

# **Virginia Racing Commission**

## **MINUTES**

### **OF THE**

#### **COMMISSION MEETING**

**November 17, 2015**

**Patrick Henry Building  
West Reading Room  
1111 East Broad Street  
Richmond, VA 23219**

#### **In Attendance**

##### **Commission Members:**

J. Sargeant Reynolds, Jr., Chairman  
D.G. Van Clief, Jr., Vice Chairman  
Dr. Charles Steger  
I. Clinton Miller

##### **Commission Staff:**

Bernard J. Hettel, Executive Secretary  
C. Richard Harden, DVM, Equine Medical Director  
David S. Lermond, Jr., Deputy Executive Secretary

##### **Office of Agriculture and Forestry**

Samuel T. Towell, Deputy Secretary of Agriculture and Forestry

##### **Attorney General's Office:**

Joshua E. Laws, Esq.  
J. Duncan Pitchford, Esq.  
Kristina Stoney, Esq.  
John W. Daniel, Esq.

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The meeting of the Virginia Racing Commission was called to order at 10:00 a.m. by Chairman Reynolds who noted that all Commissioners were present with the exception of Commissioner Dawson.

Upon checking the Commissioners' availability in December, Chairman Reynolds set the next Commission meeting for December 16, 2015 at 10:00 a.m.

Based on a recommendation from Mr. Hettel and with the consent of the parties involved, the Commission decided to defer the scheduled hearing involving Twinspires' Advance Deposit Account Wagering license to the next scheduled Commission meeting on December 16, 2015.

The next order of business was a hearing regarding Colonial Downs, L.P.'s application for a Limited License for 2016. Following presentations made by representatives of Colonial Downs, questions from Commissioners, and public comments concerning the application, the Commission went into a closed session to seek legal advice from its counsel at 11:21 a.m.

The Commissioners returned from the closed session at 11:40 a.m. and offered the following comments: Vice Chairman Van Clief stated that as much as he would like to see the Virginia Derby run at Colonial Downs next year, he could not support its application for a Limited License as it would split the revenue flow and the horse racing industry in Virginia, which must be unified in order to be successful. Commissioner Miller agreed with the comments of Vice Chairman Van Clief and went on to say that Colonial Downs is a beautiful facility and the problem is not its employees but that of its owner/operator. He also stated that when Colonial Downs surrendered its Limited License in October of 2014 it was a serious blow not only to Virginia's economy and racing industry, but also to the racing fans, horsemen, and employees of Colonial Downs and he was very concerned about what assurance the Commission would have in the future that the owner would not do the same thing again if Colonial was granted a Limited License for 2016. Commissioner Steger also agreed with Vice Chairman Van Clief's comments and did not elaborate further in the interest of time. Finally Chairman Reynolds also agreed with the comments of his fellow Commissioners and said for him Colonial Downs turning in its Unlimited License last fall was the final straw and did not help to promote or grow the horse racing industry in Virginia.

The Commission then voted unanimously to deny Colonial Downs, L.P.'s application for a 2016 Limited License. Mr. Laws informed the Commission and representatives of Colonial Downs that a written decision would be forthcoming and be effective as of the date it is written.

The minutes of the Virginia Racing Commission meeting held on October 14, 2015 were unanimously approved as amended by Chairman Reynolds.

Mr. Petramalo gave a brief report on the eight stake races that were run at Laurel Race Course in September. He stated the eight stake races had total combined purse amounts of \$1.1 million and generated wagering of \$2.1 million of which the Virginia Horsemen's Benevolent and Protective Association (VHBPA) would receive the normal horsemen's share estimated at \$40,000 to \$50,000. The exact amount would depend on how much was wagered in-state versus out-of-state and the corresponding percentages that are normally attributable to the horsemen in Maryland.

The Commission voted unanimously to approve requests from the VHBPA and the Virginia Harness Horsemen's Association (VHHA) to rebate back a portion of the funds they receive from several of the account wagering providers with funds earned after July 1, 2015.

Jeb Hannum from the Virginia Equine Alliance (VEA) reported that the races at Oak Ridge Race Course in October went very well and he especially wanted to thank Mr. J. D. Thomas and his

crew for the outstanding job they did preparing the racing surface. Mrs. John Holland, the owner of the Oak Ridge Estate, praised the VEA and its employees for a job well done and her daughter Heather Goodwin said she was looking forward to next year and the opportunity to promote the event with more lead time. Mr. Hannum said the VEA is currently looking into various possibilities for satellite wagering facilities in 2016 and that the amount currently owed to the VEA by Twinspires is \$360,507.

At 12:17 p.m. the Commission went into another closed session to discuss personnel matters.

The Commission came out of the closed session at 12:27 p.m. and with no further business set forth on the agenda, the meeting was adjourned.