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VIRGINIA RACING COMMISSION

September 20, 2012

10700 Horseman's Road

New Kent, VA 23124

Commencing at 11:07 a.m.

COMMISSION MEMBERS:

Stuart Siegel, Chairman

J. Sargeant Reynolds, Jr., Vice Chairman

Carol G. Dawson

David C. Reynolds

Stran L. Trout

COMMISSION STAFF:

Bernard J. Hettel, Executive Secretary (via telephone)

David S. Lermond, Jr., Deputy Executive Secretary

Kimberly M. Carter, Office Administrator

Joseph M. Roney, Director of Security & Operations

C. Richard Harden, DVM, Equine Medical Director

George Hickman, Harness Judge

ATTORNEY GENERAL'S OFFICE

Joshua E. Laws, Esquire

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1 CHAIRMAN SIEGEL: Is there any comment from any
2 commissioner before we move forward at this time?

3 MS. DAWSON: I have one.

4 CHAIRMAN SIEGEL: Yes.

5 MS. DAWSON: I just wanted to say that I was so
6 privileged and grateful to be able to go to the
7 meeting of the Association of Racing Commissioners
8 International this summer in Saratoga Springs, New
9 York. It was very worthwhile. I learned a great
10 deal. I would love to share it with all my
11 colleagues. Not enough time in one meeting to do
12 that, but I came back with a lot of new
13 perspectives, and also a very positive reaction to
14 the fact that there are many problems in racing
15 today out there, obviously, but I think Virginia's
16 doing very well.

17 I don't think we have the problems that I heard
18 about at the meeting, and I hope we never do, but at
19 the same time, it is good to be aware of those
20 things and to keep up with what's going on in the
21 industry.

22 It's a good organization, I believe, and I
23 think we're doing good work, and I think we should
24 continue to cooperate with them as much as we can.

25 CHAIRMAN SIEGEL: Thank you for that comment.

1 Anyone else?

2 NOTE: There is no response.

3 CHAIRMAN SIEGEL: Okay. We'll now move forward
4 with the executive secretary's report. Dave -- I
5 might mention that Dave and the staff have been
6 holding things together very well in Bernie's
7 absence. I believe, Dave, you're gonna make the
8 executive secretary's report.

9 MR. LERMOND: Yes, sir. Thank you,
10 Mr. Chairman.

11 The first item I have is a amendment to
12 11VAC10-30-20. Just to give you just a brief
13 background, the way this came about was I was
14 approached by Mike Pearson, who is here today
15 representing the Virginia Gold Cup Association.

16 They were curious about what they would need to
17 do to have pari-mutuel wagering on the two events
18 they hold each year. They have, I believe it's the
19 first Saturday in May is the Virginia Gold Cup, and
20 they also have the third Saturday in October, the
21 International Gold Cup.

22 He had been retained by the Gold Cup to look in
23 to this and see what they would need to do to have
24 pari-mutuel wagering.

25 Initially, I told him he was in luck, because

1 I knew there was a code section that gave the
2 Commission the authority to grant a license without
3 a referendum being passed.

4 Now to do that, there are certain criteria that
5 must be met. It has to be a steeple chase meeting,
6 has to be less than 14 days, has to be sanctioned by
7 either the NSA or the VSA, National Steeple Chase
8 Association, or the Virginia Steeple Chase
9 Association, and the owner/operator has to be a
10 501(C) 3 or 4, in accordance with the code of the
11 Internal Revenue.

12 Unfortunately, what I found when I dug a little
13 deeper, was that our regulations had never been
14 changed to match this new code section. The new
15 section of the code was put in originally in 1996 by
16 an act of the General Assembly, and then in 2000, it
17 was tweaked just a little bit where they added the
18 Virginia Steeple Chase Association as one of the
19 sanctioning bodies, and I believe they made it
20 501(C) 3 or 4.

21 In any case, what should have been done back
22 then was the Commission should have gone through
23 their regulations to see that there wasn't anything
24 in the regs that would conflict with the new code
25 section that was approved by the General Assembly.

1 Apparently, it was not done, so what I'm asking
2 today is more of a housekeeping item than anything
3 else, because our regulation should match what the
4 code says.

5 So what I've done, or what I'm proposing, is
6 under Paragraph B in the regulation, section 11VAC
7 10-30-20, we're gonna add at the end of the
8 sentence, and the sentence plainly says, "The
9 Commission shall not grant a limited license without
10 a referendum being held." We're gonna add the
11 words, "However, the Commission may, in accordance
12 with Section 59.1-378.1, grant a limited license to
13 an owner or operator of a steeple chase facility on
14 steeple chase race meetings for a period not to
15 exceed 14 days in any calendar year, if the steeple
16 chase facility has been sanctioned by the Virginia
17 Steeple Chase Association or National Steeple Chase
18 Association, and that the owner or operator of such
19 a facility has been granted tax exempt status under
20 501(C) 3 or 4 of the Internal Revenue code."

21 So all we're doing is making this addendum in
22 order to match what the code already says.

23 Dave and I have discussed this a little bit,
24 and I think I'm clear that it's more of a
25 housekeeping thing to -- as he says, so our regs

1 will match the state.

2 This is not an application for approval of a
3 granting of a license, it's only to get the -- to
4 have everything match up, so if there is a license
5 applied for, we don't have a problem in dealing with
6 it, and so I just wanted to make that clear to
7 everyone for the action that we'd be taking today.

8 Any question on the part of any commissioner
9 with regard to this?

10 MR. TROUT: I do have a couple questions on
11 that. One is, I was looking back at the original
12 code, both the '96 and the 2000, and one of the
13 things that appears to have been taken out in the
14 adoption of the 2000 amendment was a provision in
15 the '96 one that indicated that, "Provisions of this
16 act shall apply to any county populated between
17 86,000 and 86,500.", which I believe is Louden
18 County.

19 I did not look up the 1990 census to check that
20 out, but there was a provision talking about, I
21 believe Morven Park as being the one that was
22 considered at that time. When the 2000 amendment
23 was passed, was that part taken out?

24 MR. LERMOND: Yes, sir. It was.

25 MR. TROUT: Okay, because it's not included in

1 the code today.

2 MR. LERMOND: That's correct.

3 MR. TROUT: The other thing I noticed in there,
4 and this is concerning. This is in both parts of
5 it. It does say, "Notwithstanding provisions of
6 59.1-391.", which is the referendum section.

7 And then later on, it says, "In deciding
8 whether to grant a license, the Commission shall
9 consider the results of any referendum."

10 Does that mean if by chance one was conducted?
11 Is there actually not a requirement of a referendum?
12 Is that legal?

13 MR. LERMOND: I think if a referendum had been
14 tried and had failed, you could take that into
15 consideration in determining whether or not to grant
16 a license under this section that spells out the
17 exception.

18 MR. TROUT: But it's your opinion, and I guess
19 we have good legal opinion, that this does not
20 require a positive result of a referendum in order
21 to grant a license to the facility?

22 MR. LERMOND: That's correct.

23 MR. PETRAMALO: I would agree with that,
24 because there were at least two licenses issued in
25 the late 90s at Morven Park.

1 Georgetown University Hospital used to have a
2 benefit at Morven Park, and pari-mutuel wagering was
3 permitted there, and it was licensed by the Racing
4 Commission. Let me quickly add I did not personally
5 benefit from the fact they had pari-mutuel wagering
6 there. I was present, but...

7 CHAIRMAN SIEGEL: But you lost.

8 MR. PETRAMALO: Yes.

9 MR. TROUT: I haven't benefited from here that
10 much, either.

11 That was another question I had, is -- and I
12 didn't realize this would -- since this has been
13 around for quite a few years, other than the two he
14 just mentioned, have there been any licenses granted
15 by this Commission, or has it ever come before this
16 Commission before?

17 MR. LERMOND: Not that I'm aware of. The only
18 one I knew of, as Frank said --

19 MR. PETRAMALO: Morven Park.

20 MR. LERMOND: -- was Morven Park, and I think
21 that was 1991 or '92.

22 MR. WEINBERG: There have been other limited
23 licenses, but not under this provision.

24 MR. PETRAMALO: Yes.

25 MR. LERMOND: Right.

1 MR. TROUT: So there have been some licenses,
2 but not under this provision? The actual regulation
3 didn't have a --

4 MR. PETRAMALO: Yes. This is strictly steeple
5 chase.

6 MR. TROUT: Yeah. Okay.

7 MR. LERMOND: The exception in this code
8 section is only for steeple chase facilities.
9 Harness or Thoroughbred would not have this same...

10 MR. TROUT: One other thing. In the section
11 involving pari-mutuel betting, which is fairly
12 extensive in its requirements, there are also
13 provisions concerning percentage of payouts to
14 various organizations and that sort of thing. Does
15 that apply to the steeple chase race as well, or is
16 that something that's clear or needs to be cleared
17 up?

18 MR. LERMOND: As far as the tax to the
19 Commonwealth and the Breeders' Fund, all of those
20 things would be paid. As far as the operator and
21 the purse account --

22 MR. PETRAMALO: I don't know how that works.

23 MR. LERMOND: How would you do it with
24 Strawberry Hill?

25 MR. PETRAMALO: Strawberry Hill is --

1 CHAIRMAN SIEGEL: It's part of Colonial.

2 MR. LERMOND: But when they stood alone before
3 that?

4 MR. PETRAMALO: The statutory take-outs remain
5 the same. We entered into an agreement with
6 Strawberry Hill about sharing the horsemen's share.

7 CHAIRMAN SIEGEL: We being the horsemen?

8 MR. PETRAMALO: Yes, correct.

9 MR. LERMOND: But distribution to the different
10 parties wouldn't be any different?

11 MR. PETRAMALO: No.

12 MR. TROUT: That basically defines pari-mutuel
13 wagering.

14 MR. PETRAMALO: Yeah.

15 MR. TROUT: That's the definition of it. It's
16 all a percentage basis.

17 MR. PETRAMALO: Yes.

18 MR. TROUT: Okay, so that would apply then to
19 one of these licenses?

20 MR. PETRAMALO: Yes.

21 CHAIRMAN SIEGEL: I would think that we would
22 assume, unless we do otherwise, that that sharing
23 would remain the same and be consistent with
24 whatever we did in any license; is that correct?

25 MR. LERMOND: Very correct.

1 MR. PETRAMALO: Unless this Commission approved
2 otherwise.

3 CHAIRMAN SIEGEL: Right.

4 MR. WEINBERG: I was just gonna observe that
5 the definition of licensee includes licenses granted
6 under the provision we're talking about, and then
7 392, I think, speaks to licensees.

8 MR. TROUT: Okay. So it is covered by
9 basically all the other provisions, or appropriate
10 ones anyway, would apply to any racing, pari-mutuel
11 betting racing?

12 MR. WEINBERG: Except the statute in some
13 places differentiates between "limited" and
14 "unlimited", but otherwise, I think "licensee"
15 applies to the whole universe of license.

16 MR. TROUT: Thank you. Appreciate it.

17 CHAIRMAN SIEGEL: Question or comments, Sarge?

18 MR. S. REYNOLDS: I was gonna ask. The
19 language that's put in, do you all put it in, or
20 does that go through the Attorney General's office
21 for legal opinion or some sort of counsel?

22 CHAIRMAN SIEGEL: I think it's within our
23 purview to make that change.

24 MR. LERMOND: And in this case, what we're
25 doing is changing the regs to match what the code

1 already says, so that would be a quicker process.

2 CHAIRMAN SIEGEL: If it was the opposite and
3 the code needed to match with us, we'd have a whole
4 different problem.

5 MR. S. REYNOLDS: Correct.

6 CHAIRMAN SIEGEL: So this is certainly within
7 our purview.

8 MR. S. REYNOLDS: Okay. Thank you.

9 MS. DAWSON: Mr. Chairman, I just have one
10 further question. I must have missed this earlier
11 when this was put into the code, but does anybody
12 have any background on the legislative environment
13 at that time? Why did it come up in the
14 legislature?

15 MR. PETRAMALO: I can take a guess. I think it
16 was for fundraising purposes for charitable or
17 social groups, like the Georgetown University
18 Hospital. That would be my guess, but...

19 UNKNOWN SPEAKER: Frank, I think the regional
20 Morven Park license was not granted under this
21 provision, and the next time they sought a license,
22 they were looking to make it, A, easier; B, less
23 expensive; and C, fit into the category discussed to
24 be part of charitable.

25 It was all geared toward Loudon County. In

1 fact at one point, there was mention, I thought, of
2 charity, either in the code or either in the regs,
3 but Donna Rogers brought it forward. I think she
4 had legislative support from May, and that's really
5 the background of it.

6 It was really kind of Morven's project, and it
7 went through the General Assembly like nobody was
8 paying attention to it, unlike most things we would
9 bring to the General Assembly. It was not
10 controversial; the Commission supported it. The
11 Loudon County group ushered it through that.

12 MS. DAWSON: But it has never been used since
13 that one time?

14 UNKNOWN SPEAKER: I don't think so.

15 MR. PETRAMALO: Morven Park is the only place
16 that I know of.

17 MS. DAWSON: Are there any other places in our
18 regs that we might need to adjust this?

19 MR. LERMOND: No. This would be the only
20 amendment we would need to make.

21 CHAIRMAN SIEGEL: Other questions or concerns?
22 Anyone have any comments or anything to add to this?

23 NOTE: There is no response.

24 CHAIRMAN SIEGEL: We need to take action on
25 this, and I will ask the commissioners for a motion.

1 MR. S. REYNOLDS: So moved.

2 MR. D. REYNOLDS: Second.

3 MS. DAWSON: Second.

4 CHAIRMAN SIEGEL: Any opposed?

5 NOTE: There is no response.

6 CHAIRMAN SIEGEL: Okay. It is approved. We
7 have a done date.

8 MR. LERMOND: Very good.

9 The next item I have is the setting of the
10 deadline for race day requests. Years ago, it was
11 actually in the code, and there was a date -- Frank,
12 maybe you can help me -- September 15th.

13 It was very early in the fall, and the thought
14 was the harness meet isn't even done, and they gave
15 the Commission the authority to set a date that
16 worked for them, so what we need to do is figure out
17 a date and issue --

18 CHAIRMAN SIEGEL: I'm gonna recommend, unless
19 there's reasonable opposition to doing so, that we
20 set a date of November the 15th, which would give us
21 a couple of weeks prior to our November 30 meeting
22 to look these over, and if there's any concerns, to
23 voice them, and then we'd take action and discuss it
24 on November 30. Does that seem to fit with
25 everyone?

1 MR. STEWART: If I could, I'd request an
2 earlier date. I'd rather have late October.

3 CHAIRMAN SIEGEL: I don't believe the
4 Commission cares that much about it. I was trying
5 to give you more time, but if you think you -- I
6 guess, actually, a couple months might be enough, so
7 if you want to do it late October, why don't we set
8 the date? Does that work with you as well?

9 MR. PETRAMALO: That's fine.

10 CHAIRMAN SIEGEL: What's the last Friday in
11 October? Anybody have that?

12 MR. LAWS: The 26th, I believe.

13 CHAIRMAN SIEGEL: Okay. Why don't we set
14 October 26th as that date? It gives you a full week
15 at the end of the month, and it'll be 30 days or so
16 before we consider it, and if you folks can get
17 together and agree, that'd be great, and we'll move
18 on that at the next meeting.

19 MR. TROUT: Mr. Chairman, is this the deadline
20 for providing the information to the Commission, and
21 then the decision would not be made until the
22 regular November meeting; is that correct?

23 CHAIRMAN SIEGEL: That's correct. That's what
24 we are proposing.

25 MR. TROUT: So it's not a meeting on the 26th,

1 it's the deadline?

2 CHAIRMAN SIEGEL: No. They would submit this
3 to staff and then have discussions and deliver it to
4 us.

5 MR. PETRAMALO: Let me just make a comment.
6 Our horsemen's contract expires on December 31st,
7 and race days is always a part of the contract
8 negotiations, so while the horsemen will endeavor to
9 try to come to some agreement on days by
10 October 26th, I wouldn't be totally shocked if we
11 didn't.

12 CHAIRMAN SIEGEL: Yes. I wouldn't, either.

13 MR. STEWART: I guess what I was asking, was I
14 would like to make a presentation to the Commission
15 prior to the November meeting. If we make a
16 presentation at the November meeting, history is
17 that it drags on for several months before a
18 decision is made, so I was trying to accelerate the
19 decision process.

20 CHAIRMAN SIEGEL: Well, we're not scheduled to
21 have a meeting until November 30. I'm not sure
22 whether you're suggesting we have a meeting prior to
23 that.

24 MR. STEWART: I am.

25 CHAIRMAN SIEGEL: Well, we could certainly do

1 so, if -- I think it's unprecedented that we would
2 have two meetings within a few weeks.

3 MS. DAWSON: Mr. Chairman, I was gonna bring
4 this up later, but I'm not gonna be available
5 November 30th.

6 CHAIRMAN SIEGEL: All right. We'll try to deal
7 with that as well. Are you available other days
8 that week?

9 MS. DAWSON: No, not until December.

10 CHAIRMAN SIEGEL: Well, why don't we discuss
11 that and then circulate information to everyone
12 about what we're dealing with?

13 I'd like an opportunity to talk to staff about
14 that a little bit, because we would then probably
15 think about maybe adjusting the date from
16 October 26th. It just depends on when we want to
17 meet, but yeah.

18 I'm just gonna recommend that we not decide
19 that right now; that we circulate the information to
20 everyone, and we huddle up and make a decision about
21 how we'd like to do it. We're talking about having
22 two meetings within two or three weeks. The 26th to
23 November 30th is only 30 days.

24 MR. WEINBERG: Or just moving up the date of
25 the November 30th meeting to make it earlier in the

1 calendar, and push back the date for -- we just want
2 to begin the discussion earlier, rather than later,
3 and our is concern that --

4 CHAIRMAN SIEGEL: Ian is suggesting that it
5 might drag on, so if you have it the 15th of
6 November, it would still drag on in that scenario.

7 MR. STEWART: Well, I guess what I'm suggesting
8 is that we make the presentation 30 days from now,
9 the 20th of October, and the Racing Commission make
10 a decision whenever, the 20th of November. I mean
11 typically, up until this year, we've had a meeting
12 every month.

13 MR. S. REYNOLDS: That's correct.

14 CHAIRMAN SIEGEL: I know that, and we could
15 certainly do that. I guess I was talking about
16 scheduling a special meeting in between meetings for
17 this purpose. I'm not aware that we've done that
18 before.

19 MR. LERMOND: Mr. Chairman, I think staff would
20 appreciate having the race day request submitted at
21 least a week or two before the presentation is made,
22 so that we do our best to do what we need to do.

23 MR. STEWART: Sure.

24 MR. PETRAMALO: What was the deadline last
25 year? Was it December 1st?

1 MR. WOOLNOUGH: Yeah, December 1, I think.

2 MR. WEINBERG: November 1.

3 CHAIRMAN SIEGEL: Did we have two meetings as
4 you're suggesting here?

5 MR. WEINBERG: My recollection was I thought we
6 were to provide tentative race days November 1, and
7 then I think it didn't get finalized until much
8 later. I can look back.

9 MR. PETRAMALO: I think we basically came with
10 a joint request. There was no, here's the
11 horsemen's view, here's the racemen's, track's view.
12 We came with one proposal.

13 MR. WEINBERG: Correct.

14 MR. PETRAMALO: It sounds as though something
15 may be different this year. I'm just assuming that,
16 from what Ian has said so far.

17 MR. STEWART: I don't think you should
18 necessarily read anything in to it, but I think it's
19 important for everybody's sake to speedily resolve
20 it. It has never been Colonial Downs' objective to
21 drag out the process.

22 MR. PETRAMALO: We agree, for a number of
23 reasons, practical reasons, it's best to have the
24 dates set as soon as possible, so we can get out
25 there and start soliciting horsemen and publicizing

1 when our meet's gonna be.

2 CHAIRMAN SIEGEL: Are you suggesting we move
3 everything forward, including our meeting, our
4 November 30 meeting?

5 MR. PETRAMALO: Maybe the best thing would be
6 for Ian and Jim and Stephanie and I to talk a little
7 bit and then get back with you with a suggestion.

8 CHAIRMAN SIEGEL: Yeah. I think it would be
9 difficult, unless everyone had a discussion right
10 now to set these dates that everyone is happy with.
11 It might be best for you folks to give us some idea
12 of, again, respecting Dave's wishes to have it
13 submitted a week or so prior, then set a date.

14 MR. PETRAMALO: Right.

15 CHAIRMAN SIEGEL: And then perhaps in early
16 November or late October, I'd say early November,
17 and then we perhaps have a December meeting. I just
18 haven't fully thought it through. I wasn't aware
19 this was gonna be an issue today.

20 MR. TROUT: Mr. Chairman, this is something --
21 we've looked at some good time tables here, as far
22 as when the information is needed prior to having a
23 meeting or even a presentation, but I would
24 certainly not object to moving up some meeting
25 dates, if that's going to make it more feasible to

1 come up with a schedule that can be approved, and
2 they do need to be approved way ahead of time,
3 because you are dealing with something that needs
4 advertising and needs promotion and needs everything
5 else, so it's a sooner-the-better type situation.

6 If this meeting was moved up, which I don't
7 know whether any presentation would have been made
8 if this meeting would have been held in October as
9 originally scheduled, so that does leave a large gap
10 between meetings, and we do have one commissioner
11 who can't be there, so moving it up to something
12 that might be convenient, as was done with this
13 meeting, might be the way to do it.

14 CHAIRMAN SIEGEL: Well, that's what I am
15 suggesting. I just don't know whether we can set
16 those now. We certainly do need to set a time by
17 which everything must be submitted. If you want to
18 change that to a sooner date than Ian proposed, we
19 can certainly do that now.

20 MR. STEWART: I don't have a problem with it,
21 other than if we're gonna submit it all in a couple
22 weeks, then we're gonna wait six weeks to have a
23 meeting, that makes no sense.

24 CHAIRMAN SIEGEL: No, no. I'm not suggesting
25 that. I am suggesting that if we submit it let's

1 say the second week of October, week we can probably
2 try to have a meeting the third week of October. We
3 could schedule it that way, and then we could
4 essentially keep our November meeting, but move
5 it -- agree on a date that might work for all the
6 members of the Commission.

7 MR. STEWART: That's fine.

8 CHAIRMAN SIEGEL: So how do you feel about
9 setting it for like the 10th of October to have it
10 submitted? That's a Wednesday.

11 MR. WOOLNOUGH: That doesn't even let the
12 harness meet finish their meet.

13 MR. S. REYNOLDS: I won't be here.

14 CHAIRMAN SIEGEL: No, no. That's for the
15 staff.

16 MR. S. REYNOLDS: For information.

17 CHAIRMAN SIEGEL: Not to have a meeting then.
18 They would submit to the staff their proposed dates.

19 MR. STEWART: How about the 15th of October?

20 CHAIRMAN SIEGEL: The 15th of October. I don't
21 have a problem with that, either. Then we could
22 perhaps set a meeting for that following week. What
23 time would you need between the 15th and the meet?

24 MR. LERMOND: Generally, the staff would like
25 to have things ten days prior.

1 CHAIRMAN SIEGEL: Well, is it possible to have
2 the information prior to the -- well, you think you
3 need until the 15th?

4 MR. STEWART: Well, obviously, we want to sit
5 down with the horsemen and have some constructive
6 conversations, and I imagine there'll be some back
7 and forth. I'd like to accelerate the process, but
8 I think there's a certain amount of time that we
9 need.

10 MR. PETRAMALO: Well, I'm gonna be out of the
11 country from October 12th through October 24th, so
12 if you want to have some back and forth, it's gonna
13 have to be before then or after then.

14 MR. STEWART: I guess we'll have to start
15 sooner.

16 CHAIRMAN SIEGEL: Well, I have no problem
17 setting those dates, and we could set a meeting for
18 the first week in November, which would give staff
19 enough time if you wanted to do -- you said the
20 15th? Is that the date you suggested?

21 MR. STEWART: That was the date I suggested.

22 CHAIRMAN SIEGEL: If we did the first week in
23 November for the meeting, then that would give you
24 time to be back.

25 MR. PETRAMALO: That's fine.

1 CHAIRMAN SIEGEL: All right. So you're
2 suggesting the 15th of October to submit, correct?

3 MR. STEWART: Yes.

4 CHAIRMAN SIEGEL: Everybody good with that?
5 Let's just go ahead and talk about an early November
6 meeting. How about November 2nd? Does that appeal
7 to everyone?

8 MS. DAWSON: That works for me.

9 MR. PETRAMALO: I won't be here. It's the
10 Breeders' Cup in California.

11 CHAIRMAN SIEGEL: Okay. You're a lucky guy.

12 MR. PETRAMALO: I'll let you know how lucky I
13 am when I come back. Anytime the next week -- any
14 day the next week is fine, or the week after.

15 CHAIRMAN SIEGEL: Well, we could do -- How
16 about Wednesday the 7th of November?

17 MR. STEWART: Okay.

18 MR. LAWS: That is the day after the election.
19 I don't know if that affects the schedule.

20 MR. TROUT: Hangovers.

21 MR. S. REYNOLDS: Some will be happy, some will
22 be sad.

23 CHAIRMAN SIEGEL: Wednesday, November the 7th.
24 How does that work for a meeting for anyone? Any
25 problems?

1 MS. DAWSON: That's good.

2 MR. PETRAMALO: That's good.

3 CHAIRMAN SIEGEL: At ten a.m.?

4 MR. STEWART: If you're gonna have the meeting
5 on the 7th, then we back up ten days for the Racing
6 Commission staff, and that would make the submission
7 date on the 24th of October.

8 CHAIRMAN SIEGEL: You wanted to do it sooner
9 rather than later, and he's gonna be out of town.
10 Why don't you stick with the 15th? That gives you
11 more time to get together, unless you don't think
12 that's enough time.

13 MR. STEWART: Well, the point in submitting it
14 on the 15th was that then we would add ten days for
15 Dave and then have a meeting, but now we're gonna
16 add 22 days.

17 CHAIRMAN SIEGEL: Well, we have conflicts in
18 October, so we have to move it to the 1st of
19 November.

20 MR. STEWART: I understand. I'm just saying
21 that if you have the meeting on the 7th of November,
22 there's no real need to submit it on the 15th of
23 October.

24 You could have the meeting sooner. I'm just
25 saying that we'd be ready to submit things on the

1 15th of October. That assumes that you could have a
2 meeting ten days later, which you're saying you
3 can't.

4 CHAIRMAN SIEGEL: Right.

5 MR. STEWART: So then the 15th of October
6 really doesn't matter. Might as well give myself
7 another week.

8 CHAIRMAN SIEGEL: Okay. All right, then. You
9 pick it so we can move on.

10 MR. STEWART: We'll call it the 22nd.

11 CHAIRMAN SIEGEL: Let's do the 22nd. We'll
12 meet on November the 7th at ten a.m., and then we
13 will talk about a December meeting as well.

14 MR. PETRAMALO: Of course that means that you
15 will get a submission from the horsemen no later
16 than October 11th. I'm gonna be gone from the 12th
17 through 24th.

18 CHAIRMAN SIEGEL: Is that a problem?

19 MR. PETRAMALO: No. That's fine.

20 CHAIRMAN SIEGEL: Okay. Do you want to set a
21 December meeting while we're doing these? We could
22 do perhaps December the 5th, which is a Wednesday.

23 MR. PETRAMALO: That's fine.

24 MR. D. REYNOLDS: I'm out of the country.

25 CHAIRMAN SIEGEL: How long are you out of the

1 country?

2 MR. D. REYNOLDS: I think I'll be back the 4th
3 or the 5th.

4 MS. DAWSON: I'm not back until the 10th.

5 CHAIRMAN SIEGEL: You're not back until the
6 10th. You're gone until when? From when?

7 MS. DAWSON: November 9th.

8 CHAIRMAN SIEGEL: How about December 12th?

9 MS. DAWSON: That's good.

10 CHAIRMAN SIEGEL: Wow. Okay. Has everybody
11 got those? Ten a.m. on November the 7th, and ten
12 a.m. on December the 12th.

13 All right. Arduous, but done. Does that
14 conclude your report?

15 MR. LERMOND: Actually, Mr. Chairman, I just
16 had two quick things I wanted to mention that aren't
17 on the agenda.

18 One is that Mr. Hettel wanted me to give you
19 all an update on our quest for a new licensing
20 system. I don't know if you're familiar we've been
21 looking at a system provided by ARCI that is in the
22 very final stages. They're just putting -- dotting
23 the I's and crossing the T's on some reports.

24 We had a conference call where they actually
25 took control of our computer and we could see the

1 different screens. Mr. Hettel actually got to see
2 the same thing from Kentucky.

3 We were all very, very enthused with
4 the new system. We think it's really gonna be a big
5 improvement over what we have, and we've actually
6 offered to ARCI if they wanted to send somebody up
7 here in October, November when things are slow, and
8 we could almost be like a test site for them to get
9 this thing up and rolling.

10 We'll have some employees that work full-time
11 for Colonial that will come in and get renewed
12 sometime in December normally. We could take that
13 small group of people and use it as a test to the
14 new system.

15 Bernie just wanted me to give you guys an
16 update. It's a really good sign, and we're really
17 looking forward to working with ARCI and having
18 this new system that's gonna be a huge improvement
19 over what we have right now.

20 MS. DAWSON: Is there a cost associated with
21 this?

22 MR. LERMOND: That's the best part of that.
23 The only cost is the storage for the cloud. I'm not
24 that computer savvy, but there are clouds up there,
25 and they have information in them, and for \$30 or

1 \$40 a month, we'll be able to store our data in the
2 cloud.

3 So again, it's one of those things that's
4 almost too good to be true, and I keep pinching
5 myself, but I really do think it's gonna be a big
6 improvement, and we're looking forward to getting
7 started with that, as soon as the live racing is
8 over.

9 On the topic of live racing, I just wanted to
10 introduce our presiding judge, George Hickman. For
11 commissioners who have never seen George, George has
12 been with us nine or ten years as a judge.

13 He actually served as a commissioner on the
14 New Hampshire Racing Commission for six years or so.
15 George has a lot of knowledge and experience, and
16 we're lucky to have him as an employee. And that
17 concludes my report, Mr. Chairman.

18 CHAIRMAN SIEGEL: Welcome, George.

19 All right. The next item is the action that we
20 talked about with regard to the application for
21 Paradocks. There was a staff report. Dave, I guess
22 you and Joe Roney visited the site, and if you'd
23 like to just give us a brief overview.

24 MR. LERMOND: Be happy to.

25 I think it was August 31st, the application was

1 brought over to our office by Colonial Downs. In
2 this case, myself and Joe Roney, our director of
3 licensing security, each went into our separate
4 offices and reviewed it, and then we usually huddle
5 up and discuss any concerns or anything we would put
6 into the staff report.

7 I've got to tell you that we really didn't have
8 any concerns at all. I think what we really shared
9 was the optimism for this location.

10 We were very impressed with the location, the
11 staff, the management. The facility itself is
12 just -- I'm very hopeful that this is gonna be a
13 good one, and as Jim alluded to earlier, Colonial
14 did meet all the requirements for an application of
15 this sort, and staff would recommend that the
16 Commission approves this application. I'd be happy
17 to answer any questions that the Commission would
18 have, in addition to what was already discussed
19 previously.

20 CHAIRMAN SIEGEL: Any questions from
21 commissioners with regard to this application?

22 MS. DAWSON: Are there any other facilities
23 located anywhere near the Paradocks?

24 MR. LERMOND: Wager facilities? There is the
25 existing Chesapeake facility on Indian River Road,

1 and I think it was brought up earlier it may be four
2 or five miles away, but the two areas couldn't be
3 more different.

4 MS. DAWSON: Okay.

5 MR. LERMOND: When we visited the site on
6 Indian River Road, it's the same people that are
7 there, and I think the good thing about a venue like
8 this is you're gonna get new faces in there all the
9 time. They're gonna see the wagering going on and
10 hopefully will create some new fans, which is really
11 what this sport needs, is new fans in the game.

12 We are confident this will have that effect.

13 MR. S. REYNOLDS: I have a question.
14 Obviously, you all have the constraint of having ten
15 licenses to operate the satellite wagering
16 facilities. Is your model going forward maybe to
17 get out of the bricks and mortar part of it, and
18 then replace that with these new deals that you all
19 are doing with restaurants, or is the idea to go to
20 the General Assembly and try to increase that limit
21 of ten, and try to get that higher one day so that
22 you all can grow?

23 Because obviously, it's good growth
24 opportunity, but there seems to be a constraint with
25 the limit of ten right now.

1 MR. STEWART: We'd certainly like the ability
2 to have more OTBs, and the ability to place them
3 wherever we would like. I think that the days of
4 significant capitalist expenditure to contract OTBs
5 are over for Colonial Downs. So yeah, I think
6 something along these lines is our future model.

7 That being said, if we were to be in a
8 jurisdiction that justified a large expenditure,
9 then it's possible that the company would do that.

10 But I think that there's no question, and I
11 think you look at the rest of the industry, building
12 these large stand-alone facilities in an era where
13 wagering has become mobile and account wagering has
14 become dominant, is probably not the best plan.

15 MR. S. REYNOLDS: All right.

16 CHAIRMAN SIEGEL: Other questions, comments
17 from anyone?

18 NOTE: There is no response.

19 CHAIRMAN SIEGEL: All right. We need to take
20 action here. Can we get a motion to approve?

21 MR. S. REYNOLDS: I'll make the motion.

22 CHAIRMAN SIEGEL: Second?

23 MS. DAWSON: Second.

24 THE COURT: All in favor?

25 NOTE: The Commission votes aye.

1 CHAIRMAN SIEGEL: No opposed. Okay, gentlemen,
2 you have your approval.

3 MR. WEINBERG: Thank you very much.

4 CHAIRMAN SIEGEL: The next item is the
5 refinancing of Jacobs Entertainment, and I'm gonna
6 ask Jim to comment. There's a letter that Jim sent
7 out that I imagine we all got. It was part of an
8 attachment, so everyone has this letter, and we'll
9 either ask questions or offer comments after you
10 bring it forward.

11 MR. WEINBERG: Thank you. The request
12 from Colonial Downs and Stansley Racing Corp. is
13 really to preserve the status quo. Colonial Downs
14 and Stansley Racing Corp. have been veering towards
15 Jacobs Entertainment debt since 2002.

16 Periodically, those credit facilities are
17 refinanced, the last one being in 2006. This
18 facility, structurally, for JEI is slightly
19 different, but for Colonial Downs will be very
20 similar to the documentation it has signed, in that
21 logistically, the lead bank for the existing bank is
22 the same bank of the new credit facility, and they
23 are using the same counsel, and so our expectation
24 is that the documents Colonial Downs will be asked
25 to sign will be very similar to the ones it signed

1 in 2006.

2 Namely, those documents are a security
3 agreement, which pledges its assets to support its
4 guarantees, and I should have started with the
5 guarantees. A security agreement, deeds of trust
6 for the property that Colonial Downs and related
7 entities own, and in some instances, some lease hold
8 interests as well.

9 The UCC statement, which is part of the
10 security package, controlled deposit account
11 agreements, which allow the bank to have security
12 interest in bank accounts. To be clear, these are
13 bank accounts that are the sole property of Colonial
14 Downs. They are not purse accounts or the
15 Thoroughbred Partner Account, or the Standardbred
16 Partner Account; purely Colonial Downs.

17 That is called a perfection certificate, which
18 outlines where all the collateral is and certifies
19 that nothing has been left off the list.

20 The rationale for why this is important
21 for Colonial Downs is Colonial Downs is heavily
22 dependent on access to capital from Jacobs
23 Entertainment. It could not borrow funds in its own
24 balance sheet in the way and at the interest rates
25 that Jacobs Entertainment has provided it.

1 What this has meant over the years is the
2 funding or referendums, for the construction of
3 satellite facilities and for general capital
4 improvements that has come from capital provided by
5 Jacobs Entertainment.

6 More recently, the capital relocated and
7 installed additional lighting for the turf track
8 came from Jacobs Entertainment. The capital needed
9 to expand and develop the ADW kiosk and then to try
10 to implement that strategy in restaurants throughout
11 the state. Again, the capital was sourced from
12 Jacobs Entertainment.

13 To remain eligible, Colonial Downs would simply
14 continue doing what it is doing, and I'm happy to
15 review the standard of review that this Commission,
16 I think, has an obligation to look at.

17 It is not crystal clear in the statute. One of
18 the best analogies, I think, is looking at what the
19 Commission needs to look at. There was a change in
20 the ownership of Colonial Downs.

21 Since this is somewhat of a change in the
22 capital structure and looking up, that standard is,
23 would this be detrimental to horse racing in
24 Virginia, and I'd like to argue sort of the corners
25 of this.

1 This is really in the best interest of horse
2 racing in Virginia, in that it provides capital to
3 the licensees that they otherwise would not have
4 access to. It provides the opportunity for
5 expansion.

6 Obviously, there is some risk. I don't think
7 the risk that we're talking about in this credit
8 facility is in any way significantly different from
9 the risks of prior credit facilities. I'm happy to
10 go in to more detail.

11 The existing facilities consist of some
12 publicly traded notes, as well as some bank debt.
13 This will be all bank debt, and that will be
14 redeemed and that bank debt is being used for a
15 variety of sources, most of which is used to
16 increase assets that can produce revenue. Part of
17 it is used to fund an acquisition. Others are being
18 used for capital projects and working capital
19 throughout the Jacob's Entertainment organization,
20 which obviously includes Colonial Downs as well.

21 MR. S. REYNOLDS: Can I ask a question?

22 MR. WEINBERG: Absolutely. No, no. Please
23 interrupt.

24 MR. S. REYNOLDS: So with the retirement, it's
25 \$275 million, and with the new facility, is that --

1 maybe I'm reading it wrong, but is that gonna be
2 \$410 million?

3 MR. WEINBERG: It's up to 410, that's correct.
4 About 56 of that is used for acquisition of what I
5 would call income-producing assets. Of that, that
6 leaves about a \$74 million balance; 64 million is
7 for working capital purposes, which I think, again,
8 is being devoted to increasing revenues, and about
9 ten million is coming out as a dividend to
10 shareholders.

11 MR. S. REYNOLDS: My next question is --

12 CHAIRMAN SIEGEL: Wait just one second. Are
13 you finished yet, or are you still going? I'd like
14 to hold the questions until Jim's finished, because
15 I think that many of us have questions.

16 MR. S. REYNOLDS: I wanted to wait, too, but I
17 thought maybe --

18 MR. WEINBERG: Oh, no. Feel free to interrupt
19 me. I've covered the substance.

20 CHAIRMAN SIEGEL: You may cover what my
21 questions are later on.

22 MR. S. REYNOLDS: I'm sorry.

23 CHAIRMAN SIEGEL: That's all right. I just
24 think we should get through that.

25 MR. WEINBERG: In all candor, I have covered

1 the salient points, so I think it would help in this
2 dialogue to really focus the discussion on the
3 matters you have questions about.

4 CHAIRMAN SIEGEL: All right, so you don't have
5 comments on the last couple of pages? That's fine.
6 Sorry.

7 MR. WEINBERG: Candidly, I'm assuming everyone
8 has read the letter. I'm happy to review the
9 letter, but I was --

10 CHAIRMAN SIEGEL: Yeah.

11 MR. S. REYNOLDS: I just noticed there's a deed
12 of trust from Henrico County and Richmond on the
13 same piece of property, so the property line must go
14 down the middle of the property?

15 MR. WEINBERG: Yes. We pay taxes in both
16 jurisdictions. That's in both jurisdictions.

17 MR. S. REYNOLDS: That's all I've got.

18 CHAIRMAN SIEGEL: Questions from anyone else?

19 MR. TROUT: I just have a couple, Mr. Chairman.
20 One of them is, does this substantially change the
21 actual obligation of Colonial Downs? In other
22 words, is it gonna end up being obligated on more
23 debt or anything that it has now?

24 MR. WEINBERG: It could be obligated on a
25 higher amount of debt.

1 MR. TROUT: Higher amount because it includes
2 the other facilities, the new facility coming in?

3 MR. WEINBERG: Just because of the amount of
4 the borrowing of Jacobs Entertainment is greater
5 than the existing facility.

6 MR. TROUT: What about the amount of
7 collateral? Is it the same collateral that's being
8 put up that's already obligated now?

9 MR. WEINBERG: That's correct.

10 MR. TROUT: You indicated something about a
11 risk because you're dealing with actual
12 income-producing operations, as opposed to, I guess,
13 some government paper? Is that what you had?

14 MR. WEINBERG: No. My point was this: That if
15 you're gonna increase debt and therefore increase
16 your obligation to repay principal and pay more
17 interest because the debt is higher, that are you
18 digging -- are you putting -- increasing the risk of
19 default?

20 My argument is, well, you're using the funds to
21 acquire income-producing assets that hopefully are
22 going to far exceed in revenue generation the
23 principal in interest payments, and generates more
24 profits for the organization and build a stronger
25 balance sheet.

1 I think it's important to look at how the funds
2 are being applied, rather than just looking at the
3 absolute dollar number and saying, well, the current
4 facility was \$310,000 and this one's gonna be
5 \$410,000.

6 MR. TROUT: Okay. Thank you.

7 MR. WEINBERG: Million dollars. I'm sorry.

8 MR. TROUT: I had no trouble with that.

9 CHAIRMAN SIEGEL: The existing line of 275, is
10 that what's owed on it today?

11 MR. WEINBERG: That's what is outstanding.

12 CHAIRMAN SIEGEL: And Sarge pointed out going
13 to 410.

14 MR. WEINBERG: I have to tell you I have not
15 seen the credit agreement draft yet. I don't know
16 if it's eligible to borrow all 410 on day one.
17 Frequently, there are facilities that the
18 eligibility to draw down has conditions placed in
19 the agreements.

20 CHAIRMAN SIEGEL: I think it's important to
21 note that in the event of a default, the bank could
22 own this race track, but we would have to approve
23 that transfer, and likely wouldn't. I mean in my
24 view.

25 But I think it's important that everyone

1 understand that's the case, and as far as the use of
2 the proceeds from here, I think they plan to open a
3 casino and pay a dividend to Jacobs' investment as
4 well. That's my understanding. Right?

5 MR. WEINBERG: And acquire another management.

6 CHAIRMAN SIEGEL: And acquire another.

7 MR. WEINBERG: Yes.

8 CHAIRMAN SIEGEL: I think it's in your letter
9 you mentioned that failure to approve this would
10 impede Colonial's ability to grow live racing, so I
11 think some of us are hopeful that by approving this
12 would give you the ability to grow live racing. So
13 I just needed to make that comment.

14 MR. S. REYNOLDS: Absolutely.

15 CHAIRMAN SIEGEL: Is there any other questions
16 or comments? Any question or comments from the
17 public?

18 NOTE: There is no reponse.

19 MR. WEINBERG: I appreciate you highlighting
20 that if there was a foreclosure, then the bank is
21 governed or whoever holds the security interest is
22 governed by racing statute, which provides for the
23 Commission to approve anyone requiring a substantial
24 interest in Colonial, so that is an important
25 concept to bear in mind.

1 CHAIRMAN SIEGEL: Yes. I don't think any of
2 us, at least on this side, know the value of this
3 facility, but I have a question whether it's worth
4 \$410 million, but it's up to the lender to determine
5 that, and not us, I would suspect.

6 Any other questions? Questions of staff?

7 NOTE: There is no response.

8 CHAIRMAN SIEGEL: Is everyone comfortable
9 approving this action? If so, we'll entertain a
10 motion.

11 MR. S. REYNOLDS: So moved.

12 CHAIRMAN SIEGEL: And a second?

13 MR. TROUT: Second.

14 MS. DAWSON: Second.

15 CHAIRMAN SIEGEL: Hearing no objection, we'll
16 approve this refinancing.

17 MR. WEINBERG: Thank you very much.

18 CHAIRMAN SIEGEL: Okay. While it's not part of
19 the agenda, I think the Commission would be
20 interested in knowing, or at least hearing an
21 update, on the Standardbred meet which is in
22 existence now. Ian, you're, I guess, here
23 representing the Standardbred folks. Would you like
24 to comment?

25 MR. WOOLNOUGH: Well, I talked to Tom this

1 morning. He could not be here. He's running a
2 horse in the first race, so he's kind of busy.

3 From a racing point of view, the racing is
4 very, very good. From the horse population, it's
5 not. Primarily, that is due to the fact that we
6 started two weeks earlier than we normally do, and a
7 lot of the other states have sire programs and state
8 races and they were not over. They were over on the
9 17th, so we started to have horses coming in now, so
10 we're a little better off on that.

11 Attendance is slightly up, and I use the word
12 slightly. People can come back and say, well, we
13 had the fair. Well, we had it last year also.
14 We've got people coming out. The betting
15 (inaudible) is okay. Where we're suffering there is
16 that last year when we ran in the evening, we had
17 approximately nine hours of simulcast time. Right
18 now, we've got four, if we're lucky.

19 Our races finish around four o'clock, and it's
20 cut right there. I mean right in the middle of
21 Belmont program, you shut it down and go home, so
22 our people don't get to bet anymore. So that's a
23 big -- if you look at the numbers on the simulcast
24 over here, it's serious.

25 Right now, we only take five or six signals.

1 Last year, we had 15. It's a big difference there.

2 One o'clock post time, which we are doing right
3 now, people taking our signal. Again, I have been
4 asking for the report on exactly who is, and
5 Mr. Stewart says I can have it now. I haven't had
6 it before.

7 They're not taking us and I don't know why. I
8 could understand why someone like Belmont wouldn't
9 take us; they're busy doing their own thing. There
10 are harness tracks out there that should be taking
11 us and I want to know why. Again, one o'clock is a
12 hard time to get that signal. Those are things that
13 we have to look at.

14 From the racing point of view, it's doing well.

15 MR. STEWART: I have a couple of thoughts. I
16 have to take issue with a couple things
17 Mr. Woolnough said.

18 MR. WOOLNOUGH: Okay.

19 MR. STEWART: We ran at one o'clock last year
20 as well, and started a week earlier this year. We
21 have never taken 15 signals that I can possibly
22 imagine in the last four or five years.

23 MR. WOOLNOUGH: Want me to bring the book in?

24 MR. STEWART: You had your turn to talk. Now
25 it's my turn. You know, there's the numbers. I

1 think they speak for themselves.

2 Last year, we're talking apples to apples for
3 eight days running the same post time. Our
4 out-of-state handle for eight days combined was
5 663,000; this year, it's 377,000. It's down 43
6 percent.

7 Attendance is up slightly. There's no question
8 about that. The fair had a better year because it
9 rained last year for two days and this year it
10 didn't rain.

11 Live handle last year was \$137,000 for eight
12 days; this year, it's \$108,000, down 21 percent.
13 Simulcast last year 55,000; this year, it's 41,000.
14 Down 25 percent. Last year, we had just under eight
15 horses to race for the eight days; this year, we
16 have just under seven horses to race.

17 That's an apples to apples comparison.

18 CHAIRMAN SIEGEL: The only difference is we ran
19 a week earlier last year.

20 MR. WOOLNOUGH: We started the 17th last year.

21 CHAIRMAN SIEGEL: You started what day this
22 year?

23 MR. WOOLNOUGH: The 5th.

24 MR. S. REYNOLDS: What about the nine-hour
25 signal, versus the four-hour signal? Did that

1 happen last year also?

2 MR. STEWART: We ran it the same way.

3 MR. WOOLNOUGH: No, we didn't.

4 MS. BOUZEK: Yes, we did.

5 MR. WOOLNOUGH: No, we didn't.

6 MS. BOUZEK: We ran at one o'clock.

7 MR. WOOLNOUGH: I'll bring you the book in.

8 I'll bring the book in and show you the signals.

9 MR. S. REYNOLDS: You said something about
10 having a simulcast signal for nine hours.

11 MR. WOOLNOUGH: They came on at 12:00 o'clock,
12 and they show night tracks also. The numbers I get
13 from Colonial.

14 MR. S. REYNOLDS: You're saying Colonial Downs
15 is now shutting down at four and kicking everybody
16 out of their seat?

17 MR. WOOLNOUGH: Right now, our races finish, go
18 off at four o'clock. Our races finish here about
19 four o'clock or 4:10, something in that
20 neighborhood, and right after that, they close.
21 There's nothing.

22 CHAIRMAN SIEGEL: And last year, you're saying
23 they stayed open?

24 MR. WOOLNOUGH: I have the number.

25 CHAIRMAN SIEGEL: You're saying it didn't close

1 the same time last year?

2 MS. BOUZEK: What happens after you race live
3 racing is you wait around to see the dates for
4 simulcast. It's not like we say live racing is
5 over, please leave the building.

6 There's nobody there to -- of course, there's
7 the same one or two or three or four people that are
8 there. We didn't take any night tracks. There's no
9 way we took night tracks, because then you have to
10 get a whole new decoder schedule and pay twice as
11 much in decoders.

12 MR. S. REYNOLDS: Is it different on weekends?
13 I know you get a few more people here on weekends.

14 MS. BOUZEK: If there's people here to wager,
15 they wager. We don't take any night tracks. Dave,
16 you approved the schedule. Jeff had to leave
17 because he's got racing now, but...

18 CHAIRMAN SIEGEL: Do you have any comment,
19 Dave?

20 MS. BOUZEK: Other than the fair, the weekend
21 of the fair, which that would go to nine o'clock at
22 night.

23 MR. LERMOND: The Commission approved the
24 tracks on the schedule, but we don't dictate their
25 business hours, as far as how long they have to stay

1 open or not.

2 CHAIRMAN SIEGEL: Well, I would just comment
3 that -- You close when?

4 MR. WOOLNOUGH: We close the last race here the
5 14th.

6 CHAIRMAN SIEGEL: Okay. Well, I think in the
7 future, I think you guys need to get together and
8 make sure everybody understands clearly in advance
9 what will be done, and then so everyone can meet
10 their own obligations.

11 Anything else on Standardbred races at the
12 moment?

13 NOTE: There is no response.

14 CHAIRMAN SIEGEL: Hearing none, we offer any
15 comment from the public. Anybody from the public
16 that would like to make a comment, public
17 participation?

18 NOTE: There is no response.

19 CHAIRMAN SIEGEL: Otherwise, our next meeting
20 is set for November the 7th at ten a.m. Any
21 comments or a question from any of the commissioners
22 before we close?

23 NOTE: There is no response.

24 CHAIRMAN SIEGEL: We will not have a closed
25 meeting today. We determined that we didn't need

1 one today. We may have one at the November 7th
2 meeting. We will have to determine that at that
3 time.

4 MR. TROUT: Mr. Chairman, this is not really a
5 part of the business, but I was asked by one of our
6 supervisors here in the county having a concern with
7 people abandoning horses.

8 Normally, when you abandon dogs and cats,
9 Animal Control takes over. Horses are a different
10 matter altogether, so if anyone is aware of
11 facilities that take in orphaned horses or some
12 solution to the problem, I'd appreciate information
13 on that and I'll pass that on to the county. Thank
14 you.

15 CHAIRMAN SIEGEL: Okay. If there's no more
16 business to come before this Commission, we're free
17 to adjourn. Thank you, Ladies and Gentlemen.

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19 NOTE: The hearing is adjourned at
20 12:12 p.m.

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1 CERTIFICATE OF COURT REPORTER

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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.

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Further, that to the best of my ability, the foregoing transcript is a true and accurate record of the proceedings herein.

10

Given under my hand this 30th day of November, 2012.

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SANDRA G. SPINNER

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COURT REPORTER

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