Colorado Limited Gaming Control Commission

Minutes of Public Session July 19, 2012

Public Session

I. Call to Order

The July 19, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:32 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, #135, Golden, Colorado. Commissioners Roger Hutson, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman

Roger Hutson, Vice-Chairman

Jannine Mohr, Commissioner

Charles Murphy, Commissioner

Barbara Brohl, Executive Director, Department of Revenue

George Thomson, Senior Director, Enforcement

Ron Kammerzell, Director

Brenda Davis, Director of Administration

Laura Manning, Chief of Investigations

Ceri Williams, Senior Assistant Attorney General

Geri Clerkin, Chief Auditor

Vickie Floyd, Controller

Cindy Raiolo, Budget Analyst

Lad Sullivan, Agent in Charge, Central City

Gary Watada, Agent in Charge, Cripple Creek

Chris Moore, Supervisory Investigator, Cripple Creek

Cameron Lewis, Public Information Officer

Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Webb announced his resignation from the Commission effective at the end of July. He extended his thanks to Director Kammerzell and Division staff for their support and professionalism throughout this past year and said he was also pleased to have worked with the industry and gaming communities. Vice-Chairman Hutson and Commissioners Mohr and Murphy each extended their thanks to Chairman Webb for his service and leadership.

II. Election of Commission Officers FY 2013

Ceri Williams, Senior Assistant Attorney General, conducted the election for Chair of the Colorado Limited Gaming Control Commission to serve through Fiscal Year 2013. Nominations for Chair were opened and Commissioner Chuck Murphy nominated Vice-Chairman Roger Hutson for the

position. There were no further nominations, and the nominations were closed. The Commissioners voted unanimously in favor of Vice-Chairman Hutson to serve as the Commission Chairman for Fiscal Year 2013.

Nominations for Vice-Chair were then opened and Chairman Roger Hutson nominated Commissioner Jannine Mohr for the position. There were no further nominations, and the nominations were closed. The Commissioners voted unanimously in favor of Commissioner Mohr to serve as the Commission Vice-Chair for Fiscal Year 2013.

III. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Lois Rice, Executive Director, Colorado Gaming Association (CGA), distributed a copy of the State of the State publication that gives a snapshot of the gaming industry across the United States. She also apprised the Commission of the resignation of Andy Hamblin as President of the CGA stating that Mr. Hamblin accepted a position with an Ameristar property in Nevada. David Mintor, General Manager, Colorado Grande and Johnny Nolon's Casino, has been elected as the new President of the CGA.

Ms. Rice then stated that the Waldo Canyon fire had a large negative impact in the Cripple Creek gaming community with an estimated loss of \$1.8 million in gross revenue. However, the Cripple Creek Casinos still donated over \$25,000 cash and in kind contributions for fire relief efforts. The casino owners also opened their parking lots for RV's and campers to those who were displaced from their homes. Ms. Rice then presented a \$10,000 check to Cindy Payne, President of the Problem Gambling Coalition, as a second installment donation from the CGA.

John Schaffer, representing an entity that owns a percentage of the Wildwood Casino in Cripple Creek, came forward to present information to the Commission regarding a pending change in ownership for the Wildwood Casino. He requested that the Commission not approve the change of ownership when it comes forth.

IV. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-15, In the Matter of Joseph Dimes, Support License #40297 and the Findings, Conclusions and Orders in Case No. SC 12-05, In the Matter of Ashley E. Dean, Support License #39978, and Case No. SC 12-07, In the Matter of Norma Jean Cartin, Support License #25202.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

V. Consideration of Amendments to Colorado Gaming Regulations

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Limited Gaming Rules 1, 8, 10, 12, 16, 21, 22 and 23. Chris Moore, Supervisory Investigator,

Division of Gaming, provided sworn testimony regarding the proposed changes to the following regulations:

Rule 1	47.1-106	Definitions
Rule 8	47.1-834.9	The Play – Buffalo Blackjack Bonus
	47.1-834.10 47.1-843	The Play – Double Up Blackjack Conduct of Tournament
<u>Rule 10</u>	47.1-1017.34 47.1-1017.44 47.1-1017.46	Types of poker authorized The Play – Three Card Poker The Play – Boston 5 or Boston 7 Stud Poker The Play – Crazy 4 Poker The Play – Mississippi Stud The Play – Ultimate Texas Hold 'Em The Play – Texas Shootout
<u>Rule 12</u>	47.1-1213 47.1-1214 47.1-1254	Specifications for chips and tokens Specifications for the shape and size of chips Progressive table games defined
<u>Rule 16</u>	47.1-1615	Match play coupons
<u>Rule 21</u>	47.1-2107	The Play $-21+3$
<u>Rule 22</u>	47.1-2203	Placement of wagers; permissible and optional wagers
<u>Rule 23</u>	47.1-2305 47.1-2318	Making and Removing Wagers Tips in Craps

The public was given an opportunity to address the Commission on the proposed amendments; no one came forward.

The Commission voted unanimously to close the rulemaking hearing and to amend Colorado Limited Gaming Regulations, Rules 1, 8 10, 12, 16, 21, 22 and 23 as presented.

VI. Consideration of Supplemental Budget Request for FY13

Cindy Raiolo, Budget Analyst, presented a supplemental budget request to increase the Division's overall budget by \$90,459 for Fiscal Year 2013.

The Commission voted unanimously to approve the supplemental budget request.

VII. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the eleven (11) months ending May 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VIII. Consideration of Organizational Matters

<u>Approval of Minutes</u> – Minutes of the June 21, 2011 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

<u>Barbara Brohl</u>, Executive Director, Department of Revenue, thanked Chairman Webb for his leadership and service on the Gaming Commission. She also extended her appreciation to the Division's staff that assisted local law enforcement and fire officials with the Waldo Canyon fire.

<u>George Thomson</u>, Senior Director, Enforcement Business Group, thanked Chairman Webb for his service this past year. He also wanted to specifically thank Gary Watada who coordinated Department of Revenue Enforcement personnel in assisting with the fires and for Mr. Watada's efforts in the field. Mr. Thomson also thanked the numerous Investigators in Gaming and throughout the Department who dedicated their time and efforts in assisting in the Waldo Canyon fire.

Ron Kammerzell, Director, Division of Gaming, introduced and welcomed Trinda Quint, a new Division employee in the Licensing Section. He then apprised the Commission that for fiscal year 2012, AGP was .73% higher than last year and gaming taxes totaled \$102.1 million which is a 2.6% decrease from Fiscal Year 2011. Director Kammerzell also stated that the Division is actively working with the Office of Human Resources to fill its 10 vacant positions. Lastly, the Director thanked Chairman Webb for his service this past year to the Division, the Gaming Industry and to the State of Colorado.

Executive Session

The Commission voted unanimously to go into executive session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a) and (b) and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming and the Colorado Bureau of Investigation.

Public Session (Reconvened)

IX. Approval of Licensing Actions

The Commission voted to renew the Retail Licenses of Gold Creek Ventures, LLC d/b/a Gold Creek Casino, Double Eagle Resorts, Inc. d/b/a Double Eagle Hotel and Casino, Casinos U.S.A, Inc. d/b/a Bull Durham Saloon & Casino and Doc Holliday Casino II, LLC d/b/a Doc Holliday's and to renew the Operator License of Colorado Casino Resorts, Inc. and the Manufacturer/Distributor and Operator license of Bally Gaming, Inc. d/b/a Bally Technologies.

The licenses shall expire two years from the date of their current expirations.

The Commission voted unanimously to issue the first Manufacturer/Distributor license for Merit Cripple Creek, LLC.		
The license shall expire two years from the date of its issuance.		
The Chairman extended an opportunity for the public in attendance to further address the Commission; no one came forward.		
Adjournment – The meeting was adjourned at approximately 11:02 a.m.		
Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission		