

APPROVED

## VIRGINIA RACING COMMISSION

### MINUTES

September 20, 2006

VIRGINIA CROSSINGS RESORT  
1000 VIRGINIA CENTER PARKWAY  
GLEN ALLEN, VIRGINIA

#### In Attendance

##### Commission Members:

Mark T. Brown, Chairman  
Peter C. Burnett, Vice Chairman  
David C. Reynolds  
I. Clinton Miller  
William H. (Trip) Ferguson

##### 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. Sniegon, Director of Finance & Planning

##### Attorney General's Office:

Teresa C. Griggs  
Frank Ferguson  
Sara Allen

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An appeal hearing in the matter of Dr. William Heffner was considered and then continued until the Racing Commission's October meeting.

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At 11:26 a.m., Chairman Brown called the regular monthly meeting of the Commission to order.

The minutes of the August 16, 2006 meeting were approved.

Chairman Brown said he had been at Colonial Downs for the opening of the harness meet and complimented track management on the improved security.

Chairman Brown announced that he was making the following committee chairman assignments:

Code Revision Committee—Miller  
Rules Committee—Burnett  
Thoroughbred Breeders Fund—Ferguson  
Wagering Technology--Ferguson

Commissioner Reynolds, Chairman of the Racing Industry Partnership Task Force, reported the Task Force had interviewed three finalists on Thursday, August 17, 2006 in response to the RFP. He said the Task Force selected CRT/tanka to develop the marketing plan for the Commission.

He said CRT/tanaka has developed two phases that would lead to the implementation of the marketing plan—research and development of the plan. He said the cost of the first two phases would not exceed \$57,200.

Commissioner Burnett suggested that during the research phase that Commissioners and Staff be included on the interview list.

Commissioner Reynolds introduced Julie McCracken of CRT/tanaka and then moved to approve the agreement with CRT/tanaka at a cost not exceed \$57,200 for the first two phases. The motion was unanimously approved.

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

Iain Woolnough, Vice President and General Manager of Colonial Downs provided an update on the 2006 live harness meet. He said more horses are arriving almost daily and a \$100,000 race for trotters has been scheduled for October 13.

Colonial Downs President Ian Stewart said the pilot program for account wagering at Chevys in Chesapeake involving TVG's remote control wagering program had been discontinued. He said Colonial may take another look at it in the future.

The Commission set the next meeting for October 18, 2006.

Chairman Brown then made the following motion:

“In accordance with the provisions of Section 2.2-3711 (A)(7) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open

meeting would adversely affect the negotiating or litigating posture of the Commission, and consultation with legal counsel employed or retained by the Commission regarding specific legal matters requiring the provision of legal advice by such counsel regarding

1. YouBet

The motion was seconded and was unanimously approved.

Coming out of closed meeting, Chairman Brown offered the following resolution:

“Whereas, the Virginia Racing Commission has convened a closed meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and

“Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by this Commission that such closed meeting was conducted in conformity with Virginia law;

“Now, therefore, be it resolved, that the Virginia Racing Commission certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission in the closed meeting.”

The motion was seconded by Vice Chairman Burnett and the vote was as follows: Burnett, aye; Ferguson, aye; Reynolds, aye; Miller, aye and Chairman Brown, aye.

There being no further business, the monthly meeting of the Commission was adjourned at 11:46 a.m.

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Working Session

Following the monthly meeting, the Commission began a Working Session that had been continued from July 22, 2006.

Mr. Bowker led a discussion on the updated draft of a Governance Manual being developed by the Commission. Industry stakeholders provided input into the discussion involving *ex parte* communications. A number of additions and changes were made and the Commission voted to combine Code Revision and Rules Committee with Commissioners Miller and Burnett as co-chairman.

After the changes are made in the document and Commissioners take a final look, Mr. Bowker will distribute the document to industry stakeholders. It will then be on the agenda for final approval at the October meeting.

The Commissioners also have begun a review of its Code of Ethics and Conduct.

There being no further business, the working session was adjourned.