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VIRGINIA RACING COMMISSION
STATE CORPORATION COMMISSION
TYLER BUILDING
COURTROOM B
1300 EAST MAIN STREET
RICHMOND, VA 23219

Thursday, February 14, 2019 at 10:00 a.m.

COMMISSION MEMBERS:
D.G. Van Clief, Jr., Chairman
Stuart Siegel, Vice Chairman
I. Clinton Miller
Stephanie B. Nixon

COMMISSION STAFF:
David S. Lermond, Jr., Executive Secretary
Kimberly C. Mackey, Business Manager
Rhonda Davis, Pari-Mutuel Wagering and Licensing
Coordinator

ATTORNEY GENERAL'S OFFICE:
Robert N. Drewry, Esquire

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| 1 | 1. Call to Order | 3 |
| 2 | 2. Approval of the December 13th minutes | 3 |
| 3 | 3. Public Comment Period | 4 |
| 4 | 4. New Business | |
| 5 | a. Request for Approval of Thoroughbred Expenditures from Virginia Breeders Fund | 12 |
| 6 | b. Request for Approval of a 2019 Limited License Submitted by the Virginia Gold Cup Association | 13 |
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| 8 | d. Request for Approval of a Satellite Wagering Facility License for Breakers Sports Grille and Bar, Submitted by Colonial Downs Group, LLC | 18 |
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| 11 | g. Request for Approval of a Satellite Wagering Facility License for Colonial Downs Racetrack, Submitted by Colonial Downs Group, LLC | 22 |
| 12 | h. Request for Approval of a Satellite Wagering Facility License for Rosie's - Vinton, Submitted by the Colonial Downs Group, LLC | 22 |
| 13 | i. Request for Approval of a License to Conduct Pari-Mutuel Wagering on Historical Horse Racing at Rosie's - Vinton, Submitted | 22 |
| 14 | 5. Commissioners' Comments | 50 |
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1 CHAIRMAN VAN CLIEF: Good morning, everybody.
2 I would like to call the meeting of the Virginia
3 Racing Commission to order this morning, and in so
4 doing, note that Commissioner Reynolds has a
5 conflict and is out of town and will not be in
6 attendance today.

7 Although he called in a few minutes ago and is
8 running a bit late, we are fortunate that
9 Commissioner Miller, although his term expired in
10 December, his replacement has not been yet named,
11 so he has a prerogative to continue to serve and
12 has kindly agreed to do so to make sure we have a
13 quorum.

14 Actually, with the three of us here, I do want
15 to make a note that we do have a quorum and we can
16 conduct business.

17 We will get going with the first order of
18 business, which is the approval of the minutes
19 from our December 13th meeting, which is enclosed
20 in your meeting books under Tab One.

21 If you've had a chance, they were distributed
22 earlier to read them. Do you have any questions,
23 suggestions or modifications you'd like to see
24 made?

25 COMMISSIONER SIEGEL: I move approval.

1 COMMISSIONER NIXON: I second it.

2 CHAIRMAN VAN CLIEF: I concur. The minutes
3 for the December 13th meeting are approved.

4 As we have conducted our meeting the last
5 couple times, we've moved what used to be at the
6 end of our meeting up to the top because we want
7 to hear from the public at the top of our meetings
8 so they can have a chance, anybody in the room has
9 an opportunity to comment on upcoming items of
10 business.

11 So we'll conduct any public commentary at this
12 time. If you'd like to make a comment, we would
13 only ask that you state your name for the record
14 and confine your remarks to a maximum of five
15 minutes. Is there anybody that would like to make
16 any comments before we get underway with the new
17 business? Sir?

18 MR. BERMAN: Good morning.

19 CHAIRMAN VAN CLIEF: Good morning.

20 MR. BERMAN: Reports from the media have
21 recently quoted sources from Colonial Downs that
22 have said the purse structure for its upcoming 15
23 day live race meet will be at least \$500,000 per
24 day. This will rank Colonial at the highest end
25 of the scale in comparison to the 70 other tracks

1 around the country.

2 Colonial has also said that it intends to run
3 30 days next year at 600,000 per day. These purse
4 projections are wrong for Virginia racing and have
5 already proven to be a failed strategy in the
6 past, neither sustaining nor growing our native
7 horse racing industry as is required in horse
8 racing's mission statement in the code of
9 Virginia.

10 Twenty years ago, Virginia racing was
11 struggling with this same dilemma. Colonial
12 wanted to run similar high-end meets. This
13 strategy used up the available purse money quickly
14 and limited the number of live race days to 25 or
15 30, which not only kept the track's overhead down,
16 but was also meant to be used as leverage with our
17 legislatures, claiming that the only way to
18 increase live race days was to grant track
19 ownership concessions and give them expanded
20 gambling. Unfortunately, the HBPA and the VTA
21 both supported Jacobs' agenda and in the end, our
22 horse racing and breeding industry were almost
23 destroyed.

24 A higher purse structure limits the
25 opportunities for Virginia-bred horses to compete

1 and instead entices ship-ins from other states to
2 come to Virginia when the bulk of the purse money
3 is offered.

4 In fact, in the year 2000, I did a FOYA
5 request asking how much Virginia purse money was
6 being retained here in Virginia and the total
7 retainage was a meager 17 percent. Virginia
8 horsemen need more opportunities to race at levels
9 they can compete at and be successful. A high
10 purse structure such as the one presently being
11 proposed by Colonial Downs did not back down and
12 will not in the future provide those
13 opportunities.

14 In addition, by the early 2000s, it had become
15 obvious that Colonial Downs had no intention of
16 growing live racing and Virginia's breeding
17 industry began to suffer.

18 When Colonial opened in 1997, there was much
19 optimism for the future of racing in Virginia.
20 Many folks excitedly bought mares and a spike in
21 breeding occurred in anticipation of expanded
22 racing opportunities that would provide them with
23 the chance to recoupe their initial investments.

24 But by 2000, it had become painfully clear
25 that Jeb Jacobs and Colonial Downs had no

1 intention in increasing live race days.

2 As Virginia horsemen began to lose hope, our
3 breeding industry began a slow and steady decline.
4 In 1998, we had 115 stallions that were bred with
5 954 mares. Ten years later in 2008, we had 52
6 stallions that bred to only 141 mares, and by
7 2013, the last year Colonial held a live race
8 meet, that number had dropped to 19 stallions
9 covering only 57 mares. Same bad news for our
10 Virginia-bred foal crop, dropping from 566 in '98
11 to 377 in 2008 and only 150 by 2013.

12 These declines were a direct result of the
13 failed strategy that only served to benefit track
14 ownership, while in the meantime, it didn't just
15 have an adverse affect on the Virginia-breds, it
16 almost destroyed the racing industry in Virginia
17 altogether.

18 Fast forward to today. In the past 12 months,
19 I have seen purse level projections for this
20 year's 15 day race meet increase from 300,000 to
21 400,000 and then 500,000, and now I hear talk they
22 might even raise it even higher to perhaps
23 600,000. Next year, they say they want to race 30
24 days at 600,000 per day, equal to \$18 million in
25 purse money.

1 How can this possibly be when as stipulated in
2 the revenue sharing agreement between the track
3 and the VEA, the horsemen do not receive a penny
4 from the revenue from the slots until one year
5 after each parlor opens, meaning that when next
6 year's 30 day \$18 million proposed live race meet
7 begins, the VEA will have only been receiving
8 their six percent of slot revenue from one site
9 for only four months. So where is the \$18 million
10 going to come from?

11 Colonial Downs' new ownership appears to be
12 taking a page right out of the old Colonial Downs
13 playbook, having purses so high once again they
14 will be at a level that our own Virginia-bred
15 horses cannot compete, and by establishing purses
16 at such a high level, it also sets a precedent
17 that will limit the number of live race days in
18 the future.

19 I suspect Colonial also has another motive.
20 Politics. We all know Colonial Downs wants more
21 than 3,000 slot machines they were granted in the
22 rules and regulations adopted by this Commission.
23 It behooves the track to run for as high dollar
24 and short a meet as possible so they can argue
25 later that the only way to increase race days is

1 by granting them more slot machines and expanding
2 gambling, an issue I expect we will begin to hear
3 more about beginning in 2020.

4 So what do I want to see? First, I'll tell
5 you what I don't want to see. I don't want
6 Virginia to adopt the same failed strategy that
7 almost destroyed our racing industry the first
8 time around.

9 Instead of 500,000 or 600,000 a day, let's
10 race for purses comparable to what our neighbors
11 at Laurel run for, averaging around \$350,000 per
12 day. That would equate to a savings of 150,000
13 per day or a total of 2.25 million in purse money
14 this year alone. That could be money that could
15 instead be used to fund an incentive program to
16 help subsidize Virginia farms to buy mares and
17 begin to drop Virginia-bred foals.

18 In the meantime, we should ramp up race days
19 at a slower pace, giving our breeders a chance to
20 catch up, maybe adding five days per year. Within
21 three or four years, we could substantially
22 increase the number of Virginia-breds that would
23 be of racing age at around the same time we would
24 be hitting the targeted 30 days of live racing.
25 Thirty days should only be seen as a starting

1 point.

2 If Colonial fulfills their obligation to try
3 and grow live racing, then we should most
4 definitely give them our blessing when they ask
5 for future consideration to expand the gaming
6 operations.

7 At the same time, it must be understood
8 beforehand that along with any future expansion of
9 gaming, Virginia will also expect the
10 corresponding increase in race days.

11 In addition, I would to like see a three to
12 five year plan from our horsemen and Colonial
13 Downs combined outlining their plan to grow
14 racing. This will provide much needed stability
15 and encourage more individuals to get involved by
16 helping them know what to expect in the future.

17 The old Colonial Downs strategy of high-end
18 racing and limited live racing benefited the
19 racetrack while failing to sustain or grow
20 Virginia racing. The data supports these
21 conclusions and cannot be ignored.

22 If Virginia chooses to adopt the old Colonial
23 Downs strategy, we will once again be doomed to
24 repeat the mistakes of our past. We cannot afford
25 to allow the growth of Virginia racing to once

1 again be hijacked by a failed strategy that has
2 proven to be detrimental to the growth of our
3 racing industry in the past.

4 I would hope that the VRC, Virginia horsemen
5 and Colonial Downs will all take these things into
6 consideration as we approach the beginning of a
7 new day in Virginia racing.

8 Etched into the stone on the exterior of the
9 Virginia Historical Society building on the newly
10 renamed Arthur Ashe Boulevard in Richmond's Fan
11 district is a quote that is attributed to our
12 great statesman and two-time governor, Patrick
13 Henry.

14 It says, quote, I have no way of judging the
15 future but by the past, end quote. Mr. Henry's
16 advice is as true today as it was 250 years ago.
17 I only hope that powers that be remember this
18 advice as we begin a new chapter in Virginia
19 racing so that we can achieve the success we all
20 want to see in the future.

21 Thank you for the opportunity to address the
22 Commission and I conclude my remarks.

23 CHAIRMAN VAN CLIEF: Thank you. Sorry. Did
24 you state your name for the record?

25 MR. BERMAN: Tad Berman.

1 CHAIRMAN VAN CLIEF: Thank you very much.
2 Thanks for your remarks. That's an interesting
3 and complex topic, trying to ascertain the nexus
4 between live racing and the growth of our breeding
5 industry.

6 I am sure that there are any number of
7 opinions on Mr. Berman's comments from any number
8 of organizations in the room. You may wish to
9 address those in the context of your reports
10 later. I'm not going to turn it into a debate
11 format at the moment.

12 Is there anyone else who would like to make
13 any comments? If not, we'll move on to new
14 business. Thank you very much.

15 We have a number of items to consider
16 approval. The first of which is from the Virginia
17 Breeders Fund, a request for approval of
18 Thoroughbred expenditures during the current year.
19 Mr. Hannum, are you going to report on that?

20 MR. HANNUM: Yes. Thank you, Mr. Chairman.

21 CHAIRMAN VAN CLIEF: That's under Tab Two for
22 my fellow Commissioners.

23 MR. HANNUM: Thank you. Debbie Easter
24 couldn't be here today so she asked me to speak to
25 Point A on the agenda.

1 So there are two requests for additional
2 funds. The first is up to \$30,000 for the
3 Virginia-bred 100 percent owner's bonus program on
4 all nonrestricted races at the Virginia Gold Cup's
5 meet on May 4th this spring for horses finishing
6 first through sixth with a cap of \$10,000 per
7 award.

8 The second request is for an additional
9 \$13,503.76 in breeders awards for 2018. When the
10 original request was made, a few horses were
11 inadvertently omitted from the original list. So
12 those are the two requests from the Virginia
13 Thoroughbred Association for your consideration.

14 CHAIRMAN VAN CLIEF: Thank you. Are there any
15 questions for Mr. Hannum on the request for
16 approval? If not, we need a motion to approve.

17 COMMISSIONER NIXON: I make a motion.

18 CHAIRMAN VAN CLIEF: Thank you.

19 COMMISSIONER SIEGEL: Second.

20 CHAIRMAN VAN CLIEF: Second. All those in
21 favor, signify by saying aye.

22 NOTE: The Commission votes aye.

23 CHAIRMAN VAN CLIEF: None opposed? The motion
24 carries unanimously.

25 MR. HANNUM: Thank you.

1 CHAIRMAN VAN CLIEF: Thank you. Next is a
2 request from the Virginia Gold Cup Association for
3 approval of its 2019 limited license. Board
4 president and racing co-chairman Dr. Will Allison
5 will make some remarks and open this one.

6 DR. ALLISON: Mr. Chairman, our sales for this
7 coming year are ahead of last year. That's very
8 promising. Great Meadow is going to do a major
9 development in our sound system, which should be a
10 great help.

11 The simulcast programs that we had in reform,
12 they're being developed. It's a work in progress
13 and hopefully the next meeting we'll have a
14 report. The only thing we want the Commission to
15 do is pray for good weather. Thank you.

16 CHAIRMAN VAN CLIEF: If we can get the rain
17 out of our system this month. I hope so. Are
18 there any questions for Dr. Allison on their
19 license request?

20 If not, we will need a motion to approve and I
21 would like to note, and this will be the case in
22 each and every one of our license approvals, that
23 any motion to approve should at the request of
24 staff management include two caveats. I'll read
25 these verbatim.

1 Number one, the horse racing with pari-mutuel
2 wagering shall be operated in accordance with all
3 representations, plans and specifications as
4 submitted in the application and as described at
5 the Virginia Racing Commission's February 14th
6 meeting. The license shall not deviate materially
7 from these representations, plans and
8 specifications without the prior consent of the
9 Commission.

10 The second condition that will be attached to
11 these motions is that horse racing with
12 pari-mutuel wagering shall be operated in
13 accordance with all applicable state and federal
14 statutes and regulations, the regulations of the
15 Commission and all local ordinances.

16 I just want to stipulate at the top that we
17 will be making those motions with those conditions
18 added in each case this morning.

19 Do we have such a motion?

20 COMMISSIONER NIXON: Motion.

21 CHAIRMAN VAN CLIEF: Thank you. Second?

22 COMMISSIONER SIEGEL: Second.

23 CHAIRMAN VAN CLIEF: Thank you. All in favor,
24 signify by saying aye.

25 NOTE: The Commission votes aye.

1 CHAIRMAN VAN CLIEF: Any opposed? welcome,
2 Commissioner Miller. We appreciate you making the
3 trip today.

4 COMMISSIONER MILLER: I'm sorry I didn't take
5 into account for construction and school buses and
6 accidents.

7 CHAIRMAN VAN CLIEF: In as much as your normal
8 term was up in December, we feel fortunate to have
9 you back at any time. So thank you for joining
10 us.

11 COMMISSIONER MILLER: I'm glad to fill in
12 until the governor gets around to replacing me.

13 CHAIRMAN VAN CLIEF: Thank you. We have
14 approved the minutes. We have approved the
15 request for expenditures for the Breeders Fund
16 this year and we just approved the limited license
17 for the Virginia Gold Cup Association.

18 COMMISSIONER MILLER: Mr. Chairman, I have
19 looked over all of the materials that David sent
20 to me, so let the record show that I vote aye on
21 all of the above.

22 CHAIRMAN VAN CLIEF: Thank you. That takes us
23 to Number 4C on our agenda and that is a request
24 for approval of the 2019 Virginia Gold Cup racing
25 officials. Under Tab Four in your books you'll

1 find that list.

2 Are there any questions for Dr. Allison or for
3 our executive secretary about this list? While
4 you're looking it over a last time, I'll make one
5 note. We are going to be approving this list in
6 mid February and the race day is not until the
7 first Saturday in May. We may need a little
8 flexibility if we lose someone or have to make
9 another appointment.

10 So I would suggest that we include in our
11 motion today an authorization for our executive
12 secretary to approve on behalf of this Commission
13 any changes to this list. That would be within
14 reason. If it's a wholesale change we'd probably
15 want to know about it.

16 MR. LERMOND: Absolutely.

17 CHAIRMAN VAN CLIEF: Any questions about the
18 list? In that case, we need a motion to approve.

19 COMMISSIONER SIEGEL: Move approval.

20 CHAIRMAN VAN CLIEF: Thank you. We have a
21 motion. Do we have a second?

22 COMMISSIONER MILLER: Second.

23 CHAIRMAN VAN CLIEF: We have a second. Thank
24 you very much. Any further discussion? If not,
25 all in favor of the 2019 Virginia Gold Cup racing

1 official list as submitted in your books, signify
2 by saying aye.

3 NOTE: The Commission votes aye.

4 CHAIRMAN VAN CLIEF: Any opposed? Thank you.
5 The motion carries. The list is approved.

6 The next up are three requests from the
7 Colonial Downs Group, LLC, for satellite wagering
8 facility licenses. These are for Breakers Sports
9 Grille and Bar here in Richmond, as well as Ponies
10 and Pints, also here in Richmond, and the Quality
11 Inn/Dutch Inn.

12 I'm going to bundle these three license
13 requests. I think we can go ahead and if there
14 are no questions or no need to address them
15 separately, I think once we hear from Mr. Lermond
16 we can entertain a motion to approve all three of
17 these licenses in one motion.

18 So Mr. Lermond has submitted a report.
19 Hopefully you have all read it, but I would like
20 him to give us a verbal report and recommendation.

21 MR. LERMOND: Thank you, Mr. Chairman. One of
22 the stipulations in the revenue sharing agreement
23 between the VEA and Colonial Downs group is that
24 the VEA will turn over the operation of all four
25 of their satellite wagering facilities on

1 April 1st.

2 The result of that stipulation is that
3 Colonial Downs Group is going to apply to have
4 their name as the licensee for three of the four
5 today.

6 The reason that we're not going to address the
7 satellite wagering facility in Chesapeake is
8 because in Chesapeake, as you may recall, they had
9 to go through some hoops and had to have a special
10 use permit, and unfortunately, the special use
11 permit is tied into the fact that the VEA holds
12 the license.

13 So it might take two or three months to get
14 things worked out in Chesapeake to where they can
15 have that special use permit changed and at that
16 time, Colonial Downs Group can apply for a license
17 in Chesapeake.

18 However, on April 1st, Colonial Downs Group is
19 going to take over the management of the
20 Chesapeake facility. We don't have to take any
21 formal action on that today, but that will consist
22 of requests to the Commission asking to amend
23 their license for the Chesapeake location.

24 It will also include an agreement between VEA
25 and Colonial Downs Group as to how all that is

1 going to work out, but it's basically the same
2 employees, the same managers. They're just kind
3 of switching who is going to sign their paycheck,
4 to over-simplify it.

5 So Breakers opened in November of 2016,
6 Ponies and Pints followed shortly thereafter in
7 January of 2017, and the Dutch Inn/Quality Inn
8 opened in March of 2018.

9 The Commission has had no issues with any
10 three of these locations. They have been ideal
11 licensees, conducted themselves accordingly and as
12 a result, I would recommend approval.

13 As Chairman Van Clief said, we can go ahead
14 and bundle these three licensees together. I
15 would recommend approval for all three to include
16 the two conditions that the Chairman enumerated
17 earlier on the previous motion.

18 CHAIRMAN VAN CLIEF: Thank you. Any questions
19 for Mr. Lermond or for that matter for Colonial
20 Downs Group, LLC, before we move ahead with that
21 motion?

22 COMMISSIONER SIEGEL: You'll come back for
23 approval on Chesapeake when it is settled in?

24 MR. LERMOND: Yes, sir.

25 CHAIRMAN VAN CLIEF: By the way, I should note

1 that I mention that the third request was for the
2 facility at the Quality Inn/Dutch Inn. That's in
3 Collinsville, Virginia.

4 Any other questions or comments?

5 COMMISSIONER SIEGEL: I move approval.

6 CHAIRMAN VAN CLIEF: Thank you very much. We
7 have a motion to approve those three licenses.
8 Do we have a second?

9 COMMISSIONER NIXON: I'll second.

10 CHAIRMAN VAN CLIEF: Thank you. We have a
11 second. Any further discussion? If not, please
12 signify your approval by saying aye.

13 NOTE: The Commission votes aye.

14 CHAIRMAN VAN CLIEF: Thank you. Those
15 licenses are approved unanimously.

16 we will take the next three licenses
17 individually and these include a request for
18 approval of a satellite wagering facility license
19 for Colonial Downs racetrack, a request for
20 approval of a satellite wagering facility license
21 for Rosie's in Vinton, and a request for approval
22 for a license to conduct pari-mutuel wagering at
23 historical horse racing at Rosie's in Vinton.

24 Those will be voted on and reported separately
25 and Mr. Gomes or Mr. Marshall are going to do the

1 honors in terms of the report this morning.

2 MR. GOMES: Yes. Good morning, Chairman,
3 Commissioners. Happy Valentine's day as well.
4 For the record, my name is Aaron Gomes, chief
5 operating officer for the Colonial Downs Group.

6 We are privileged to be here before you today
7 to present our applications for our satellite
8 wagering facility in Vinton, our satellite
9 wagering facility at Colonial Downs racetrack in
10 New Kent, and our satellite wagering facility
11 license for three of our facilities currently
12 under management by the VEA which we just
13 discussed.

14 I'm joined up here today by our executive VP
15 and general manager, John Marshall, to my left,
16 and our vice president of finance, Jamie Hartman.

17 We've provided you with quite a bit of
18 information as we discussed in our applications.
19 That big box delivered to each of you. We've
20 prepared a very brief presentation and feel free
21 to ask any questions throughout. That's why I
22 have the two smart guys on both sides of me to
23 answer them for you.

24 We've made tremendous progress across the
25 Commonwealth since we last saw you here about I

1 think back in December and wanted to provide you a
2 quick update where we are at, at all of the
3 facilities.

4 when we were last in front of you, we had just
5 broken ground in Vinton and Richmond. We are
6 excited that this last Monday, we just broke
7 ground at our Hampton facility and construction is
8 well under way there. Demolition is almost
9 complete.

10 I'd also like to share with you that last
11 month at Hampton, we received unanimous approval
12 from city council for our special use permit and
13 would also like to point out that every city we've
14 gone to before so far, we've received unanimous
15 city council approval, which I think is testament
16 to everyone's excitement for our concept.

17 To date, we've invested approximately \$100
18 million, and that number is going to shoot up
19 pretty quickly here in the next nine months as we
20 finalize all of the facilities.

21 The last time we saw you, we had approximately
22 20 employees. Now we have about 50 employees and
23 the next time we see you in April, we should have
24 about 350.

25 So the first slide here, you can just see a

1 rendering of the outside of our Vinton facility.
2 We are well under way in Vinton with construction
3 and a scheduled opening date shall the license be
4 granted and that would be April 30th of this year.
5 So 75 days and coming very quickly.

6 You can see the location just outside of
7 Roanoke there with the red star and we're very
8 excited about this location. We will be very busy
9 with the 150 game location and approximately
10 900,000 people within 50 miles of that location,
11 so we think this will be an overwhelming success.

12 On this slide, you can see a layout of the
13 interior of the Vinton facility. The main
14 entrance is at the center of the top right under
15 the big red Vinton on the slide. When you walk
16 in, the smaller area to the right of the entrance
17 doors is the high limit room, where we'll have
18 approximately 16 high limit historical horse
19 racing games in it.

20 As you look to the right corner of the image,
21 down here is our smoking section, which will have
22 about 50 HHR games in it. Down here, you have the
23 cage and players club on the bottom. In the left
24 corner, you have our Rosie's kitchen restaurant.

25 Right above that, you have the center

1 simulcast facility, and then in the center, it's
2 anchored by a large center bar which will have TVs
3 that show sporting events and other events that
4 are going on.

5 There are some pictures of the interior as of
6 Monday. So as you can see, the walls are quickly
7 going up and making a lot of progress prior to our
8 April 30th grand opening. So now I will hand it
9 over to John Marshall to walk you through an
10 update on the track.

11 MR. MARSHALL: Good morning, Mr. Chairman,
12 members of the Commission. Before getting to the
13 track, we wanted to share with you our re-branding
14 concept of Virginia Bets, which is the brand of
15 the current license area at the partnership OTBs.

16 Beginning April 1st, the date that Executive
17 Director Lermond quoted our management of the
18 license areas, we are going to re-brand the
19 license space to Virginia Horseplay.

20 So beginning that day, Virginia Bets will
21 become Virginia Horseplay and this gives you a
22 look and a feel of the brand where we will be
23 managing the pari-mutuel services in that space,
24 both in logo and ads in presentation to the
25 public.

1 So with that following the agenda, Aaron gave
2 us a fantastic update of the Vinton facility and
3 this is an update of our branding strategy for our
4 partnership OTBs in re-branding Virginia Bets to
5 Virginia Horseplay. I'd like to pause there and
6 allow the chairman to conduct his business. Thank
7 you.

8 CHAIRMAN VAN CLIEF: Okay. At this point, our
9 first item of business is to consider approval of
10 the satellite wagering facility license for
11 Colonial Downs, and as I mentioned at the top, we
12 will vote on that separately. Any questions for
13 track management?

14 COMMISSIONER SIEGEL: Not on that issue. No.

15 CHAIRMAN VAN CLIEF: Okay. Mr. Executive
16 Secretary.

17 MR. LERMOND: Thank you, Mr. Chairman. I just
18 wanted to say for the record that the reason
19 that Colonial Downs is applying for a satellite
20 wagering facility license for the racetrack is
21 that the code of Virginia states that a limited
22 licensee can only conduct simulcast racing in
23 conjunction with live racing.

24 After discussion with Mr. Drewry, we
25 determined that in conjunction with live racing

1 means on live race days. So if they did not apply
2 and were awarded this satellite wagering facility,
3 they would only be able to simulcast on the 15
4 live days. By applying for this license, that
5 allows them to simulcast year round, just like
6 they do at a simulcast wagering facility.

7 CHAIRMAN VAN CLIEF: Thank you for the
8 clarification. Good point. Are there any
9 questions? In that case, we need a motion to
10 approve the license as requested.

11 COMMISSIONER NIXON: So moved.

12 COMMISSIONER SIEGEL: Second.

13 THE COURT: We have a motion and a second.
14 Is there any discussion? If not, please signify
15 your approval by saying aye.

16 NOTE: The Commission votes aye.

17 CHAIRMAN VAN CLIEF: Any opposed? Thank you.

18 COMMISSIONER SIEGEL: I have one question.

19 CHAIRMAN VAN CLIEF: Yes.

20 COMMISSIONER SIEGEL: For clarity. So
21 Colonial Downs' OTB will open in April as well?

22 MR. MARSHALL: Correct. Yes.

23 COMMISSIONER SIEGEL: So we're not waiting for
24 live racing?

25 MR. MARSHALL: No.

1 MR. LERMOND: Mr. Chairman, for the benefit of
2 the staff, will you tell me who made the motion
3 and who seconded it?

4 CHAIRMAN VAN CLIEF: I think the motion was
5 made by Commissioner Nixon and seconded by our
6 vice chairman.

7 MR. LERMOND: Thank you.

8 CHAIRMAN VAN CLIEF: Mr. Marshall, do you have
9 any further comments you want to make or do you
10 want us to go ahead? Is your assumption that we
11 will walk right through the next two license
12 applications now or did you have any further
13 comments you wanted to make?

14 MR. MARSHALL: Those are all the further
15 comments that we have until we get to the Colonial
16 Downs racetrack progress in J. I went a little
17 out of order there for you.

18 CHAIRMAN VAN CLIEF: That's okay. We're
19 tracking. Thank you. Okay. The second request
20 that we have to deal with at this point is the
21 approval of a satellite wagering facility license
22 for Rosie's in Vinton. Are there any questions in
23 that regard?

24 In that case, we need a motion to approve the
25 license request as submitted.

1 COMMISSIONER SIEGEL: I will make the motion.

2 CHAIRMAN VAN CLIEF: Thank you. Do we have a
3 second? I'll second it. Any further discussion?
4 All those in favor, please signify by saying aye.

5 NOTE: The Commission votes aye.

6 CHAIRMAN VAN CLIEF: Are there any opposed?
7 Thank you. Motion carries. That license is
8 approved.

9 The last license being requested by Colonial
10 Downs Group, LLC, is to conduct pari-mutuel
11 wagering or historical horse racing. This is also
12 at Rosie's in Vinton. Are there any questions in
13 that regard?

14 I've got just one. Has there been anything
15 that has occurred at this point that makes you
16 think that the original consultant's opinion on
17 your revenue projections are any different than
18 what we've already read in your materials?

19 MR. GOMES: No. There is not.

20 CHAIRMAN VAN CLIEF: Okay. Thank you. That's
21 my only question. If there are no others --

22 COMMISSIONER MILLER: Mr. Chairman, I have a
23 question for Dave.

24 CHAIRMAN VAN CLIEF: Yes, Commissioner Miller.

25 COMMISSIONER MILLER: In the summary that you

1 sent regarding this under Operation Center.

2 MR. LERMOND: Yes, sir.

3 COMMISSIONER MILLER: Maybe I just didn't
4 catch it, but where are the 150 machines
5 designated in there for the historical horse
6 racing?

7 MR. LERMOND: You mean does it state in here
8 that there are 150?

9 COMMISSIONER MILLER: Yeah. I mean it's in
10 black and white somewhere, but where is it?

11 MR. LERMOND: It would have been in their full
12 application. That's a good point. I should have
13 put that in there.

14 COMMISSIONER MILLER: You just didn't mention
15 it?

16 MR. LERMOND: Yes, sir.

17 COMMISSIONER MILLER: All right.

18 MR. LERMOND: The 150 is the maximum allowed
19 by Virginia based on the population.

20 COMMISSIONER MILLER: So each time that the
21 Commission considers the historical horse racing
22 operation in each of these facilities, the number
23 is set forth in black and white for each
24 respective location?

25 MR. LERMOND: That's correct.

1 CHAIRMAN VAN CLIEF: I might ask counsel do we
2 need to include those numbers in our motion?

3 MR. DREWRY: They're in the regs so they would
4 be violating the regs if they went above that.

5 CHAIRMAN VAN CLIEF: So by granting a license
6 then, we are automatically authorizing up to 150
7 machines? It's management's decision as to
8 whether they go less than that?

9 MR. DREWRY: I believe that's correct.

10 MR. LERMOND: Because a condition of the
11 license is that they have to comply with the rules
12 and regulations and 150 machines is --
13 Commissioner Miller, that's an excellent point.
14 I'm pretty sure I had that in for the Colonial
15 Downs one and maybe I just missed that.

16 CHAIRMAN VAN CLIEF: Okay. With the note that
17 we are approving 150 machines as per set forth in
18 the regulations, then we need a motion to approve.

19 COMMISSIONER SIEGEL: I'll move it.

20 CHAIRMAN VAN CLIEF: Thank you.

21 COMMISSIONER NIXON: I second.

22 CHAIRMAN VAN CLIEF: We do have a motion and a
23 second. Any further discussion or questions? If
24 not, please signify your approval by saying aye.

25 NOTE: The Commission votes aye.

1 CHAIRMAN VAN CLIEF: Any opposed? That motion
2 carries unanimously and the license is hereby
3 granted.

4 At this point, Mr. Marshall, we look to you
5 for an update on how things are going at Colonial
6 Downs and your other satellite facilities.

7 MR. MARSHALL: Thank you so much, Mr.
8 Chairman. We put together a brief timeline here
9 with some critical dates that we believe the
10 Commission will find very important.

11 So as we speak, our team is at the track
12 conducting a job fair, of which we got a photo in
13 realtime where the track kitchen area is
14 100 percent occupied with 20 other people in line
15 waiting to get into the building to make their
16 application to work at Rosie's at Colonial Downs.
17 So an early success, and we'll be conducting that
18 fair through 8:00 p.m. today.

19 On February 25th, we plan to move in our
20 executive team and our directors into the
21 grandstand area with a TCO with a second floor
22 office space.

23 March 14th, we're conducting job fair number
24 two to fill in any open positions remaining after
25 today's job fair.

1 So with respect to installation, some critical
2 dates for you to be aware of is our carpet
3 completion date, which is March 15th. Our HHR
4 server and cage equipment delivery date is
5 March 18th, which also trigger 24-hour security on
6 post. March 22nd, we're expecting our simulcast
7 AV installation to be complete for OTB at Colonial
8 Downs.

9 Our HHR terminal delivery date is March 25th,
10 which will trigger our full surveillance
11 integration on March 26th. Our tote installation
12 completion date is March 27th and our HHR terminal
13 install completion date is March 28th.

14 A few things that will happen the very next
15 day is our security dispatch will be in force and
16 our access control will be in force in
17 anticipation for a TCO clearance for the entire
18 building on March 29th.

19 So on March 31st, we begin orientating the
20 team that we're building which began long ago but
21 accelerating today. Those on board dates will be
22 March 31st and April 1st, followed by two weeks of
23 departmental training and a lot of simulations and
24 exercises preparing for opening.

25 So in our effort to prepare to open Rosie's at

1 Colonial Downs, we'll have a four-hour simulation
2 where our leadership will mock as costumers and do
3 our team rally on April 13th. A four-hour VIP
4 sneak peak for those players that were early
5 sign-ups to the Rosie's Rewards Club to get a
6 first look and a sneak peak, followed by an
7 eight-hour mini training day, of which we intend
8 to mock full service with real customers invited
9 for that day.

10 Then on April 17th, a 12-hour simulation day
11 which involves a shift change which triggers many
12 standard operating procedure activities on our end
13 as we change shifts of team members.

14 Finally on April 18th is our anticipated
15 ribbon cutting day at Colonial Downs for Rosie's.
16 We selected Kentucky Oaks day, Friday, May 3rd as
17 our grand opening celebration for the public for
18 Rosie's at Colonial Downs.

19 So a few views of construction as of Monday.
20 The first picture is a photo of the third floor
21 clubhouse space with pallets of carpet squares to
22 be laid in the near future.

23 The middle photo is a photo of first the floor
24 condition. You can see the ceiling grids falling
25 into place. As much activity as there is below

1 the games under the floor, there is just as much
2 activity above the games in the ceiling.

3 The third photo there is a photo outside of
4 the smoking area where you can see the Drywall
5 between the main HHR floor and the smoking
6 section.

7 Also, here's a picture outside where the
8 outside is beginning to take shape with changes to
9 the parking area and our porte-cochere leading up
10 to the building.

11 On the top right is another shot of the
12 interior main HHR floor on the first floor. The
13 bottom left is the current state of our
14 simulcasting area where you can see the bar and
15 some floor and overhead work about to take place.

16 The bottom right is the current progress of
17 our HHR employee training space on the second
18 floor.

19 So that is a track update with the physical
20 nature of the track, but we also wanted to take
21 this opportunity to share with you our activities
22 in the community and this is one example of our
23 team's presence in the community.

24 NOTE: Video played to the Commission
25 and the public.

1 MR. MARSHALL: Let's pause and get our audio
2 functioning. That's our vice president of
3 marketing announcing our pledge for \$500,000 to
4 Miles Jones Elementary School in Richmond,
5 Virginia over the course of five years.

6 So the team, and ad-libbing for Mike, we
7 visited Miles Jones High School, met Principal
8 Shaw and the children in the gymnasium and held
9 the first ever miniature horse race. So it was a
10 lot of fun to see the kids' delight.

11 Here is Mark Parsons, our director of
12 community engagement, excited about the first
13 miniature horse race. So our first horse was
14 named Miles Jones, our second horse, Secretariat,
15 and our third horse, Rosie.

16 And they're off. Secretariat took an early
17 lead and held that position until about the half
18 where Miles Jones picked up his closing speed,
19 closed in on Secretariat heading toward the finish
20 line and forged his way to cross the line first.

21 The children enthusiastically cheered and
22 cried. A lot of smiles and looks of bewilderment
23 to celebrate the first ever Richmond Derby at
24 Miles Jones Elementary School.

25 CHAIRMAN VAN CLIEF: Are those Thoroughbreds

1 or Standardbreds?

2 MR. MARSHALL: I know that they were
3 Virginia-breds. Thank you.

4 CHAIRMAN VAN CLIEF: Thank you very much.

5 MR. MARSHALL: So that is the update for
6 things going on at Colonial Downs racetrack and
7 we're very open to taking questions the Commission
8 may have.

9 CHAIRMAN VAN CLIEF: Okay. Are there any
10 questions?

11 COMMISSIONER SIEGEL: Just a couple of quick
12 things. As I understand it, the plan is to race
13 primarily on turf, and the condition of the turf I
14 understand from prior to the meeting is in good
15 shape.

16 As far as the dirt is concerned, will the dirt
17 track be prepared as well? Obviously, people
18 train on that track and what would be the
19 condition of the dirt track and how often do you
20 think you'll run on that track?

21 MR. MARSHALL: Sure. Thank you. The stable
22 area opens for occupancy July 25th and our
23 commitment to the VHBPA is to be open for training
24 beginning the 25th. We're going to have a full
25 complement of training services in the morning on

1 the dirt. So we do have a critical path for live
2 racing in the stable area outside of the Rosie's
3 preparation as well.

4 On that critical path, it begins with the
5 reconstruction of the dirt track beginning in
6 April. Our intention is we're going to build a
7 base, we're going to shape the current limestone
8 base, rule and compact, add additional limestone
9 material to get the base where our track
10 superintendent wants to be.

11 We also have a purchase order out and we've
12 sourced a vendor to purchase 5,000 tons of the
13 proper mix for our cushion, which will be
14 delivered and installed through total
15 reconstruction of the dirt track that will be
16 ready well before the July 25th training date.

17 As far as the turf-dirt mix and as far as the
18 condition book goes, we've been working with Frank
19 Petramalo and his stakes committee to come up with
20 a stakes schedule first which is near the version
21 to be released in anticipation of releasing in
22 early March to the industry.

23 Thereafter, we have already begun discussions
24 on what the undercard looks like and what the
25 condition book looks like.

1 So our viewpoint at this point in time is our
2 condition book will be a full complement of dirt
3 and turf races, a variety of different distances,
4 and without knowing what's going to fill and
5 what's not going to fill.

6 Commissioner Siegel, we may have certain race
7 dates where more than 50 percent are on the dirt
8 based on what the race secretary tells us is going
9 to go, and in seeking that out, our strong desire
10 is to dominate the cards with turf racing for
11 obvious reasons and our hypothetical balance is
12 80/20 turf and dirt, but with a mile-and-a-half
13 dirt course, you know, second in size only to
14 Belmont, we anticipate we have to have dirt races
15 and we believe that the horsemen are going to tell
16 us what races are going to go based on what the
17 book says.

18 The book will reflect a fair balance of turf
19 and dirt and opportunities spanning across
20 different distances that appeal to the horse
21 population in the Mid-Atlantic and the horse
22 population that decides to reside at Colonial
23 Downs.

24 COMMISSIONER SIEGEL: I would like to follow
25 up with Mr. Berman's comments earlier. They are

1 well taken and it's not a new question. So we'd
2 be interested in hearing from Colonial Downs'
3 folks about how you intend to address those
4 issues.

5 MR. MARSHALL: From a purse perspective, we
6 all heard Mr. Berman's comments and they do have
7 some validity in point. The way that we've
8 addressed our starting purse levels so far is we
9 have deferred to the VHBPA, knowing that the VHBPA
10 has generated purse revenues since the time
11 Colonial Downs has closed, through, one, wagering
12 at Virginia Bets license locations and through ADW
13 wagering activity and those purse revenues
14 generated online.

15 So over the course of five years or so, the
16 VHBPA has managed those revenues and they know the
17 dollars available to fund purses for 2019 and
18 we're heavily reliant on Mr. Petramalo and his
19 board on the starting purse position over 15 days
20 of racing.

21 The math says what it says as far as the
22 dollars that the VHBPA has available to fund 15
23 days, and when you look at the sum of the
24 undercard versus the stakes schedule that we're
25 putting together, we feel that we've made some

1 statements as far as average daily purse is
2 concerned.

3 when we promote purse levels for 2019 we're
4 talking in terms of average daily purse, where
5 some days, for instance Virginia Derby day, the
6 purse for one race is 250,000 and with a strong
7 supporting undercard, we'll exceed 400,000 or
8 maybe even 500,000, but on other days we may be
9 below five and four.

10 The statements -- our intention of our
11 statements is to state an average daily purse
12 position for '19 and for '20. Mr. Berman's
13 comments about 2020 are well taken, too, because
14 we have been inconsistent in the statement of the
15 future and we're all forecasting enthusiastically
16 and in anticipation what the future will hold for
17 purses in 2020 and beyond.

18 until we know what we don't know, which is
19 revenue volumes at Rosie's, we've made statements
20 to promote to the industry to rally the industry
21 and get the industry behind the reopening of
22 Colonial Downs to anticipate quality, elite racing
23 which is what we're striving to do. But again,
24 our statements are meant to address average daily
25 purse, not necessarily the daily purse for every

1 single race day.

2 COMMISSIONER SIEGEL: It's obviously
3 important. I think the point is this Commission
4 is very conscious about satisfying the needs of
5 the Virginia horsemen, and the horsemen that wish
6 to race in Virginia should have a venue to do so
7 and we would just encourage you to continue to
8 work on that regard so that Mr. Berman and other
9 comments that occurred in that regard are
10 satisfied.

11 MR. MARSHALL: Certainly. I can also assure
12 everyone and the record that the VHBPA is doing
13 their role in achieving that very goal by
14 establishing percent thresholds on overnights
15 versus stakes and they have a very involved voice
16 in our condition book and we are doing
17 it collaboratively.

18 So we're not coming out of the gate
19 unilaterally with a condition book or a stake
20 schedule. We're working together to make sure the
21 cross-section of constituents' needs are met.

22 COMMISSIONER SIEGEL: Good.

23 CHAIRMAN VAN CLIEF: I might just ask
24 Mr. Hannum if he could weigh in a little bit here,
25 too. Obviously, the working relationship on a

1 daily basis runs back and forth between Colonial
2 Downs Group, LLC, and the VHBPA, but there are
3 other members who have been heavily involved and
4 who are stakeholders in this whole enterprise
5 under the banner of the VEA and I just want to ask
6 Mr. Hannum.

7 If your other VEA members such as the VTA are
8 satisfied with the direction we've taken as an
9 industry and feel that this provides a good
10 platform and a launching pad for hopefully what
11 we'll see in the future, the regrowth of our
12 breeding industry.

13 MR. HANNUM: Yes. So in terms of this season,
14 you know, as John has alluded to, it's a little
15 bit easier for paying for the purses because there
16 has been an accumulation of funds.

17 Going forward, we have to see how the machines
18 do and see what funds are available. But in terms
19 of this year in terms of the average per day and
20 the 15 day meet, we're all very satisfied and
21 excited and we want to grow the industry and we
22 want to see those breeding numbers pick back up
23 and we want to continue to support the residency
24 program which has been very successful.

25 But the VEA looks at the flat racing equally

1 in terms of how we look at the interests of all of
2 our members. We have four member groups and we
3 need to ensure that everybody's programs are
4 growing. So that's kind of how the VEA looks at
5 it.

6 In terms of the average per day, that's really
7 something for Dr. Daniels and the HBPA to sort of
8 weigh in and we defer to the HBPA because that's
9 their role. So the VEA takes a little bit more of
10 a higher level view on all of this.

11 So we just hope that the HHR machines do very
12 well and that we have enough money to support all
13 of our member groups.

14 COMMISSIONER MILLER: Mr. Chairman, I have a
15 question of Mr. Marshall.

16 CHAIRMAN VAN CLIEF: Yes, sir.

17 COMMISSIONER MILLER: Could you give us an
18 update on the update in maintenance or any
19 improvements made in the stable area in Colonial
20 Downs, what's happening there and whether you're
21 aware that there was some kind of controversy?

22 It has been four or five, six years ago
23 between Mr. Jacobs and the subdivision down there.
24 They had a problem there because of accumulation
25 of waste --

1 MR. LERMOND: I think it was flies.

2 COMMISSIONER MILLER: -- accumulation of waste
3 in the stable area that brought a hoard of flies
4 to the neighborhood.

5 I just wonder if you thought of that or had
6 any contact with anyone in that subdivision about
7 what your plans are for the stable area and to
8 assure those people that that won't happen again
9 or stuff like that.

10 MR. MARSHALL: Yes. Sure. Commissioner
11 Miller, we have not met with the Homeowners
12 Association at Brickshire yet. One of the
13 residents there is also a county councilman and we
14 have had discussions with him and we've been aware
15 of some issues our neighbor may have had in the
16 past with the stable area and we intend on
17 addressing those with the HOA.

18 From a practical standpoint, we do have a plan
19 to revive the stable area, which is in terrific
20 condition, by the way. Terrific enough to
21 compliment the Jacobs group in the condition that
22 they left it.

23 The barns themselves are very good
24 structurally. The clay floors in every stall had
25 been leveled and renovated before we moved in.

1 we have a complete maintenance regiment in the
2 works to do a lot of work back there and we have
3 allocated a significant amount of dollars in our
4 budget to do so.

5 we do have a team of facilities folks on the
6 ground right now working that plan, making
7 contacts with third party vendors. It's a larger
8 task than for us to take on ourselves and we're
9 going to be looking to contractors for help in
10 some cases to get the stable area ready.

11 COMMISSIONER MILLER: Thank you.

12 MR. MARSHALL: But we're fairly confident that
13 we're not going to disappoint resident horsemen
14 when they move in on July 25th.

15 COMMISSIONER MILLER: Thank you.

16 MR. LERMOND: Mr. Chairman.

17 CHAIRMAN VAN CLIEF: Mr. Lermond.

18 MR. LERMOND: Can I make a couple comments?

19 CHAIRMAN VAN CLIEF: Sure.

20 MR. LERMOND: First, I guess I want to say
21 that apparently, Mr. Marshall missed his calling
22 as a racetrack announcer based on his
23 presentation.

24 But seriously, what I want to say on behalf of
25 the staff and Commission is to thank Mr. Marshall

1 and his team thus far. Specifically, Stephanie
2 Wisneski, who I think they call the Queen of
3 Compliance. Stephanie is the one responsible for
4 those large boxes of notebooks that have shown up
5 on your doorsteps recently.

6 MR. MARSHALL: She's here this morning.

7 MR. LERMOND: Stephanie is here.

8 AUDIENCE MEMBER: She just went to the ladies'
9 room.

10 MR. LERMOND: You can't do that during a
11 meeting. Something might happen.

12 Anyway, Stephanie puts up with my pickiness on
13 the applications, and between Stephanie and Rhonda
14 and I, we get these applications to a really nice
15 place before they even hit your doorsteps and that
16 has been proven to be effective.

17 Also Molly Procell, who is the human resource
18 director, she and Rhonda have been working very
19 closely to try to figure out how they're going to
20 license these 1,000 people that are going to
21 require licensing between now and the end of the
22 year that will work at the various facilities.

23 I also want to mention Greg Saloman, who is
24 the director of facilities. Greg was introduced
25 to our equine medical director, Dr. Ada Caruthers,

1 a couple months ago and he spent a good 20, 25
2 minutes following her around with a pad of paper
3 in the test barn taking down notes on all the
4 things that Dr. Caruthers wants to see improved,
5 and I have every reason to believe those things
6 will be done in time for live racing.

7 So I think it's important to note this and the
8 level of cooperation and the commitment to
9 excellence, not only from John, but these staff
10 members is very comforting to the Commission and
11 the staff and I just thought it would be
12 noteworthy for you all to know what we know.

13 CHAIRMAN VAN CLIEF: Thank you for pointing
14 that out and thank all of you, your team for their
15 cooperation. I'd like to circle back on the
16 operational side as a sort of follow-on to
17 Commissioner Siegel's questions about the racing
18 surface. I'm just curious.

19 I understand you're replacing the dirt track
20 with all new material, correct? Is that local
21 material? Where is it coming from and do you have
22 a consultant that is doing that or are you doing
23 it all in-house with folks on staff at this point?

24 MR. MARSHALL: Well, at the moment, we've been
25 relying on J.D. Thomas, Colonial Downs' former

1 track superintendent, to lead the way on our needs
2 for raw materials. We're sourcing the raw
3 materials from the same entity where he had in the
4 past.

5 The mix between new and pre-used material is
6 probably going to be 60/40, but we did find the
7 former cushion of which the core we found some
8 available material in the core but not on the
9 peripherals.

10 So we got an estimate on that core material to
11 try to offset purchase of new. Not to cut
12 corners, but as a matter of convenience more than
13 anything else.

14 But when horsemen arrive on the track the
15 morning of July 25th, I think we'll have some
16 happy exercise riders and happy horses as they
17 feel what they feel below their feet, which is
18 going to be four-and-a-half inches of
19 reconstructed cushion, new material with a proper
20 mix related to the climate and a lot of people are
21 looking forward to that day.

22 I know a lot of people in this room are and a
23 lot of folks that are keeping up on us through
24 BloodHorse, the Daily Racing Forum, the Paulick
25 Report, the industry media. I know there's a lot

1 of attention on the re-introduction of racing at
2 Colonial Downs.

3 Our VP of racing operations, Jill Byrne, joins
4 us physically on February 27th. Jill has been
5 very active in her circles involving the folks in
6 Lexington at the Breeders Cup and the Jockey Club
7 and getting things in order to set us up for
8 success.

9 CHAIRMAN VAN CLIEF: All right. Thank you.

10 MR. MARSHALL: You're welcome.

11 CHAIRMAN VAN CLIEF: Any other questions for
12 Mr. Marshall or Mr. Gomes or their team? Great.
13 Thank you very much, gentlemen. It's exciting to
14 hear about the progress that's being made.

15 Congratulations on remaining on track with
16 your deadlines, which is an achievement unto
17 itself, and we look forward to the opening with
18 great excitement. Thank you for your reports
19 today.

20 That takes us to commissioners' comments.
21 It's open for any commissioner to make any
22 observations they care to.

23 COMMISSIONER NIXON: I just congratulate you
24 on all of your hard work and looking forward to
25 the 18th.

1 MR. MARSHALL: Thank you.

2 MR. GOMES: Thank you.

3 CHAIRMAN VAN CLIEF: Commissioner Siegel.

4 COMMISSIONER SIEGEL: It's just exciting.

5 CHAIRMAN VAN CLIEF: Commissioner Miller.

6 COMMISSIONER MILLER: I have nothing further
7 other than to apologize again for being late.

8 CHAIRMAN VAN CLIEF: Nothing further from me,
9 either. We do not need a closed session,
10 thankfully, today and that takes us to adjournment
11 and I'd entertain a motion to adjourn.

12 COMMISSIONER SIEGEL: So moved.

13 CHAIRMAN VAN CLIEF: We have a motion. Do we
14 have a second?

15 COMMISSIONER NIXON: Second.

16 CHAIRMAN VAN CLIEF: We have a second. Any
17 opposed? Thank you all for joining us this
18 morning and enjoy the rest of your Valentine's
19 day. We stand adjourned.

20

21 NOTE: This meeting of the Virginia
22 Racing Commission is adjourned at 11:08 a.m.

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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 13th day of March, 2019.

Sandra G. Spinner
Sandra G. Spinner
Court Reporter