

Approved
1/6/93

Colorado Limited Gaming Control Commission

Minutes of Meeting
December 16, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 1:40 p.m. on December 16, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Director Renny Fagan, Amelie Buchanan, Division of Gaming Acting Director George Turner, Public Information Officer Tom Kitts, Chief of Investigations Mel Grantham, Investigator Jim Cain, Investigator Huck Henderson, Investigator Len Martin, Investigator Ralph Henning, Budget Analysis Linda Petkash, and Assistant Attorney General Susan Beck-Ferkiss. Making presentations to the Commission were Mr. Grueskin and Mr. Stonbraker.

Mr. Fagan announced the new Acting Director of Gaming as George Turner. Mr. Turner introduced himself to the Commission.

Mr. Grantham discussed the need for additional office space in the Denver office. Ms. Kelly moved to authorize Mr. Grantham to negotiate additional space. Mr. Brower seconded the motion. The motion was adopted.

Mr. Turner asked that the State Patrol be represented on the January 6, 1994 agenda.

Ms. Beck-Ferkiss presented a Motion for Extension of Time for the claim for refund for Tivolini Teller House. The Chair called for a motion to approve and sign on behalf of the Commission an Order for the Motion. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to recess into executive session at 1:54 p.m. for the purpose of reviewing and considering temporary and permanent licensure and possible disciplinary action against various licensees. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:14 p.m. by Chairman Hyatt.

Ms. Beck-Ferkiss reviewed the Order of Summary Suspension in the matter of Ms. Glenda Kay Walker. The Chair called for a motion to approve the Order of Summary Suspension of Ms. Glenda Kay Walker's Limited Gaming License #L30-08312-0000 and to authorize the Chair to sign the order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed the Order of Summary Suspension in the matter of Mr. Gordon N. Cook. The Chair called for a motion to approve the Order of Summary Suspension of Mr. Gordon N. Cook's Limited Gaming License #L30-03545-0000 and to authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Fagan briefed the Commission on the Department's presentation to the Joint Budget Committee earlier in the day. He also discussed possible legislation restricting Division employees post-employment in the casino industry.

Ms. Kelly moved for the adoption of the Minutes of Meeting on December 2, 1993. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Grueskin and Mr. Stonbraker addressed Commission concerns regarding outstanding loans to Eagle Gaming LP from MDM and EC. Investments. Funds were given by Mr. Grueskin and Mr. Stonbraker to Mr. Boscoe, representing MDM, and Mr. Desbrow, representing EC Investments, to satisfy loan payments to the respective entities.

The Chair called for a motion to recess into executive session at 4:42 p.m. to review and consider temporary and permanent licensure. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 5:15 p.m. by Chairman Hyatt.

The Chair called for a motion to issue Retail and Operator licenses to Anchor Coin, Inc., dba Colorado Central Station at 340 Main St., Black Hawk. These licenses will be effective at 5:00 p.m. on December 16, 1993 and expire one year from the date of issuance. Further, the licensee will be subject to the standard conditions for retail licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue Retail and Operator license to Central City Gaming Investors LLC, dba Harrah's Central City Casino and the Glory Hole Saloon at 129 Main St., Central City. These licenses will be effective upon surrender of the current gaming licenses for those premises and be subject to the standard conditions for retail licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted with Ms. Kelly opposing.

The Chair called for a motion to issue Retail and Operator license to Horseshoe, LLC, dba Harrah's Black Hawk at 131 Main St., Black Hawk. These licenses will be effective at 5:00 p.m. on December 20, 1993 and expire one year from the date of issuance. Further, the licenses will be subject to the standard conditions for retail licenses. And further, the issuance of the license shall be conditioned upon receipt by the Director of the Division of Gaming of proof that the

checks exchanged from Eagle Gaming to MDM and EC Investments before the Commission on December 16 have been collected. Such proof must be made on or before 4:00 p.m. December 20, 1993. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted with Ms. Kelly opposing.

There being no further business to come before the Commission, the meeting was adjourned at 5:22 p.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
December 2, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:20 a.m. on December 2, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Richard Harvey and Aurel Kelly. Also attending were the Division of Gaming Director Roger Morris, Public Information Officer Tom Kitts, Investigator Jim Cain, Investigator Jim Huskey, Investigative Auditor Max Kettler, and Assistant Attorney General Susan Beck-Ferkiss.

Ms. Kelly moved to approve a letter written by the Chair on behalf of the Commission to the State Auditor in reference to the Commission's approval of the Division's budget. Mr. Harvey seconded the motion. The motion was adopted. The Chair signed the letter.

The Chair called for a motion to adopt the Minutes of Meeting of November 18, 1993. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 9:25 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:25 a.m. by Chairman Hyatt.

The Chair called for a motion to renew the operator and retailer licenses for Lucky Star Saloon, Inc., dba Lucky Star Casino. These licenses will be issued on the date of expiration of the original licenses and expire one year from the date of issuance. Further, the original conditions placed on the licenses shall continue to be in effect. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to issue a retail license to Century Casinos Management, Inc., dba Legends Central City at 121 Main Street. This license will be effective at noon on December 2, 1993, and expire on July 22, 1994. Further, this license will be subject to the standard conditions for retail licenses. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent retail and operator license to BWCC, Inc., dba Bullwhackers Central City Casino at 130 Main St., Central City, with ownership as detailed in the investigative report. These licenses will be effective upon surrender of the current gaming licenses and will be subject to the standard conditions for retail licenses. Further, for the current gaming year the Adjusted Gross Proceeds ("AGP") of BWCC, Inc. shall include the AGP of CCMC, LLC heretofore accrued this gaming year.

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The Chair called for a motion to issue permanent retail and operator licenses to BWBH, Inc., dba Bullwhackers Black Hawk Casino, at 101 Main St., Central City, with ownership as detailed in the investigative report. These licenses will be effective upon surrender of the current gaming licenses and will be subject to the standard conditions for retail licenses. Further, for the current gaming year the Adjusted Gross Proceeds ("AGP") of BWBH, Inc. shall include the AGP of BHMC, LLC heretofore accrued this gaming year.

Ms. Beck-Ferkiss presented Regulation 47.1-1618 of Rule 16 to be approved on a temporary and permanent basis. The Chair called for a motion to approve Regulation 47.1-1618 on a temporary basis. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair then called for a motion to approve Regulation 47.1-1618 on a permanent basis. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

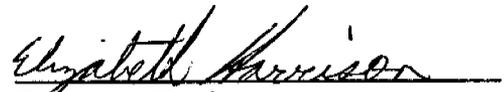
Ms. Kelly moved that the Chair sign the Resolution providing for Regulation 47.1-1618 to be a temporary rule. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented Regulation 47.1-4.500 of Rule 4.5 to be approved on a permanent basis. The Chair called for a motion to approve Regulation 47.1-4.500 on a permanent basis. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Stipulation and Agreement between Leslie Kennedy and the Division. The Chair called for a motion to approve and authorize the Chair to sign the agreement. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Petition for Declaratory Order by Joe Losavio. The Chair called for a motion to dismiss the Declaratory Order. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:58 a.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
November 18, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:18 a.m. on November 18, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director Amelie Buchanan, Division of Gaming Director Roger Morris, Public Information Officer Tom Kitts, Chief of Investigations Mel Grantham, Investigator Jim Cain, Investigator Bob Abbott, Investigator Mark Walters, Investigator Steve Bartley, and Assistant Attorney General Susan Beck-Ferkiss. Persons making presentations included Jim Borowski and Pat Ahlstrom.

Ms. Beck-Ferkiss presented the Findings of Fact, Conclusions of Law and Order on Thomas L. Feeney II for the Chair to sign. The Chair signed the Order as authorized by the Commission at the previous meeting.

Mr. Morris mentioned that there would be Commission meetings on December 2, and December 16, 1993.

The Chair called for a motion to go into executive session at 9:15 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:03 a.m. by Chairman Hyatt.

Ms. Kelly moved for the adoption of the Minutes of Meeting of November 4, 1993. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue 60-day conditional operator and retailer licenses to Lilly Belle's, Inc., d/b/a Lilly Belle's Casino. These licenses will be issued upon expiration of the current licenses and are subject to the condition that no criminal charges are filed against any of the officers, directors, or stockholders of Lilly Belle's, Inc. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer and operator licenses for Reynolds Court partnership LTD., d/b/a Central Palace Casino, and World Gaming Concepts, Inc., d/b/a Silver Palace Casino. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership as detailed in the investigative report for Aspen Mine and Casino Limited, dba Aspen Mine and Casino. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue a permanent manufacturer and distributor license to Collins Games Company, Inc. The license will be issued at noon on November 18, 1993, and expire one year from the date of issuance. Ms. Kelly made the motion. Mr. Brower and Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 11:07 a.m. for the purpose of hearing the Investigative Report from Enforcement Section and Colorado Bureau of Investigation monthly report. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 1:24 p.m. by Chairman Hyatt.

Mr. Ahlstrom and the Commission discussed the agreement between CBI and the Commission.

Mr. Grantham, Ms. Beck-Ferkiss, and the Commission discussed the Petition for Declaratory Order from Joe Losavio and decided it should be taken up at the next meeting.

The Chair called for a motion to go into executive session at 2:10 p.m. for the purpose of reviewing and considering temporary and permanent licensure of applicants and the possible violations of law by licensees. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:54 p.m. by Chairman Hyatt.

The Chair called for a motion to issue a Notice of Proposed Denial to Diamond Lil's and to authorize the Chair to sign the Notice. Ms. Kelly made the motion. Mr. Brower and Mr. Harvey seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 2:55 p.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
November 4, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:12 a.m. on November 4, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director Amelie Buchanan, Division of Gaming Director Roger Morris, Public Information Officer Tom Kitts, Investigator Jim Cain, Investigator Jim Taylor, Investigator Bob Abbott, Financial Auditor Kendal Dittmer, Investigator Len Martin, Investigator Jack Seward, Investigator Jim Huskey, and Assistant Attorney General Susan Beck-Ferkiss. Persons making presentations included Tom Feeney.

Chairman Hyatt asked Mr. Morris whether he had any organizational matters to discuss with the Commission. Mr. Morris indicated that the Colorado Bureau of Investigation will appear before the Commission at the next Commission meeting.

Mr. Hyatt noted that Pat Ahlstrom, Executive Director of Department of Public Safety, will be speaking before the Commission at 11:30 a.m. on November 18, 1993.

Mr. Hyatt, Ms. Kelly, and Ms. Buchanan then discussed possible legislative changes. The Division promised to return to the Commission with recommendations for such changes.

Ms. Kelly moved for the adoption of the Minutes of Meeting of October 14, 1993, as amended. Mr. Brower seconded the motion. The motion was adopted.

Ms. Kelly moved for the adoption of the Minutes of Meeting of October 28, 1993. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 9:22 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:18 a.m. by Chairman Hyatt.

The Chair called for a motion to issue a temporary manufacturer and distributor license for Aristocrat, Inc. This license will be issued upon expiration of the current license and expire six months from the date of issuance. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue renewed retailer and operator licenses for G.F. Gaming Corporation, dba The Famous Bonanza. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the retailer and operator licenses for Old Chicago Cripple Creek L.P., dba Old Chicago Restaurant and Casino. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance.

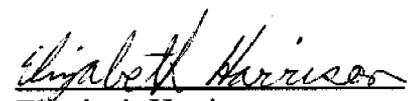
The Chair called for a motion to approve the change in ownership for G.F. Gaming Corporation, dba The Famous Bonanza. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Commission then undertook the matter of holding a hearing on the license of Thomas Feeney, case #GAD91008. The hearing commenced at 11:20 a.m.

Mr. Feeney represented himself. Representing the Division of Gaming was Sue Beck-Ferkiss. Representing the Gaming Commission as conflicts counsel was Assistant Attorney General Tom Callison.

Having considered extensive testimony and exhibits from both the Division and the applicant in this matter, the Commission revoked Mr. Feeney's key employee license, and the Commission imposed the condition that he not apply for a period of one year for another license.

There being no further business to come before the Commission, the meeting was adjourned at 5:45 p.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
October 28, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:07 a.m. on October 28, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Public Information Officer, Tom Kitts, Investigator Phil Wargo, Investigator Bob Abbott, Financial Auditor, Kendal Dittmer, Chief Auditor, Georgine Zalesky, and Assistant Attorney General, Susan Beck-Ferkiss. Persons making presentations included Tom Feeney.

Chairman Hyatt asked Mr. Morris if he had any organizational matters to discuss with the Commission; Mr. Morris asked the Commission to postpone discussion of that topic until later in the day.

Ms. Beck-Ferkiss reviewed her Motion for Default Judgment in the case of Ms. Patricia G. Lewis and asked the Commission to approve the Motion for Default Judgment. The Chair called for a motion to approve the Motion for Default Judgment in the matter of Colorado State Limited Gaming License #L30-01581-0000, and to authorize the Chair to sign the order. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed the Order to Show Cause in the matter of Ms. Leslie Karen Kennedy and asked the Commission to approve the Order to Show Cause. The Chair called for a motion to approve the Order to Show Cause in the matter of Colorado State Limited Gaming License #L30-08756-0000, and to authorize the Chair to sign the order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed the Order to Show Cause in the matter of Mr. Troy A. Mendez and asked the Commission to approve the Order. The Chair called for a motion to approve the Order to Show Cause in the matter of Colorado State Limited Gaming License #L30-02335-0000, and to authorize the Chair to sign the order. Ms. Kelly made the motion. Mr. Brower and Mr. Harvey seconded the motion. The motion was adopted.

Mr. Morris discussed the matter of claims for refund of gaming taxes. He indicated the current regulation on the matter is inadequate. He proposed amendments to the regulation which would allow the Division, in cases where there is no disagreement, to grant a tax refund or credit. In a case where there is a disagreement between a taxpayer and the Division, the Commission would make the determination whether a refund is due.

The Chair called for a motion to approve the Minutes of Meeting of August 30, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of August 31, 1993. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of September 14, 1993. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair requested that a minor change be made to the Minutes of Meeting of September 15, 1993; Ms. Harrison agreed to make this change. The Chair called for a motion to approve the Minutes of Meeting of September 15, 1993 as amended. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of September 29, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of September 30, 1993. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 9:27 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:18 a.m. by Chairman Hyatt.

The Chair called for a motion to issue temporary retailer and operator licenses for 139 Main Limited Liability Company, dba Blazing Saddles Casino. These licenses will be issued upon expiration of the current licenses and expire six months from the date of issuance. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue temporary retailer and operator licenses for RWH Inc., dba Midnight Rose Hotel and Casino. These licenses will be issued upon expiration of the current licenses and expire four months from the date of issuance. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent retailer and operator licenses to Alpine Gaming, Inc., dba Long Branch Saloon and Casino. These licenses will be effective at 5 p.m. on October 28, 1993, and expire one year from the date of issuance. Further these licenses will be subject to the standard conditions, as follows:

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.

- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.
- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

These licenses will be conditioned upon the surrender of the gaming licenses for 777 Gaming. Also, these licenses will be conditioned upon the licensee amending its charter and filing such amendment with the Secretary of State's Office by 5:00 p.m. on October 28, 1993, to include the language in the charter required by Commission Rule 4.5. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator license for Rocky Mountain Gaming Equipment Limited Liability Company. The license will be effective upon expiration of the current license and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Morris discussed proposed amendments to Commission Regulation 47.1-1618 involving claims for gaming tax refunds.

The Chair called for a motion to adopt Rule 47.1-1618, as amended, on a temporary basis. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair read a resolution for the adoption of Rule 47.1-1618 on an emergency basis. Mr. Harvey made a motion to approve and adopt the resolution. Mr. Brower seconded the motion. The motion was adopted.

Ms. Kelly moved that the Chair sign the resolution. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Feeney asked if the Commission would appoint him an attorney for his hearing. Ms. Beck-Ferkiss advised the Commission that it had no power to grant Mr. Feeney's request.

Mr. Feeney asked the Commission for permission to look at his investigative file. Ms. Beck-Ferkiss objected to his request on behalf of the Division, arguing that he is only entitled to see that part of his file open to the public under the open records law. The Commission declined to order discovery for Mr. Feeney beyond that available under the open records law.

There being no further business to come before the Commission, the meeting was adjourned at 11:45 a.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
October 14, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on October 14, 1993, at 720 S. Colorado Blvd., 2nd Floor Conference Room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Investigator Rennea Jensen-Brown, Investigator Jim Taylor, Financial Auditor, Max Kettler, Central City Supervisor, Jim Huskey, and Assistant Attorney General, Susan Beck-Ferkiss. Persons making presentations included Jim Borowoski, Bill Evers and William Powers.

Ms. Kelly moved to issue a resolution recognizing Alan Dougan, a Division Investigator, who recently passed away. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Powers asked to withdraw as counsel in the case of Jennifer Mae McDonald. Ms. Kelly moved to allow Mr. Powers to withdraw as counsel. Mr. Harvey and Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed the STIPULATION AND AGREEMENT between the Division of Gaming and Dennis La Verne Harding. The Chair called for a motion to approve the STIPULATION AND AGREEMENT between the Division of Gaming and Dennis La Verne Harding, and to authorize the Chair to sign the respective order. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER in the matter of Sherman Fisse. Rennea Jensen-Brown testified on behalf of the Gaming Division about pending charges against Sherman Fisse. The Chair called for a motion to approve the FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER on Sherman Fisse, and to authorize the Chair to sign the respective order. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 9:25 a.m. by Chairman Hyatt.

The meeting was reconvened at 9:33 a.m. by Chairman Hyatt.

Ms. Beck-Ferkiss reviewed Ms. Jennifer Mae McDonald's Affidavit of Voluntary Surrender and asked the Commission to accept the voluntary surrender. The Chair called for a motion to accept the Affidavit for surrender of Colorado State Limited Gaming License #L30-01379-0000, and to authorize the Chair to sign the order. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed the STIPULATION AND AGREEMENT between the Division of Gaming and Midnight Rose Hotel. The Chair called for a motion to approve the STIPULATION AND AGREEMENT between the Division of Gaming and Midnight Rose Hotel, and to authorize the Chair to sign the respective order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of August 12, 1993. Mr. Hyatt requested that a minor change be made; the Division agreed to make this change. The Chair called for a motion to approve the Minutes of Meeting of August 12, 1993, as amended. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of August 19, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of August 20, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Kelly acknowledged that the Commission received a thank you note from the Lorenz Family of Otto's Casino regarding the taxes.

The Chair called for a motion to go into executive session at 9:45 a.m. for the purpose of discussing confidential information regarding Tom Feeney. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 9:55 a.m. by Chairman Hyatt.

Ms. Beck-Ferkiss reviewed the ORDER OF SUMMARY SUSPENSION for the key license of Tom Feeney. Jim Huskey and Max Kettler both testified that Tom Feeney had failed to file timely federal tax returns. The Chair called for a motion to approve the ORDER OF SUMMARY SUSPENSION for the key license of Tom Feeney, and to authorize the Chair to sign the respective order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:07 a.m. for the purpose of discussing confidential information regarding a key licensee. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:21 a.m. by Chairman Hyatt.

Ms. Beck-Ferkiss asked to amend the draft of Order of Summary Suspension to add allegations that Mr. Feeney failed to file state and federal tax returns for 1991 and 1992. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Harvey asked if an Order to Show Cause might be more appropriate for this case. Mr. Harvey moved that the Commission issue an Order to Show Cause. No one seconded the motion. The motion died. Ms. Kelly moved to hold the matter over to the afternoon. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:28 a.m. for the purpose of discussing confidential investigative information. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:04 a.m. by Chairman Hyatt.

Mr. Hyatt announced that the Commission and Jim Borowski have agreed that CBI will provide, on a regular basis, the following:

- * Man hour report per case
- * Sample time card of a CBI Agent
- * Narrative Reports
- * Statistical Information per existing agreements
- * Agreed to a monthly meeting between CBI and the Commission
- * CBI at the next Commission meeting will provide a report on staff coordination

Mr. Harvey requested a progress report on information sharing between CBI and DOG. He wants the report delivered in November.

The meeting was recessed for lunch at 12:10 p.m. by Chairman Hyatt.

The meeting was reconvened at 1:40 p.m. by Chairman Hyatt.

Ms. Beck-Ferkiss provided the Commission with an amended Order of Summary Suspension for the key license held by Tom Feeney. The Chair called for a motion to issue the ORDER OF SUMMARY SUSPENSION, NOTICE OF CHARGES, ORDER TO SHOW CAUSE, and NOTICE OF HEARING, and to authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Evers of the Pony Express Casino thanked the Commission for lowering the gaming taxes.

The Chair called for a motion to go into executive session at 1:45 p.m. for the purpose of reviewing and considering applications for various licensees. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:29 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the temporary retailer and operator licenses for DOLLY'S CASINO, INC., dba PICK-A-DILLY CASINO. These licenses will be issued on the date of expiration of the current licenses and expire on March 25, 1994. Further, no person shall hold any interest, direct or indirect, in Dolly's Casino, Inc., without prior approval of the Colorado Limited Gaming Control Commission. Mr. Harvey made the motion. Ms. Kelly and Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership for Gregory Street Casino, Inc., dba Gregory Street Casino, as detailed in the investigative report. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to renew the operators license for Creekers, Inc., dba Creekers. This license will be issued upon the expiration of the current license and expire one year from the date of issuance. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

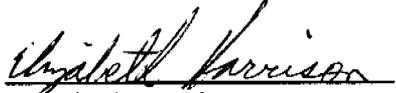
The Chair called for a motion to renew the manufacturer/distributor license for Stella Electronic Spielgerate GMBH, dba Stella International. This license will be issued upon the expiration of the current license and expire one year from the date of issuance. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair also noted that the conditions on Dolly's licenses supersede all previous conditions. James Beimford, an attorney, addressed the Commission regarding clarification of the conditions.

The Chair noted for the record that Mel Grantham acted as the representative of the Division during the Executive Session and during those matters which followed, as Mr. Morris had departed.

Mr. Losavio inquired about the previous conditions attached to Dolly's Casino, Inc. Chairman Hyatt indicated that the Commission had changed its position based upon information recently acquired. He stated the license issued on October 14, 1993, with the conditions attached, was in the best interest of the gaming industry.

There being no further business to come before the Commission, the meeting was adjourned at 3:37 p.m.


Elizabeth Harrison
Acting Commission Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
September 30, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:17 a.m. on September 30, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts; and Assistant Attorney General, Sue Beck-Ferkiss.

Jim Huyghebaert of the Department of Revenue Office of Tax Analysis submitted a report on the gaming tax structure for the previous gaming year that the Commission had requested.

Ms. Buchanan addressed the statutory requirements that the Commission must meet in considering the gaming tax.

Representatives from several casinos requested to meet individually with the Commission in Executive session to discuss how proposed tax rates for gaming year 1993-94 would affect the profitability of their respective establishments.

Ms. Beck-Ferkiss spoke to the Commission about the legality of going into executive session to consider an individual licensee's tax records. She said it is legal to go into executive session when hearing specific testimony about an individual casino's confidential records concerning tax and revenues.

The meeting was recessed at 10:12 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 10:33 by Chairman Hyatt.

The Chairman called for a motion to go into executive session at 10:33 a.m. for the purpose of hearing various casinos' specific information that is not public information. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:05 p.m. by Chairman Hyatt.

The meeting was recessed for lunch at 12:05 p.m. by Chairman Hyatt.

The meeting was reconvened at 1:37 p.m. by Chairman Hyatt.

The Chair recognized Ed Meier, the certified public accountant who served the Commission during the tax-setting hearings. Mr. Meier spoke about the factors the Commission used to determine the profitability of casinos. The Commission then requested additional information from Mr. Huyghebaert regarding the effect of two different tax rate scenarios. Several casino owners next addressed the Commission on the issue of a possible gaming tax structure.

The meeting was recessed at 2:47 p.m. by Chairman Hyatt.

The meeting was reconvened at 3:05 by Chairman Hyatt.

The Commission discussed their opinions concerning what the tax rate and device fee rate should be for Gaming Year 1993-94. Ms. Kelly made a motion to amend temporarily Regulation 47.1-1401 (1) to read:

If The Annual Adjusted Gross Proceeds are:	The Tax is:
Not over \$1,000,000	2%
Over \$1,000,000 to \$2,000,000	8%
Over \$2,000,000 to \$3,000,000	15%
Over \$3,000,000	18%

Mr. Brower seconded the motion. The motion was adopted.

Ms. Kelly made a motion to amend temporarily Regulation 47.1-1401 (4) to change the state device fee from \$150 to \$100. Further, subparagraph (b) of the regulation is to be deleted, making the device fee payable in one installment on October 1, 1993. Further, casinos shall have until October 20, 1993, to pay the device fee due October 1, 1993, and will not be assessed late fees unless the device fee is unpaid after October 20, 1993. Mr. Brower seconded the motion. The motion was adopted.

Ms. Kelly made a motion to make the temporary amendments to Regulation 47.1-1401 permanent amendments. Mr. Brower seconded the motion. The motion was adopted.

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September 30, 1993

Chairman Hyatt thanked Mr. Meier, the industry and the Department of Revenue for their cooperation throughout the tax hearings.

The meeting was adjourned at 4:00 p.m. by Chairman Hyatt.


Elizabeth Harrison
Acting Commission Secretary

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Colorado Limited Gaming Control Commission

Minutes of Meeting
September 29, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:20 a.m. on September 29, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Assistant Attorney General, Sue Beck-Ferkiss, Investigator Jim Kirby, and Investigator Eric Hartsough.

The Chairman called for a motion to go into executive session at 9:20 a.m. for the purpose of reviewing and considering licenses for various applicants. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:08 by Chairman Hyatt.

The Chairman called for a motion to renew the permanent retailer and operator licenses for PONY EXPRESS, INC., doing business as PONY EXPRESS CASINO. These licenses will be effective on the date of expiration of the current licenses and expire one year from that date. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chairman called for a motion to issue permanent operator and retailer licenses to JOLLY JOKER LIMITED LIABILITY COMPANY, doing business as FIREHOUSE CASINO, subject to the standard conditions as well as an additional condition that Bob Wing not be employed by, or make management decisions for the casino until he applies for and receives a key license. These licenses will be effective at 5:00 p.m. on September 29, 1993, and expire one year from the date of issuance. Ms. Kelly made the motion. Mr. Ben Brower seconded the motion. The motion was adopted.

Mr. Papish reviewed with the Commissioners the Financial Reports and the Balance Sheets for the month of June. The Chair called for a motion to approve and adopt the Financial Reports and the Balance Sheets for June. Ms. Kelly made the motion. Mr. Harvey and Mr. Brower seconded the motion. The motion was adopted.

Mr. Huyghebaert presented to the Commission alternative tax structures for the upcoming gaming year along with various gaming device fee structures.

Mr. Grueskin addressed the Commission with questions and discussion of gaming tax and device fees.

The meeting was recessed at 11:15 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 11:32 a.m. by Chairman Hyatt.

Chairman Hyatt noted for the record the various letters the Commission received concerning the gaming tax and indicated that they would be made a part of the record.

Mr. Grueskin spoke again on the gaming tax criteria and asked the Commission to continue the current small casino tax rate and provide for less of a radical jump between the tax rates. He suggested the Commission should tax the first million at 2% and anything over 1 million at 10%.

The meeting was recessed for lunch at 12:00 p.m. by Chairman Hyatt.

The meeting was reconvened at 1:30 p.m. by Chairman Hyatt.

Bob Wing suggested lowering the gaming tax to encourage investors to come to Colorado.

Mr. Huyghebaert commented again on gaming taxes.

Mr. Grueskin commented again on the gaming tax and the effect on the industry.

The meeting was recessed at 3:00 p.m. by Chairman Hyatt.

The meeting was reconvened at 3:16 p.m. by Chairman Hyatt.

The Commission discussed the gaming device fee with Mel Grantham and inquired if the fee covered the costs of regulating the gaming devices.

Mr. Grantham suggested the discussion on the matter should be handled by Division Director Roger Morris.

Mr. Brower commented on having a middle tax bracket.

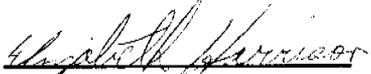
Mr. Harvey discussed lowering the device fee to \$75. He also discussed a three-tier tax bracket.

Ms. Kelly commented on both a three-tier bracket and a four-tier bracket.

Chairman Hyatt asked the public to consider the options mentioned and invited public comment on them tomorrow.

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September 29, 1993

There being no further business to come before the Commission, the meeting was adjourned at 4:00 p.m.


Elizabeth Harrison
Elizabeth Harrison
Acting Commission Secretary

Amend

Colorado Limited Gaming Control Commission

Minutes of Meeting
September 15, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:10 a.m. on September 15, 1993, at 101 W. Bennett Avenue, Teller County Court House, 2nd Floor, Cripple Creek, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Assistant Attorney General, Tom Fears, Office of Tax Analysis Director, Jim Huyghebaert, Susan Conwell of the OTA, and CPA Consultant, Ed Meier. Persons making presentations included Mark Grueskin, Keith Schwer, Richard Elmendorf, Ted Simon, Sharon Perea, Ross Grimes, and Jacques Machol.

The Chair called for a motion to retire to executive session at 8:15 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 9:55 a.m. by Chairman Hyatt.

The Chair called for a motion to issue permanent retailer and operator licenses to Central City Management Company Limited Liability Company, dba Bullwhackers Central City; Black Hawk Management Company Limited Liability Company, dba Bullwhackers Black Hawk; and Outlaws Management Company Limited Liability Company, dba Crook's Palace. These licenses will be issued at noon on September 15, 1993 and expire one the year from the date of issuance. Further, these licenses will be conditioned upon: Chris Hemmeter's personal guarantee of payment of gaming taxes; surrender of the current licenses for these properties; and agreement that the license holders continue to pay the gaming tax at the rate the licensees' casinos are currently paying. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue temporary retailer and operator licenses to Dolly's Casino, Inc., dba Pick-A-Dilly Casino. These licenses will be issued upon expiration of the current licenses and expire on October 14, 1993. These licenses will conditioned upon payment by Sam Brown of all payments due, as of October 14, 1993, to Joe Losavio. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer and operator licenses for Gilpin Hotel Venture, dba Gilpin Hotel Casino, Ltd. These licenses will be issued on the date of expiration of the current licenses and expire one year from the date of issuance. Further, the original condition involving Joe Capps shall remain in effect. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mark Grueskin, representing the three casino owners' associations, introduced Keith Schwer, a professor from UNLV, and Richard Elmendorf, a professor from the University of Wyoming.

Mr. Schwer told the Commission that Colorado gaming is the least profitable gaming jurisdiction in the United States and asked Commission members to consider different tax rates based upon economic conditions faced by casino owners, the current tax burden on casinos, and comparable gaming tax rates in other jurisdictions.

Mr. Schwer and Mr. Elmendorf discussed other gaming jurisdictions.

Mr. Meier indicated he thought it was necessary to include the South Dakota state gaming tax fee when comparing Colorado's gaming tax situation to that state.

The meeting was recessed at 11:30 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:05 p.m. by Chairman Hyatt.

Mr. Grueskin suggested a gaming tax rate starting at 1% with a cap of 10%.

Ted Simon, owner of the Black Diamond Casino in Cripple Creek, told the Commission that his small casino has been profitable with the current 2% rate on the first million dollars of AGP.

Sharon Perea, owner of the Gregory Street Casino in Black Hawk, told the Commission that her establishment has been helped by the 2% tax, however she has seen the negative effect the 20% tax has had on the larger establishments. She indicated that the numerous taxes and fees imposed on casinos, along with the local regulation, has made it difficult for her family to make improvements in the casino.

Ross Grimes, owner of the Famous Bonanza and Pete's Place in Central City, and Bill Evers, General Manager of Pony Express in Central City, discussed the current economic climate for smaller gaming establishments.

Jacques Machol, owner of the Independence Hotel and Maverick's in Cripple Creek, asked the Commission to consider reducing or eliminating the state device fee. He further suggested the Commission consider giving casinos a tax break for paying local device fees.

Susan Conwell from the DOR Office of Tax Analysis indicated there was an error in one of the exhibits she submitted to the Commission and that she had corrected it.

Mr. Brower told the Commission he is considering adding a middle tier to the tax structure. He indicated he wanted to see the industry be viable.

Mr. Harvey said he was considering a reduction in the state device fee and he would like the industry to investigate the feasibility of securing bonds against default of installment payments for the fees.

Ms. Kelly indicated she would like the Commission to formulate a tax structure that would stand for more than one year.

Mr. Hyatt thanked the industry for their testimony and indicated that he thought the expert witnesses had missed a critical issue - the location of the casinos and how that affects each property's profitability.

Mr. Fears presented the Order of Summary Suspension for Dennis La Verne Harding, support license No. L30-01466-0000.

The Chair called for a motion to approve the Order of Summary Suspension, Notice of Charges, Order to Show Cause, and Notice of Hearing to Dennis La Verne Harding, and to set the hearing date for October 14, 1993, and to authorize the Chair to sign the document. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Order of Summary Suspension, Notice of Charges, Order to Show Cause, and Notice of Hearing to Sherman Edward Fisse, support license No. L30-09047-0000, and to set the hearing date for October 14, 1993, and to authorize the chair to sign the document. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Order to Show Cause for Patricia G. Lewis, support license No. L30-01581-0000, and to authorize the chair to sign the document. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion requiring that any travel by a Commission member for an out-of-state function be approved by the Commission. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

^{Harvey?}
The ~~Chair~~ ^{Chair} called for a motion that ~~his~~ travel to the World Gaming Expo in Las Vegas be approved by the Commission. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was approved. The Chair asked that the record reflect that he abstained from voting on the motion.

Ms. Buchanan discussed the proposed agreement between the Division of Gaming and the Colorado Bureau of Investigation.

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September 15, 1993

Ms. Kelly indicated she believed the current agreement is still in effect. She also said she believes any administrative problems should be handled by the Executive Directors of both departments.

Mr. Harvey said he believes a new contract is necessary for a better working relationship. He said he needed a further understanding of the types of investigations conducted by the CBI as well as the details of that agency's budget.

There being no further business to come before the Commission, the meeting was adjourned at 4:06 p.m.


Sandie Seegmiller
Sandie Seegmiller, Secretary

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Colorado Limited Gaming Control Commission

Minutes of Meeting
September 14, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:02 a.m. on September 14, 1993, at 101 W. Bennett Avenue, Teller County Court House, 2nd Floor, Cripple Creek, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Assistant Attorney General, Sue Beck-Ferkiss, and CPA Consultant, Ed Meier. Persons making presentations included Jim Huyghebaert, from the D.O.R. Office of Tax Analysis, Susan Conwell, from the D.O.R. Office of Tax Analysis, Mark Grueskin, Keith Schwer, Ross Grimes, Paul McGuinn, Mayor Hack, Mark Meyer, Virginia Lewis, Diane Zimmer, Bruce Schmaltz, Kay Kirkland, Dale Van Der Schaaf, Steve Peterson, and Kay Lorenz.

Mr. Hyatt opened the meeting up by thanking the people of Cripple Creek for their hospitality.

The Chair called for a motion to retire to executive session at 9:05 a.m. to receive confidential financial information regarding the taxes. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:00 a.m. by Chairman Hyatt.

Mr. Meier briefed the public on his background per Chairman Hyatt's request, and stated that he is independently analyzing the information provided by the Department of Revenue and the public.

Mr. Huyghebaert explained that the information that had been provided to the Commission was from 56 of the 61 casinos that had been requested to provide reports. Mr. Huyghebaert noted that 40 of the 56 casinos were in operation the full year and the remainder were in operation part of the year.

Ms. Conwell explained simulations of possible variations in the tax rates and brackets.

Mr. Grueskin and Mr. Schwer discussed variations of figures that they had provided to the Commission.

The Commissioners took a moment to present to the City of Cripple Creek and to Teller County their portions of the gaming fund distributions.

The meeting was recessed at 11:47 a.m. for lunch by Chairman Hyatt.

The meeting was reconvened into public session at 1:36 a.m. by Chairman Hyatt.

Presentations from casino owners included Mark Meyer, Virginia Lewis, Diane Zimmer and Bruce Schmaltz. They spoke with the Commission regarding other gaming jurisdictions that have higher betting limits which they believed bring bigger crowds to those jurisdictions; whereas, limited gaming limits the crowds and the market in Colorado. They asked the Commission to lower the tax rate.

Further presentations from casino operators included Ky Kirkland, Dale Van Der Schaaf, Steve Peterson, and Kay Lorenz. They discussed the expenses the casinos must pay out other than just taxes. They told the Commission they felt it was important to market the casinos.

The meeting was recessed at 4:15 p.m. by Chairman Hyatt.

The meeting was reconvened at 4:30 p.m. by Chairman Hyatt.

There was a discussion by the Commissioners regarding the device fees. Commissioner Harvey asked the Department of Revenue to run some different numbers on the device fee. Ms. Buchanan agreed to do this for the next meeting.

Ms. Kelly made a motion to adjourn at 4:58 p.m. Mr. Brower seconded the motion. The motion was adopted.


Sandie Seegmiller
Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 31, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:20 a.m. on August 31, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Chief Auditor, Georgine Zalesky, Controller, Joe Papish, Investigator Phil Wargo, Investigator Huck Henderson, Investigator Charles Lindsey, Central City Supervisor, Jim Huskey Assistant Attorney General, Tom Fears, and CPA Consultant, Ed Meier. Persons making presentations included Dale Van Der Schaaf, Mark Grueskin, Jack Kirkland, Jerry Smith, and Bob Timbermeyer.

Mr. Fears and Mr. Wargo reviewed with the Commissioners Regulations 47.1-1245 through 47.1-1253 regarding Slot Machine Tournaments.

Ms. Kelly called for a motion to adopt permanent Regulations 47.1-1245 through 1253. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Kitts briefed the Commission on the contiguous counties and the certification process. Mr. Kitts noted that the minimum amount required by the statute to designate to the original contiguous counties would be \$1,371,572, not including Montezuma and La Plata Counties. Those two counties requested additional funding in the amount of \$109,112. Mr. Harvey made a motion to approve \$1,644,947 for the contiguous county impact fund and approve \$109,112 for Montezuma and La Plata Counties. Ms. Kelly seconded the motion. The motion was adopted.

The meeting was recessed at 10:27 a.m. by Chairman Hyatt.

The meeting was reconvened at 10:40 a.m. by Chairman Hyatt.

Mr. Papish asked the Commission to authorize the total amount of \$30,479,387 for distribution. Ms. Kelly called for a motion to approve the annual distribution in the amount of \$30,479,387. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:43 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:45 p.m. by Chairman Hyatt.

Ms. Buchanan asked the Commissioners to consider funding requests by other agencies to be handled by the Office of State Planning and Budget (OSPB). The Commissioners believed this was a good idea, but no action was taken at this time.

The meeting was recessed at 2:48 p.m. by Chairman Hyatt

The meeting was reconvened at 2:56 p.m. by Chairman Hyatt.

The Chair called for a motion to return to executive session at 2:56 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:48 p.m. by Chairman Hyatt.

The Chair called for motion to renew the permanent retailer and operator licenses for: BOWL OF GOLD RESORTS, INC., doing business as LUCKY LOLA'S PLEASURE PALACE; BOWL OF GOLD RESORTS, INC., doing business as LOOSE CABOOSE; LONG BRANCH SALOON AND CASINO; CRIPPLE CREEK'S PHENIX HOUSE GAMING EMPORIUM; AND PIONEER ASSOCIATES LLC, doing business as BRONCO BILLY'S II LLC. These licenses will be issued on the dates of expiration of the original licenses and expire one year from the dates of issuance. In addition, with respect to BOWL OF GOLD RESORTS, INC., the licenses shall be conditional upon compliance with the following conditions: Lois Woods shall not be entitled to vote any of her stock in the corporation. The corporation shall also pay back in full any outstanding loans made by Mr. Thomas Minasian on or before October 30, 1993, and he shall not be permitted to acquire any ownership interest in the corporation, or loan any money to the corporation, prior to a finding of his suitability by the Commission. Also, the Commission finds and reports to the Southern Ute Indian Tribe that Great Western Casinos, Inc. would be qualified to receive a license from the State had that corporation submitted an application for a gaming license for the same or similar activity within the jurisdiction of the State and that that corporation should be considered for tribal licensing. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Ms. Zalesky presented to the Commissioners the supplemental budget request for the Audit Section. Ms. Kelly made a motion to approve the supplemental budget request in the amount of \$248,314. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to retire to executive session at 3:48 p.m. to discuss confidential gaming matters. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:45 p.m. There being no further business to come before the Commission, the meeting was adjourned at 4:45 p.m.

Sandie Seegmiller ^(CH)
Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 30, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt at 9:20 a.m. on August 30, 1993 at 200 E. Colfax, in the Old Supreme Court Room, Denver, Colorado. Present were commissioners Ben Brower, Aurel Kelly, and Richard Harvey. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, and Division of Gaming Director, Roger Morris. Also present were Public Information Officer, Tom Kitts, Budget Officer, Linda Petkash, Commission CPA Ed Meier, and Assistant Attorney General, Tom Fears. Persons making presentations included Division of Gaming Investigator Rennea Jensen-Brown, Division of Gaming Investigator Phillip Wargo, and from the Department of Revenue Office of Program Analysis, Ken Jacobs. Members of the public making presentations included Craig Winkler, Lesley Williams, Ralph Kunol, Bruce Hartman, Donna Martin, Jim Collins, Jim Felt, Henry C. Hack, Kathy Hern, Marshall Goodman, Nancy Horner, Linda Martin, Dick Allen, Jim Tansick, and Scott Scherrer with IGT.

Chairman Hyatt opened the meeting with the discussion of any organizational matters. Mr. Morris took a moment to introduce Tom Fears from the Attorney General's Office.

Mr. Fears and Ms. Jensen-Brown presented the Commission with testimony on the Summary Suspension of the Support license of Troy Mendez. Mr. Fears noted that Mr. Mendez was not in attendance nor had counsel present. The Commission had no questions for either Mr. Fears or Ms. Jensen-Brown. Mr. Fears asked the commission to summarily suspend the support license of Troy Mendez on testimony given. Ms. Kelly made a motion for the Commission to issue a Summary Suspension of the Support license of Troy Mendez. The motion was seconded by Mr. Brower. The motion was adopted.

Ms. Buchanan addressed the Commission on the tax issues that were to be discussed.

Mr. Jacobs from the Office of Program Analysis reviewed the handout on gaming impacts in Teller County for the Commission.

Chairman Hyatt asked if anyone from the public would like to address the Commission regarding the financial statements of Teller County.

Mr. Winkler, the Assistant to the Teller County Board of Commissioners, spoke to the Commission on the changes that will be taking place in Teller County. Among these changes were the new jail that will be built to serve Teller County. Mr. Winkler stated that the constituency he is representing would like to see the tax rate set at no more than 15%, and that the rate should remain constant for more than 1 year.

Mr. Jacobs reviewed the handout on the gaming impacts on Gilpin County.

Chairman Hyatt asked if anyone from the public would like to address the Commission regarding the financial statements of Gilpin County.

Gilpin County Commissioners, Ms. Williams, Mr. Kunol and Mr. Collins, as well as Mr. Hartman, the Gilpin County Sheriff, and Ms. Martin, Gilpin County Manager, addressed the Commission regarding changes that will be taking place in Gilpin County. It was noted that Gilpin County is contemplating building a new jail which would be part of the new Justice Center. The Gilpin County Commissioners also indicated that they are looking into moving the county seat from Central City to a location which is more accessible to county residents.

The meeting was recessed at 11:02 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 11:17 a.m. by Chairman Hyatt.

Mr. Jacobs reviewed the handout on the gaming impacts in Cripple Creek.

Chairman Hyatt asked if anyone from the public would like to address the Commission regarding the financial statements of Cripple Creek.

Mr. Felt, Cripple Creek City Attorney, Ms. Hern, Cripple Creek City Administrator, Mr. Goodman, Cripple Creek City Planner, and Ms. Horner, Cripple Creek Business Owner, addressed the Commission on the financial statements presented for Cripple Creek. They discussed the general circumstances of Cripple Creek and stated that they were not present to ask for the device fees or the tax rate to be lowered.

The meeting was recessed for lunch at 12:11 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:46 p.m. by Chairman Hyatt.

Mr. Jacobs reviewed the handout on the gaming impacts in Black Hawk.

Chairman Hyatt asked if anyone from the public would like to address the Commission regarding the financial statements of Black Hawk.

Ms. Martin, Black Hawk City Manager, addressed the Commission concerning the financial statements presented for Black Hawk.

The meeting was recessed at 3:11 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 3:29 p.m. by Chairman Hyatt.

Mr. Jacobs reviewed the handout on the gaming impacts in Central City.

Chairman Hyatt asked if anyone from the public would like to address the Commission regarding the financial statements of Central City.

Mr. Allen, Mayor of Central City, and Mr. Tansick, Central City Finance Director, addressed the Commission on the financial statements which were presented for Central City.

Mr. Harvey made a motion that the Department of Revenue prepare a summary of tax concerns for unfunded impacts. There was no second to the motion and Chairman Hyatt declared the motion dead.

Chairman Hyatt thanked everyone who attended and discussed the tax issues.

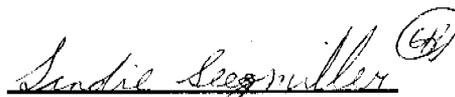
Mr. Scherrer, of IGT and IGT-Colorado, addressed the Commission concerning Quartermania. He informed the Commission that IGT has 13 signed contracts with casinos for Quartermania pending Commission approval. Investigator Wargo was also present to answer questions.

Mr. Morris stated that the Division concluded that the game, Quartermania, is in accordance with the Limited Gaming Control Commission Rules and Regulations. Ms. Kelly made a motion to approve Quartermania. The motion was seconded by Mr. Harvey. The motion was adopted.

Chairman Hyatt opened the formal rulemaking hearing. Mr. Brower made a motion to postpone the rulemaking hearing until the August 31, 1993, meeting at 9:00 a.m. The motion was seconded by Ms. Kelly. The motion was adopted.

Mr. Brower made a motion to postpone the remaining business until the August 31, 1993, meeting. The motion was seconded by Ms. Kelly. The motion was adopted.

Chairman Hyatt adjourned the meeting at 4:59 p.m.


Sandie Seegmiller
Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 20, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:13 a.m. on August 20, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Richard Harvey and Aurel Kelly. Absent and excused was Commissioner Ben Brower. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Deputy Chief of Investigations, Jim Cain, Assistant Attorney General, Sue Beck-Ferkiss, and CPA Consultant, Ed Meir. Persons making presentations included Dale Van Der Schaaf, Mark Grueskin, Jack Kirkland, Jerry Smith, Bob Brubaker, and Charles McCall.

Chairman Hyatt opened the meeting by recognizing Commissioner Brower's reappointment by the Governor on the last day of July.

The Chair asked for any comments from the public regarding educating employees that serve alcohol in the gaming establishments. Mr. Van Der Schaaf and Mr. Grueskin noted that it is not mandatory for employees to be trained in the area of recognizing problems with patrons consuming alcohol. However, the licensees realize the potential problems that can occur if these situations are not handled appropriately, so training is being offered to employees. The Commission thanked Mr. Van Der Schaaf and Mr. Grueskin for their input.

Mr. Smith, from Local Affairs, spoke about the impacts that were affecting the contiguous counties. He noted that some of the needs for each county were the same as the needs from the prior year.

Ms. Buchanan thanked Local Affairs for all their hard work.

The Commission inquired about the financial statements the casinos are required to turn in to the Department of Revenue. Ms. Conwell said at this time she thought about 60% of them had been turned in. Mr. Grueskin noted that he had asked the casinos to provide to him the same information they provide the Department of Revenue. He said he would ask the casinos to make sure they turn the financial statements in to the Department of Revenue as soon as possible.

The meeting was recessed at 10:37 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 10:40 a.m. by Chairman Hyatt.

Ms. Beck-Ferkiss reviewed the STIPULATION AND AGREEMENT between the Division of Gaming and Bobby Womack's Casino. The Chair called for a motion to approve the

STIPULATION AND AGREEMENT between the Division of Gaming and Bobby Womack's Casino, and to authorize the Chair to sign the respective order. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Order to Show Cause on the MIDNIGHT ROSE CASINO. The Chair called for a motion to approve and issue an ORDER TO SHOW CAUSE, AND NOTICE OF CHARGES for the MIDNIGHT ROSE CASINO and authorize the Chair to sign the respective order. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:59 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:17 p.m by Chairman Hyatt.

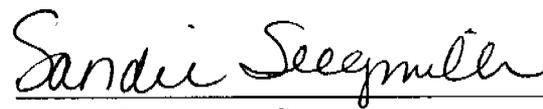
The Commission discussed how they were going to proceed with respect to deliberations on the gaming tax. The Chair called for a motion that August 27th at 5:00 p.m. be established as the final deadline for the Division of Gaming's receipt of casinos' financial statements that will be used in analysis presented before the Commission. No information received after that date should be included in any analysis prepared by either the Department or consultants representing the Gaming Owners' Association. Also September 15th, at 5:00 p.m, should be established as the final deadline for the receipt and presentation of any major studies related to the gaming tax before the Commission. After that date testimony should be based solely on the information submitted. The Commission, however, would reserve the right to solicit from either the Department or the gaming owners any additional information after that date it might deem appropriate for its deliberations. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to direct the Deputy of the Department of Revenue to inform the industry of the Commission's actions regarding the gaming tax testimony and deliberations. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Harvey asked whether the Commissioners were allowed to discuss gaming tax issues in executive session. Ms. Kelly opposed gaming tax discussions in executive session; she believed it was proper for discussion to be held in public session. Ms. Kelly moved that thirty minutes at the end of each meeting be reserved for open discussion on the tax issues. Mr. Harvey seconded the motion. The motion was adopted.

Ms. Kelly made a motion to go into executive session at 12:30 p.m. for the purpose of discussing confidential matters. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:00 p.m. There being no further information to come to the Commission, the meeting adjourned at 2:00 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 19, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:14 a.m. on August 19, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Richard Harvey and Aurel Kelly. Absent and excused was Commissioner Ben Brower. Also attending were the Department of Revenue Executive Director, Renny Fagan, Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Deputy Chief of Investigations, Jim Cain, Assistant Attorney General, Sue Beck-Ferkiss, Investigator Bob Abbott, and Investigator Len Martin. Persons making presentations included Ken Jacobs, from the D.O.R., Office of Policy Analysis, Greg Fouton, from the Department of Transportation, Ron Cattany from Natural Resources, Tom Hadden, Roger Holbrook, and Roger Donahue all from the Health Department, Dave Winfrey, from the Department of Institutions, James Maida, from Gaming Laboratories International, and Scott Scherer, from International Gaming Technology.

Chairman Hyatt asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he did not have any informational or organizational matters to report at that time.

Chairman introduced Ed Meier, a C.P.A., that will be employed by the commission to give advise and provide technical information in connection with consideration of the gaming tax.

Ms. Buchanan introduced Ken Jacobs, from the Office of Policy Analysis. Mr. Jacob gave an overview of material describing the impacts of gaming on various other state agencies.

Mr. Fouton spoke briefly concerning the volume of traffic and traffic accidents since gaming began in October of 1991.

The meeting was recessed at 10:35 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 10:59 a.m. by Chairman Hyatt.

Ms. Buchanan clarified how general fund monies are appropriated and contrasted it with activities that the Commission funds. She noted that other state agencies will still need to go to the Joint Budget Committee to get the monies they are requesting.

Mr. Cattany addressed the problem of abandoned mines in the gaming towns, soil and water corrosion, and added impacts on state parks, noting that these are issues with which the Division of Natural Resources needed to be concerned.

Mr. Hadden, Mr. Holbrook, and Mr Donahue addressed the areas where gaming was having an impact on the Department of Health. They raised the matter of the increase in the number of inspections needed for food and beverage operations.

Mr. Winfrey spoke about the growing need for counseling in two gaming counties. He noted he would like to have a full time nurse on duty to organize such counseling.

The meeting was recessed at 12:37 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 2:07 p.m. by Chairman Hyatt.

Mr. Maida briefed the Commission on the results in the Phase II testing of the Quartermania System. He recommended Phase II be approved from a technical perspective.

The Chair called for a motion to go into executive session at 2:20 p.m. for the purpose of reviewing and considering licenses for various licensees. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:10 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent retailer and operator licenses for UNIVERSAL GAMING TECHNOLOGY, INC., doing business as THE SILVER MINE CASINO; SORENSON HOSPITALITY, INC., doing business as BABY DOES SILVER DOLLAR CASINO; COLORADO GRANDE ENTERPRISES, INC., doing business as COLORADO GRANDE GAMING PARLOR; CENTRAL CITY GAMING INVESTORS, L.P. doing business as GLORY HOLE SALOON AND GAMING HALL; GOLD VEIN LIMITED LIABILITY COMPANY, doing business as BLACK DIAMOND CASINO; PIONEER GROUP INC., doing business as BRONCO BILLY'S SPORTS BAR & CASINO; JOHNNY NOLON SALOON & GAMBLING EMPORIUM; and BLACK FOREST INN, doing business as OTTO'S CASINO. These licenses will be issued on the dates of expiration of the original licenses and expire one year from the dates of issuance. Further, the original conditions placed on UNIVERSAL GAMING TECHNOLOGY, INC., doing business as THE SILVER MINE COLORADO GRANDE GAMING PARLOR, AND PIONEER GROUP, INC. doing business as BRONCO BILLY'S SPORTS BAR & CASINO, shall continue to be in effect. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership for CENTURY CASINO MANAGEMENT, INC. as detailed in the investigative report. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted

Ms. Beck-Ferkiss spoke with the Commission regarding the 15% management fee the Office of the Treasurer charges on interest generated by the Limited Gaming Fund.

Ms. Kelly made a motion to authorize the Attorney General's Office to draft a letter to the Office of the Treasurer regarding the concerns the Commission has on the Constitutionality. Mr. Harvey made the motion to authorize and recommend the Division of Gaming to communicate to the Office of the Treasurer the concerns the Commission has on the Constitutionality. Ms. Kelly withdrew her motion and seconded Mr. Harvey's motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:22 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
August 12, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:04 a.m. on August 12, 1993, at 600 S. Colorado Blvd., Cherry Creek Inn, Denver, Colorado. Present were Commissioners Ben Brower, Dan Hyatt, Richard Harvey, and Aurel Kelly. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Investigator Phil Wargo, and Assistant Attorney General, Sue Beck-Ferkiss.

Chairman Hyatt asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he did not have any informational or organizational matters to report at that time.

Chairman Hyatt asked if there was anybody from the public that would like to address the Commission. No one from the public was present to speak on tax issues at that time.

Mr. Kitts briefed the Commission on the contiguous counties' impact fund and the residency survey conducted by the Communications Section of the Division of Gaming. Ms. Buchanan noted that the Commission would be certifying an amount to the contiguous counties on August 31, 1993.

The Chair called for a motion to go into executive session at 10:00 a.m. for the purpose of reviewing confidential organizational matters and considering licenses for various licensees. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 1:37 p.m. by Chairman Hyatt.

Ms. Buchanan reviewed with the Commissioners the Certified Public Accountants that had bid for the consulting job with the Commission. Ms. Buchanan asked the Commissioners to review the resumes so they could vote on this matter later in the day.

The Chair called for a motion to go into executive session at 2:02 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:07 p.m. by Chairman Hyatt.

The Chair called for motion to renew the permanent retailer and operator licenses for THE VIRGIN MULE, INC., doing business as THE VIRGIN MULE APOTHECARY, INC., TIVOLINO TELLER HOUSE, INC., doing business as THE TELLER HOUSE; DEC, INC., doing business as THE EUREKA! LTD.; and GOLD MINE CASINO, INC., doing business as THE GOLD MINE CASINO. These license will be issued on the dates of expiration of the original licenses and expire one year from the dates of issuance. Further, the original condition placed on the license of the VIRGIN MULE, INC. will continue to be in effect. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses for UNIVERSAL DISTRIBUTING OF NEVADA, INC., and SIGMA GAME, INC. These licenses will be issued on the dates of expiration of the current licenses and expire one year from the dates of issuance. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the Indian gaming certification of FULL HOUSE, LTD., doing business as UTE MOUNTAIN CASINO. This certification will be issued on the date of expiration of the current certification and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Commissioners announced that they had reviewed the resumes and the responses from the various CPA firms. The Chair called for a motion for the Colorado Limited Gaming Control Commission to enter into a contract with Duree & Company for the purpose of having an independent public account consultant during the tax hearings. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of June 30, 1993. Ms. Kelly requested that a change be made; Ms. Seegmiller agreed to make this change. The Chair called for a motion to approve the Minutes of Meeting of June 30, 1993, as amended. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of July 1, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of July 14, 1993. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

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August 12, 1993

The Chair called for a motion to approve the Minutes of Meeting of July 15, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of July 22, 1993. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:20 p.m.



Sandie Seegmiller

Colorado Limited Gaming Control Commission

Minutes of Meeting
July 22, 1993

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:17 a.m. on July 22, 1993, at 200 E. Colfax, in the Old Supreme Court Chambers, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Deputy Chief of Investigations, Jim Cain, Assistant Attorney General, Sue Beck-Ferkiss, Investigator Vic Freburg, and Investigator Eric Hartsough. Persons making presentations included Tim O'Brien, from the State Auditors Office.

Ms. Beck-Ferkiss reviewed with the Commissioners the opinion of Tom Fears from the Attorney Generals Office, regarding the audit billings that cross fiscal years. She noted that Mr. Fears research on this matter did indicate it was within the Commission's authority, and it was their obligation, to pay the State Auditor's bill.

Mr. Papish thought it would be a good idea to have a policy regarding timely billings from businesses and other state agencies. Mr. O'Brien agreed with Mr. Papish about creating a policy that encourages timely payments.

The Chair called for a motion to approve the \$40,953.00 payment to the State Auditors in fiscal year 92-93, and to authorize the Division of Gaming to make this payment. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed Ms. Charlotte Kinz's Affidavit of Voluntary Surrender, and asked the Commission to accept the Voluntary Surrender. The Chair called for a motion to accept the Affidavit for Surrender of Colorado State Limited Gaming License #L30-07961, and to authorize the Chair to sign the order. Ms. Kelly made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Papish reviewed with the Commissioners the May Financial Statements. Ms. Kelly had some concerns on the 15% management fee on the gross interest revenue that the Division was being charged, and asked Ms. Beck-Ferkiss to review this. Ms. Beck-Ferkiss agreed to do this.

The Chair called for a motion to approve the May financial statements as submitted. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Papish asked that the Commission approve the \$105,000 budget request for fiscal year 93-94 for the State Auditors' office. The Commission decided to put the State Auditors' budget request

aside until an agreement between the two agencies had been negotiated.

The meeting was recessed at 10:05 a.m. by Chairman Hyatt.

The meeting was reconvened at 10:17 a.m. by Chairman Hyatt.

Ms. Beck-Ferkiss reviewed the Stipulation and Agreement between the Division of Gaming and Jane Reynolds, Case number SS 93018. The Chair called for motion to approve the Stipulation and Agreement between the Division of Gaming and Jane Reynolds and to authorize the Chair to sign the Order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:20 a.m. for the purpose of reviewing and considering licenses for various licensees. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:20 a.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent retailer and operator licenses for WILD BILLS PUB & GAMING PARLOR, INC., and OUR SERENDIPITY, INC., doing business as THE BRASS ASS OF CRIPPLE CREEK. These licenses will be effective on the date of expiration of the current licenses and expire one year from that date. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer and operator licenses for BLACK HAWK GAMING VENTURES LIMITED LIABILITY COMPANY, doing business as THE CRACKER FACTORY CASINO, and to approve the change of ownership as detailed in the investigative report. These licenses will be effective on the date of expiration of the current licenses and expire one year from that date. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to issue a permanent operator license to CENTURY CASINOS MANAGEMENT, INC., subject to the condition that Johann Graff exercise no influence over the operations or management of CENTURY CASINOS MANAGEMENT, INC. This license will be effective at 5:00 p.m. on July 22, 1993, and expire one year from the date of issuance. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 11:43 a.m. by Chairman Hyatt.

The meeting was reconvened at 1:15 p.m. by Chairman Hyatt.

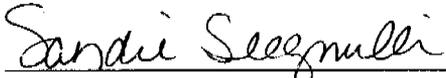
The Chair called for a motion to go into executive session at 1:20 p.m. for the purpose of reviewing and considering licenses for various licensees. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 1:36 p.m. by Chairman Hyatt.

Mr. Morris presented the standard proposed contract between the Division of Gaming and the Attorney General's office. The amount of the contract was for \$68,415.00. Chairman Hyatt made the motion to approve the inter-departmental agreement between the Division of Gaming and the Attorney General's office. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

Mr. Morris presented the contract between the Division of Gaming and Gaming Laboratories International. The Chair called for a motion to approve the contract between the Division of Gaming and Gaming Laboratories International. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:45 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
July 15, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:20 a.m. on July 15, 1993, at 132 Lawrence Street, Central City, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Investigator Jim Taylor, and Assistant Attorney General, Sue Beck-Ferkiss.

Chairman Hyatt asked Mr. Morris if he had any organizational matters to discuss with the Commission. Mr. Morris informed the Commission that the Division has proposed rules for slot machine tournaments, and testimony will be taken on this proposed rule on August 30, 1993.

Chairman Hyatt asked if there was anyone from the public that would like to address the Commission. There was no response. There being no business to come before the Commission, the meeting was adjourned at 9:45 a.m. to informally tour the casinos.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
July 14, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:17 a.m. on July 14, 1993, at 132 Lawrence Street, Central City, Colorado. Present were Commissioners Ben Brower, Richard Harvey and Aurel Kelly. Also attending were the Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Investigator Jim Taylor, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Dale Van Der Schaaf, Kay Lorenz, Christine McCleary, Mark Grueskin, Jim Pierce, and Mike Lieker.

Mr. Hyatt took a moment to recognize Ms. Aurel Kelly's hard work as the Chairperson of the Commission for the past two years. The fellow Commissioners thanked Ms. Kelly for all her hard work.

Mr. Van Der Schaaf and Ms. Lorenz also acknowledged the change in the chair and thanked Commissioner Kelly for her leadership. Mr. Van Der Schaaf and Ms. Lorenz presented her with a plaque.

Ms. McCleary asked the Commission to request the Division of Gaming to break down the statistics that the Division produces, into Class A, B, and C casinos. The Chairman noted that the Commission will take her request under advisement, but they must also consider the issue of confidentiality when releasing information.

Chairman Hyatt reminded the public of the upcoming tax hearings in July, August and September. He asked those who would be testifying on the tax issues not to repeat any written material they are providing to the Commission and that any charts or tabulation be available to the Commission in written form.

Mr. Grueskin, Counsel for the three Gaming Owners Associations said he will be presenting some material for the Commission to review at the next Commission meeting.

After the Commission reviewed information provided by the State Auditors office and the Division of Gaming regarding the State Auditor's budget request, and the billing for the previous year, the Commission requested that the State Auditors appear before them at the July 22 meeting to resolve some questions.

The Chair called for a motion to go into executive session at 10:00 a.m. for the purpose of considering temporary and permanent licensure and the backgrounds of various

applicants for gaming licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:07 a.m. by Chairman Hyatt.

Mr. Pierce, Chairman of the Ute Mountain Ute Gaming Commission, and Mike Leiker, Inspector for the Ute Mountain Ute Commission, took a few minutes to get acquainted with the Commissioners. Mr. Leiker asked the Commission to go into executive session to discuss procedures on the release of information. The Chair called for a motion to go into executive session at 10:27 a.m. to review the procedures on releasing information. Mr. Harvey made the motion. Mr. Brower made the motion. The motion was adopted.

The meeting reconvened into public session at 11:17 a.m. by Chairman Hyatt.

The Chair called for a motion to approve the Wild Card Audit Report and Black Hawk Prospector Audit Report. Ms. Kelly made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Having reviewed the Order to Show Cause, Notice of Hearing, and Notice of Charges on THE BLACK HAWK PROSPECTOR, the Chair called for a motion to issue an Order to Show Cause, and Notice of Hearing, Notice of Charges for THE BLACK HAWK PROSPECTOR, and to authorize the Chair to sign the Order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was adjourned for lunch at 11:53 a.m. by Chairman Hyatt.

The meeting was reconvened at 1:50 p.m. by Chairman Hyatt.

The Chair called for a motion to go into executive session at 1:51 p.m. for the purpose of considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:07 p.m. by Chairman Hyatt.

The Chair called for a motion to issue to COLORADO/KING LIMITED LIABILITY CO., doing business as GOLDEN CANARY LTD. LIABILITY CO, and WILD WILD WEST GAMBLING HALL, doing business as WILD WILD WEST GAMBLING HALL, permanent operator and retailer licenses for one year from the respective dates of expiration of the

current licenses. Mr. Harvey made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to issue to NORTH STAR CASINO, LLC, doing business as GOLDEN GATES CASINO, permanent operator and retailer licenses for one year from the date of expiration of the current licenses and to approve the change of ownership as detailed in the investigative report. Mr. Harvey made the motion. Mr. Brower and Ms. Kelly seconded the motion. The motion was adopted.

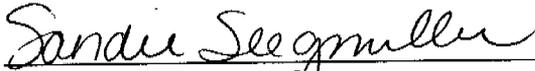
The Chair called for a motion to issue to THE COLORADO GAME EXCHANGE, INC., doing business as THE COLORADO GAME EXCHANGE, INC., a temporary manufacture/distributor license for six months from the date of expiration of the current license under the same conditions as the original license. Mr. Brower made the motion. Ms. Kelly seconded the motion. The motion was adopted.

The Chair called for a motion to issue to BALLY GAMING, INC., doing business as BALLY GAMING, IGT, NEVADA VIDEO, INC., doing business as P & M COIN, and IGT-COLORADO, permanent manufacturer/distributor licenses for one year from the respective that dates of expiration of the current licenses. Ms. Kelly made the motion. Mr. Brower and Mr. Harvey seconded the motion. The motion was adopted.

Mr. Morris reviewed with the Commissioners Regulation 47.1-405, Information to be provided by the licensee. The Chair called for a motion to adopt the amendments to Regulation 47.1-405, Information to be provided by the licensee, on a temporary and permanent basis. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair announced receipt of a letter dated July 6, 1993, from the Department of Regulatory Agencies, Frances LeDuke, and noted he will respond to this letter.

There being no further business to come before the Commission, the meeting was adjourned at 3:50 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
July 1, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:10 a.m. on July 1, 1993, at 720 S. Colorado Blvd., 1st floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Dan Hyatt and Richard Harvey. Also attending were the Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Investigator Bob Abbott, Investigator Huck Henderson, Investigator Phil Wargo, Controller, Joe Papish, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Gary Reiff, Paul Lofgren, Tim O'Brien, Dave Barba, Tom Feeny, William Powers, and Jim Borowski.

Mr. Reiff reviewed Regulation 47.1-4.5, Publicly Traded Corporations, and the new changes since the previous draft, and Regulation 47.1-420, Transfer of Interest. He recommended these rules be adopted.

The Chair called for a motion to approve and adopt Regulation 47.1-4.5, Publicly Traded Corporations, as a permanent and temporary rule. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve and adopt Regulation 47.1-420, Transfer of Interest, as a permanent and temporary rule. Mr. Harvey made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 9:50 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session by Chairperson Kelly at 10:55 a.m.

The Chair called for a motion to issue to VIDEO LOTTERY CONSULTANTS, a permanent manufacturer and distributor license effective at 5:00 p.m. on July 1, 1993, and to expire one year from that date. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Papish reviewed with the Commissioners the Financial Reports and the Balance Sheets for the months of March and April. The Chair called for a motion to approve and adopt the Financial Reports and the Balance Sheets for March and April. Mr. Harvey made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 12:04 p.m. by Chairperson Kelly.

The meeting was reconvened into public session at 1:32 p.m. by Chairperson Kelly.

Mr. O'Brien and Mr. Barba from the State Auditors office spoke with the Commission about their past bill and the budget request for fiscal year 93-94.

The Commission asked the State Auditors office to present to them, by the July 14 Commission meeting, a detailed report so they could better understand the billing process.

Mr. Feeney presented to the Commission a proposed agreement regarding child support and assured the Commission that the issues with the IRS were being resolved.

The Chair called for a motion to issue Thomas Feeney a permanent, conditional key license effective on July 1, 1993, and expiring on June 30, 1994. The conditions are as follows:

1. Payment of \$8,000.00 to Denver District Court on or before July 5, 1993, Case No. 80 DR 0359;
2. Continued payments to Denver District Court in the amount of \$402.00 per month; and
3. Payment of \$8,000.00 to Denver District Court on or before December 31, 1993, Case No. 80 DR 0359.

The meeting was recessed at 2:32 p.m. by Chairperson Kelly.

The meeting was reconvened into public session at 2:45 p.m. by Chairperson Kelly.

Mr. Powers, private attorney, was present on behalf of Jenifer McDonald, support licensee. He asked that the hearing on Case Number SS 93014, for Jenifer McDonald be continued until October 14, 1993, and he agreed to the STIPULATION AND AGREEMENT between the Division of Gaming and his client, Jenifer McDonald.

The Chair called for a motion to approve the STIPULATION AND AGREEMENT between Jenifer McDonald and the Division of Gaming and to set the hearing date for October 14, 1993, and to authorize the chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Having reviewed the Order to Show Cause, Notice of Hearing, Notice of Charges on the JUBILEE CASINO, doing business as 353 MYERS STREET, and GOLD CREEK ASSOCIATES doing business as BOBBY WOMACK'S SALOON & GAMING PARLOR, the Chair called for a motion to issue an Order to Show Cause, Notice of Hearing and Notice of Charges to JUBILEE CASINO, doing business as 353 MYERS STREET, and GOLD CREEK ASSOCIATES doing business as BOBBY WOMACK'S SALOON & GAMING PARLOR, and authorize the Chair to sign the respective Orders. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Having reviewed the Summary Suspension, Order to Show Cause, and Notice of Hearing on Jane Reynolds, the Chair called for a motion to issue a Summary Suspension, Order to Show Cause, and Notice of Hearing to Jane Reynolds, and to set a hearing date on July 22, 1993, and to authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Having reviewed the Summary Suspension, Order to Show Cause, and Notice of Hearing on Charlotte Kintz, the Chair called for a motion to issue a Summary Suspension, Order to Show Cause, and Notice of Hearing to Charlotte Kintz, and to set a hearing date on July 22, 1993, and to authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 3:05 p.m. by Chairperson Kelly.

The meeting was reconvened at 3:09 p.m. by Chairperson Kelly.

Mr. Borowski presented to the Commission the Colorado Bureau of Investigation budget request for fiscal year 93-94 in the amount of \$528,121.00.

The Commissioners asked Mr. Borowski about some concerns they had with sharing information with the Division of Gaming. Mr. Borowski asked if he could go into executive session with the Commissioners only.

The Chair called for a motion to go into executive session to discuss confidential matters with Jim Borowski. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:43 p.m. by Chairperson Kelly. Mr. Hyatt proposed a reduction in line item 3110 (supplies) from \$4,875 to \$4,400 before the Commission approved the budget request. The Commission agreed that this line item reduction was appropriate.

The Chair called for a motion to approve and adopt the Colorado Bureau of Investigation budget request for fiscal year 93-94 in the amount of \$527,646.00. Mr. Hyatt made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Harvey made a motion to meet quarterly with the Colorado Bureau of Investigation and directed the Division of Gaming to schedule these conferences. Mr. Hyatt seconded the motion. The motion was adopted.

Chairperson Kelly reminded the Commission that the first meeting of July was the time to nominate a new Chairperson and Vice Chairperson. Chairperson Kelly nominated Ben Brower for Chairperson.

Mr. Hyatt nominated Aurel Kelly for the Chairperson. Ms. Kelly said she no longer wanted to be the Chairperson, she believed two years was long enough and asked that someone else be nominated.

Mr. Harvey nominated Daniel Hyatt for Chairperson. Mr. Brower moved that nominations sieze and a unanimous ballet be cast. Ms. Kelly seconded the motion. Mr. Hyatt abstained from voting. The motion was adopted.

Mr. Hyatt nominated Ben Brower for Vice Chairperson. Ms. Kelly moved that nominations sieze and a unanimous ballet be cast. Mr. Harvey seconded the motion. The motion was adopted.

There being no further information to come before the Commission the meeting was adjourned at 4:55 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
June 30, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:13 a.m. on June 30, 1993, at 720 S. Colorado Blvd., 2nd floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Dan Hyatt and Richard Harvey. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Supervisor of the Central City/Black Hawk Gaming Office Jim Huskey, Investigator Bob Abbott, Investigator Huck Henderson, Investigator Jeff Foster, Investigator Phil Wargo, Budget Analyst, Linda Petkash, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Dale Van Der Schaaf, Ann Dodson, Buddy Rice, Ron Simsick, and Tom Feeney.

Ms. Beck-Ferkiss reviewed the STIPULATION AND AGREEMENT between the Division of Gaming and Michael Marciniak, and the STIPULATION AND AGREEMENT between the Division of Gaming and Mark Riechert. The Chair called for a motion approve and adopt the STIPULATION AND AGREEMENT between the Division of Gaming and Michael Marciniak, and also that with Mark Reichert, and to authorize the Chair to sign the respective Orders. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Van Der Schaaf introduced some of the Central City Casino Association members who wished to speak to the Commission regarding the gaming tax issue.

Ms. Dodson, General Manager of Famous Bonanza, and Mr. Rice, General Manager of Baby Does, spoke on the tax issues, and requested the Commission provide relief on the taxes before many of the casinos failed.

Ms. Lorenz thanked the Commission for listening to the industry's concerns.

The meeting was recessed at 10:16 by Chairperson Kelly.

The meeting was reconvened at 10:42 by Chairperson Kelly.

Mr. Hyatt requested the industry to bring tax information forward during the tax hearings scheduled in July, August, and September.

Chairperson Kelly called for a motion to adopt a policy that after the Commission has set the gaming taxes for the year, the Commission will not review or hear further evidence or testimony concerning the gaming taxes until the hearings in July, August, and September.

Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss reviewed with the Commission the STIPULATION AND AGREEMENT between the Division of Gaming and Richard Wright. The Chair called for a motion to approve and adopt the STIPULATION AND AGREEMENT between the Division of Gaming and Richard Wright. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Simsick, Chief Financial Officer with the Department of Public Safety, discussed with the Commissioners the supplemental budget request for fiscal year 92-93 for State Patrol in the amount of \$105,425. Mr. Simsick also discussed State Patrol's budget request for fiscal year 93-94 in the amount of \$551,912, Fire Safety's budget request for fiscal year 93-94 for in the amount of \$126,553, and the Colorado Bureau of Investigation's budget request.

The Chair called for a motion to approve the supplemental budget request for State Patrol in the amount of \$105,425. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the 93-94 budget request for Fire Safety in the amount of \$126,553. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the 93-94 budget request for State Patrol in the amount of \$549,512. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to continue discussion of the Colorado Bureau of Investigation budget to the end of the docket on July 1, 1993. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 12:04 p.m. by Chairperson Kelly.

The meeting was reconvened at 1:35 p.m. by Chairperson Kelly.

The Chair called for motion to go into executive session at 1:40 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting returned into public session at 3:26 p.m.

The Chair called for a motion to issue to 777 GAMING LIMITED LIABILITY COMPANY, doing business as LONGBRANCH SALOON AND CASINO, LTD., GOLD CREEK ASSOCIATES, LTD., doing business as WOMACK'S SALOON AND GAMING PARLOR, DOC HOLLIDAY, INC., doing business as DOC HOLLIDAY LTD., and 353 MYERS AVENUE LIMITED PARTNERSHIP, doing business as JUBILEE CASINO, permanent operator and retailer licenses for one year from the date of expiration of the current licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

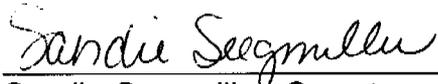
The Chair called for a motion to issue to RWH, INC., doing business as MIDNIGHT ROSE HOTEL AND CASINO, temporary retailer and operator licenses from the date of expiration of the current licenses and to expire on October 30, 1993. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to ROYAL BELL, LTD., permanent manufacturer and distributor licenses for one year from the date of expiration of the current licenses. Mr. Brower and Mr. Harvey made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership of MAIN STREET GAMING HOUSE, doing business as 101 MAIN STREET, and SILVER SLIPPER, LIMITED LIABILITY COMPANY doing business as SILVER SLIPPER, as detailed in the investigative report. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Having considered testimony from the Division of Gaming Investigator, Bob Abbott, regarding David Benton, the Chair called for a motion to revoke David Benton's support license and authorize the Chair to sign the Order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:52 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

Minutes of Meeting
June 10, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:15 a.m. on June 10, 1993, at 301 E. Bennet Avenue, Cripple Creek, Colorado. Present were Commissioners Ben Brower, and Dan Hyatt. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Acting Division of Gaming Director, Mel Grantham, Public Information Officer, Tom Kitts, Chief Auditor, Georgine Zalesky, Supervisor of the Central City/Black Hawk Gaming Office Jim Husky, Supervisor of the Cripple Creek Office, Craig Bridgmon, Investigator Bob Abbott, Investigator Huck Henderson, Investigator Ralph Henning, Budget Analyst, Linda Petkash, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included General Manager of Gold Rush Casino, Mark Meyer, Owner of Johnny Nolan's, Bob Konzack, Deputy Director of the Department of Local Affairs, Jerry Smith, Budget Officer for Department of Public Safety, Ron Simsick, and Deputy Chief of Fire Safety Paul Cook.

Chairperson Kelly asked if there was anybody from the public that would like to address the Commission.

Mr. Meyer, General Manager of the Gold Rush Casino, spoke to the Commission about the benefits and improvements the Town of Cripple Creek had seen since gaming. He mentioned non-gaming development, parking facilities, and hotels. The Commission thanked Mr. Meyer for appearing before them.

Mr. Konzack, Owner of Johnny Nolan's, welcomed the Commissioners to Cripple Creek.

Mr. Smith, from the Department of Local Affairs, presented to the Commission the Department's Budget for fiscal year 93-94. He noted that the amount has not changed from the previous year. The Chair called for motion to approve the Department of Local Affairs request for \$25,000 for fiscal year 93-94. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Summary Suspension on Mark Reichert. The Chair called for a motion to approve and issue an ORDER OF SUSPENSION, ORDER TO SHOW CAUSE, NOTICE OF HEARING AND NOTICE OF CHARGES for Mark Reichert and set the hearing date for June 30, 1993, at 9:00 a.m. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Summary Suspension on Richard Wright. The Chair called for a motion to approve and issue an ORDER OF SUSPENSION, ORDER TO

SHOW CAUSE, NOTICE OF HEARING AND NOTICE OF CHARGES for Richard Wright and set the hearing date for June 30, 1993, at 9:00 a.m. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Summary Suspension on David Benton. The Chair called for a motion to approve and issue an ORDER OF SUSPENSION, ORDER TO SHOW CAUSE, NOTICE OF HEARING AND NOTICE OF CHARGES for David Benton and set the hearing date for June 30, 1993, at 9:00 a.m. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Summary Suspension on Michael Marciniak. The Chair called for a motion to approve and issue an ORDER OF SUSPENSION, ORDER TO SHOW CAUSE, NOTICE OF HEARING AND NOTICE OF CHARGES for Michael Marciniak and set the hearing date for June 30, 1993, at 9:00 a.m. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented the Summary Suspension on Jenifer McDonald. The Chair called for a motion to approve and issue an ORDER OF SUSPENSION, ORDER TO SHOW CAUSE, NOTICE OF HEARING AND NOTICE OF CHARGES for Jenifer McDonald and set the hearing date for June 30, 1993, at 9:00 a.m. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

After reviewing the State Auditor's budget request for fiscal year 93-94 and having questions, the Chair called for a motion to set matters aside until the June 30 meeting. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Cook, from Division of Fire Safety, presented to the Commissioners Fire Safety's budget request for 93-94. He noted that it was for the same amount the Commission approve last year.

The meeting was recessed at 11:00 a.m. by Chairperson Kelly.

The meeting was reconvened at 11:17 p.m. by Chairperson Kelly.

Mr. Simsick, from the Department of Public Safety, presented to the Commission Colorado Bureau of Investigation's and Colorado State Patrol's budget request.

After reviewing the Department of Public Safety's budget request for fiscal year 93-94 and having questions, the Chair called for a motion to set matters aside until the June 30 meeting. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 12:01 p.m. by Chairperson Kelly

The Chair called for a motion to go into executive session at 2:13 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:32 by Chairperson Kelly.

The Chair called for a motion to continue Key Employee license discussion to Thomas L. Feeney, Jr. until June 30, 1993.

The Chair called for a motion to issue permanent retailer and operator licenses to GRIMES LLC, dba PETE'S PLACE; TOLL GATE CASINO LLC., dba TOLL GATE CASINO; GOLDEN HORSESHOE; RICHMAN PROPERTIES LLC., dba RICHMAN CASINO; and THE LAYS' PALACE, LTD., dba THE PALACE HOTEL AND CASINO. These licenses would be issued on the date of expiration of the current licenses and expire one year from the date of issuance. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership for TERRY'S CAFE LIMITED PARTNERSHIP, dba MAVERICK'S STEAKHOUSE AND CASINO, as detailed in the investigative report and to issue permanent retailer and operator licenses to the applicant. Such licenses would be issued on the date of expiration of the current licenses and expire one year from the date of issuance. These licenses will be subject to the conditions placed on the original licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The chair calls for a motion to issue temporary retailer and operator licenses to 777 GAMING LLC., dba LONG BRANCH SALOON AND CASINO, LTD, CRIPPLE CREEK. This licenses would be issued on the date of expiration of their current license and expire on June 30, 1993. These licenses will be conditioned upon the completion of a satisfactory compliance inspection. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The chair calls for a motion to approve the change of ownership for PAPONE'S PALACE LTD., dba PAPONE'S PALACE as detailed in the investigative report with the following conditions:

- 1) Securities may only be offered by registered broker-dealers with the National Association of Securities Dealers (NASD) and with the United States Securities

Exchange Commission (SEC), and such broker-dealers will remain so registered for any period of time they are offering such securities.

2) Upon completion of any public offering, no beneficial owner purchasing securities therein shall have purchased more than the percentage permitted under the Colorado Gaming Regulations without prior approval of the Colorado Limited Gaming Commission.

3) Approval of this transfer of ownership by the Colorado Limited Gaming Commission and the Colorado Division of Gaming shall not be considered as any kind of approval or endorsement of the securities that will be offered or issued in any public offering.

4) The Company shall provide copies to the Division of Gaming of all documents filed by the Company with the Securities Exchange Commission, all orders issued to the Company by the Securities Exchange Commission, and all documents received by the Company related to percentages of ownership in the Company all required filings pursuant to the Securities Exchange Act of 1934. The Company shall provide these copies within 10 days of the receipt by the Company or the filing by the Company, respectively.

Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership for BOWL OF GOLD RESORTS, dba BOWL OF GOLD CASINO; BOWL OF GOLD RESORTS, dba LUCKY LOLA'S CASINO; BOWL OF GOLD RESORTS, dba LOOSE CABOOSE CASINO; and GOLD COIN, INC., dba LADY LUCK CENTRAL CITY CASINO as detailed in the investigative reports. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Beck-Ferkiss presented to the Commission the Stipulations and Agreements between the Division of Gaming and SMG GAMING INC., dba STAR OF CRIPPLE CREEK, DIAMOND LIL'S GAMBLING PARLOR INC., dba DIAMOND LIL'S and TOOTSIE'S LTD. LIABILITY CO., dba MAYOR WILLIES.

The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and TOOTSIE'S LTD. LIABILITY CO., dba MAYOR WILLIES, and authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and SMG GAMING INC., dba STAR OF CRIPPLE CREEK, and authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and DIAMOND LIL'S GAMBLING PARLOR, INC., and authorize the Chair to sign the Order and issue temporary retailer and operator licenses, these licenses would be issued on the date of expiration of their current license and expire on the date of issuance of the original licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the following policy:

It is the policy of the Colorado Limited Gaming Control Commission not to interfere with the claim between a debtor or creditor who are also licensees under the Limited Gaming Act 1991, unless such claims have been reduced to judgment in the Court of Law in the State of Colorado.

Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:54 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING May 13, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:07 a.m. on May 13, 1993, at 720 South Colorado Blvd, 4th floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey, and Daniel Hyatt. Also attending were the Department of Revenue Executive Director, Renny Fagan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Chief Auditor, Georgine Zalesky, Investigator Vic Freburg, Investigator Rennea Jenson-Brown, Budget Analyst, Linda Petkash, Controller, Joe Papish, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Drew Hemmrick.

The Chair called for a motion to adopt the Minutes of the Meeting of April 29, 1993. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Hemmrick, legal counsel for Mayor Willies, asked that the proposed Summary Suspension on Mayor Willies licenses be continued until he had a chance to review the material provided to the Mayor Willie's licensee by the Division of Gaming Audit Section. The Commission said that they would like to hear from the Division of Gaming in Executive session before making a decision.

Mr. Papish reviewed with the Commissioners the Financial Reports and the Balance Sheets for the month of February. The Chair called for a motion to approve and adopt the Financial Reports and the Balance Sheets for February, 1993. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Petkash reviewed with the Commission the supplemental budget for fiscal year 92-93.

The Chair called for a motion to approve the supplemental budget request and approve spending authority to the Division in the amount of \$233,051.00 Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 10:56 a.m. by Chairperson Kelly.

The meeting was reconvened at 11:12 a.m. by Chairperson Kelly.

The Chair called for a motion to go into executive session at 11:13 a.m. for the purpose of reviewing transcripts and considering temporary and permanent licensure and the backgrounds

of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:08 p.m. by Chairperson Kelly.

After the Commissioners reviewed the transcript on Jeffery Sauls, Case Number SC92032, the Chair called for a motion to issue a support employee license to Jeffery Sauls based on the following conditions:

1. Assure timely payments of all future tax obligations;
2. Report every thirty (30) days to the Director of the Division of Gaming the status of his disputed past federal and state tax obligations;
3. Not be convicted of any crime involving the use of drugs or alcohol;
4. Not have any future reporting violations for failure to properly notify the Division of Gaming as required by the Colorado Gaming Regulations; and
5. Not violate any law of the United States or the State of Colorado, except for minor traffic offenses that do not involve drugs or alcohol.

Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Ms. Petkash reviewed with the Commission the fiscal year 93-94 budget request for the Division of Gaming. The Chair called for a motion to approve the 93-94 budget request for the Division of Gaming in the amount \$5,265,761, this amount omitting the other State Agencies request. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 2:18 p.m. for the purpose of considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:34 p.m. by Chairperson Kelly.

The Chair called for a motion to issue to FIRST CHOICE COIN a manufacturer and distributor license for one year effective for one year beginning on May 13, 1993, at 5:00 p.m., provided that the following conditions are met:

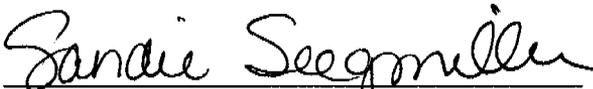
1. Lazier Singer shall have no Contact with Barry Mc Namara;
2. Licensee shall comply with all the rules and regulations of the Commission and all the laws of the State of Colorado and of the United States.

Mr. Brower made the motion. Mr. Hyatt seconded the motion. the motion was adopted.

Having reviewed the Order to Show Cause, Notice of Hearing, Notice of Charges on SMG GAMING, INC., *et. al.*, dba STAR OF CRIPPLE CREEK, the Chair called for a motion to issue an Order to Show Cause, Notice of Hearing, Notice of Charges for SMG GAMING, INC., *et. al.*, dba STAR OF CRIPPLE CREEK, and set a hearing date on June 10, 1993, and authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Having reviewed the Summary Suspension, Order to Show Cause, Notice of Hearing on TOOTSIE'S LIMITED LIABILITY COMPANY, dba MAYOR WILLIE'S, the Chair called for a motion to issue a Summary Suspension, Order to Show Cause, Notice of Hearing to TOOTSIE'S LIMITED LIABILITY COMPANY, dba MAYOR WILLIE'S, and set a hearing date on June 10, 1993, and authorize the Chair to sign the Order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:02 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING May 12, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:16 a.m. on May 12, 1993, at 720 South Colorado Blvd, 2nd floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey, and Daniel Hyatt. Also attending were the Department of Revenue Executive Director, Renny Fagan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Department of Revenue Tax Analysis, Jim Huyghebaert, Central City Supervisor, Jim Husky, Chief Auditor, Georgine Zalesky, Investigator Phil Wargo, Investigator Rennea Jenson-Brown, Investigator Jim Taylor and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Gary Reiff, Tom Feeney, Tom Kadlick and Ross Grimes.

The Chair called for a motion to go into executive session for the purpose of discussing the Supreme Court decision. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 9:43 a.m. by Chairperson Kelly.

Mr. Reiff reviewed Regulations 47.1-4.5 Publicly Traded Corporations and the new changes since the previous draft.

Mr. Wargo reviewed with the Commissioners Regulations: 47.1-1009, Shuffle and cut of the cards; 47.1-1021, Dealing; 47.1-1041, Maximum number of players; 47.1-106, Definitions; 47.1-1213, Specifications for chips and tokens; 47.1-1214, Colors of chips; 47.1-1304, Redemption and disposal of discontinued chips and tokens; 47.1-1050, Poker tournaments; 47.1-1051, Tournament chips required; 47.1-1052, Calculation of adjusted gross proceeds of tournament play; 47.1-1053, Cash receipts and prize awards-accounting; 47.1-1054, Location of tournaments; 47.1-1055, Qualification of players; 47.1-1056, Entry fee and player buy-in; 47.1-1057, Rules of play; 47.1-1058, Conduct of tournament; 47.1-1059, House rules for tournament play; 47.1-801, Blackjack (21) Rules; and 47.1-802, Definitions for Blackjack.

The meeting was recessed at 10:47 a.m. by Chairperson Kelly.

The meeting was reconvened at 11:03 a.m. by Chairperson Kelly.

Mr. Kadlick, the founder of Multiple Action Blackjack, reviewed with the Commissioners Regulations 47.1-833, Multiple Action Blackjack, and demonstrated how the game is played.

The Chair called for a motion to adopt the amendments to Regulations: 47.1-1009, Shuffle and cut of the cards; 47.1-1021, Dealing; 47.1-1041, Maximum number of players on a temporary and permanent basis. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the amendments to Regulations: 47.1-106(27.5) , Definitions; 47.1-1213, Specifications for chips and tokens; 47.1-1214, Colors of chips; 47.1-1304, Redemption and disposal of discontinued chips and tokens, on a temporary and permanent basis. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the amendments to 47.1-1050, Poker tournaments; 47.1-1051, Tournament chips required; 47.1-1052, Calculation of adjusted gross proceeds of tournament play; 47.1-1053, Cash receipts and prize awards-accounting; 47.1-1054, Location of tournaments; 47.1-1055, Qualification of players; 47.1-1056, Entry fee and player buy-in; 47.1-1057, Rules of play; 47.1-1058, Conduct of tournament; 47.1-1059, House rules for tournament play; 47.1-801, Blackjack (21) Rules; and 47.1-802, Definitions for Blackjack, and 47.1-833, Multiple Action Blackjack, on a temporary and permanent basis. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 11:32 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:56 a.m. by Chairperson Kelly.

The Chair called for a motion to approve the change of ownership of BLACK HAWK GAMING & DEVELOPMENT COMPANY, INC. doing business as GILPIN HOTEL CASINO, to the Underwriter Group, RAF FINANCIAL CORPORATION subject to the following conditions:

- 1) RAF Financial Corporation shall be the representative of members of an underwriting group pursuant to the proposed underwriting agreement between the Company and the underwriting group as appended to that certain Registration Statement filed with the United States Securities and Exchange Commission, Registration No. 33-57342.
- 2) All underwriters will be registered broker-dealers with the National Association of Securities Dealers (NASD) and with the United States Securities and Exchange Commission (SEC), and will remain so through the completion of termination of the aforesaid public offering.

- 3) The underwriting group will dispose of the acquired securities as contemplated in the Registration Statement within 10 business days following the effective date of the registration statement and, in the event the overallotment referenced therein is exercised, 30 days after the notice of the exercise of the overallotment provision.
- 4) At no time that the underwriting group may be deemed to own securities proposed to be sold pursuant to the Registration Statement will the underwriting group exercise control of this Company, nor will it attempt to vote such securities, nor will it receive dividends from this Company.
- 5) Upon completion of the aforesaid public offering, no person purchasing securities therein shall have purchased 5% or more of the Company.
- 6) No member of the underwriting group shall have been convicted of any crime set forth in Section 12-47.1-510, C.R.S.
- 7) The underwriting group shall confirm all sales of securities by the Company to third parties.
- 8) At the effective date of the aforesaid public offering and continuing through its termination or conclusion, no member of the underwriting group will own an interest in more than two other Colorado limited gaming licenses.
- 9) Approval of this transfer of ownership by the Colorado Limited Gaming Commission and the Colorado Division of Gaming shall not be considered as any kind of approval or endorsement of the securities that will be offered or issued in the public offering.

Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 12:04 by Chairperson Kelly.

The meeting was reconvened at 1:50 p.m. by Chairperson Kelly.

Mr. Grimes spoke to the Commissioners about the 20% tax rate. He asked that the Commissioners consider changing the tax rate before the summer begins because he thought many casinos would be facing failure if the tax rate was to remain at 20%. The Commissioners thanked Mr. Grimes for appearing before them.

Mr. Huyghebaert and Ms. Buchanan reviewed with the Commissioners Regulations 47.1-1401, Gaming and Device Tax, 47.1-1619 (1), Standard financial statements.

The Chair called for a motion to adopt the amendments to Regulations 47.1-1401, Gaming and Device Tax, 47.1-1619 (1), Standard financial statements on a temporary and permanent basis. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 2:43 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:48 p.m. by Chairperson Kelly.

The Chair called for a motion issue permanent retailer and operator licenses to DEDICATED INTERNATIONAL, INC., doing business as BLACK HAWK STATION. These licenses would be effective at 5:00 p.m. on May 12, 1993, and expire one year from date of issuance, provided that all the standard conditions are met (see Standard Conditions below), and conditioned upon the surrender of the current retail license held for 141 Gregory Street, in Black Hawk, Colorado.

STANDARD OPERATOR AND RETAILER CONDITIONS

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.
- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.

- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue temporary retailer and operator licenses to 139 MAIN LIMITED LIABILITY COMPANY, doing business as BLAZING SADDLES. These licenses would be effective at 5:00 p.m. on May 12, 1993, and expire on November 12, 1993. The licenses would be subject to the standard conditions for operator and retailer licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

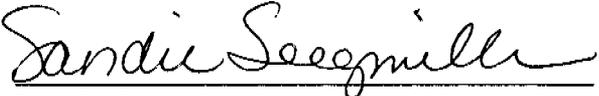
The Chair called for a motion to issue temporary retailer and operator licenses to DEC, INC., doing business as THE EUREKA! LTD. These licenses would be effective upon expiration of their current license and expire in three months. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer and operator licenses for BLACK HAWK MANAGEMENT COMPANY L.P., doing business as BULLWHACKERS BLACK HAWK LTD., and BLUE BUILDING DEVELOPMENT COMPANY doing business as GOLD DIGGER'S. These licenses would be issued on the date of expiration of the current licenses and expire one year from the date of issuance. Mr. Hyatt made the motion. Mr. Brower seconded the motion. the motion was adopted.

The Chair called for a motion to approve temporary retail and operator licenses for ANNIE OAKLEY'S LTD. LIABILITY COMPANY, doing business as ANNIE OAKLEY'S and SILVER SLIPPER LTD. LIABILITY COMPANY. These licenses would be effective upon expiration of the current licenses and expire on September 11, 1993. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the purchases of the membership interests of Mr. Rick Mellicker in ANNIE OAKLEY'S LTD. LIABILITY COMPANY and SILVER SLIPPER LTD. LIABILITY COMPANY by those companies. Mr. Hyatt made the motion. Mr. Brower and Mr. Harvey seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:53 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

April 29, 1993

(amended)

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:20 a.m. on April 29, 1993, at 132 Lawrence Street, Central City, Colorado. Present were Commissioners Ben Brower, Richard Harvey, Daniel Hyatt and Leroy Likes. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Don Burmania, Supervisor of the Central City/Black Hawk Gaming Office Jim Husky, Investigator Phil Wargo, Investigator Ralph Henning, Investigator Len Martin, Investigator Vic Freburg, Investigator Eric Hartsough, Investigator Huck Henderson, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Dale Van Der Schaaf, Arun Pande, Reid Godbolt, John Kanouff, and Cynthia Combs.

Chairperson Kelly asked Mr. Morris if he had any organizational matters to discuss with the Commission; he announced that, on behalf of the Division of Gaming, he was pleased to have the opportunity to hold a meeting in Central City.

Mr. Van Der Schaaf, from the Teller House, officially welcomed the Commissioners to Central City.

Mr. Pande, owner of Lilly Belles, spoke to the Commissioners about the condition of the industry compared to one and one-half years ago. He noted that there was less construction this year, as well as more parking available; and many of the roads were now paved. Mr. Pande also mentioned that the industry is working on developing greater community support. The Commissioners thanked Mr. Pande for speaking before them.

Mr. Godbolt and Mr. Kanouff, attorneys for Black Hawk Gaming & Development Company, Inc., briefed the Commission on the public offering that Black Hawk Gaming has proposed and asked the Commission to take immediate action to approve it.

Commissioner Harvey responded that the Commissioners had not had a chance to review the material, and he did not see how they would be able to vote on the matter at that point. He expressed the opinion that they could probably take this matter up at the May 12 meeting. The Chair and the other Commissioners agreed with that conclusion. Mr. Godbolt thanked the Commissioners for their consideration.

Ms. Combs asked the Commissioners to reconsider their policy regarding license holders not serving on local planning boards and commissions. She was informed that the Commission did not have jurisdiction over this matter, as any such prohibitions are set by statute, not by Commission rule.

The meeting was recessed by Chairperson Kelly at 10:18 a.m.

The meeting was reconvened by Chairperson Kelly at 10:40 a.m.

The Chair called for a motion to go into executive session at 10:41 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent operator and retailer licenses to WILLARD FAMILY ENTERPRISES, dba ELK CREEK GAMING HALL. These licenses would be effective at 5 p.m. on April 29, 1993, and expire one year from the date of issuance, provided that all the standard conditions are met (see Standard Conditions below). Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

STANDARD OPERATOR AND RETAILER CONDITIONS

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.
- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.
- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

The Chair called for a motion to renew the permanent operator and retailer licenses for KDL, INC., dba EL DORADO CASINO. These licenses would be effective on the date of expiration of the current licenses and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership for KDL, INC., dba EL DORADO CASINO, as detailed in the investigative report. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

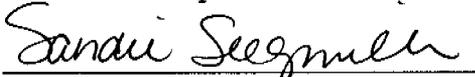
The Chair called for a motion to renew the permanent operator and retailer licenses for: PAPONÉ'S PALACE LTD., dba PAPONÉ'S PALACE; and IMPERIAL CASINO LTD., dba IMPERIAL HOTEL & CASINO. These licenses would be effective on the dates of expiration of the current licenses and expire one year from the respective dates of issuance. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the temporary operator and retailer licenses for WORLD GAMING CONCEPTS, INC., dba SILVER PALACE, effective on the expiration of the current licenses and to expire six months from the date of issuance. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the changes in ownership for ASPEN MINE & CASINO LTD., dba ASPEN MINE & CASINO, and COLORADO/KING LIMITED LIABILITY CO., dba GOLDEN CANARY LTD. LIABILITY CO., as detailed in the investigative reports. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for motion to go into executive session at 3:26 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting reconvened into public session at 4:05 p.m. There being no further business to come before the Commission, the meeting was adjourned at 4:05 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

April 16, 1993

amended 4/29/93

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:10 a.m. on April 16, 1993, at 720 South Colorado Blvd, 1st floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey, Daniel Hyatt and Leroy Likes. Also attending were the Department of Revenue Executive Director, Renny Fagan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Investigator Jim Taylor, Investigator Rennea Jenson-Brown, Investigator Eric Hartsough, Central City Supervisor, Jim Husky, Chief Auditor, Georgine Zalesky, Auditor, Charissa Hammer and Assistant Attorney General, Sue Beck-Ferkiss.

Mr. Morris opened the meeting by announcing that Commissioner Hyatt and Commissioner Harvey were confirmed unanimously by the Senate, and Mr. Morris introduced and welcomed the newest Colorado Limited Gaming Control Commissioner, Leroy Likes.

Upon the request of the Chairperson, Mr. Likes briefly reviewed his career history as a Certified Public Accountant.

Chairperson Kelly announced that she had received several letters from creditors regarding the amount of money owed to them by casinos, and the Chair thought that the Commission might consider formulating a specific policy addressing this issue. Mr. Fagan said he would like to work with the Division on this matter and would appear at the next commission meeting with some alternatives.

Mr. Morris took a moment to introduce Shawn McGinnis from Mississippi Gaming authority and noted that Mr. McGinnis was here to observe the Commission meeting.

Four Summary Suspension cases came before the Commission: Terrance Rutland (Case # SS93005); Kenneth Casey (Case # SS93006); Darlene Pilger (Case # SS93007); and Robert Booth (Case # SS93008). After the Commission listened to testimony or discussion about each of these licensees, the Commission made the following motions:

Mr. Harvey made a motion to suspend Mr. Rutland's license for six months and asked that he be advised that, if the pending charges against him are not lowered to a misdemeanor non-gaming related offense, then the suspension would automatically turn into a revocation. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Harvey made a motion to continue the suspension of Mr. Casey's license for another 30 days, with the condition that he be advised to file a written notice with the Division of Gaming. If he failed to notify the Division, the license would be revoked. The motion failed for lack of a second.

Mr. Hyatt made a motion to continue the suspension Mr. Casey's license for a period 6 months. In lieu of this suspension, the Commission hereby authorizes the imposition of a monetary penalty of two hundred dollars. Upon receipt by the Division of Gaming of the penalty, the Director is authorized to reinstate Mr. Casey's license prior to the expiration of the period of suspension. Mr. Harvey seconded the motion. The motion was adopted. The Chair called for a motion to authorize the chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to revoke Mr. Booth's license. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted. The Chair called for a motion to authorize the chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Ms. Pilger's license had expired, and she did not want to proceed with a hearing.

The meeting was recessed at 10:12 a.m. by Chairperson Kelly.

The meeting was reconvened at 10:25 a.m. by Chairperson Kelly.

Chairperson Kelly asked if there was anyone from the audience that would like to address the Commission before it went into executive session. There being no persons from the public wishing to speak, the Chair called for motion to go into executive session at 10:25 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:30 p.m. by Chairperson Kelly.

The Chair called for a motion to approve and adopt the Stipulation and Agreement between the Division and Cripple Creek Associates, doing business as Turf Club, and to authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue to OUTLAWS MANAGEMENT COMPANY, L.P., doing business as CROOK'S PALACE, operator and retailer licenses for the premises set forth in the

applicant's gaming license application, effective for one year beginning on April 16, 1993, at 5:00 p.m., provided that all the standard conditions are met (see Standard Conditions below). Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

STANDARD OPERATOR AND RETAILER CONDITIONS

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.
- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.
- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

The Chair called for a motion to issue to ARISTOCRAT, INC., doing business as ARISTOCRAT LEISURE INDUSTRIES, a temporary manufacturer and distributor license effective on the date of expiration of the current licenses and to expire six months from the date of issuance. This license is conditioned upon receipt of a completed renewal application and proper fees. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to GOLD COIN, INCORPORATED, doing business as LADY LUCK GAMBLING HALL AND SALOON, permanent operator and retailer licenses effective for one year beginning on April 16, 1993, at 5:00 p.m., provided that all the standard conditions are met (see Standard Conditions above). Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership for GOLD COIN,

INCORPORATED, doing business as LADY LUCK GAMBLING HALL AND SALOON, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew, and issue permanent operator and retailer licenses, to: RED DOLLY, INC., doing business as RED DOLLY'S; CRIPPLE CREEK DEVELOPMENT COMPANY, INC., doing business as GOLD RUSH CASINO AND HOTEL; and JAZZ ALLEY CASINO, INC., doing business as JAZZ ALLEY. Such licenses are to be effective on the expiration dates of the current licenses and will expire one year from the respective dates of issuance. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for motion to issue to VIRGIN MULE, INC., doing business as THE VIRGIN MULE APOTHECARY, INC., conditional, temporary operator and retailer licenses effective on the expiration date of the current licenses and to expire three months from that date. These licenses will be conditional upon full compliance with all internal control procedures and the maintenance of complete and accurate books and records. Such compliance will be verified by a Division of Gaming audit conducted during the term of the license. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair announced that the Commissioners had read the transcripts on the hearings of Preston Ragsdale, Helyn Henry, David Mohr, and Susan Petersilie.

Mr. Hyatt made a motion to deny applicant, Preston Ragsdale, a support license. Mr. Brower seconded the motion. The motion was adopted.

Mr. Hyatt made a motion to deny applicant, David Mohr, a support license. Mr. Brower seconded the motion. The motion was adopted.

Mr. Brower made a motion to issue to applicant, Helyn Henry, a conditional Indian gaming certificate with the condition that Helyn Henry not be convicted of any alcohol-related offenses. The motion failed for lack of a second.

Mr. Hyatt made a motion to deny applicant, Helyn Henry, certification that would enable her to receive a license from the Ute Mountain Utes. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to approve the "Stipulation and Agreement" between the Division of Gaming and Susan Petersilie. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted. The Chair called for motion to authorize the Chair to sign the Order.

Mr. Hyatt made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Minutes of the Meetings of March 24, March 25, and March 31, 1993. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair announced that a decision concerning the application of First Choice Coin would be continued at least until the next meeting.

There being no further business to come before the Commission, the meeting was adjourned at 4:00 p.m.


Sandie Seegmiller
Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING March 31, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:10 a.m. on March 31, 1993, at 720 South Colorado Blvd, 1st floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey, and Daniel Hyatt. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Public Information Officer, Tom Kitts, Controller, Joe Papish and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included: Bill Lovingier; James Maida; Scott Scherer; and Virginia Lewis.

Chairperson Kelly announced that the Commission has been invited to meet with the Ute Mountain Ute Indian tribe and tour the gaming facilities in Toawac. Chairperson Kelly said she would respond to their invitation.

The chair called for a motion to retire to executive session for the purpose of discussing pending legislation. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 9:56 a.m. by Chairperson Kelly. The Chair announced that in executive session the Commission discussed the pending hearing on the lawsuit concerning the authority of the General Assembly over the gaming revenues. She noted that the Attorney General's Office was going to be filing a brief, but it would not be representing the Colorado Limited Gaming Control Commission. As the Commission has a particular interest in the outcome, the Commission decided to employ private counsel to represent them in this case. The Chair called for a motion to authorize the Chair to negotiate with a private counsel to represent the Colorado Limited Gaming Control Commission in the matter before the Supreme Court. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Bill Lovingier and Linda Martin, from the City of Black Hawk, made a presentation concerning the impact gaming has had on that city. Mr. Lovingier and Ms. Martin generally thought gaming was improving the town in a number of areas: streets upgraded; historic preservation; home improvements; grant programs; and an increase in employment. They did say that there were still some areas that needed work: parking facilities; transportation; increase of pollution; and pedestrian walk ways. The Commission thanked them for appearing before them.

The meeting was recessed by Chairperson Kelly at 10:37 a.m.

The meeting was reconvened into public session by Chairperson Kelly at 11:01 a.m.

Mr. Maida reviewed with the Commissioners Regulation 47.1-1244 (1) Progressive slot machines defined and the new changes since the previous draft.

Mr. Scherer and Ms. Lewis also spoke about the progressives and noted that they were in favor of having such systems in Colorado.

The meeting was recessed by Chairperson Kelly at 12:15 p.m.

The meeting was reconvened into public session at 1:52 pm. by Chairperson Kelly.

Ms. Buchanan briefly discussed that she was working on some changes for rules 14 and 16 for the Commission's consideration.

The Chair called for a motion to adopt the amendments to 47.1-1244 (1) - Progressive slot machines defined. (See Exhibit A) Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Morris reviewed Regulation 47.1-1308 - Procedures for cashing checks at cashiers cage. The Chair called for a motion to adopt the amendments to 47.1-1308 - Procedures for cashing checks at cashiers cage. (See Exhibit B). Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for motion to go into executive session at 2:12 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:48 p.m. by Chairperson Kelly.

The Chair called for a motion to deny DIAMOND LIL'S GAMBLING PARLOR, INC., doing business as DIAMOND LIL'S GAMBLING PARLOR, renewed operator and retailer licenses and to authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to deny CRIPPLE CREEK ASSOCIATES, doing business as TURF CLUB, renewed operator and retailer licenses and to authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership of CRIPPLE CREEK'S PHENIX HOUSE GAMING, doing business as THE PHENIX HOUSE, as detailed in the investigative report. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership of INDEPENDENCE HOTEL L.P., doing business as INDEPENDENCE HOTEL AND CASINO, as detailed in the investigative report. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to INDEPENDENCE HOTEL L.P., doing business as INDEPENDENCE HOTEL AND CASINO, permanent operator and retailer licenses for one year from the date of expiration of the current licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the UNIVERSAL DISTRIBUTING OF NEVADA, INC., manufacturer and distributor license to expire in 1993 on the date of the original issuance. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to grant BETSTAR LTD., a permanent manufacturer and distributor license effective for one year beginning on March 31, 1993, at 5:00 p.m.. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Minutes of the Meetings of March 3, 1993, and March 18, 1993. Mr. Harvey asked Ms. Seegmiller to make a few minor changes, Ms. Seegmiller said she make those changes. The Chair called for a motion to adopt the Minutes of the Meetings of March 3, 1993, and March 18, 1993, as amended. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

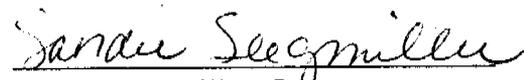
Mr. Papish reviewed with the Commissioners the Financial Reports and the Balance Sheets for the month of January. The Chair called for a motion to approve and adopt the Financial Reports and the Balance Sheets for January. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

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March 31, 1993

The Chair called for a motion approving the Order Approving Stipulation between the Division of Gaming and Douglas Mills. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for motion to go into executive session at 4:10 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:52 p.m.


Sandie Seegmiller, Secretary

AMENDMENTS TO REGULATION 47.1-1244(1)
Progressive Slot Machines Defined

Basis and purpose for amendment to Regulation 47.1-1244(1).

The purpose of the amendments to Regulation 47.1-1244(1) is to provide standards and guidelines to allow the use of inter-casino linked progressive slot machines. The statutory basis for these amendment is found in sections 12-47.1-201, 12-47.1-203, 12-47.1-302, and 12-47.1-806 C.R.S. (1991).

47.1-1244 Progressive slot machines defined.

(1) Linked machines.

Each machine on the link must have the same probability of hitting the combination that will award the progressive jackpot, and all machines on any link must be located in the licensed premises of one retail establishment; or they may be linked across telecommunication lines among more than one retail establishment, provided any such system (hereinafter referred to as "Multi-Link") complies with the following:

- (a) The provisions contained in this subsection do not affect, supersede, replace or in any way alter other provisions contained in this regulation.
- (b) The method of communication over the Multi-Link system must consist of either dedicated on-line communication lines (direct connect) or dial-tone lines which may be subject to certain restrictions imposed by the Division of Gaming or the Commission.
- (c) All communication packets between each location and the central system must be encrypted, and encryption keys must be alterable upon demand.
- (d) All Multi-Link systems must be on-line with a minimum one-way communication time to/from the linked slot machines of no more than 15 seconds.
- (e) All meter reading data must be obtained in real-time in an on-line, automated fashion. When requested to do so, the system must return meter readings on all devices attached to the system within five minutes of the meter acquisition request. This limitation shall not apply to the length of time it takes the computer system to calculate and print reports, but rather only to the time it takes to gather data used for such process. Manual reading of meter values may not be substituted for these requirements.

There is no restriction as to the acceptable method of obtaining meter reading values; provided, such methods must consist of either pulses leading from the slot machine computer board and/or associated wiring, or the use of serial interface to the gaming device's RAM or other non-volatile memory.

- (f) The Multi-Link system must have the ability to monitor entry into the front door of the machine as well as the logic area of the machine and report it to the Central System within one polling cycle.
- (g) Each player must be in a position to see the current total of the progressive jackpot display when in the normal playing position. Because the polling cycle does cause a delay, the jackpot meter need not precisely show the actual monies in the progressive pool at each instance. In

addition, nothing shall prohibit the use of odometer or other "paced" updating progressive displays. In the case of the use of "paced" updating displays, the progressive meter must display the winning value within 30 seconds of the jackpot being recognized by the central system, if the remote site is communicating to the central computer.

If a jackpot is recognized in the middle of a system-wide poll cycle, the overhead display may contain a value less than the aggregated jackpot amount calculated by the Central System. The coin values from the remaining portion of the poll cycle will be received by the Central System but not the local site, in which case the jackpot amount paid will always be the higher of the two reporting amounts.

- (h) A retail licensee utilizing a Multi-Link system must suspend play on the Multi-Link at the premises of that licensee if a communication failure in the system cannot be corrected within 12 hours.

- (i) Jackpot verification procedures must include the following:

When a jackpot is won, the vendor of, or person operating or controlling, the Multi-Link system shall have the opportunity to inspect the machine, EPROM, the error events received by the Central System, and any other data which could reasonably be used to ascertain the validity of the jackpot.

The Central System shall produce reports that will clearly demonstrate the method of arriving at the payoff amount. This shall include the coins contributed beginning at the polling cycle immediately following the previous jackpot and will include all coins contributed up to, and including, the polling cycle, which includes the jackpot signal. Coins contributed to the system after the jackpot occurs in real-time, but during the same polling cycle shall be deemed to have been contributed to the progressive amount prior to the jackpot.

The jackpot may be paid in installments as long as each machine clearly displays the fact that the jackpot will be paid in installments. In addition, the number of installments and time between installments must be clearly displayed on the face of the machine in a non-misleading manner.

Two jackpots that occur in the same polling cycle will be deemed to have occurred simultaneously; and therefore, each "winner" shall receive the full amount shown on the meter.

- (j) Approval by the Commission of any Multi-Link system shall occur in two phases: 1) initial approval; and 2) on-site testing.

The approval of any Multi-Link system must include a Phase I system approval whereby the underlying gaming devices and communication hardware must be tested and approved by the Colorado Division of Gaming, or its authorized agents.

Phase II approval must include field inspection at the Central Computer site as well as multiple field sites to ensure compliance with these rules. Operation of the system will be authorized only after the Commission is satisfied that the System meets both the Phase I and Phase II testing requirements, as well as any other requirements that the Commission may impose to assure the integrity, security, and legal operation of the Multi-Link.

- (k) Any Multi-Link vendor, or person authorized to control or operate a Multi-Link system, must supply reports to the Division of Gaming or its designee(s) which support and verify the economic activity on the System.

Any Multi-Link vendor, or person authorized to control or operate a Multi-Link system, must supply, as requested, reports and information to the

Division of Gaming or its designee(s) indicating the amount of, and basis for, the current jackpot amount (the amount currently in play). Such reports may include an "aggregate report" and a "detail report". The "aggregate report" may show only the balancing of the System with regard to System-wide totals. The "detail report" shall be in such form as to indicate for each machine, summarized by location, the coin-in and coin-out totals as such terms are commonly understood in the industry.

In addition, upon the invoicing of any retail licensee participating in a Multi-Link system, each such licensee must be given a printout of each machine owned by him, the coins contributed by each machine to the jackpot for the period for which an invoice is remitted, and any other information required by the Division or Commission to confirm the validity of the licensee's contributions to the jackpot amount.

- (l) The Central Computer site must be equipped with non-interruptible power supply and the Central Computer must be capable of on-line data redundancy should hard disk peripherals fail during operation.
- (m) The vendor, or the person authorized to control or operate a Multi-Link system, must hold a valid operator or manufacturer and distributor license issued by the Commission and must obtain approval from the Commission as to the methods of funding the progressive prize pool and calculating and receiving payments from participating retailers for operating and managing the Multi-Link system.
- (n) In calculating Adjusted Gross Proceeds, a retail licensee may deduct its pro-rata contribution to any progressive jackpots awarded during the month. This amount shall be listed on the detailed accounting records provided by the person authorized to control or operate the Multi-Link system. A retail licensee's contribution is based on the number, of coins in from that retail licensee's machines on the Multi-Link system, compared to the total amount of coins in on the whole system for the time period(s) between jackpot(s) awarded.
- (o) In the event a retail licensee ceases operations and a progressive jackpot is awarded subsequent to the last day of the final month of operation, the retail licensee may not file an amended tax return or make claim for a gaming tax refund based on its contributions to that particular progressive prize pool.
- (p) The central monitoring system for the Multi-Link must be located within the State of Colorado.
- (q) The vendor, or person authorized to operate or control a Multi-Link system, must supply a copy of all lease and contractual agreements with retail licensees to the Division.
- (r) The Multi-Link system prize fund (the amount of money contributed by the participating retail licensees) must be audited, in accordance with generally accepted auditing standards, on a state fiscal year basis, by an independent accountant licensed by the Colorado Board of Accountancy. Two copies of this report must be submitted to the Division by October 31 of each year. (12-47.1-1244(1) perm. 5/30/93)

BASIS AND PURPOSE OF AMENDMENTS OF REGULATION 47.1-1308 TO RULE 13

The purpose of the amendments to regulation 47.1-1308 to Rule 13 is to eliminate the next day deposit requirements for checks accepted. The statutory basis for Rule 13 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., 12-47.1-302, C.R.S., 12-47.1-819, C.R.S., and 12-47.1-825, C.R.S.

RULE 13 PURCHASE AND REDEMPTION OF COINS, CHIPS, AND TOKENS

47.1-1308 Procedure for accepting checks at cashier's cage. Once a check is accepted by a retail licensee, it must be deposited in the bank or other financial institution. Prior to depositing the check, the retail licensee may not return the check to the player or anyone else. Once the check has been deposited and returned by the bank or other financial institution, the check may be returned to the patron in return for payment of the delinquent funds. The check must be deposited and returned by the bank or other financial institution before the check can be returned to the patron for payment.

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING March 25, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:02 a.m. on March 25, 1993, at the Cherry Creek Inn, 600 South Colorado Blvd. (Aspen Room) Denver, Colorado. Present were Commissioners Ben Brower, Richard Harvey, and Daniel Hyatt. Also attending were the Division of Gaming Director, Roger Morris, Public Information Officer, Tom Kitts, Investigator Mark Walters, Assistant Attorney General, Sue Beck-Ferkiss and Assistant Attorney Tom Callison. Persons making presentations included: private attorney D.J Poyfair; and private attorney Todd Lundy. Witnesses called by the parties included: Sam Brown; Heinman Pelz; Scott Baroway; Victor Wallace; and Debra Houlihan.

The Commission commenced its meeting in public session at 9:02 a.m. for the purpose of holding a hearing on the appeal of Dolly's Casino Inc., case #GAD93002.

Representing Dolly's Casino, Inc. were D.J. Poyfair and Todd Lundy. Representing the Division of Gaming was Sue Beck-Ferkiss. Representing the Gaming Commission as conflicts counsel was Tom Callison.

Having considered extensive testimony and argument from the various parties and witnesses in this matter, and having reviewed all relevant exhibits, the Commission modified its previous license the denial issued on March 18, 1993, and granted temporary operator and retailer licenses for six months beginning on March 25, 1993, subject to the standard conditions as well as the following conditions:

1. Paul Ray and Della Ray shall have no management control and shall not exercise any stockholder rights or powers, and shall have no other connection with Dolly's Casino, Inc., pending final disposition of the issues in the lawsuit to which the Rays are a party, including appellate review if any.
2. David, Janet, Steven, Joe R., and Barbara L. Barry shall have no management control, and shall not exercise any stockholder rights or powers; and they shall have no other connection with Dolly's Casino, Inc. pending final disposition of the issues in the lawsuit to which the Barrys are a party, including appellate review if any.

3. The licenses are further subject to continued supervision and investigation of the owners, the pending owners, and any other persons having a financial interest in or connection with Dolly's Casino, Inc.
4. The licenses are further subject to the condition that, in the event that the Rays and the Barrys named above are determined in final judicial proceedings including appellate review, if any, to have a lawful ownership interest in Dolly's Casino, Inc., such parties must proceed forthwith to obtain the approval the Colorado Limited Gaming Control Commission for a change of ownership before exercising any rights or powers as stockholders or any management control or authority in connection with Dolly's Casino, Inc.

Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:05 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

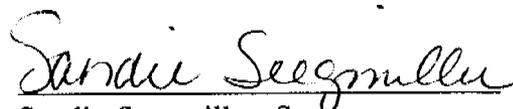
March 24, 1993

The meeting was held before the Senate Business Affairs Committee in the State Capitol at 200 E. Colfax, in room 354, Denver, Colorado. Present were Commissioner(s) Ben Brower, Richard Harvey, Daniel Hyatt, and Aurel Kelly. Also attending were members of the Senate Business Affairs Committee, the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Public Information Officer, Tom Kitts, Assistant Attorney General, Sue Beck-Ferkiss and Secretary Sandie Seegmiller.

The meeting was called to order by the Chairman of the Business Affairs Committee, David Wattenberg at 1:30 p.m. Members of the Committee inquired of the Gaming Commission concerning the state of the gaming industry, and whether the tax rate was fair and just. The various Commissioners replied that the industry is in good shape, although they do understand that there are problems (competition, parking, and poor business planning). The various Commissioners also stated that they listened to a considerable amount of testimony from local residents, different Departments of state and local government, patrons, creditors, citizens, and casino owners, about the impact that gaming has had on Colorado before setting the tax rate.

The Business Affairs Committee thanked the Commission for coming to meet with them.

There being no further business to come before the Commission, the meeting was adjourned at 2:39 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

March 18, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly at 1:07 p.m. on March 18, 1993, at 710 S. Colorado Blvd., second floor conference room. Present were Commissioners Ben Brower, Daniel Hyatt, and Richard Harvey. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Acting Deputy Chief of Investigations, Phil Wargo, Public Information Officer, Tom Kitts, and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentations included Victor Wallace.

Ms. Beck-Ferkiss reviewed with the Commission the Anthony Carbone case, noting that the charges on which the Division had summarily suspended his license had been dropped. She recommended that the Commission dismiss the Carbone case.

The Chair called for a motion to dismiss the Anthony Carbone Summary Suspension. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for motion to go into executive session at 1:09 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Meeting was reconvened into public session at 4:00 p.m. by Chairperson Kelly.

The Chair called for a motion to issue to USA GAMING, INC., a permanent manufacturer and distributor license effective at 5:00 p.m. on March 18, 1993, and to expire one year from that date. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Harvey announced that the reason he was sustaining from voting was because the General Assembly had not acted upon his confirmation.

The Chair called for a motion to issue to GAM BELL OF CRIPPLE CREEK, INC., doing business as WILD HORSE SALOON & GAMBLING HALL, and GOLDEN ROSE CASINO, INC., doing business as GOLDEN ROSE CASINO, permanent operator and retailer licenses for one year from that date of expiration of the current licenses under the same conditions as the original licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to deny the license application of DOLLY'S CASINO, INC. and authorize the Chair to sign the Notice of Denial on behalf of the Commission. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair announced that the Commission understood that DOLLY'S CASINO had an urgent need for a final decision; therefore, the Commission agreed to have a hearing on March 25, 1993, for the convenience of DOLLY'S CASINO -- provided they chose to waive the 20-day notice for a hearing. Mr. Wallace said that DOLLY'S CASINO did want this hearing on March 25. He stated that he would put in writing that DOLLY'S CASINO wished to waive the statutory requirement 20-day notice of hearing and that they did receive the NoticeofDenial on March 18, 1993.

Ms. Buchanan spoke with the Commission about adding a rule that would give time frames concerning when the Commission would consider the tax rates. She asked the Commission to authorize the Division to initiate the Rule-Making process in order for the proposed rule to be heard before the Commission at a later date. The Chair called for a motion to authorize the Division to initiate the Rule-Making process. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Minutes of the Meetings of February 17, and 18, 1993. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairperson Kelly called for a motion to approve the December Financial Statements. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to accept the Surrender of license of Victor Taylor and authorize the chair to sign the order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue the "Notice of Charges", "Order to Show Cause", and "Notice of Hearing" on Terrance Rutland, Kenneth Matthew Casey, Darlene Pilger, and Robert Booth, and to authorize the Chair to sign the Orders. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:32 p.m.


Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

March 3, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly at 9:10 a.m. on March 3, 1993, at 710 S. Colorado Blvd., second floor conference room. Present were Commissioners Ben Brower, Daniel Hyatt, and Richard Harvey. Also attending were the Department of Revenue Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Controller, Joe Papish and Assistant Attorney General, Sue Beck-Ferkiss. Persons making presentation included Dale Van Der Schaaf.

Chairperson Kelly asked if there was anyone from the public that would like to address the Commission.

Mr. Van Der Schaaf spoke to the Commission regarding his concerns with Regulation 47.1-1308 - Procedures on accepting checks at cashiers cage. He expressed some concern with the situation where a patron writes a check and then later wins. In that case the patron could not buy back his check under this proposed new regulation. The Commission said that they would take his concerns into consideration.

Ms. Beck-Ferkiss reviewed Regulation 47.1-106 - Definitions with the Commissioners and recommended that this regulation be adopted.

The Chair called for a motion to adopt the amendments to 47.1-106 - Definitions. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Chairperson Kelly asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he thought that Ms. Seegmiller wanted to schedule a hearing for Anthony Carbone on the 18th of March. Ms. Seegmiller said that she spoke with Mr. Carbone's attorney and they were requesting a continuance. The date that was open was March 18, 1993. The Commission agreed on this date to hold such hearing.

Mr. Harvey said that he would sustain from voting until the General Assembly acted upon his confirmation.

Mr. Morris handed out the proposed progressive rules and announced that discussion on progressives will be held at the March 31 Commission meeting.

Chairperson Kelly noted that the Commissioners received Mr. Feeney's quarterly letter. She said that this was satisfactory and asked the investigators to continue to monitor the situation.

The Chair called for motion to go into executive session at 9:37 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:00 a.m. by Chairperson Kelly.

The Chair called for a motion to issue to John Tipton a key license for one year effective March 4, 1993, at 8:00 a.m. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue to M.L. ASSOCIATES LIMITED PARTNERSHIP, doing business as ASPEN MINE AND CASINO, operator and retailer licenses effective for one year beginning on March 3, 1993, at 5:00 p.m., provided that all the standard conditions are met (see conditions cited below). Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

STANDARD OPERATOR AND RETAILER CONDITIONS

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.
- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.
- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

Mr. Papish reviewed with the Commissioners the Financial Report and the Balance Sheet for the month of December. Mr. Hyatt made some inquiries about the financial statements for the previous fiscal year. There were a few changes that the Commission wanted the financial statements to reflect. Mr. Papish said he would make these changes and return to the Commission for approval of December's Financial Report and the Balance Sheet.

The Chair called for motion to go into executive session at 11:32 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting reconvened into public session at 3:32 p.m. by Chairperson Kelly.

The Chair called for a motion to approve the change in type of stock of BLACK HAWK GAMING AND DEVELOPMENT COMPANY, INC., doing business as GILPIN HOTEL AND CASINO, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for motion to approve the change of ownership of MAIN STREET GAMING HOUSE PARTNERSHIP L.P., doing business as MAIN STREET GAMING HOUSE, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:40 p.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING

February 18, 1993

The meeting was called to order to by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:18 a.m. on February 18, 1993, at 710 S. Colorado Blvd., second floor conference room. Present were Commissioners Ben Brower, Daniel Hyatt, Richard Harvey, and Lavoy Robison. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Public Information Officer, Tom Kitts, Chief Auditor, Georgine Zalesky, Investigator, Phil Wargo, and Assistant Attorney General, Mark Gerganoff. Persons making presentation included: Dale Van Der Schaaf and Merle Littlefield.

Chairperson Kelly asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he did not have any informational or organizational matters to report at that time.

Chairperson Kelly asked if there was anybody from the public that would like to address the Commission.

Mr. Van Der Schaaf spoke to the Commissioners regarding the progressive slots, noting that the internal progressive slots have done very well. He thought the linked progressive between the three gaming towns would be very successful.

Mr. Littlefield addressed the progressive rule and said he would like to get a copy of the proposed rule when available.

Mr. Gerganoff reviewed with the Commissioners Rule 47.1-106 Definitions. Mr. Gerganoff said he sent a draft of this proposed rule to John Daley, and that Mr. Daley did not have a problem with the way the definition was written on convictions.

Ms. Zalesky discussed the reason behind the rule changes to Rule 47.1-1308 - Procedure for accepting checks at cashier's cage. Mr. Morris suggested that because the language had changed since the last time they reviewed it, that the Commissioners should not adopt this Rule until they could see it in the correct form. The Commission agreed.

Mr. Fagan and Ms. Buchanan spoke to the Commission on Senate Bill 74 and the effect it would have on the Gaming Division and the Commission.

The Commission announced that presently they did not want to take a position for or against Senate Bill 74.

The meeting was recessed at 10:18 a.m. by Chairperson Kelly.

The meeting reconvened into public session at 10:52 a.m. by Chairperson Kelly.

Mr. Wargo introduced some proposed new rules for poker, blackjack, and slot machines. He asked the Commission to authorize the Division to initiate the Rule-Making process in order for them to be heard before the Commission at a later date. The Chair called for a motion to authorize the Division to initiate the Rule-Making process. Mr. Hyatt made the motion. Mr. Robison seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:45 a.m. for the purpose of reviewing and considering licenses for various licensees and certain possible disciplinary actions. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting reconvened into public session at 11:25 a.m. by Chairperson Kelly.

The Chair called for a motion to issue the "Notice of Charges", "Order to Show Cause", and "Notice of Hearing" on Anthony Carbone, and to authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue the "Notice of Charges", "Order to Show Cause", and "Notice of Hearing" on Victor Taylor, and to authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:30 a.m.



Sandie Seegmiller, Secretary

COLORADO LIMITED GAMING CONTROL COMMISSION

MINUTES OF MEETING
February 17, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:10 a.m. on February 17, 1993, at 710 S. Colorado Blvd., second floor conference room. Present were Commissioners Ben Brower, Daniel Hyatt, Richard Harvey, and Lavoy Robison. Also attending were the Department of Revenue Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Investigator, Huck Henderson, and Assistant Attorney General, Mark Gerganoff. Persons making presentation included: Kate Kolor, Arun Pande, State Representative Tom Ratteree, State Representative Sam Williams, and Leo Zuckerman.

The Chairperson opened the meeting by introducing and welcoming the newest Colorado Limited Gaming Control Commissioner, Richard Harvey.

Chairperson Kelly asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he did not have any informational or organizational matters to report at that time.

The Chair called for a motion to approve the Minutes of Meeting of January 29, 1993. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairperson Kelly asked if there was anybody from the public that would like to address the Commission.

Ms. Kolor, a resident as well as a public official from Central City, spoke to the Commissioners about the benefits that Central City and Black Hawk had enjoyed since gaming started, despite all the negative publicity it had received. The Commission thanked Ms. Kolor for speaking before them.

Mr. Pande welcomed Mr. Richard Harvey to the Colorado Limited Gaming Control Commission. Mr. Pande asked Mr. Harvey to reveal some background information about himself.

Mr. Harvey briefly reviewed his occupational background, which included the past seven years as a Judge in the Federal Courts. He noted that he had served as a member of the Victim Compensation Commission, an unpaid position, and served on the Business Planning Commission.

The Chair called for a motion to go into executive session at 9:27 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Mr. Hyatt and Mr. Robison seconded the motion. The motion was adopted.

The meeting reconvened into public session at 10:20 a.m. by Chairperson Kelly.

Representative Ratteree and Representative Williams spoke to the Commission about their concerns on the tax structure. Representative Williams encouraged the Commission to compare Colorado's tax with other states' tax structures. He thought that the industry needed some help.

Mr. Robison responded to Representative Ratteree and Representative Williams by stating that there had not been any casino that failed due to the tax rate.

Mr. Pande thanked the Representatives for coming before the Commission. He said that he would provide any documentation necessary to help determine next year's tax rate.

The Chair called for a motion to return into executive session at 10:41 a.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Robison made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The meeting reconvened into public session at by Chairperson Kelly at 2:26 p.m.

The Chair called for a motion to issue to 353 MEYERS AVENUE LIMITED PARTNERSHIP, doing business as JUBILEE CASINO, temporary operator and retailer licenses to be effective upon expiration date of the current licenses under the same conditions as the original licenses and to expire July 8, 1993, at midnight. Mr. Hyatt made the motion. Mr. Robison seconded the motion. The motion was adopted.

The Chair called for a motion to issue to GREGORY STREET, doing business as GREGORY STREET CASINO, permanent operator and retailer licenses for one year from date of expiration of the current licenses under the same conditions as the original licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to ARISTOCRAT, INC., a temporary manufacturer and distributor license to be effective upon expiration of the current license and to expire on May 12, 1993. Mr. Hyatt made the motion. Mr. Robison seconded the motion. The motion was adopted.

The Chair called for a motion to approve the transfer of ownership from Robert Dill of interests in GAM BELL OF CRIPPLE CREEK, INC., doing business as WILD HORSE, as detailed in

the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

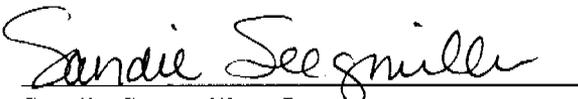
The Chair called for motion to approve aquisition by Robert Dill of various partnership interests in the Golden Rose, as detailed in the investigative report. Mr. Hyatt and Mr. Robison made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue ANNIE OAKLEY CASINO, SILVER SLIPPER CASINO, and DIAMOND LIL'S CASINO, temporary opeator and retailer licenses to be effective upon the expiration dates of the current licenses and to expire at midnight on May 24, 1993. Mr. Hyatt made the motion. Mr. Robison seconded the motion. The motion was adopted.

Mr. Zuckerman inquired about why the Commission had granted Silver Slipper and Annie Oakley's only three-month licenses, when they have been operating for over a year now.

Mr. Morris responded that the Division and the Commission were not prepared at this time to give any information regarding this matter.

There being no further information to come before the Commission the meeting was adjourned at 2:32 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
January 29, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:07 a.m. on January 29, 1993, at 720 S. Colorado Blvd., 1st floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Dan Hyatt and LaVoy Robison. Also attending were Department of Revenue, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Assistant Attorney General, Mark Gerganoff, Supervisor of the Central City/Black Hawk Gaming Office Jim Husky, Investigator Jeff Foster, Investigator Phil Wargo, Investigator Ralph Henning, Controller, Joe Papish, Chief Auditor, Georgine Zalesky, Auditor, Charissa Hammer, Criminal Financial Investigator, Max Kettler, and Conflicts Counsel, Susan Macmer. Persons making presentations included Victoria Ax, and Linda Doerr.

Chairperson Kelly asked Mr. Morris if he had any organizational matters to discuss with the Commission; he stated that he did not have any informational or organizational matters to report at that time.

The Commission thereafter commenced the hearing on the appeal by Bruce Schowers, case number GAD92021, of the Division's denial of his key employee license application. Ms. Doerr asked if she could appear on behalf of Mr. Schowers because he resided in a different state and was unable to attend. The Commission consulted with conflicts counsel, Sue Macmer, concerning whether this was legal. There being no majority opinion on Ms. Doerr representing Bruce Schowers, the Commission proceeded with the hearing.

Representing the Division of Gaming was Mark Gerganoff. Representing the Gaming Commission as conflicts counsel was Sue Macmer. Mr. Gerganoff objected to Ms. Doerr representing Bruce Schowers because she was not an attorney.

Having considered testimony from both the Division and Ms. Doerr on behalf of the applicant in this matter, the Commission made the following decision: the key license application of Mr. Schowers was denied.

The Commission next heard from Ms. Victoria Ax on her appeal for a support license, case #GAD92007. Having considered testimony from both the Division and Ms. Ax, the Chairperson called for a motion to go into executive session for the purpose of discussing the testimony given in Ms. Ax's hearing as well as reviewing organized crime matters with Jim Borowski from the Colorado Bureau of Investigation at 10:05 a.m. Mr. Robison made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting reconvened into public session at 11:49 a.m. by Chairperson Kelly.

The Commission affirmed the Division of Gaming's denial of the license application of Victoria Ax, based on her criminal background that automatically prohibits her from receiving a license.

The Chair called for a motion to deny COLORADO NITRO LIMITED LIABILITY COMPANY, doing business as THE NITRO CLUB, renewed licenses and to authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 12:00 p.m. by Chairperson Kelly.

The meeting was reconvened at 1:50 p.m. by the Chairperson Kelly.

Mr. Papish reviewed with the Commissioners the Financial Reports and the Balance Sheets for the months of September, October and November. The Chair called for a motion to approve and adopt the Financial Reports and the Balance Sheets for September, October and November. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 2:10 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Robison made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting reconvened into public session at 4:24 p.m. by Chairperson Kelly.

The Chair called for a motion to approve and accept the ASSURANCE OF VOLUNTARY COMPLIANCE from GOLDEN ROSE CASINO and from Gerald Kernis. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to CASINOS USA, INC., doing business as BULL DURHAM SALOON AND CASINO, operator and retailer licenses for the premises set forth in the applicant's gaming license application, effective for one year beginning on January 29, 1993, at 5:00 p.m., provided that all the standard conditions are met (see following conditions). Mr. Hyatt made the motion. Mr. Robison seconded the motion. The motion was adopted.

STANDARD OPERATOR AND RETAILER CONDITIONS

- a. Confirmation that a valid certificate of occupancy has been issued by the appropriate local authorities for the building in which limited gaming is to be conducted.

- b. Confirmation by the local historical preservation commission that the building in which limited gaming is to be conducted meets the architectural requirements of the Limited Gaming Act of 1991.
- c. Certification by the appropriate local officials that the building in which limited gaming is to be conducted meets the standards for fire safety set forth in the Limited Gaming Act of 1991.
- d. Certification by the appropriate local official that access to the building for the handicapped has been approved as required in the Limited Gaming Act of 1991.
- e. Payment in advance of the amount of the state device fee for all devices to be used in limited gaming.

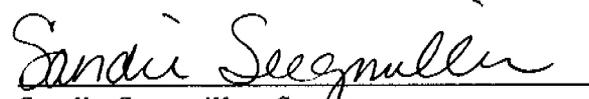
The Chair called for a motion to issue to GRIMES LIMITED LIABILITY COMPANY, doing business as PETE'S PLACE, a temporary retailer license for the premises set forth in the applicant's gaming license application, effective January 29, 1993, at 5:00 p.m. and expiring at 5:00 p.m. on June 29, 1993, provided that all standard conditions are met. Mr. Brower made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership of JAZZ ALLEY CASINO, INC., doing business as JAZZ ALLEY, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue to LILLY BELL'S CASINO a permanent retailer license for the premises set forth in applicant's gaming application, effective upon the surrender of RESORTS INTERNATIONAL's retailer license and expiring November 17, 1993. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Minutes of the Meeting of January 22, 1993. Mr. Brower made the motion. Mr. Hyatt and Mr. Robison seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:35 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
January 22, 1993

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Aurel Kelly, at 9:31 a.m. on January 22, 1993, at 720 S. Colorado Blvd., 1st floor conference room, Denver, Colorado. Present were Commissioners Ben Brower, Dan Hyatt and LaVoy Robison. Also attending were Department of Revenue, Executive Director, Renny Fagan, Deputy Director, Amelie Buchanan, Division of Gaming Director, Roger Morris, Chief of Investigations, Mel Grantham, Deputy Chief of Investigations, Jim Cain, Public Information Officer, Tom Kitts, Assistant Attorney General, Mark Gerganoff, Supervisor of the Central City/Black Hawk Gaming Office Jim Husky, Investigator Steve Bartley, Investigator Phil Wargo, Investigator Ralph Henning, Investigator Len Martin, Chief Auditor, Georgine Zalesky, Auditor Barb Gold, Auditor Ron Kammerzell, Criminal Financial Investigator Max Kettler. Persons making presentations included Steve Youngstrom, Craig Whitney, Mark Bovian, Susan Caldwell, Scott Scherer, Ward Chilton, Larry Close, Bob Konczak, Rock Sorenson, Mike Babich, Scott Spinnuzzi, Arun Pande, Dale Van Der Schaaf, Mark Meyer, Gary Rieff, Bob Greenlee, and Jim Heater.

The first organizational matter brought before the Commission was the swearing in of the new investigator for the Division of Gaming. The investigator that was sworn in by Chairperson Kelly was Steve Bartley.

Mr. Youngstrom, a co-owner of a heating and air conditioning company, spoke to the Commission about the non-payment of bills by a number of casinos. He said he has already filed liens and foreclosures. He said that there is a lot of time and money involved in a civil suit, and he did not believe his company would make it that long unless the casinos paid their debts. He presented the Commission with a petition. Mr. Youngstrom asked that the Commission take some action on those casinos that did not pay their bills.

Mr. Whitney and Mr. Bovian, two business owners, stood up to say that they, too, were in the same situation with casinos not paying their bills.

Chairperson Kelly said that the Commission would review Mr. Youngstrom's request and refer the petition to the Assistant Attorney General for an informal opinion concerning whether or not the Commission had the authority to put conditions on casinos that were not paying their bills.

Ms. Caldwell, an employee from the Gold Mine Casino, briefed the Commission on employee transportation. She said a group of employees and owners were working on getting a shuttle for the employees. She explained that this shuttle would be picking up the employees from various metro areas and bringing them into the Central City/Black Hawk area. She noted that at this time they were still working on this plan, but thought it would be finalized soon.

Mr. Morris introduced James Maida, from Gaming Laboratories International. Mr. Maida reviewed with the Commissioners some guidelines he drafted on Progressive slot machines.

Mr. Scherer, from International Gaming Technology (IGT), said he supports the concept of inter-casino progressive slot machines. He said that IGT had put progressive slot machines in numerous places, and said they are very secure systems.

Mr. Chilton, from IGT, reviewed with the Commissioners various components, security and accounting systems that are involved in the progressive slot machines.

Several persons from the public and industry(Larry Close, Bob Konczac, Rock Sorenson, Rich Cooper, Mike Babick and Scott Spinuzzi) testified to the fact that they supported the progressive slot machines and thought it would be great marketing tool for the large and small casinos.

Mr. Morris announced that there would be more testimony taken on progressive slots at the next Commission meeting on January 29, 1993.

The meeting was recessed at 11:05 a.m. by Chairperson Kelly.

The meeting was reconvened at 11:20 a.m. by Chairperson Kelly.

Mr. Pande, Mr. Van Der Schaaf and Mr. Meyer from the Casino Owners Association invited the Commissioners and the Division of Gaming staff to the gaming towns. The Commission thanked them for the invitation and announced that they will be having Commission meetings in the gaming towns in April and May.

Mr. Rieff introduced and reviewed the latest draft on Publicly Traded Corporations. Mr. Rieff noted that, when drafting this rule, he largely followed Nevada's Rule on Publicly Traded Corporations.

Mr. Greenlee stated that he just wanted to thank the Division of Gaming and the Commission for the open review of the Publicly Traded Corporations rule.

The meeting was recessed for lunch at 1:00 p.m. by Chairperson Kelly.

The meeting was reconvened at 2:30 p.m. by Chairperson Kelly.

Chairperson Kelly asked Mr. Gerganoff to submit proposed rule 47.1-106(7) to John Daly (Deputy Attorney General, Appellate Section) for his review. She announced that further discussion of this rule will be continued to the next Commission meeting.

The Chair called for a motion to go into executive session at 2:35 p.m. for the purpose of reviewing and considering temporary and permanent licensure and the backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting reconvened into public session at 4:37 p.m. by Chairperson Kelly.

The Chair called for a motion opposing that portion of Senate Bill 93-110 reducing the Gaming Investigators powers as peace officers. Mr. Brower made the motion. Mr. Robison seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Minutes of the Meetings of December 14, and December 18, 1992. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to issue to LUCKY STAR SALOON, INC., doing business as LUCKY STAR CASINO, permanent operator and retailer licenses for one year from date of expiration of the current licenses under the same conditions as the original licenses. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to SMK COLORADO, a permanent manufacturer and distributor license to expire on September 11, 1993. This license also was to reflect reflect the change in ownership as detailed in the investigative report. Mr. Brower made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to issue to KWIK MART, INC., doing business as CROOK'S PALACE, permanent operator and retailer licenses for one year from the date of expiration of current licenses. Mr. Robison made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in the lease agreement of the TIVOLINO TELLER HOUSE, INC., doing business as TELLER HOUSE, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change in ownership of IMPERIAL CASINO LIMITED, doing business as IMPERIAL HOTEL & CASINO, as detailed in the investigative report. Mr. Hyatt made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 4:42 p.m. for the purpose of reviewing and considering audit reports of various casinos. Mr. Hyatt made the motion. Mr.

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January 22, 1993

Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 5:15 p.m. by Chairperson Kelly.

There being no further business to come before the Commission, the meeting was adjourned at 5:15 p.m.



Sandie Seegmiller, Secretary