VIRGINIA RACING COMMISSION

May 24, 2011

10700 Horseman's Road

New Kent, VA  23124

Commencing at 9:40 a.m.

COMMISSION MEMBERS:

Clinton Miller, Chairman
Stuart Siegel
David Reynolds
J. Sargeant Reynolds, Jr.

COMMISSION STAFF:

Bernard J. Hettel, Executive Secretary
David S. Lermond, Jr., Deputy Executive Secretary
Kimberly M. Carter, Office Administrator
C. Richard Harden, DVM, Equine Medical Director
Joseph M. Roney, Director of Security & Enforcement
Dennis E. West, Director of Operations
Peggy E. Mason, Permitting Manager

ATTORNEY GENERAL'S OFFICE

Amy K. Dilworth, Esquire

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Non-action Item:

Handle Analysis
MR. MILLER: I'll go ahead and get started. I understand Jim's in the parking lot and on his way and Amy is on her way, I'm sure. Commissioner Siegel won't be with us today because of a conflict.

We'll begin the meeting with a motion regarding the minutes of the regular meeting of April 26, 2011. I'll make the motion that we approve the minutes.

MR. S. REYNOLDS: I'll second.

MR. BROWN: I've got to recuse myself from that one. I was not here.

MR. MILLER: I should recuse myself because I did not have a chance to particularly peruse them, but I checked with my compatriots to my left and the executive secretary and the assistant secretary and they assured me that they are completely accurate.

MR. BROWN: Spot on.

MR. MILLER: So the motion's been made and seconded. All in favor, say aye.

NOTE: The Commissioners vote aye.

MR. MILLER: Mr. Brown abstains. The reason for that is he wasn't here at the last meeting, so he doesn't know whether they conflict or not.

Second item on the agenda, of course, is the commissioners' comments. Any of the -- Commissioner
Reynolds? Either Commissioner Reynolds have any comments to make at this time?

MR. S. REYNOLDS: Not at this time.

MR. MILLER: Commissioner Brown?

MR. BROWN: No, sir.

MR. MILLER: I included on the agenda under Commissioners' comments discussion of standing and special committees and study groups of the Commission.

I took a quick look at the committees as presently constituted, committees of the Racing Commission, and we have several standing committees that are there by previous action of the Commission.

The standing committees are the standing Breeders' Fund Advisory Panel and the Virginia Breeders' Fund Advisory Committee; Budget Committee; Code Revision and Rules Committee; Racing Safety Medication Advisory Committee; Security Enforcement Committee; Marketing and Promotion Committee; Wagering and Technology Committee and National Racing Compact, and then I notice that we have a couple of committees that didn't show on that schedule. I had them written down and now I can't find them.

In any event, the reason I raised it, those of
you who are attending here today, I guess you
realize -- I hope you realize you can serve on
certain committees.

The standing Breeders' Fund Advisory Panel,
Commissioner Brown is on that committee. I just
want to check. Are all the people, are these folks,
are they still active on the committee? (Indicating)

MR. BROWN: Yes, sir.

MR. MILLER: Okay. All right. And the
Virginia Breeders' Fund Advisory Committee. Who --
Glenn, you serve on that committee? Glenn Petty?

MR. PETTY: Yes, sir.

MR. MILLER: Are all the people, to your
knowledge, still volunteering and still active?

MR. PETTY: The majority, yes; some marginally,
no. I think we would be wise to review it and
reconsider some new --

MR. MILLER: Could you take responsibility and
letting the Commission --

MR. PETTY: Sure. I was just writing that
down.

MR. MILLER: Pardon?

MR. PETTY: I was just writing that down. Yes,
sir. Happy to.

MR. MILLER: And there's a Standardbred
subcommittee under there also.

MR. BROWN: We want to review that. There are some names.

MR. MILLER: Could you do that?

MR. BROWN: Yeah.

MR. MILLER: The Budget Committee, there's just two people. I assume you would be willing to adopt to serve as the chairman, Mr. David Reynolds?

MR. D. REYNOLDS: Sure.

MR. MILLER: And the other member of that committee is Dave Lermond.

Okay. The Code Revision and Rules Committee, that's -- I was the chairman of that; I guess I can continue to be. I was co-chairman with Commissioner Burnett of that, but now I guess I'm left. I'll be the sole chairman of that and Jerry Canaan and Dr. Dunavant, you will continue serving on that.

MR. BROWN: Jerry's not with us anymore.

MR. MILLER: He's not?

MR. BROWN: No.

MR. MILLER: Okay. We'll mark him off.

MR. PETRAMALO: Who else is on that committee?

MR. MILLER: Amy, of course; Alan Diamonstein; Dr. Dunavant; Donna Dennehy; Nellie Mae Cox; Tommie Lee Jones; Steve McKay; O.J. Peterson; Tyler
Picklesimer --

DR. DUNAVANT: I don't think Steve McKay is going to be active.

MR. MILLER: We'll mark him off. John B. Russell, Jr.; Ian Stewart and you, Frank Petramalo.

MR. PETRAMALO: Right.

MR. MILLER: Okay. That takes care of that one. Racing Safety and Medication Committee, Dr. Harden and Walter Hyde.

DR. HARDEN: Dr. Hyde is retired.

MR. MILLER: Okay. Do you need someone to serve on there with you?

DR. HARDEN: Yes.

MR. MILLER: Have you got a name today or do you want to --

DR. HARDEN: Well, Dr. Hyde was the director of our racing chemistry laboratory and he's been replaced by Dr. Al Kind. K-I-N-D.

MR. MILLER: K-I-N-D.

DR. HARDEN: Yes. Although his participation in there will be ex officio. He and I will mainly communicate by mail and telephone.

MR. MILLER: All right. Can you review that group and let me know people that should be -- How do you call it? What do you call it when you do
away with voters on the voting list?

MR. PETRAMALO: Purged.

DR. HARDEN: Retired.

MR. MILLER: Purged. And anyone else that you may like to have on there to serve with you.

The Security and Enforcement Committee. That's also your bailiwick, Dr. Harden.

DR. HARDEN: I think our Director of Security would probably be the appropriate one on that committee. Joe Roney.

MR. MILLER: Okay. Well, we will -- Let's see. He's probably on the committee. No. That's odd.

DR. HARDEN: I deferred all the decisions to him, even if my name is on there.

MR. MILLER: Well, how about if I mark you off of there --

MR. LERMOND: Purge him.

MR. MILLER: Purge him. I'll purge you.

DR. HARDEN: Well, I'm happy to assist with him, but I think he should be the one.

MR. MILLER: Okay, and Joe will be -- and that includes Amy Dilworth and we'll take Jerry Canaan off of that I guess also -- Dr. Dunavant; Pat Kelleher; John B. Russell, Jr.; Diana McClure and James Weinberg. Okay.
Marketing and Promotion Committee. That's -- Can you take a look at that and see what you suggest that you might have?

MR. D. REYNOLDS: Okay.

MR. MILLER: Wager and Technology. That's Greg and Jeanna and yourself.

MR. LERMOND: (Nodding head.)

MR. MILLER: National Racing Compact Committee is one we have with no one on it --

MR. PETRAMALO: I volunteer for that.

MR. MILLER: -- according to this list.

MR. PETRAMALO: That's becoming an issue.

MR. MILLER: Okay.

MR. PETRAMALO: I believe --

MR. MILLER: Would you be willing to chair that committee?

MR. PETRAMALO: Yes.

MR. MILLER: Okay. Will you let the chair or let the Commission know of some folks who you might deem appropriate to serve on there with you?

MR. PETRAMALO: Yes.

MR. MILLER: If you'll do that, I'd appreciate it.

That takes care of the committees that were listed. I had a couple more. I wrote it down so I
could keep it in my book so I don't lose it and lo
and behold, I have lost it.

MR. PETRAMALO: We used to have a Benevolence
Committee that John Hannah, our treasurer, was the
chairman of.

MR. MILLER: Sounds familiar. I made a note on
the back of one of these sheets. You all will have
to abide with me while I find out on that
information. Well, suffice to say, maybe I'll just
leave that up to our executive secretary.

There are a couple of other committees that are
not listed as attached to our rules of governance.
That's where I found the other committees, standing
committees. If you will find those and will you and
the staff take a look at those and contact the
people involved?

MR. HETTEL: Yes, sir.

MR. MILLER: And see if they are willing to
continue to serve, or whether there's anyone else
that would like to serve on those committees. I
don't know why I just don't have it. I don't know
what happened. I plead incompetence.

MR. HETTEL: Mr. Chairman, I'd also like to
mention I'm available for inclusion on any of those
committees in terms of sitting in on them or helping
them or putting together the availability and so forth.

MR. MILLER: Well, actually, our governance policy provides that you are an ex officio of every committee or study group that we might have, so I know that's comforting to you.

MR. HETTEL: Certainly.

I turned this off. I'm turning it back on. What I said off the record is our executive secretary is an ex officio member, really, according to our governance policy of every committee or study.

He can sit in, and really, it's up to the staff to monitor all the activities of all these committees and subcommittees and keep an accurate record of what transpired at their meetings; not verbatim transcript or minutes, but at least a record of all the substantive actions that are taken so that they'll show up on the record of the Racing Commission and be there when these committees or subcommittees or subgroups make a recommendation, we'll have the substantive information from the meetings' activities to be supportive or non-supportive of whatever recommendation they may make or have made. All right.
MR. HETTEL: Very good.

MR. MILLER: I guess I'll wait. There's -- I'm going to mention later on in the meeting. We'll wait till we get down to Item 5D, but we're going to propose or I'm gonna propose three particular study groups for the Commission to do some work for the balance of the spring and summer and early fall and hopefully by September or October on a timely fashion, at least come back to the Commission with some recommendations.

These'll be in the area of harness racing and the operation of the Thoroughbred racing -- Thoroughbred racing operation and the gaming, attending to both, but we'll discuss that further later on in the meeting.

Okay. Now, after all that, Item Three, committee reports. Are there any committee reports?

NOTE: This is no response.

MR. MILLER: Okay. No reports from committee. Item Four, the executive secretary's report. And this will be the first actual report from our new executive secretary, Mr. Hettel.

MR. HETTEL: Well, to continue on with your train of thought, Mr. Chairman, I'd like to make everybody aware of a couple things that have come...
up.

I faxed around an article written by Andy Beyer in mid May about the possibility of the mid-Atlantic racing states coming to some agreement on the racing circuit.

I think that blends in well with maybe what we're gonna talk about later on in this meeting with the committee formation of what probably needs to happen in Thoroughbred racing. I had a conversation with Ian Stewart about it.

It's also very similar to a document that Glenn Petty passed out in January, oddly enough, that's very closely aligned to what Mr. Andy Beyer considers to be a good idea for the mid-Atlantic race tracks.

In that same thought, there's a very important meeting coming up in mid June in New York two days after the Belmont.

As we all know, racing has been inundated with the idea of the possibility of the elimination of race day medication.

I spoke with Alex Waltrip at the Preakness over the weekend and he's put together a brief with the NTRA he represents, along with the AAEP, which is the veterinarians and the consortium for race day
medication and testing, and they are inviting an international group to come on the 13th and 14th at Belmont Park to discuss the possibility of getting United States racing, not just Virginia but everywhere, on that idea of the elimination most particularly of bleeder medication or anti-bleeder medication, more properly as it's called. That'd be Salix and Lasix and those adjunct bleeder medications.

I hope to attend that meeting and at the next Racing Commission meeting, I'll come back with a more detailed report as I get paperwork about some of the conclusions that they draw and I'll certainly send it to everybody within this room so we can probably get pretty close aligned with what the rest of the world is gonna do, and in particular what the rest of the United States is gonna do.

Given the support so far from this idea, the Jockey Club's come on full board with it, as RCI, as the NTRA has. There's been some disapproval, however, from the national HBPA, and I think in terms of a viable discussion, that needs to be a part of any consideration of a major change which is to be.

The statistics show that about 99 percent of
the race horses in the United States run on something every race day, and about 75 percent of the harness horses run on something every day. That, in my lifetime, has changed a great deal.

Back in the old days Phenylbutazone, Bute, the 1968 Kentucky Derby, the horse that won that proved positive for Bute. That was an illegal medication in 1968. Now every state allows it.

Lasix came on board in the early '80s, I think, and became now the provided medication for every horse. Even one that never started needed exercise-induced pulmonary hemorrhage medication. The idea of that is unacceptable now to a lot of people in the world of racing, not just in the United States.

So like I said, we'll know more about that in mid June and I'm certain they'll publish some document to show us all what was said in that meeting and the conclusion that was drawn at that meeting.
Also, in conversation and e-mail with the management from Colonial, and Ian, if you'd like to tell us what that response is, or would you care to wait until later in the meeting to do that?

MR. STEWART: Well, I think it was the editorial basically tried to tie our EZ Horseplay kiosk and EZ Legal Sweepstakes together and made very broad generalizations that are inaccurate.

I think the underlying -- I think what it truly missed is the fact that pari-mutuel wagering is highly regulated in the state, whereas the sweepstakes games are similarly operating kind of in the Wild West. I think it's important for people to understand the difference.

So that's my suggestion, would be that, you know, the response, you know, that outlines those differences and clarifies them would be appropriate. I think, frankly, it does kind of a disservice to the Racing Commission if it doesn't.

MR. MILLER: I read the editorial after it was brought to my attention by Mr. Stewart and Mr. Weinberg, and of course the editorial was 20 years too late if it's meant to instill a high moral fiber in the citizens of Virginia so that you didn't have any kind of gambling in Virginia. They're just
a little bit late. Thirty years late. With church Bingo, they're 100 years late.

In any event, I think it is important that we frame a response to the editorial, because it gives us an opportunity, really, if the paper will print it. They may not print a response. Who knows?

I'm not familiar with the present management of the Richmond Times-Dispatch, but back in my political days, they were so biased 20 years ago, that unless your opinion dovetailed with theirs, it didn't see the light of day. Perhaps they have changed. Hopefully, they have.

I would suggest that following the meeting here, if Mr. Stewart and Mr. Weinberg and Mr. Petramalo and Mr. Petty and Dr. Dunavant, in particular, if you all could stick around after the meeting and let's look over this.

A suggested response that was put together by the licensee, Colonial Downs, and let's put our heads together and look it over and if anyone has any suggestions to add or subtract or multiply, and let's frame a letter and we can either present it to the Richmond Times-Dispatch from all of us or any of us, one of us, but in some way, get this to the Richmond Times-Dispatch to present an accurate
portrait of the situation and not one that's biased by moralistic or political agendas.

MR. PETRAMALO: A couple comments. I think the editorial board is sympathetic to our position in the horse racing industry. Glenn and I met with the head of the editorial board. Was it three or four months ago?

MR. PETTY: Yeah.

MR. PETRAMALO: Very, very savvy guy who knew horse racing and was sympathetic to what we were trying to do.

Secondly, maybe I'm too much of a Pollyanna, but I didn't think the editorial was that bad. Its conclusion, as I recall, was that the legislature get over it. Gambling is here. Why don't you let the people do what they wanna do? To me, that's a hopeful sign.

MR. MILLER: Yeah. I didn't think it was that critical.

MR. PETRAMALO: Yeah.

MR. MILLER: I didn't think it was that critical of certainly the Commission or anything else.

MR. PETRAMALO: Right.

MR. MILLER: I just feel like even writing of
the subject of gambling with the suggestion that gambling has some bad connotations for the State of Virginia, but since it's here, you know, get over it and go forward. I think that was the crux of what the editorial said, bottom line, to me, and the first part is -- that's the one I find amusing.

MR. PETRAMALO: Yeah.

MR. MILLER: The fact that they write an editorial now about this evil gambling that we have in Virginia, when as I say, they're 100 years late. But I do think it does present an opportunity, if they will print it, so that we can explain in a response the differences in the gambling operations that go on and what we're up against here as we try to run a properly-regulated, above-board operation where you do have what we call gaming, but it's gaming that contributes -- It's the kind of gaming that in its operation contributes to the economy of Virginia in many ways that people don't seem to realize.

We're up against 5,000 lottery outlets in Virginia, and true, because of some legislative manipulation, they say that's dedicated to education.

Well, you gotta understand that lottery
proceeds at first went to the general fund and of course from the general fund, guess what you appropriate a large part of the fund for? Education.

So there was no change, no substantive change, realistically, when the legislature came up with this idea that we'll tie lottery funds to the support of funding education.

They were there before. They just changed the promotional aspect of it so that people think when they go in to spend their dollars for a lottery ticket now, this is for education, whereas before, what was it for? It was for education.

It was for everything, but education was the primary recipient of the funds to begin with. But that was a little political manipulation that went on to make all of our legislators, including myself, I was there at the time. It made us look a little better and we were very proud of ourselves and I was proud of myself for helping fund education with each of those dollars directly.

MS. DILWORTH: Mr. Chairman, may I add a couple of remarks regarding the editorial?

MR. MILLER: Yes. Ms. Dilworth has joined us.

MS. DILWORTH: I just think it's worth noting
for the record that Mike Ryan, who is the individual that was quoted in the opening of the article, is well known to legalized gaming agencies in Virginia. He is a self-described recovered gambling addict. He's been very vocal in the legislative process. He's very familiar with the legislative process. He's familiar with how state government agencies operate.

Of course he's had every opportunity to attend the Racing Commission meetings; I am not aware that he has attended any. I know that he has attended lottery board meetings.

I also am aware that he requested -- in March, he held a problem gambling conference and requested a monetary donation from the Racing Commission to act as a partial sponsor for that problem gambling conference and the Racing Commission did in fact serve in that capacity and with its logo represented on the brochure that advertised the conference.

He is aware of the distinction between legalized pari-mutuel wagering on horse racing in Virginia and these internet sweepstakes cafés.

I would just note that he's used the Racing Commission to support his conference and has now come back and tried to link the Racing Commission
and pari-mutuel gambling activities with illegal gambling activities in Virginia.

At the time that he accepted the money from the Racing Commission, it was suggested that perhaps he should use photographs on the brochure that were more accurately depictive of gambling -- of gaming activity in Virginia, but in its final form, the brochure came out with pictures of slot machines, which is not the kind of gaming that obviously occurs in Virginia.

So I would just make those points so that everyone is aware of some of the behind-the-scenes facts when you are formulating your response to the editorial.

MR. MILLER: Thank you, Ms. Dilworth.

Well, the important thing is to separate ourselves and the kind of gaming activities from what I previously referred to as the mindless, mindless gambling that takes place by mindlessly pulling slot machine levers or pushing the slot machine buttons or throwing a marble on a roulette wheel.

Okay. Having gotten that out of my system. Oh, we're still in the middle of the executive secretary's report.
MR. HETTEL: My comments are concluded. We can move on to the next agenda item.

MR. MILLER: Well, okay. Thank you very much, Mr. Hettel.

Anyone have any questions for Mr. Hettel?

Observations for Mr. Hettel?

NOTE: There is no response.

MR. HETTEL: I must be doing all right.

MR. MILLER: Mr. Lermond, do you have anything to add under the executive secretary's report?

MR. LERMOND: Mr. Chairman, I would just like to briefly say that the Strawberry Hill races that were conducted here last Saturday, I thought from a regulatory standpoint went very well.

We didn't have many issues. Everybody got licensed. Volunteers did a great job.

I think, unfortunately, the attendance was not as good as had been hoped for, but VCU graduated that same day and some of the colleges had already graduated.

So I think they may take a look at the date itself, but I think Frank and Ian Woolnough were both patrol judges and it was just a very good day and I wish they would have bet a little bit more, but they did bet some and I think it was a start and
I think if they continue on in future years, that will grow as they move along.

So I just wanted to thank everybody involved and just to say it went very well. I'm glad that they went ahead and tried this little experiment this year.

MR. MILLER: Well, thank you. I'm glad to hear that. Of course, I'm biased toward Strawberry Hill now because a very good friend of mine, Curry Roberts, a very good friend of mine, I knew he would do a good job.

MR. BROWN: Can I ask what was the final attendance?

MR. LERMOND: I'd have to refer to Colonial on the attendance. I can tell you the handle on the four races was $33,194.

MR. BROWN: Do you know what the attendance was?

MR. STEWART: We don't. We don't count. That's Strawberry Hill's department.

MR. BROWN: Right. I was just curious.

MR. STEWART: It might be difficult to get an accurate count, by the way they sell the tickets on a car load basis.

MR. MILLER: All right. That concludes the
report from the staff.


MR. STEWART: On June the 8th, we'll open for 33 days. I was gonna ask Darryl Wood to take a minute and kind of go through some of the things that we've got planned for this year.

MR. MILLER: Mr. Wood.

MR. WOOD: I think the biggest change we've got this year is the later post time on Saturdays at five o'clock for the first time ever. I think that opens the door for trying to get a younger crowd in here, kind of like what Kentucky Derby or Churchill Downs and the fairgrounds have experienced.

We've got several events geared for that. We're gonna do the largest outdoor dodge ball tournament. We'll take our big, corporate picnic tent, put in six dodge ball courts in there, try to get up to 64 teams on Turf Cup day to come out and play dodge ball.

Every team member can bring a vehicle trackside and have their own kind of tailgate party when they're not playing and betting, so that's one initiative.

We're doing a trackside corn hole tournament a
couple weeks later. We've had some success with
that at a couple of our off-track betting centers.

We're doing a big poker tournament on a
Saturday night this year for the first time during
Thoroughbreds.

We're doing a college night on Thursdays with
free admission for college students and having
reduced-priced beer on that night as well.

One of the biggest initiatives is on Virginia
Derby day. We're going to really look at the live
music element in the two parties we do and the music
is really geared toward attracting a younger person.

So the Hoot on the Hill, which is a BYOB event,
in the first turn, it's the Party Zone, which is an
all-inclusive party on the trackside corporate tent
area. We're kind of excited about those
initiatives.

That opens the door for some family activities
on Sundays. I think we offer the best value of any
attraction in this area. For $16 on Sundays, you
can bring a family of four out here for $16. It
gets you admission, hot dogs, soft drinks and
programs.

We've gathered some different added-value
entertainment on Sundays, too. On three of the
Sundays, we're bringing in a group called the Super Stars that plays baseball stadiums and basketball games.

We're bringing in some animal mascots from different sports teams here to run out of the starting gate.

On Father's Day, we're doing a junior derby. We're gonna have 14 kids ages six to nine, getting them in full jockeys' uniforms, bring in a starting gate 100 yards from the finish line and let them race to the finish line.

Fireworks, too, coming up on July 2nd and 3rd, so we're aggressively going after the family market on Sundays.

Some of the other stuff, a couple quickies. We're opening up with 25 cent night on Saturday, June 11th. That was done in case there isn't a Triple Crown hopeful, and of course there's not a Triple Crown hopeful, so we've got at least a decent event to kick off the weekend.

We're doing a Ladies Night. We had a real successful one last year. We're coming back with that. The local Thoroughbred Retirement Foundation is getting involved.

They're having a Ms. TRF contest. They've got
eight mares on the property and they're developing a website now where people can go and vote for what they think is gonna be Ms. Thoroughbred Retirement Foundation 2011, and Stephanie Nixon is gonna have the three finalists in her barn and we're gonna bring them out on Ladies Night and the public here is gonna vote on the winner and pick a star.

Tyler did a great job getting a third major event together this year. Besides the Turf Cup and the Virginia Derby on July 30th, we've got the five Virginia-bred stakes races together and we're calling it the Commonwealth Turf Festival and we've got a number of events going on that day that hopefully can get us a third high-impact day here this summer.

I don't know if you watch The Deadliest Catch TV show. We're bringing in the crew of the Cornelia Marie next month.

Social networking. We've got a group of younger people over at the track now and we're doing a number of Facebook initiatives.

We do a lot of social couponing through sites like Groupon, and if you follow Groupon, our offer debuted today and we had sold 40 by the time that I came over here this morning, so that's a good sign.
We deal with sites like Living Social. We've got our own Groupon that we kind of do in-house here called Live At Five, and every Wednesday, people go online and get a 50 percent off item that we're offering this summer at Colonial Downs.

We're making five different videos that you can see on YouTube, each dealing with a specific aspect. One is geared toward families. One is geared toward what $2 can get you here and so on and so forth and that'll be up on our site in a couple of weeks.

Couple other initiatives. We're doing another one with Virginia State Lottery. It's -- We did one last year. It's called the Winner's Circle Double Your Lottery Ticket. Last year, it was a $2 ticket and it appeared on the self-serve kiosks on the very bottom. This year, it's a $5 ticket. So right now, if you go to any retail lottery outlet across the state, it's at eye level.

You'll see Colonial Downs and horse racing right there. They've got some great PR materials right there at the lottery kiosks as well and it's in 4,000 different outlets around the state, so hopefully, this'll get us extra exposure this year.

I guess the other major thing we're doing is offering customers some experience-type activities.
when they come out here for the races this year.

We're gonna do a behind-the-scenes tour. Get them back to the barn area, get them out to the starting gate for the start of a race, get them into the paddock area as well.

We're gonna give people a tram ride around the dirt track between races. Gives them a little bit of exposure to the track itself and we try to educate them a little bit more on horse racing.

The newest initiative is kind of neat. There's gonna be a staging area inside the turf course and there's gonna be a platform built on top of the tote board and we're calling it the Top of the Tote Experience, and people can come out there and see racing from a different perspective; get a hot dog, drink, be able to bet out there as well.

So we're trying, hopefully, a bunch of new things and hopefully, some will stick and make it a success.

MR. MILLER: Well, thank you. Thank you very much. That's a very nice presentation.

Any questions from the Commission? Observations?

MR. BROWN: Observation is I think you're definitely going in the right direction to try
things. It sounds great.

MR. WOOD: We can at least try to dodge beach traffic on 64 in the heat of the afternoon, so we're excited about the opportunity on Saturday.

MR. BROWN: Exactly. Good job.

MR. MILLER: Thank you very much.

Mr. Stewart, do you have anything else? Jim?

MR. STEWART: The only one Darryl missed is we're doing a cell phone Groupon.

MR. MILLER: A cell phone coupon?

MR. STEWART: I don't even know how it works.

You bring your cell phone on the track and you come up with a little offer on it automatically.

MR. MILLER: Well, okay. Anything innovative. Anything to stimulate interest --

MR. BROWN: Absolutely.

MR. MILLER: -- is certainly welcome by the Commission, and I'm sure that Colonial Downs is making every effort to maximize the racing experience for the people that come to the track in Virginia and I commend you for that.

Anything else?

MR. WEINBERG: Not until Item D.

MR. MILLER: Okay. All right. On Tab Two, we have the Commission's pending approval of the
Benevolence Fund for 2011. Anyone going to speak on that or?

MR. PETRAMALO: Me.

MR. MILLER: Frank?

MR. PETRAMALO: Yes.

MR. MILLER: All right.

MR. PETRAMALO: Yes. Let me start by saying this is a joint budget to cover both the harness meet and the Thoroughbred meet.

Each year, Ian Woolnough and I get together, put together the budget and present it to the Commission.

This year's budget is slightly less than last year. Last year, we budgeted 135,000. This year, we cut it a little bit to 132.

Last year, at least from the Thoroughbred side, I can say we were pretty much right on budget, if you look at the bottom line. The line items within the budget were all over the ballpark.

For example, we had budgeted $4,000 for medical and dental care; we wound up spending $17,000. On the other hand, we budgeted 20,000 for the chaplain and we spent 11 something like that. But we came to the bottom line. We were fairly close.

For the benefit of new Commissioner Reynolds,
what we do here in terms of benevolent services is perhaps within a week or so, horses will start arriving. There are some here already and of course the grooms and hot walkers and exercisers will come along with the horses.

We work out of this building and we provide a wide variety of resources for the individuals. The track kitchen will open up. We subsidize the track kitchen to keep the prices low. In addition, we hand out meal tickets like this that are good for one meal in the track kitchen. (Indicating)

Then we also provide referral to medical and dental care. We don't have any physicians here on the back side. Somebody comes in with a problem -- Most of these are not work-related -- we refer them to an independent care clinic in Williamsburg. We furnish transportation and of course pay for the bill and we do the same with the dental care.

There's a dentist down at Providence Forge that we have a relationship with. We send people down there and wind up paying for that, and of course we make available to everybody on the back side our facility here, which has got computers, fax machine, printer, et cetera, and this is a WiFi hot spot, so 24 hours a day, even if the building is locked -- We
usually lock up around ten or midnight -- you can sit outside on the patio with your laptop and still have access to the Internet.

Then we do more mundane things, like we have 120 dorm rooms; they have air conditioners. The air conditioners die because they go 24 hours a day. We replace the air conditioners. We replace mattresses, et cetera.

We also furnish a 12-person van. We have a driver who speaks Spanish and the van transports anybody on the back side who wants to go grocery shopping, to the beach on a day off, et cetera. So we kind of run our own little community here on the back side.

Most important one, perhaps most importantly, we also provide the services of a chaplain. Up until this year, we were very fortunate to have Reverend Marjorie Bevins, who probably was here for at least six years that I know of.

Anyway, she's an ex-jockey and she just was a delight to work with and everybody here really appreciated her because of her insight into how the racing world worked. Anyway, unfortunately for us, fortunately for her, she secured a new congregation in West Virginia and she moved there.
So we have now the services of Pastor Nick Lapsovick [ph], who has the New Kent -- What's it called? The New Kent Christian Center, and they actually holds services over on the front side now, and he will be our chaplain. Basically, the chaplain makes the tour of the back side every day, talking to people, blesses --

MR. S. REYNOLDS: Is there any language barrier there? Do you have a translator?

MR. PETRAMALO: Interestingly enough, he said he does have someone on one of his committees who is a Spanish-speaker, so that will be very helpful.

Marjorie, one year, had an assistant who was a Spanish-speaker, but for the most part, she didn't speak Spanish, so I think that will be very helpful.

That kind of is a rough outline of what we do and what we spend money on.

MR. S. REYNOLDS: I appreciate that. I was gonna ask about it after the meeting. I appreciate it.

MR. PETRAMALO: It's very interesting at times.

MR. S. REYNOLDS: It's a great service.

MR. PETRAMALO: At times, it can be very humorous. I shouldn't say this. This is gonna get me in trouble.
I had a young exercise rider come into my office. She was complaining about back pains, so I said, okay, no problem. We got her a ride to the clinic and I said we'll take care of everything.

Next day, she came in just all smiling and she says, oh, it's not my back. She says, I'm pregnant. And I said, well, gee, congratulations. And then she looked at me and she said, and my boyfriend is gonna be so happy. And I said to myself, boy, I don't believe that. Anyway, I know I shouldn't have told that story.

MR. S. REYNOLDS: That's all right. Full service.

MR. PETRAMALO: Anyway.

MR. S. REYNOLDS: Thank you.

MR. MILLER: Thank you, Frank.

Any questions from any commissioners?

NOTE: There is no response.

MR. MILLER: Frank, we don't have in our book a comparative sheet to compare your budget for 2011 with what you spent in 2010.

MR. PETRAMALO: Yes. I can do that.

MR. MILLER: You made reference to one item already.

MR. PETRAMALO: I have my notes. I did not --
MR. MILLER: Don't need to go in to a lot of it. Are there any that are significant changes?

MR. PETRAMALO: The chaplain, we cut from 15,000 last year to 10,000 this year. We upped air conditioners from 2,000 last year to 4,000 this year. We upped medical and dental care from I think 8,000 last year to -- What did I come up with, 10,000 this year?

MR. MILLER: Yeah.

MR. PETRAMALO: Ten thousand this year.

MR. BROWN: Didn't you say you ended up spending 17,000 last year?

MR. PETRAMALO: Yeah. That was my fault. I got to be too generous when it came to dental benefits.

Normally, what we look to do is take care of acute problems; somebody chips a tooth, et cetera. And we had a progression of people come in here and say, well, gee, you know, I'd like to get a crown on this tooth, and before you know it, I was authorizing the dentist to do much more work than he probably should have been doing. So that's what --

MR. BROWN: And you're stopping that this year?

MR. PETRAMALO: Yes. Well, I'd like to do it, but we don't have the money.
MR. BROWN: Exactly.

MR. PETRAMALO: The one thing that we did cut out was our Groom Elite training program. We don't run that formal program, which is a six- or eight-week program -- every year. We kind of alternate. This year, we may do something very informal. We call it a Hot Walker training program. Usually, it's two or three days and we try and recruit from local high schools, as well as the employment centers, to get people who have never been on the race track, don't have much experience and might be interested in coming and hot walking. That's the low job on the totem pole.

We'll probably run that and we don't really need outside assistance from the Groom Elite program in Kentucky to do that, but that's still in the formulating stage.

MR. MILLER: All right. Do I hear a motion?

MR. BROWN: I have one other question.

MR. MILLER: Oh, sorry.

MR. BROWN: Charlie, your group's on board with all that you're sharing with --

DR. DUNAVANT: Yeah, Ian and I --

MR. WOOLNOUGH: Frank and I work very well on that. Everything in there is basically --
DR. DUNAVANT: We don't need near as much for our back stretch.

MR. BROWN: I just wanted to make sure.

MR. MILLER: All right. Do I hear a motion regarding the 2011 Racing Benevolence Committee budget?

MR. BROWN: I make a motion to pass that.

MR. D. REYNOLDS: Second.

MR. MILLER: It's been moved and seconded by Commissioner Dave Reynolds.

All in favor, say aye.

NOTE: The Commissioners vote aye.

MR. MILLER: All right. Tab Number Three, the approval of the 2011 VHHA Management Contract amount. Tab Number Three.

MR. LERMOND: Mr. Chairman?

MR. MILLER: Yes.

MR. LERMOND: I'll just go ahead and -- The Commission at the last meeting approved the amount for the Thoroughbred portion of the Breeders' Fund. I didn't know Mr. Woolnough was gonna be here at last month's meeting, or I would have had you gone ahead and approve the amount for the Standardbred contract. The amount appears on Page Five as $50,000 for the year and that's been the
same amount, I believe, for at least three years.

Ian?

MR. WOOLNOUGH: A little longer.

DR. DUNAVANT: We reduced it from 80 to 50 five or six years ago.

MR. LERMOND: That's correct, and Staff would recommend approval of the amount of 50,000 for 2011.

MR. MILLER: All right. Any questions or -- Ian, do you or Dr. Dunavant have anything further you need to say about it?

MR. WOOLNOUGH: No. It's basically the same for a number of years now.

MR. MILLER: All right. Any questions?

NOTE: There is no response.

MR. MILLER: There being no questions, your motion.

MR. S. REYNOLDS: So moved.

MR. MILLER: Commissioner Sarge Reynolds moved its approval.

MR. BROWN: Second.

MR. MILLER: Commissioner Brown has approved it.

All in favor, say aye.

NOTE: The Commissioners vote aye.

MR. MILLER: Now, Item D was put on the agenda.
I felt it important to put it on the agenda because we had some discussions with the licensee regarding harness racing and it just seems to me, from my personal viewpoint, that we need to do something to invigorate our product here in Virginia, as it has to be everywhere, but I just thought this would be a good time as we look to 2012 to discuss fully and try to get started on trying to reinvigorate harness racing and I think Jim's gonna make some comments.

But before he makes his comments, I want to say that I've talked to Commissioner Brown. He's very interested, of course, in particular in harness racing, and he's agreed to chair a special study committee that we're gonna put in -- we're gonna create here today to go forward.

So anything that you hear here today are just some observations to be put in the pot and to be put on the agenda of a study panel and I encourage all of you to listen carefully to anything that's said, and if anyone wants to volunteer to serve on this special study group, please let me know during the course of this meeting or whenever, but and with that, Mr. Weinberg, do you want to proceed?

MR. WEINBERG: Thank you, Commissioner Miller.
Really, this morning, we really wanted to just reiterate and thank you for the formation of the study commission, and I think as Colonial Downs has said in the last couple meetings, we really welcome an opportunity to sit around the table and discuss ideas to help us all, as all stakeholders do, a better job with the resources we have to grow and sustain and promote a native Standardbred industry.

Right now, the stakeholders are investing approximately a little over $3 million in each live meet and we think we can do a better job with that resource in terms of stimulating breeding and growth of Standardbred horses in Virginia and the way that we attract folks to the track and in the way that we ultimately would build a stronger and more vibrant industry in both for the horsemen and for spectators and for wagerers on that product, so we welcome the opportunity to really discuss a number of different areas.

I know that a couple ideas had been voiced in the past about a combined Thoroughbred and Standardbred meet as a opportunity to maybe expose Standardbred racing to the folks who wouldn't ordinarily just appear for that, as well as also a cost savings measure for Colonial Downs.
We talked about allowing pari-mutuel wagering on harness racing at county and state fairs, which I think provide another opportunity to take racing to where the wagerers are, where a potential audience is.

These are all ideas that I think those are some thorough considerations as well as ideas. Colonial Downs believes it has cornered the market on good ideas and believes that the folks in this room have a lot to contribute.

We're all stakeholders in this enterprise and welcome the opportunity to sit down and really think hard about the industry.

We have circulated a report that came out, I believe last spring, that was a follow-up to the United States Trotting Association's earlier report that had a couple ideas.

Many of them relate nationally and relate to states where there are other forms of gaming that aren't applicable to Virginia, but nonetheless help set the table for a discussion about the Standardbred industry in Virginia and how we can do a better job with the resources we have and hopefully grow those resources.

So I thank the Commission for this initiative.
and look forward to being an active participant.

MR. MILLER: Thank you.

Mr. Brown, do you have any?

MR. BROWN: Well, I'll probably call, of course, Colonial Downs and Dr. Dunavant and Ian and, you know, anybody else who wants to volunteer. I'd like to probably set something up within two weeks and I'll let everybody know. At least try to get everybody on the same page when we can all get together to get started on it.

MR. MILLER: Good. Dr. Dunavant, do you have anything?

DR. DUNAVANT: No. I think it's a great idea and something that we need to do and the VHHA will do all we can to contribute and see if we can make things better and more interesting.

MR. MILLER: Good. We appreciate it and I know it takes a lot of time for everyone that volunteers for these kind of things, but you're helping your industry and you're helping your folks and you're helping Virginia at the same time, because any improvement or advancement that we might make in any facet of racing, whether it be Standardbred or Thoroughbred, hopefully, it'll directly benefit those who are involved on a day-to-day basis, but it...
also benefits every citizen of Virginia if we make
it work and we're able to sustain a healthy racing
product in Virginia and do it without state
subsidies, and hopefully, we're gonna continue to do
it without the implementation of the kind of
gambling that a lot of Virginians frown upon; that
being slot machine and casino gambling.

Many states have found that to be the so-called
savior of racing, but I think we can certainly try
in Virginia and I think we could succeed in having a
healthy racing product in Virginia without those
devices, because actually, in my opinion, racing is
healthier, the horse industry is healthier. It is
being run on the traditional type of wagering that's
tied directly to the racing product, rather than the
ancillary gambling, which becomes the primary focus
after it's put in place --

MR. BROWN: That's basically just a Band-Aid.

MR. MILLER: -- in most states.

I visit the track that's closest to my home,
of course, and I enjoy it. I enjoy Charles Town
because I enjoy racing and I must say I'm immoral
enough to enjoy gambling now, but it is almost
tragic to go there sometimes and to see 200 people
watching the race and 5,000 people inside pushing
buttons, rolling marbles. So anyway.

In addition to -- So Commissioner Brown will chair that group and he will be contacting people to serve, and I urge anyone that has any interest to contact Commissioner Brown directly if you feel that you would like to contribute some time and energy to this effort for the Standardbred industry.

And of course our staff --

MR. BROWN: Absolutely.

MR. MILLER: -- will be participating through the executive secretary and the executive secretary will be there. They will be available for your benefit.

In addition to that study, we can never have enough to do. We always have extra time on our hands. Right? Everyone can do things that we like to do to make life more interesting.

Okay. So I feel that for the balance of this calendar year, also, it's very important that we take a look at the Thoroughbred racing.

There's two aspects, as Frank Petramalo pointed out, I think at our last meeting or one of our meetings.

We have to look at the product; the operation of the track and the racing itself, you know, what
we do to enhance the product at the track and so forth, and also what we can do to try to expand the gaming opportunities to bring more revenue in to increase purses and to also contribute hopefully more directly to the state coughers, and if we can do both of those, then both of those advancements do benefit in the long run the cultural industry in Virginia, which is one of the primary focuses that this Commission has.

With that in mind, I don't know exactly the subject matter delineation that will have to be made. That'll be up to the people that might serve, but I'm going to ask Commissioner Sarge Reynolds to serve on one of these study groups and Commissioner Dave Reynolds to also serve.

Commissioner Siegel is not here today, and ordinarily, the one that's absent gets the worst of the deal, but what I'm going to suggest is that on the -- for the Thoroughbred racing aspect, that Commissioner Sarge Reynolds serve as the chairman of the group regarding the track operations, and you know, those kind of things that can be done to enhance the product insofar as the actual Thoroughbred racing is concerned. If you would chair that committee?
MR. S. REYNOLDS: I'm here.

MR. MILLER: And Commissioner Dave Reynolds --
MR. S. REYNOLDS: What would happen if I wasn't here? I'm happy to.

MR. MILLER: -- and Commissioner Dave Reynolds to serve as the chairman of the group relating to trying to enhance the revenue that we would derive from gaming.

When I say that, I have in mind things such as what can be done to further enhance or be more elaborate with the ADW operations in Virginia, the kiosks.

What can be done to try to hopefully expand the off track betting satellite facility into Northern Virginia, and of course anything else that can be done at the track, although from the report given previously, it looks like they're making every effort to draw the gaming fan to the track to enhance the gaming operation of the track, but to look at some of the exotic wagers and measures that have been suggested in many magazine articles and in some of the other states and suggested by our previous executive secretary. Things of that nature.

We'll work all that out to more cleanly define
what that study group will do to look at the
elevation of the gaming aspects related to both
Thoroughbred and Standardbred, of course.

Commissioner Siegel will take his pick as to
which one he wants to serve on. We can't have more
than two commissioners on any study panel because of
some meeting requirements and so forth. If we have
three commissioners, it's like having a meeting of
the Commission and you have to go through that
ritual and all the prerequisites for setting up a
formal meeting of the Commission, so only two
commissioners can serve at any meeting.

We'll let Commissioner Siegel decide which
Mr. Reynolds he wants to go with and neither will
take umbrage if he goes with the other. Or he may
even decide he wants to go with Mr. Brown.

I'm going to try to work on the periphery of
this, I suppose. I'll try to be participatory, but
I'm not gonna make myself a formal member of any of
these committees, study groups, but I will attend
when I can. Just let me know when you meet and
where you meet and so forth.

First of all, let me know what you suggest for
setting up the framework for the parameters of your
study. I'm leaving that up to you. You fellows get
together with the executive.

MR. S. REYNOLDS: Do you all see us making progress reports at each meeting or coming up with a final report at some date?

MR. MILLER: Well, I don't wanna put that kind of burden on you right now. I want you first of all to get together with the executive secretary and licensee and the horsemen and try to come up with what are you gonna focus on, what's going to be your focus. I re-delegate that to you.

MR. D. REYNOLDS: How about membership?

MR. MILLER: And membership. I'll have you all try to formulate in your mind who you think should serve with you and I'm asking the horsemen and licensee and everyone concerned that are here today, at least, if you want to serve in particular on any of these groups, all of them or any of them, let the respective commissioners know.

First of all, they will set forth what the parameters of the study are going to be, what they need to look at. So you all work out and set up your membership and then have that outline of what you're gonna cover and your membership and file it with the executive secretary so that we have a record of it here at the Commission who is serving.
and what we are focusing on, so if somebody later on says you left something important out, we may want to add as we go along, add something more to the study.

Now, am I being too ambiguous?

MR. S. REYNOLDS: Give me a blank sheet of paper. We'll run with it.

MR. MILLER: You all didn't have any suggestions. I'm sort of leaving this -- this is a -- Yes, sir.

MR. TOLLAKSEN: Sorry to break the rules here. Can we get a list of the different committees that are out there? Is there a master list of the committees?

MR. MILLER: Yeah.

MR. TOLLAKSEN: Can we take a look at something like that, or if one is not put together, can we get one?

MR. BROWN: It's pretty much online, isn't it?

MS. DILWORTH: It's on the website.

MR. MILLER: Well, it's on the website, but there's two that are not on the website. No, they are on the website, but -- okay. I think they're all on the website.

MR. TOLLAKSEN: Okay. Great. Thank you very
much.

MR. MILLER: Of course, as I said, when these committees are formed, I want their framework for study and their committee membership will be filed in the office of the executive secretary. That will be put on our website.

That brings up another thing. We're going to update our website. If you visited our website recently, you'll see it's like most. Ninety percent of the websites in this country are, you know, at least six months behind.

But we are going to bring ours up to date and it's going to be very current and we'll put everything we can on the website so that everyone has an opportunity to examine it.

Anyway, after the framework is put together and committee membership is put together, then set up your proposed schedule for meetings and I would think let the full committee and the public know at our next meeting in June the parameters of your study and your membership. Okay.

At that time, at our meeting in June, we may set up a tentative schedule for -- you know, get input from everyone about what kind of meeting schedule you may want to try to meet for the balance
of the year.

Ordinarily, you'd say there's plenty of time, but I'm at the age where a year is a week and it'll be Christmas before we know it, so I think that if we can get this put together and then set up some meetings -- I know after the Thoroughbred meet is over, people should have more time.

But I'm hopeful that by at least October of this year, that we could have some information that's gonna be educational about and informative about how Virginia should proceed in the future to conduct Standardbred and Thoroughbred racing in Virginia, what our needs are to meet the ambitious plan that I hope all of your study groups come up with so that we might make that information available.

And I know that people get tired of hearing this, but we've got to make that information available to the people in the Executive branch of government and to legislature again, because eventually, we always need some legislative changes and we need executive leadership in the Executive department if racing is going to be successful in Virginia and we're going to be able to present the kind of product that I think that we can present.
We can have a good product in Virginia. We can be successful in Virginia and we can do it without the kind of gambling that the majority of the citizens of Virginia find to be unflavorable. That's a Sarah Palin. Anyway, unflavorable. Not favorable, but flavorful. Not the flavor of the month.

The majority of the citizens of Virginia I'm told don't like some forms of gambling, but we can do it in Virginia if we all pull together and put this --

We can get a roadmap from these study groups to give to the General Assembly so that they know. They need to know how we got where we are and they need to know where we need to go to continue to be successful.

When you look at the states that are the supposed giants of racing: California, Kentucky, New York, Florida, everyone's having problems. Everyone is having problems.

We can address the problems here maybe in a different way that may enlighten some people throughout the country that if Virginia can do it -- and we can do it without subsidies.

I mean just in Maryland now, one of the big
debates is the state subsidy. I couldn't believe it. I mean can you imagine going to the General Assembly of Virginia and suggesting that they subsidize this operation? We'd be laughed out of the state.

But that's common practice, not just in Maryland, but in several other jurisdictions. So there you have it.

MR. S. REYNOLDS: Quick question, Mr. Chairman.

MR. MILLER: Yes.

MR. S. REYNOLDS: Earlier, we talked about I think it was Glenn's recommendations from January 26, the Del Mar. Is that gonna be kind of a separate study, or should we kind of take into account some of those issues and possibilities about the mid-Atlantic versus just Virginia?

MR. BROWN: Take it all into account.

MR. MILLER: No. Let me suggest to you one of the things you'll want to take a look at in your study is this mid-Atlantic Cooperative Racing Pact.

MR. S. REYNOLDS: Okay. I would agree. I just wanted to make sure that wasn't a separate deal.

MR. MILLER: That's one of the things that needs to be examined.

Really, Colonial Downs and the Maryland people
have kind of worked together in the past, but all
things are subject to change and they're going to
have an additional influx of money, apparently, in
Maryland, so Maryland may be one of those states
where they'll start running 365 days a year. I mean
who knows?

If that kind of operation comes to pass, then
the cooperative efforts that we've had in the past
will be out the window.

MR. HETTEL: Well, certainly, if this
medication consideration gets changed in the very
near future and then it's paying on into the Jockey
Club recommendation, I don't think it takes a mind
reader to figure out without medication, there'll be
less race days everywhere.

Not necessarily us, because we're running a
small racing operation right now, but Maryland,
Delaware, that whole east coast is probably gonna
have to pare back a little bit and of course the
foal crop is shrinking also, thankfully. It's too
much. We'll go from there and it's going to be
interesting, certainly, to see what kind of
conclusion we have by Labor Day, let's say, on where
we need to proceed.

NOTE: Phone ringing.
MR. MILLER: I don't know how you stop it from ringing.

MR. HETTEL: Say hello.

MR. S. REYNOLDS: You can answer it.

MR. MILLER: I don't wanna answer it.

MR. S. REYNOLDS: It must be your wife.

MR. MILLER: Could be that other woman.

MR. S. REYNOLDS: Say hello.

MR. MILLER: I'll go outside and answer it.

Excuse me. It is home. I don't want you all to hear me talk about all that.

NOTE: There is a brief recess; thereafter, the hearing continues as follows:

MR. HETTEL: Here's what we'll do with all the committees. Why don't you all go ahead and make whatever separate calls you want to in terms of the initial invitation for membership. We can make it as inclusive as you'd like it to be.

If we have them here at this office, we can certainly make them almost like a public procedure, but we'll go ahead and take recommendations. Every idea is a good idea when we first hear it, of course.

We'll just take it from there on and pare it down and by the end of the summer, we'll know a
whole lot more than we do today. I've got total
availability, so you let me know what I can do to
help you.

MR. S. REYNOLDS: Sure.

MR. MILLER: The medication question is
something of course you will address in your study?

MR. HETTEL: That's really gonna be critical,
given there was even a suggestion of federal
legislation by Senator Rudolph and a representative
of Wakefield from Kentucky and if the federal
investigation gets to be a part of it, that's a
whole new complication for all of the states.

There'll be a necessity for a federal
Commission then, of course. Can it get more
complicated than a state Commission? Well, yes, it
can, when we get to the federal Commission.

So I'm really eager to get busy with this.
Cooler heads will prevail at the meeting and then
they'll certainly have a second and third meeting,
too.

MR. MILLER: I read with interest online
reading the Irish papers about the Queen's visit to
Ireland last week and it had an article about her
visiting, it was identified as a world-famous
stadium. The horse people will be familiar with it,
anyway, outside Dublin.

They were quoting some racing -- some of the people involved in racing -- in breeding in Ireland and talking about the fact that the horses that they breed there, from and I guess in Ireland -- as well as Ireland, at least in Ireland -- the fact that they don't have these medications. They don't with regularity use medications on these Thoroughbreds in Ireland and they're such healthy stock and such sturdy horses, compared to what they claim are being turned out here in America.

MR. BROWN: Makes sense.

MR. HETTEL: Of course racing is not as pervasive. They don't have nearly as many days.

MR. MILLER: It was subject to debate. The breakdown of so many horses here in this country, compared to the lines of stock that they have in the Irish --

MR. HETTEL: Well, I mean some people will do those comparisons. That's why this international group's coming together at Belmont.

It's a different type of racing, obviously, first and foremost, and it's not nearly as year-round. They run a racing season and they're finished and that lets those horses revitalize and
train them maybe for one or two events.

In the United States, we keep our horses in training 52 year weeks a year. That's hard on any athlete to stay in training 52 weeks a year. That was an argument for necessity of medication.

MR. MILLER: All right. Is there any member of the public here today that would like to comment on anything or everything?

NOTE: There is a positive response.

MR. MILLER: Yes, sir.

MR. STAPLES: One thing is did you respond to the gentleman's article from the Richmond -- is it Times-Dispatch, right?

MR. MILLER: Yes.

MR. STAPLES: You also, I know, the Daily Press in Newport News and the Virginia Pilot will print it for you, believe me. They started printing horse racing information in the paper, for a change.

MR. MILLER: Well, we might formulate such a letter that it could be a response to the editorial in the Richmond Times-Dispatch, but also could be a general piece that could be sent to those papers that hopefully they might print it.

So thank you very much.

MR. STAPLES: Yes, sir. One other thing.
I really believe if that Strawberry Hill race had been promoted more with just some posters, anything, you know, in the OTBs or whatever down in Hampton Roads, you'd have got more people from down there come from Old Dominion and places like that. The young crowd I know likes those steeple chases. I'm just making a suggestion, that's all.

MR. MILLER: Yes, sir. Well, you get in touch with those Strawberry Hill people and let them know and --

MR. STAPLES: Mr. Roberts, we're in communication with him.

MR. MILLER: Yeah. Get in touch with him and let him know your feelings and certainly next year, if it's something they can do, they'll certainly do it.

MR. STAPLES: We also want to tell you we really appreciate it. It's a whole different tone in here now than it was. Thank you so much.

MR. MILLER: Thank you.

All right. Our next meeting is set for June the 28th. Did anyone have any problems with the June 28th date?

MR. PETRAMALO: What day is it?

MR. MILLER: I understand that last year around
about this time, there didn't appear to be much for
the agenda, so we didn't have a June 28th meeting.
We are going to go ahead and schedule the June 28th
meeting, especially in light of the fact that on
that date, we'll need those reports from the various
chairmen regarding these special study groups, and
also, it's a good opportunity for us to hear about
the progress of the Thoroughbred meet, how things
are going.

   MR. PETRAMALO: Is that a Tuesday?

   MR. MILLER: It's on a Tuesday. Yes, sir.

   MR. PETRAMALO: You want to do it on a race
day? Tuesday is a dark day. I was thinking maybe
it might be --

   MR. HETTEL: Wednesday is a race day. We can
stay till the races.

   MR. MILLER: Yeah. Let's do it on a race day.

   MR. LERMOND: We got to stay till five o'clock.

   MR. HETTEL: You could have a later meeting.

   MR. BROWN: You could have a later meeting and
start it later in the afternoon.

   MR. S. REYNOLDS: When do they start selling
beer?

   MR. HETTEL: When you get here.

   MR. MILLER: What's the feeling of the
Commission on having an evening meeting?

MR. PETRAMALO: Five p.m. to post.

MR. MILLER: Five to when?

MR. PETRAMALO: The post starts at five and the racing goes to 8:30, probably.

MR. MILLER: How about if we were to meet at three o'clock?

MR. S. REYNOLDS: Works for me.

MR. MILLER: Is that all right?

MR. BROWN: Yeah.

MR. MILLER: That's all right with you all, Ian?

MR. STEWART: Sure.

MR. BROWN: What date would you put that on?

MR. HETTEL: The 29th at 3:00 p.m. Is that good with everybody?

MR. PETRAMALO: That's a Wednesday.

MR. MILLER: Three p.m. on June the 29th and then we'll go to the races. How about that?

MR. BROWN: Excellent.

MR. MILLER: Hopefully, everything will be going well with the meet, but we will have those -- that should be of some interest, the study group agendas and the study group membership. We should have all of that by the end of June and set up the
schedule for the meetings of the balance of the year.

We are gonna have a closed meeting to discuss two items in particular and it won't take long.

One is a legal question and the other is a --
Well, I'll just read it. I'll read the whole thing and that way, it'll cover whatever we discuss.

In accordance with provisions of Sections 2.2-3711(A)(1) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of discussion or consideration -- No, that one doesn't fit.

In accordance with the provisions of Section 2.2-3711(A)(7) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of consultation with legal counsel employed or retained by the Commission regarding specific legal matters requiring the provision of legal advice by such counsel and -- I'll have to put this in my own words -- consideration of certain expenses of the Virginia Racing Commission.

Is that all right, Amy? Does that pass muster?

MR. BROWN: It's expenses --

MR. HETTEL: It's a personnel matter.

MR. MILLER: Yeah. Expenses regarding a
personnel matter. Okay. Sorry about that. I'll get used to this. I got five -- I'll get it by the end. Thank you very much.

Oh, I move that we go into these closed sessions.

Commissioner Dave Reynolds.

MR. D. REYNOLDS: Aye.

MR. MILLER: Commissioner Sarge Reynolds.

MR. S. REYNOLDS: Aye.

MR. MILLER: Commissioner Mark Brown.

MR. BROWN: Aye.

MR. MILLER: And the Chairman votes aye.

Now we won't be long, if anyone has anything else. That's right. We won't be long.

Note: The hearing observes a recess at 11:08 a.m. and thereafter reconvenes at 11:25 a.m. as follows:

MR. MILLER: 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; and

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 public business
matters as were identified in the motion convening
the closed meeting were heard, discussed or
considered by the Commission in the closed meeting.

The following members vote on this matter:

Commissioner Dave Reynolds.

MR. D. REYNOLDS: Aye.

MR. MILLER: Commissioner Sarge Reynolds.

MR. S. REYNOLDS: Aye.

MR. MILLER: Commissioner Mark Brown.

MR. BROWN: Aye.

MR. MILLER: The chairman votes aye.

Do I hear a motion for adjournment?

MR. BROWN: Motion to adjourn.

MR. D. REYNOLDS: Second.

MR. MILLER: All in favor, vote aye.

NOTE: All Commissioners vote aye.
MR. MILLER: The meeting is adjourned.

NOTE: The hearing is then adjourned at 12:19 p.m.
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 6th day of June, 2011.

________________________________________
SANDRA G. SPINNER
COURT REPORTER

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