

UNAPPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF THE

COMMISSION MEETING

March 22, 2006

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

In Attendance

Commission Members

Mark T. Brown, Chairman:
Anne D. W. Poulson, Vice Chairman
Peter C. Burnett
David C. Reynolds
Dr. George W. Rimler

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
Dr. C. Richard Harden, Commission Veterinarian
David S. Lermond, Jr., Director of Pari-mutuels
Joseph M. Roney, Director of Operations and Enforcement
Marvin A. Sniegion, Director of Finance & Planning

Attorney General's Office:

Teresa Griggs

At 9:34 a.m., Chairman Brown called the meeting to order.

The minutes of the February 15, 2006 meeting were approved.

Chairman Brown reported that the Standardbred Blue Ribbon Committee Final Report needed to be approved by the Commission. The report was approved unanimously.

Commissioner Reynolds, Chairman of the Racing Industry Partnership Task Force, reported that Commissioner Poulson, Mr. Bowker, Mr. Sniegon and Ms. Carter had met with General Services to discuss the procurement requirements for the marketing and promotion funds. He added that General Services will be developing a set of guidelines for the bidding process that will need to be followed in the awarding of the funds. He also reported that a revised version of the Marketing Strategic Plan will be out before the next meeting.

Acting on the recommendation from Mr. Bowker, the Commission approved Colonial Downs' April simulcasting schedule.

Frank Petramalo and John Hanna presented a request for use funds from the Benevolence Fund. In addition to a number of programs for horsemen, construction of a new 20-room dormitory and painting of several existing dormitory floors and walls were included in the request. After considerable discussion, the Commission voted to approve all but the \$30,000 for painting the floors and walls of existing dorms. Chairman Brown, Commissioner Burnett and Mr. Bowker were asked to develop parameters for maintenance and to recommend to the Commission within 30 days a policy on use of the benevolence funds for maintenance.

Iain Woolnough, Vice President and General Manager of Colonial Downs, said a new wagering format for the 2006 Thoroughbred meet had been formulated. The format was approved unanimously.

James Weinberg, counsel for Colonial Downs, updated the Commission on the Richmond Broad Street remodeling. He stated it was necessary to close down the facility completely to facilitate the work and that the facility is scheduled to open April 7 pending approval of final inspections.

Director of Marketing, Darrel Wood reported that a number of special events have been planned for the 2006 Thoroughbred Meet including:

June 17	Hooters Beach Party
June 24	Fleece blanket giveaway for the first 5,000
July 3 and 4	Laser light show (not confirmed)
VA Derby	K95 Country Fest and a 5K Run
July 29	Classic Car Show
August 5	10 th Anniversary

Mr. Weinberg updated the Commission on the status of the agreement with VHHA, representatives of the harness horsemen. Since the agreement had been delivered to the Commission on March 20, Commissioners had not had an opportunity to review it and action was deferred to the April meeting.

Mr. Weinberg also reported the contract documents involving the account wagering agreement with AmericaTab are being exchanged between attorneys for both parties. Mr. Weinberg added that no progress has been made with YouBet but representatives of the horsemen organizations were going to Los Angeles in April to meet with YouBet representatives and had the authority to work out an agreement.

Mr. Weinberg added that attorneys for Jacobs Entertainment were continuing to work on the necessary documents for a new credit facility to refinance the company's debt. He said he thought they would be ready for a presentation to the Commission at the April meeting and then final approval in May.

Commissioner Rimler asked who is to pay the Commission's cost of reviewing the agreements? He stated he had no problem with the Commission paying for review of the initial license application, but that any changes made after that are for the benefit of the licensee and the licensee should pay for the Commission's review. Mr. Bowker was asked to survey other states to see how they handle costs of review. Mr. Weinberg said income from fees collected by the Commissions also should be considered.

There being no further business before the Commission, the meeting adjourned at 11:15 a.m.