

The Virgin Islands Consortium

V.I. Horse Racing Commission Chairman Jay Watson Ousted; Laura Palminteri Back At The Helm

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In a startling turn of events on Friday on St. Croix, Jay Watson, seen above, chairman of the Virgin Islands Horse Racing Commission, was ousted at the end of a scheduled meeting the commission held at the Henry E. Rohlsen Airport and replaced by former chair, Dr. Laura Palminteri.

The purpose of the meeting was to get the Department of Planning and Natural Resources (D.P.N.R.) input and receive an update from VIGL, the racing company that entered into an agreement with the Government of the Virgin Islands in 2016 to invest \$27 million into the territory's horse racing industry with two new facilities, one on St. Croix and the other on St. Thomas. The meeting was to get an update on the timeline of

construction, according to Ron Phillips, vice chair for the commission.

Also present at the meeting were representatives from VIGL, D.P.N.R., the St. Croix Horsemen's Association, the St. Thomas Horsemen's Association, and Senator Alicia Barnes.

During the course of the meeting, it was evident, as heated words were exchanged between the chair and board member, Sheldon Turnbull, that there was no love lost between them. In the end, it was Mr. Turnbull who introduced the motion to reorganize the commission and replace Mr. Watson. The motion was seconded by Hugo Hodge. The board then voted in the affirmative to place Ms. Palminteri back at the helm.

In May Mr. Turnbull testified before the legislative body, describing the current state of the commission as 'dysfunctional' under Mr. Watson's leadership. He had expressed displeasure at the chair's motion in December of 2018 to remove Ms. Palminteri as chairperson and have himself installed. He described Mr. Watson as a unilateral leader who expressed a lack of care for horse owners and showed little respect for the members of the commission in the St. Thomas/St. John district.

Mr. Turnbull was [not the only person to voice his dissatisfaction](#) with the chair. Members of the legislature also expressed displeasure with his performance, but it appeared that their intent was to hold him to a higher standard and to adequately perform the duties required of his position.

Mr. Phillips told the Consortium that Dr. Palminteri's reinstatement as chair of the V.I. Horseracing Commission is a conflict of interest because she is treating racehorses that are being trained in St. Thomas and sent to Tortola to race and is benefitting financially in the process.

Mr. Watson said he issued a copy of statue of interest statement to all of the commission's members. He reiterated that Ms. Palminteri indeed had a conflict of interest and he had recorded evidence from a previous board meeting to the contrary. He further elaborated by explaining that because the doctor is currently treating race horses in the territory and accepting money for it, she is violating the conflict of interest statue.

[According to a prior Consortium article](#), Ms. Palminteri, a doctor, has over twenty years of experience working with thoroughbred racing in the territory. She has a veterinary medical background and has worked as a track veterinarian for several racetracks in the United States. Some senators expressed concerns of conflict of interest with Ms. Palminteri becoming a member of the commission, as she is the only veterinarian specializing in equine care in the territory.

The Consortium was unable to confirm by press time whether or not Ms. Palminteri has, in fact, been treating the territory's race horses and receiving a financial benefit for her services.

In an interview with the Consortium, VIGL vice president of racing, Bill Bork, shared the racing company's plans to open an off-track betting parlor at the Caravelle Hotel in Christiansted where patrons can watch the races on TV and place their bets at a betting terminal. The investment company is currently in the process of procuring leases to occupy the space.

When asked by the Consortium to give an update regarding the racetrack building status, Mr. Bork said that he was under the impression that VIGL could not submit any applications to D.P.N.R. without a Federal Aviation Administration (F.A.A.) permit. The racetrack land is currently zoned 'aeronautical' and must be rezoned 'marine', he said, under the V.I.P.A.'s umbrella, in order for the company to proceed with the permitting process. VIGL is hoping to get the nod of approval by September 15.

However, Mr. Phillips expressed to the Consortium that at one time the F.A.A. did in fact state that the property's zoning needed to be transferred from 'aeronautical' to 'marine', but the F.A.A. changed course and informed Mr. Watson that the zoning could remain 'aeronautical' but two conditions must be met: there must be a long-term lease between V.I.P.A. and the V.I. Government and the property must be leased at fair market value.

"The racetrack's projected completion is slated for the first quarter of 2022, but that does not mean that the track cannot be operational beforehand," Mr. Bork said. In spite of Mr. Bork's optimistic outlook that work at the track can remain in progress, the F.A.A. and D.P.N.R. echoed the sentiment that all work at the track must cease until all conditions have been met by VIGL.

D.P.N.R. environmental planner, Anita Nibbs, explained in detail to VIGL representatives that the ball has been in their court for quite some time. The Coastal Zone Management (C.Z.M.) arm of D.P.N.R. expects the company to submit its permit so C.Z.M. can begin the reviewing process. It is the company's responsibility to get all permitting paperwork in order so that the building process can commence, however, VIGL and not done so as of Friday, said Ms. Nibbs.

The territory's horsemen have suffered great losses as a result of the many delays to the racetrack building project. One horse owner and trainer, David Brady, said he had to get rid of several of his race horses and only has one left. He explained the lone horse is quite costly to maintain without incoming revenue that he could ultimately generate from live horse racing in the territory. All horse owners in the territory, he said, are in a dilemma, expending funding to care for their animals, with no guaranteed return on the investment.

Ms. Barnes was in attendance at the request of the Flamboyant Horsemen Association. She explained to the Consortium that VIGL presented their project schedule but the company's suggested permitting timelines submitted to D.P.N.R. were unrealistic. Revisions are needed that reflect realistic timelines.

The senator said VIGL representatives were made aware more than six months ago that they could begin some of the permitting application processes with D.P.N.R. and they had not done so as of Friday.

Ms. Barnes's biggest concern is that the horsemen and the commission remain appropriately informed. "It was good to hear from the D.P.N.R. staff so that all parties can know what is required, when it is required, and we can have a realistic project schedule to resume live horse racing in the territory," the senator said.