years and it's worked fairly successfully in terms of drawing horses and people here and our initial intent was to go forward in 2011 with a similar plan, although reduced from 40 days to 33 for the reasons I mentioned and I submitted a request along those lines today.

The only different -- and I've talked to Ian about this and the only difference between us is a week. We wanted three weeks between Strawberry Hill and the opening; Ian suggested two. That's it.

But then in the course of that discussion, Ian mentioned this combined meet and I discussed it with -- Robin and I discussed it with our board and our board thought it certainly made sense to look at doing something different and we've had a number of discussions with Ian and we recognize there are
options, various options, and there are a ton of problems that we are willing to talk about.

For example, one of the problems is if you put a harness track in the inside, how do you get the harness horsemen over the turf course without tearing up the turf; things of that sort, and of course stabling.

But we're certainly willing to -- and I believe Charlie Dunavant is, too, based on our phone conversations, willing to look at all of these possibilities.

However, I have to state at the outset I'm under strict instructions from my board that there is one very serious, quote, deal breaker and that is if we start tearing up the current configuration and put a dirt track in the interior, a five-eighths dirt track that would be either used for training Thoroughbreds and or racing Thoroughbreds and leaving the outside track, the main track for harness racing, they think that would be absolute suicide in terms of a racing program in Virginia. Other than that, they're completely open to discussing any possibilities.

MR. BURNETT: They don't want to return to the bull ring style racing.
MR. PETRAMALO: Well, there are a whole bunch of problems with them. Jim was here in the beginning. When this track was built, it was and still is one of the best laid out tracks in the country.

It has a huge mile-and-a-quarter outside track and it has got a more than huge turf track. It's the best one in the country.

The point is, we don't want to start fooling with that pattern and giving horsemen reasons, additional reasons, not to come to Colonial Downs. One of those reasons would be putting the bull ring in the interior.

MR. BURNETT: Understood.

MR. LERMOND: Mr. Petramalo, you may feel a little better knowing that our regulations do state that to race on a main track, it's got to be at least a mile in circumference.

MR. PETRAMALO: Didn't know that.

MR. LERMOND: A training track can be less, but to race and have wagering on, it has to be a mile.

MR. PETRAMALO: I didn't want to rain on the parade. I just was compelled to make that point, but --
MR. SIEGEL: You're on the record.

MR. PETRAMALO: I'm on the record. As the lawyers say, I'm on the record.

MR. BURNETT: I want to add one more thing to the record.

It strikes me that this complex analysis and undertaking might not be achievable in 2011, but might be achievable in 2012, and so and I'm sure that's something you all thought of.

I don't know that we all need to just feel like it's do or die in the next 30 days. I think this is a large and significant undertaking, and Jim as we know being here from beginning, we'll call it sometime in the middle years, the middle ages, we looked at moving the meet back to the summer from the fall and that was a significant undertaking by a lot of people. I recall 20, 25 people meeting in Maryland and elsewhere on repeated occasions to really agonize over the decision and take that risk.

So I hope we'll get and I'm confident we'll get every bit of that kind of analysis in this situation and make the decision that's best for our circumstances.

All right. Anything further from the Virginia Horsemen -- Thoroughbred Horsemen?
MR. PETRAMALO: No.

MR. BURNETT: All right. How about the Harness Horsemen? Anyone here to speak on their behalf?

MR. LERMOND: Mr. Chairman, I did speak to Ian Woolnough yesterday and just asked him to see if he was gonna submit anything other than the request he did on the 30th of November. He said that if the dual meet thing doesn't work out, that they would stand on the request that they submitted on the 30th of November, which I believe was 38 days in the fall.

MR. BURNETT: Understood. Okay. All right. Well, that concludes the presentation of Race Day Requests. Next item is public participation. Any member of the public wish to address the Commission?

NOTE: There was no response.

MR. BURNETT: Seeing none, I'll move on to setting our next meeting. January 25th; I take it that's a Tuesday. Am I wrong?

MR. SIEGEL: It is, Mr. Chairman. I have a conflict with that date, but that doesn't mean we shouldn't go forward if everyone else is here.

I'd also like to suggest, as we typically do, set the meeting dates for next year so everyone can
have them on their calendars. I don't believe there's anything set beyond this meeting, other than the one you just said.

MR. BURNETT: If perhaps you could circulate the fourth Tuesday day of every month, Dave, to all the commissioners so that we've got that as a target.

I don't know how my other Fellow Commissioners feel about it, but I think if we're gonna consider this race day request and it could include a substantial change in the way we've done business, I certainly would like to have the full Commission consider it.

MR. SIEGEL: Can I suggest the Tuesday before the 18th?

MR. BURNETT: I would suggest, because I'm guessing these folks are gonna need every minute they can get from now until then, what about that following day, or are you out that whole week?

MR. SIEGEL: I'm actually away from the 19th to the 27th.

MR. PETRAMALO: I would be out after the 25th for about a week or ten days.

MR. STEWART: I will not be out in January.

MR. MILLER: What about meeting later on in
the month of January?

MR. BURNETT: That's going to push us in to February. What day is the 31st? Tuesday or Monday?

MR. PETRAMALO: What about the 24th of January, a Monday?

MR. BURNETT: He's out that entire week and you're out the week prior.

MR. PETRAMALO: I'm out from the 25th of January -- the 26th of January to February 4th.

MR. BURNETT: Well, suggestions, folks? With no offense to my good friend Frank, I'd rather dispense with Frank than with a Commissioner up here.

MR. PETRAMALO: That's fine with me.

MR. SIEGEL: It's nice to be loved.

MR. MILLER: Mr. Chairman, is there a problem with the week of 17th, 18th, 19th, 20th?

MR. BURNETT: Of January?

MR. SIEGEL: I suggested that. Ian's not available.

MR. BURNETT: Just given the amount of -- Jeanna's probably sweating bullets here. She's trying to figure out how she's gonna get all this analysis done. You know, Christmas is upon us.

MR. MILLER: Who is gonna be gone the whole
week of the 24th?

MR. BURNETT: Commissioner Siegel, and Frank's not back until the 4th.

With the exception of addressing the ADW licenses, which I don't think would be a problem extending further, I don't see any reason why we couldn't push it out as far as the second week of February.

MR. MILLER: Have a combined January/February meeting.

MR. BURNETT: Have a combined January/February meeting. Is that something that's appealing?

MS. BOUZEK: I second the motion.

MR. BURNETT: Chair accepts the second from the floor.

MR. SIEGEL: I have lots of availability that first week the February, personally.

MR. PETRAMALO: February 8th or are you talking the following week?

MR. SIEGEL: I'm sorry. February the 8th is good for me, too. I don't know about the rest of you.

MR. BROWN: I'm fine.

MR. BURNETT: Let's tentatively say February 8th.
And now let's revisit, if we could. I take it counsel's gonna tell us that we need to go back to your motion on extending the ADW licenses, because we only extended them through January.

If we rephrase that motion to extend them until your next meeting, which is currently scheduled for February 8th. Is there any impediment to doing it that way that you're aware of?

MS. DILWORTH: (Shaking head.)

MR. BURNETT: All right. Well, we agree that February 8th works for the assembled masses and Jeanna has thirded that motion.

MR. SIEGEL: We'll accept her second.

MR. BURNETT: Then I would move that our next meeting be set for February 8th and that we extend the existing ADW licenses in good standing through that meeting for consideration of license application for 2011 at that time.

MR. SIEGEL: Dave, you're gonna distribute other dates --

MR. LERMOND: Yes, sir.

MR. SIEGEL: -- for the rest of the year?

MR. MILLER: I second it.

MR. BURNETT: Moved and seconded. All in favor indicate by saying aye.
MR. BURNETT: All right. We are gonna go into a closed meeting.

For what it's worth to you all, it's possible this is my last meeting before the Commission in as far as my term runs out this month. If the Governor chooses to act and reappoint me, you'll see me in January. If he chooses to act and not reappoint me, you won't see me, you'll see my replacement, and if he does nothing, you'll see me in January because that's the way it works.

MR. MILLER: February.

MR. BURNETT: Oh, February. Yeah. February. We've given the Governor some more time, too.

MR. PETRAMALO: So is that why we had the doughnuts this morning?

MR. BURNETT: That's it. Thank you for the memories.

All right. Closed meeting motion. I move, in accordance with the provisions of Section 2.2-3711 (A)(1) and (A)(7) of the Code of Virginia that the Commission go into closed session for the purpose of discussion or consideration of prospective candidates for employment and consultation with legal counsel employed or retained by the Commission.
regarding specific legal matters requiring the
provision of legal advice by such counsel.

Can I have a second?

MR. SIEGEL: Second.

MR. BURNETT: Moved and seconded. All in
favor say aye.

NOTE: All indicated by saying aye.

MR. BURNETT: All right. We'll go into closed
session.

NOTE: The Commission goes into closed
session at 10:51 a.m. and reconvenes in open
session at 11:30 a.m. as follows:

MR. BURNETT: We are back in session. I have
a motion.

I move the adoption of the following
resolution: WHEREAS, the Virginia Racing Commission
has convened a closed meeting on this date pursuant
to an affirmative recorded vote and in accordance
with the provisions of the Virginia Freedom of
Information Act; WHEREAS, Section 2.2-3712 of the
Code of Virginia requires a certification by this
Commission that such closed meeting was conducted in
conformity with Virginia law; NOW, THEREFORE, BE IT
RESOLVED, that the Virginia Racing Commission
certifies that, to the best of each member's
knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission in the closed meeting.

This is a roll call vote. Mr. Brown?

MR. BROWN: Aye.

MR. BURNETT: Mr. Miller?

MR. MILLER: Aye.

MR. BURNETT: Chair votes aye.

MR. REYNOLDS: No discussion on that?

MR. BURNETT: No discussion. Our meeting is adjourned.

NOTE: The meeting was then adjourned at 11:32 a.m.

HEARING ADJOURNED
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, the foregoing transcript is a true and accurate record of the proceedings herein.

Given under my hand this 28th day of December, 2010.

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SANDRA G. SPINNER
COURT REPORTER