

Virginia Racing Commission

MINUTES

OF THE

COMMISSION MEETING

June 23, 2014

**HORSEMEN'S BUILDING
COLONIAL DOWNS
10700 HORSEMEN'S ROAD
NEW KENT, VA**

In Attendance

Commission Members:

J. Sargeant Reynolds, Jr., Chairman
D.G. Van Clief, Jr., Vice Chairman
Carol G. Dawson
Stran Trout
Clinton Miller

Commission Staff:

Bernard J. Hettel, Executive Secretary
David S. Lermond, Jr., Deputy Executive Secretary
C. Richard Harden, DVM, Equine Medical Director
Kimberly C. Mackey, Office Administrator
Courtney C. Reid, Program Support Technician

Attorney General's Office:

Joshua Laws

At 9:59 a.m., the special meeting of the Virginia Racing Commission (VRC) was called to order by Chairman Reynolds.

Chairman Reynolds gave a synopsis of the three scenarios presented to the stakeholders for the future of Thoroughbred Racing in Virginia and then gave Colonial Downs and the VAHBPA an opportunity to comment.

Frank Petramalo, Executive Director of the VAHBPA, conveyed that the horsemen want to race in 2014; however, due to already being so late in the year, concentrating on a 2015 racing contract is more reasonable. The VAHBPA insists on a 2015 Thoroughbred racing schedule that includes 8 weeks of summer racing, with the stable area open and training facilities available.

Ian Stewart, President of Colonial Downs, explained the race track and its ownership hold a different view of what racing in 2015 should look like and they are not going to agree to an 8 week schedule.

Chairman Reynolds responded to the comments and expressed his views; if the track is not running in 2014, an 8 week meet should be possible with the addition of boutique days. He also insists that upon this schedule, a

ship-in only meet is unacceptable. The Chairman asked each Commissioner to make comments on the issues at hand.

Commissioner Dawson stated that while she is disappointed to see no racing in 2014, both parties should work diligently to agree on a contract for 2015 and open the Off-Track betting facilities (OTBs) as soon as possible.

Commissioner Trout expressed great concern with no racing in 2014 and would prefer to have some form of Thoroughbred racing in 2014. He suggested the two parties come to an agreement for 2015 and beyond in order to open the OTBs.

Commissioner Miller made an inquiry on the amount of revenue lost during the current dispute, inspiring a conversation between Miller and Ian Stewart concerning lost revenue and business decisions of Colonial Downs.

Vice Chairman Van Clief supported Millers ideology and encouraged both parties to look toward the future and do what is best for the native industry.

Chairman Reynolds invited the public to participate in the ongoing conversation. Several members of the public expressed to the Commission the struggles the impasse has imposed on everyone involved.

At 11:07, a motion was approved for the Commission to go into closed session in order to seek legal advice in reference to a resolution for 2014-2015 racing days. At 12:05, a motion was approved to end the closed session and go back into open session.

Josh Laws, Assistant Attorney General, read the resolution crafted by the Commission in the closed session: "The Commission is ordering Colonial Downs to request 2015 Thoroughbred race days in accordance with a directive set forth here now. The Commission is ordering Colonial Downs and the Virginia HBPA to enter a into a contract for 2015 live Thoroughbred race days that will include at least 8 continuous weeks and 24 race days, 3 days per week, with the stables and training facilities open. Such a contract should be presented to the Commission or the Executive Secretary of the Commission, by July 1st, 2014. If Colonial Downs and the Virginia HBPA enter into a contract for 2015 Thoroughbred race days, the Racing Commission will resend its December 2013 order for Thoroughbred race days in 2014. Further, upon entering into this contract, by operation of Law, the satellite wagering facilities in Virginia can once again being accepting pari-mutuel wagering on Thoroughbred horse racing. Further, the Commission is prescribing delegating authority to the Executive Secretary of the Racing Commission to accept and approve a contract between Colonial Downs and the Virginia HBPA that conforms to this resolution."

Van Clief made a motion to adopt the resolution and it was unanimously approved.

Jim Weinberg, Counsel for Colonial Downs, made a legal objection to the motion.

The meeting adjourned at 12:08 p.m.