

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
December 20, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:06 a.m. on December 20, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz and Shirley Harris. Absent and excused was Ben Brower. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigation, Mel Grantham; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentation were: Charley Flagg, Director of the Southern Ute Division of Gaming; Mark Grueskin, Counsel for the Casino Owners Association; Chris Whitney, Counsel for Bronco Billy's; and Paul McCormick, Counsel for Michael Rosenbaum. Person making a presentation in executive session included Pete Mang, Colorado Bureau of Investigation.

Mr. Turner introduced Charley Flagg from the Southern Ute Indian Tribe. Mr. Flagg thanked the Division of Gaming for providing training to the newly appointed Southern Ute Indian Gaming Commission, and introduced four of the new Commission members.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending October 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for October 1996 and authorize distribution. Mr. Beltz made the motion. Ms. Wheeler and Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of November 15, 1996. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears requested that a hearing on regulations for proposed new game, Spanish 21, be tabled until the January meeting. The Commission agreed to table the hearing until January 24, 1997 at 9:00 a.m.

Mr. Fears updated the Commission on the state Supreme Court decision upholding the gaming law which prohibits local public officials from holding a gaming license.

Mr. Fears updated the Commission on the Gilpin County Court decision to dismiss criminal charges against Bronco Billy's casino and Michael Rosenbaum because the judge ruled that state law prohibiting the extension of credit was "constitutionally vague."

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Craig Massengill. The Chair called for a motion to approve the Summary Suspension of the support license of Craig Massengill and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Turner announced that Chairman Hyatt was graduating from law school later in the day, and that the Division had purchased a cake to honor the occasion.

The meeting was recessed at 9:50 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 10:25 a.m. by Chairman Hyatt.

Chairman Hyatt asked if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda.

Mr. Grueskin petitioned the Commission to commence rulemaking on providing a definition of the extension of credit. He said the industry does not have a clear definition of the extension of credit, causing confusion and concern.

Mr. Turner said he believed that the extension of credit did not need to be defined in regulation because the term is self explanatory. He reassured the industry that the Division was not on a "witch hunt" and that in his visits with casinos, he was aware of many casinos that had exemplary check casino policies and urged other casinos to learn from these casinos.

Mr. Fears discussed the options available to the Commission in reference to the notices of denial issued to Bronco Billy's Black Hawk, Bronco Billy's Cripple Creek, and Michael J. Rosenbaum. He said the Commission could renew the licenses and commence rulemaking on defining the extension of credit; issue orders to show cause and hearing evidence at hearings; or issue amended notices of denial based upon the underlying evidence. He said the Division was recommending amended notices of denial for Bronco Billy's Black Hawk and Michael Rosenbaum, and that the Commission renew the license of Bronco Billy's Cripple Creek.

Mr. Whitney urged the Commission to issue all the licenses.

Mr. McCormick argued that the licenses should be issued based upon the judge's ruling that even if he accepted a definition of the extension of credit, there was not enough evidence to support the charges.

Mr. Fears argued that the Commission shouldn't consider allowing the licensees to stipulate that the charges are still pending and therefore defer action on the denial notices, as Mr. Beltz suggested, because the charges had been dismissed. He said this was a policy decision that the Commission had to consider itself.

The Chair called for a motion to go into executive session at 11:30 a.m. to take the Bronco Billy's and Michael Rosenbaum's consideration of disciplinary actions under advisement. The

Chair asked that only the Commissioners and the Conflict Counsel, Jill Galett, be present during this executive session. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting reconvened into public session at 12:15 a.m.

The Chair asked Mr. Whitney and Mr. McCormick if their clients would stipulate that the felony charges against them were still pending due to the appeal of the judge's ruling in the matter. Both Bronco Billy's Black Hawk and Michael Rosenbaum stipulated through their attorneys that charges were still pending against them. The Commission voted to rescind the Notice of Denial concerning Bronco Billy's Cripple Creek, and took no action concerning the Notice of Denial on Bronco Billy's Black Hawk and Michael Roesenbaum.

Mr. Beltz made the motion to direct the Division of Gaming to start the rule-making process on the definition of extension of credit. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 12:25 p.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:49 p.m.

The Chair called for a motion to renew the permanent operator and retail licenses of D & D Gaming, Inc., doing business as Treasure Mountain Casino; and Grimes Ltd. Liability Company, doing business as Lucky Strike. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair calls for a motion to approve the change of ownership as outlined in the respective investigative reports for 353 Myers Avenue Ltd.. Partnership, doing business as Jubilee Casino; and North Star Casino Ltd. Liability Company, doing business as Golden Gates Casino. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 12:53 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
November 15, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on November 15, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Mel Grantham; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisors, Ron Kammerzell; Audit Supervisor, Charissa Hammer; Auditor, Kathy Marten; Auditor, Liza Abalos; and Assistant Attorney General, Tom Fears. Persons making presentations were: Rich Nathan, Counsel for Colorado Central Station. Person making a presentation in executive session included Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. No one responded.

Mr. Fears presented to the Commission the Stipulation and Agreement between the Division of Gaming and North Star Casino LLC, doing business as Golden Gates Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and North Star Casino LLC, doing business as Golden Gates Casino and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented to the Commission the Stipulation and Agreement between the Division of Gaming and Anchor Coin, Inc., doing business as Colorado Central Station. Mr. Nathan answered questions from the Commission regarding the Stipulation and Agreement. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Anchor Coin, Inc., doing business as Colorado Central Station and authorize the Chair to sign the order. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Bert Brasz. The Chair called for a motion to approve the Summary Suspension of the support license of Bert Brasz and authorize the Chair to sign. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Andy Ly. The Chair called for a motion to approve the Summary Suspension of the support license of Andy Ly and authorize the Chair to sign. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Becky McAllister. The Chair called for a motion to approve the Summary Suspension of the support license of Becky McAllister and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending September 30, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for September 1996 and authorize distribution. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

The meeting was reconvened into public session at 10:35 a.m. by Chairman Hyatt.

The Chair called for a motion to approve the Minutes of the Meeting of October 18, 1996. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Zalesky gave a brief update on the Audit Section's activities.

Mr. Turner briefed the Commission on the bi-annual meetings with the Indian tribes. He also noted the various Road Trip presentation that he took part in along with other Division directors and Renny Fagan, executive director of the Department of Revenue, and Ms. Buchanan.

Ms. Buchanan updated the progress being made with the HB 1240 Task Force. She noted that after last meeting, the task force had indicated support for a Local Government Gaming Impact Fund that would combine the current contiguous county, tribal impact and municipal impact funds into one fund that would be distributed solely on a discretionary basis, and would be available for Teller County to access.

Mr. Kitts updated the Commission on the Gambling Prevalence Study, stating that the scope of the study has been finalized, is ready to go out for bids and looks like it will cost less than originally anticipated.

Mr. Fears reported to the Commission on the decision of the Teller House Case, noting that the Commission not only won the case but may have been given broad powers to interpret the Constitutional Amendment enabling gaming.

The Chair called for a motion to go into executive session at 11:30 a.m. to consider the Division's Exception to the Initial Decisions concerning the licenses of Harry Brost, Mary Drey and Jana Alavidora. The Chair asked that the only persons to be present in this executive session be Commissioners Brower, Harris, Wheeler, himself and conflicts counsel, Jill Gilett. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

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

The Chair called for a motion to go into executive session at 1:42 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. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:00 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of Anchor Coin, Inc., doing business as Colorado Central Station; BWBH, Inc., doing business as Bullwhackers Black Hawk Casino; BWCC, Inc., doing business as Bullwhackers Central City Casino; Central City Gaming Investors Ltd. Liability Company, doing business as Harrah's Central City Casino; Horseshoe Ltd. Liability Company, doing business as Harrah's Black Hawk Casino; and G.F. Gaming Corp., doing business as 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. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the manufacturer/distributor license for Vista Gaming Corp. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 3:10 p.m. to continue consideration of the Division's Exception to the Initial Decisions concerning the licenses of Harry Brost, Mary Drey and Jana Alavidora. The Chair asked that the only persons to be present in this executive session be Commissioners Brower, Harris, Wheeler, himself and conflicts counsel, Jill Gilett. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 5:00 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
October 18, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on October 18, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Executive Director of the Department of Revenue, Renny Fagan; Acting Director of the Division of Gaming, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Accountant, Janet Ford; Lakewood Agent In-Charge, Phil Wargo; Cripple Creek Agent-In-Charge, Craig Bridgmon; Central City Agent-In-Charge, Jim Huskey; and Assistant Attorney General, Tom Fears. Persons making presentation were: Mark Snyder, casino manager and member of the Colorado Council on Compulsive Gambling; and Larry Lawson, casino manager.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Snyder discussed his concerns of illegal slot machines at the Elks Lodge in Lamar. The Commission noted that the Grey Machine Task Force was no longer in effect, and the appropriate jurisdiction to contact would be the DA's office.

Mr. Fears discussed the re-adoption of regulation 47.1-4.515. The Chair called for a motion to re-adopt regulation 47.1-4.515. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Wargo reviewed with the Commission a number of amended regulations to the poker and blackjack rules. Mr. Lawson noted that the more games the industry can offer, the better the casinos can satisfy patrons. The Chair called for a motion to adopt regulations: 47.1-106, 47.1-834, 47.1-835, 47.1-1001, 47.1-1002, 47.1-1003, 47.1-1009, 47.1-1011, 47.1-1014.10, 47.1-1017.12, 47.1-1017.14, 47.1-1017.16, 47.1-1017.18, 47.1-1017.20, 47.1-1017.22, 47.1-1017.24, 47.1-1019, 47.1-1043, 47.1-1045, 47.1-1060, 47.1-1101, 47.1-1101.1, 47.1-1102.2, 47.1-1104, 47.1-1201, 47.1-1204, 47.1-1215, 47.1-1254, 47.1-1255, and 47.1-1603 and authorize the Division to make punctuation and grammatical changes to such regulations as necessary. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to table regulation 47.1-803 and 47.1-836 until December 20, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

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

The meeting was reconvened into public session at 10:25 a.m. by Chairman Hyatt.

Chairman Hyatt opened the hearing on Cindy Sue Carmen. Mr. Fears presented evidence and testimony from Sandie Seegmiller and Phil Wargo pertaining to Ms. Carmen's felony offense and default. Mr. Brower made the motion to revoke Cindy Carmen's support license and authorize the chair to sign the order. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented the Stipulation and Agreement between the Division of Gaming and Mark Ciufi. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Mark Ciufi, and authorize the Chair to sign. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the Stipulation and Agreement between the Division of Gaming and Old Chicago Cripple Creek L.P., doing business as Old Chicago Restaurant and Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Old Chicago Cripple Creek L.P., and authorize the Chair to sign. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears presented the Stipulation and Agreement between the Division of Gaming and Vision Gaming Inc, doing business as Crapper Jacks. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Vision Gaming Inc., and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fagan recognized Craig Bridgmon for winning the Governor's Community Service Award.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending August 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for August 1996 and authorize distribution. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Ford briefly reviewed the comparison of tax revenues from previous years compared to the current year's revenues.

The Chair called for a motion to approve the Minutes of the Meeting of September 19, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of September 20, 1996. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of September 26, 1996. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Zalesky gave a brief update on the Audit Section's activities.

Mr. Kitts gave a brief update on the Division's activities.

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

The meeting reconvened into public session at 1:35 p.m. by Chairman Hyatt.

The Chair called for a motion to go into executive session at 1:35 p.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

The Chair called for a motion to issue a new permanent manufacturer and distributor license to Innovative Gaming, Inc. This license shall be effective at 5:00 p.m. on October 18, 1996, and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of Midnight Rose Hotel and Casino; Old Chicago Cripple Creek L.P., doing business as Old Chicago Restaurant and Casino; Reynolds Court Partnership, Ltd., doing business as Central Palace Casino; and Vision Gaming, Inc., doing business as Crapper Jacks. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair calls for a motion to approve the change of ownership as outlined in the respective investigative reports for 101 Main Street LLC, doing business as Fitzgeralds Casino Black Hawk; and for Wolf Gaming, LLC. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the operator license of Charles H. Callaway. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Harris 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 Collins Games of Colorado, Inc. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to find and report to the Southern Ute Indian Tribe that Sodak Gaming Colorado, Inc., would be qualified to receive a gaming license from the State had the application been for a gaming license for the same or similar activity within the jurisdiction of the State, but for a conflict of interest or other operation of law which, in the State's judgment, may not affect Tribal gaming operations. Further, the Commission certifies that Sodak Gaming Colorado, Inc., is suitable for licensure by the Ute Mountain Ute Tribe. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented to the Commission a proposed amendment to Aristocrat's Articles of Incorporation to add at the end of the second sentence of the first paragraph of the proposal the following: ", provided such restriction does not cause a violation of any other gaming regulatory law or regulations." The Chair called for a motion to adopt the Resolution. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears requested authority to withdraw the Commission request for Attorney General's Opinion on grey market slot machines. The Chair called for a motion to authorize Mr. Fears to take appropriate steps to withdraw request for Attorney General's Opinion on grey market slot machines. Mr. Brower made the motion. Mr. Beltz 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.

  
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Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
September 26, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 10:50 a.m. on September 26, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Director of the Department of Revenue, Renny Fagan; Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Controller, Brent Voge; Accountant, Janet Ford; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisors, Charissa Hammer and Ron Kammerzell; Commission's CPA Consultant, Ed Meier; and Assistant Attorney General, Tom Fears. Persons making presentation were: Bob Johnson, independent consultant; Jim Huyghebaert, Department of Revenue Office of Program Analysis; Richard Harvey, former Gaming Commissioner; Virginia Lewis, casino owner; Steve Roark, casino manager; Ross Grimes, casino owner; and Mark Grueskin, counsel for the Colorado Casino Owners Association. Casino owners making presentation in executive session were: Ross Grimes, Ann Dodson, Alan Mayer, Steve Szapor, Joe Murphy, T.J. Matthews, Gerry Klerkin, Mark Meyer, Kay Lorenz, Lisa Artz, and Mark Grueskin for the Jubilee Casino.

Mr. Johnson announced that he was at the meeting as an independent consultant for potential investors in the Colorado gaming industry. He asked that the Commissioners look at keeping the tax rate stable and not drive potential investors elsewhere.

Mr. Huyghebaert discussed the results of the various tax studies that the Commission requested at the last meeting.

Chairman Hyatt asked if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. No one wished to speak to the Commission.

The Chair called for a motion to go into executive session at 11:15 a.m. to review individual casino financial statements. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was adjourned at 12:55 p.m. for lunch by Chairman Hyatt.

The meeting reconvened into public session at 1:40 p.m. by Chairman Hyatt.

Chairman Hyatt recognized former Commissioners Aurel Kelly and Richard Harvey. Commissioners Hyatt, Beltz, Wheeler and Brower made presentations in tribute to Mr. Harvey and thanked him for his dedication and hard work. Mr. Harvey addressed the audience.

Ms. Lewis noted that she has seen a lot changes in the gaming industry over the years, and that her casinos, Gold Mine and Jazz Alley, were once considered large casinos but now fall in the mid-sized range. She stated that she thought the only way for the small to mid-sized casinos to survive is by having a tax break.

Mr. Roark from the Gilpin Hotel Casino said that an increase in gaming taxes would affect the investment capital market, making it more difficult for casinos to attract investors and obtain financing.

The meeting was recessed at 3:50 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 4:05 p.m.

Mr. Grimes requested the Commission give a substantial tax break to the smaller casinos.

The Chair called for a motion to go into executive session at 4:11 p.m. to review individual casino financial statements. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was recessed at 5:20 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 5:30 p.m. by Chairman Hyatt.

Chairman Hyatt asked if there was any one who wished to speak to the Commission on any gaming tax issues.

Mr. Grueskin reviewed with the Commission the factors that it must consider when establishing a gaming tax rate. He noted that the testimony from impacted governmental entities showed that enough tax revenues were available to address their needs and that for the Commission to change tax rates based upon profitability is unfair.

Mr. Fears also reviewed with the Commission the factors it must consider when establishing the gaming tax rate.

Chairman Hyatt closed public testimony on the tax setting hearings at 6:30 p.m.

The Commission began deliberations at 6:45 p.m.

The meeting was adjourned for dinner at 7:30 p.m. by Chairman Hyatt.

The meeting was reconvened at 7:48 p.m. by Chairman Hyatt.

The Commission continued deliberations. Commissioners decided that they wanted a tax structure that would be revenue neutral in comparison to the current tax structure. The Commission began looking at tax studies that fit this profile and asked Mr. Huyghebaert to run other studies.

Ms. Harris made a motion to accept a tax rate in the amount of 2% from \$0 to \$2 million; 4% from \$2 million to \$4 million; 14% from \$4 million to \$5 million; 18% from \$5 million to \$10 million; and 20% above \$10 million for gaming year 1996-97 beginning October 1, 1996. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the tax rate rule on emergency basis effective October 1, 1996, because the statute calls for the tax rate to go into effect on October 1, justifying the emergency rule. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion that no other aspect of the tax schedule, rates or fees will be changed other than those previously approved. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 10:00 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
September 20, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on September 20, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Executive Director of the Department of Revenue; Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications Director, Don Burmania; Deputy Chief of Investigations, Jim Cain; Chief Auditor, Georgine Zalesky; Lakewood Agent In-Charge, Phil Wargo; Central City Agent-In-Charge, Jim Huskey; Investigator, Huck Henderson; and Assistant Attorney General, Tom Fears. Persons making presentation were: Larry Williams, Attorney General's Office; Jim Huyghebaert and Susan Conwell, Department of Revenue Office of Program Analysis; Commission's CPA Consultant, Ed Meier; Mark Grueskin, Counsel for the Casino Owners Association; and Brian Nordahl, Deloitte & Touche.

Mr. Williams discussed the role and function of conflicts counsel for the Commission.

The meeting was recessed at 10:00 a.m. by Chairman Hyatt.

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

Mr. Huyghebaert and Ms. Conwell presented casino financial information for various size casino categories from the unaudited financial statements submitted by the casinos for fiscal year 1996, and compared this information with fiscal year 1995 information.

Mr. Meier noted that the financial information showed that there were two basic categories of casinos, those with AGP revenues below \$5 million in annual gaming and those with more than \$5 million in AGP. He also noted that the poor performance of large Central City casinos was largely responsible for an overall decrease or leveling of statewide casino performance.

Chairman Hyatt noted that the Commission was going to recess for lunch and would reconvene at 1:30 p.m. to go into executive session to review individual casino financial information. He asked Mr. Fears to monitor the Commission's executive so the Commission would not discuss tax policy issues that would normally be discussed in public session.

The meeting was recessed for lunch at 11:40 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:30 p.m.

Chairman Hyatt re-opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. No one wished to speak to the Commission.

The Chair called for a motion to go into executive session at 1:30 p.m. to review individual casino financial information. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:25 p.m.

Mr. Grueskin said the distribution of AGP among the various categories showed that the percentage of AGP generated by smaller casinos actually increased between 1995 and 1996, and he said the Commission will get a better picture of casino profitability when individual casinos come in to meet with the Commission in executive session at the Commission's September 26 meeting.

Mr. Nordahl questioned the relevancy of some of the financial ratios presented and upon questioning from Chairman Hyatt regarding Mr. Nordahl's report given to the Commission at its September 6 meeting, Mr. Nordahl said that comparing Colorado financial ratios to other gaming jurisdictions and Fortune 500 companies was not valid.

Mr. Meier rebutted that the comparisons in his earlier study report to the Commission were valid for the Commission to consider.

The meeting recessed at 3:15 p.m. by Chairman Hyatt.

The meeting reconvened at 3:25 p.m. by Chairman Hyatt.

The Chair asked if any Commissions wished to direct Mr. Huyghebaert to run any tax scenarios for studying.

Mr. Beltz said he was considering either retaining the current tax structure or adding an extra tier.

Mr. Brower requested to study a tax scenario in which AGP from \$0-\$2 million would be taxed at 2%; \$2 million to \$4 million, 8%; \$4 million to \$5 million, 12%; \$5 million to \$6 million, 16%; and above \$6 million, 18%.

Chairman Hyatt asked Mr. Huyghebaert to run a tax study in which AGP from \$0-\$5 million would be taxed at 2%; \$5 million to \$10 million at an unknown percentage; and above \$20 million at either 20% or 19%. The middle percentage would be determined by calculating the necessary percentage to maintain the level of revenue as the current tax structure. Mr. Hyatt also asked to see a tax scenario with AGP from \$0-\$5 million taxed at 2%; \$5 million to \$20 million, 18%; and above \$20 million, 20%.

Mr. Beltz requested a tax study in which the current tax structure is retained with the addition of a 20% tax above \$10 million in AGP.

Mr. Huyghebaert said he could have the information available by Tuesday, September 24.

Mr. Grueskin said the industry also had a proposal that he would present to Mr. Huyghebaert.

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



Sandie Seegmiller  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
September 19, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on September 19, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications Director, Don Burmania; Deputy Chief of Investigations, Jim Cain; Chief Auditor, Georgine Zalesky; Lakewood Agent-in-Charge, Phil Wargo; Central City Agent-In-Charge, Jim Huskey; Investigator, Huck Henderson; and Assistant Attorney General, Tom Fears. Persons making presentation were: Mark Grueskin, Counsel for the Casino Owners Association.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. No one wished to address the Commission.

The Chair opened public hearings on various proposed regulation changes.

Mr. Fears and Mr. Kitts discussed regulations 47.1-302 and 47.1-405(4). After testimony and consideration, the Chair called for a motion to approve the amendments on a permanent basis to 47.1-302. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the amendments on a permanent basis to 47.1-405(4). Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears and Mr. Wargo discussed regulations 47.1-803, 47.1-834, 47.1-835, 47.1-836, 47.1-1001, 47.1-1003, 47.1-1004, 47.1-1009, 47.1-1011, 47.1-1017.10, 47.1-1017.12, 47.1-1017.14, 47.1-1017.16, 47.1-1017.18, 47.1-1017.20, 47.1-1017.22, 47.1-1017.24, 47.1-1204 and 47.1-1215, dealing with poker.

Mr. Beltz inquired about the possibility of charging a fee for submissions of proposed new games. After discussion, the Division was instructed to look into the matter.

Mr. Beltz made a motion that before new games can be approved, the persons requesting the games must provide to the Division of Gaming the hold percentages for the games. The motion died due to the lack of a second.

The meeting was recessed at 10:50 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 11:50 a.m. by Chairman Hyatt.

The Chair called for a motion to hold over consideration of regulations 47.1-803, 47.1-834, 47.1-835, 47.1-836, 47.1-1001, 47.1-1003, 47.1-1004, 47.1-1009, 47.1-1011, 47.1-1017.10, 47.1-1017.12, 47.1-1017.14, 47.1-1017.16, 47.1-1017.18, 47.1-1017.20, 47.1-1017.22, 47.1-1017.24, 47.1-1204 and 47.1-1215 until at 9:00 a.m. on October 18, 1996 at 1881 Pierce Street. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears and Mr. Kitts discussed regulation 47.1-4.515. Mr. Fears noted that he is not asking the Commission to approve this regulation at this time, but would be bringing it back before the Commission with the other regulations on the October 18, 1996.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending July 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for July 1996 and authorize distribution. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Summary Suspension in the matter of Kristin Barlett. The Chair called for a motion to approve the Summary Suspension in the matter of Kristin Barlett and authorize the Chair to sign the order. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Order to Dismiss Without Prejudice in the matter of Cynthia Spencer. The Chair called for a motion to approve the Order to Dismiss Without Prejudice in the matter of Cynthia Spencer and authorize the Chair to sign the order. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Order to Dismiss Without Prejudice in the matter of Bruce Hedges. The Chair called for a motion to approve the Order to Dismiss Without Prejudice in the matter of Bruce Hedges and authorize the Chair to sign the order. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the Stipulation and Agreement between the Division of Gaming and Boris Smoroda. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Boris Smoroda and authorized the Chair to sign. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of August 15, 1996. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of August 16, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of August 30, 1996. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of September 6, 1996. Mr. Brower made the motion. Mr. Harris seconded the motion. The motion was adopted.

Ms. Zalesky gave a brief update on the Audit Section's activities.

The meeting was recessed for lunch at 11:45 p.m. by Chairman Hyatt.

The meeting reconvened into public session at 1:28 p.m. by Chairman Hyatt.

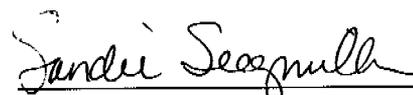
The Chair called for a motion to go into executive session at 1:30 p.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:50 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of Century Casinos Cripple Creek, Inc., doing business as Legends at Long Branch, and Gilpin Hotel Venture, doing business as Gilpin Hotel Casino. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Further, the Gilpin Hotel Casino licenses shall be conditioned upon Joseph Capps having no involvement or employment at the casino. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership as outlined in the investigative report for Imperial Gaming Corporation, doing business as Imperial Casino & Hotel. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The being no further business to come before the Commission, the meeting was adjourned at 2:52 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
September 6, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:15 a.m. on September 6, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler and Shirley Harris. Tom Beltz joined the meeting at 1:25 p.m. Also attending were: Executive Director of the Department of Revenue, Renny Fagan; Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications Director, Don Burmania; and Assistant Attorney General, Tom Fears. Persons making presentations included: Guy Arseneau, principal of Victor Elementary School; Ralph Knull, Craig Nicholson and Donna Martin, Gilpin County; Don Mattivi and Jim Drinkhouse, City of Central; Lynette Hailey and David Spellman, City of Black Hawk; Dick Beck, casino manager; Kip Peterson and Paul Harris, City of Cripple Creek; Lucille Fehn, Carol Vayhinger, Guy Grace and Jim Leideritz, Teller County; and Mark Grueskin, Counsel for the Casino Owners Association.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. No one from the public responded.

Mr. Arseneau described how the casino industry had provided much-needed support for the Cripple Creek-Victor school district.

Mr. Knull and Mr. Nicholson presented the gaming-related impacts on Gilpin County government. They noted that the county received an increase in gaming revenues this fiscal year and that the increasing distribution moneys are adequately covering the ongoing expenses for the county. Ms. Martin noted that the gaming fund distribution is the county's largest source of operating funds and that the county experiences cash flow problems until that distribution is received in August or September.

Mr. Mattivi and Mr. Drinkhouse provided an update on Central City projects and financial issues. They indicated that a declining number of gaming devices in the city forced the city to reduce its staff. As the result, the city is basing its budget on lower device figures. Despite the decrease in devices and budget, the city received a "clean bill of health" from an auditing firm and the city was able to refinance its bonded indebtedness to lower city bond payments.

The meeting was recessed at 10:20 a.m. by Chairman Hyatt.

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

Mr. Beck updated the Commission on the Streetscape project in the Black Hawk business Improvement District, which is being financed in part by a special device fee paid by casinos within the district.

Ms. Hailey and Mr. Spellman presented financial information from the City of Black Hawk. They indicated that the city was concerned that future financial plans and commitments may be jeopardized if the Commission raises the tax rate.

Mr. Peterson and Mr. Harris provided an overview of changes within the Cripple Creek city government during the past year. They discussed the city's new goals and objectives for 1997 and provided an overview of city finances. They, too, expressed a desire for a stable tax structure.

The Chair called for a motion to accept the petition for Declaratory Order regarding the Victory Hotel and Casino and set a date for a motions hearing on October 18, 1996. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 11:35 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:10 p.m. by Chairman Hyatt.

Ms. Vayhinger and Ms. Fehn reported that Teller County had net unfunded gaming-related impacts in 1995 of \$1,936,153. Mr. Grace and Mr. Leideritz related how gaming had drastically impacted the Sheriff's Department and emergency services in the county. Ms. Vayhinger noted that Teller County had presented an unfunded gaming impact of \$1,142,896 in 1994 and as a result sought legislative relief. That effort resulted in the formation of a task force to study the distribution of the Limited Gaming Fund. Ms. Vayhinger asked for any assistance and suggestions the Commission may provide to assist with this unfunded impact shortfall.

The meeting was recessed at 2:35 p.m. and reconvened at 2:50 p.m. by Chairman Hyatt.

Mr. Grueskin presented the Commission with the results of an audit conducted on the Teller County government. He lauded the county for finding creative ways to come under budget, and said the audit showed the county was in good financial condition.

Ms. Vayhinger rebutted Mr. Grueskin's presentation, noting that the county has always been conservative in its budgeting and that performing under budget was not an indication of a strong financial condition.

Page 3 of 3  
September 6, 1996

Mr. Fears, as part of a discussion of Gaming Regulation 47.1-311, presented the Commission with a draft policy to allow conditional withdrawals for certain misstatements on gaming applications. After discussion of the policy matters, the Commission requested continuation of the matter at its September 19, 1996 meeting.

There being no further business to come before the Commission, the meeting was adjourned at 4:49 p.m.

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Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
August 30, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:15 a.m. on August 30, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Tom Beltz, Marilyn Wheeler and Shirley Harris. Also attending were: Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications Director, Don Burmania; and Assistant Attorney General, Tom Fears. Persons making presentations included: Ron Cattany, the Department of Natural Resources; Bruce Nilemo, John Unbewust and Bob Torres, Department of Transportation; Mark Grueskin, counsel for the Casino Owners Association; and Brian Nordahl, Deloitte & Touche.

Ms. Petkash introduced the State agencies that were giving presentations and briefly reviewed with the Commission the actual figures for funding that various state agencies receive from the General Fund for gaming-related impacts.

Mr. Cattany discussed with the Commission the impacts on Natural Resource agencies, including the Colorado Water Conservation Board, the Division of Mines and Geology, the Soil Conservation Board, the Division of Parks and Outdoor Recreation and the Division of Wildlife. A videotape of a television news segment on mine reclamation was shown and a presentation on the mine reclamation program was also presented.

Mr. Nilemo presented an overview of the Department of Transportation's funding needs for construction, maintenance and operations on state highways surrounding the three gaming communities. Mr. Torres briefed the Commission on projects on Highways 24 and 67 near Cripple Creek. Mr. Unbewust updated the Commission on proposed improvements to Highways 6 and 119 leading to Black Hawk and Central City.

The meeting was recessed at 10:30 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 10:50 a.m. by Chairman Hyatt.

Ms. Buchanan reminded the Commission that it had an obligation to certify that it had heard the testimony of the state agencies and whether the impacts were reasonably related to gaming.

The Chair called for a motion to adopt a resolution that the Colorado Limited Gaming Control Commission finds that the testimony heard from the Department of Natural Resources were a reasonable expression of negative impacts related to gaming and that offsetting these impacts are necessary for improving the safety of abandoned mines near the gaming communities. The Department of Transportation in its testimony has shown a direct correlation between the increase of traffic from the inception of gaming and the impact to highways surrounding the gaming

communities. The Commission finds and recommends that these impacts are reasonably rated to gaming and forwards this resolution to the Colorado Legislature. Ms. Harris made the motion. Mr. Brower seconded it. The resolution was approved.

The Chair asked if there was anyone from the public who wished to address the Commission on items that were not on the agenda.

Mr. Sargent told the Commission that he was concerned as an interested citizen about the Commission establishing a tax based upon adjusted gross proceeds. He thought the tax should be assessed on net profits. He offered to provide the Commission with copies of a book on economics that discusses tax theories. The Chair thanked Mr. Sargent for his testimony and indicated that the Constitutional Amendment authorizing gaming mandates that the tax be collected on AGP.

Mr. Grueskin reported that the Casino Owners Association had hired the firm of Deloitte & Touche in Chicago to review a report submitted to the Commission by Duree & Company. He introduced Mr. Nordahl, who prepared a review of the Duree report and other profitability factors.

Mr. Nordahl presented a report to the Commission expressing concern about the comparative information used in the Duree report. He noted that comparisons between Colorado casinos and other gaming jurisdictions and large public companies is not an "apples to apples" correlation. He indicated that his analysis of the Duree report and the information contained within it showed that Colorado casinos are not as profitable as portrayed in the Duree report.

The Chair announced that discussion of proposed Rule 311 would be continued until the next regularly scheduled Commission meeting.

There being no further business, the meeting was adjourned at 12:05 p.m.



Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
August 16, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:07 a.m. on August 16, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Tom Beltz, Marilyn Wheeler and Shirley Harris. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Investigator, Steve Barber; and Assistant Attorney General, Tom Fears.

The Chair called for a motion to go into executive session at 9:07 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. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue new, permanent operator and retail licenses to Colorado Casino Resorts, Inc., doing business as Double Eagle Resorts, Inc., 442 E. Bennett Ave., Cripple Creek. The standard conditions for retail licenses shall apply. Further, the licenses shall be conditioned upon the requirement that Donald Fraser and Euro Investment Corporation shall sell or transfer their complete common stock equity interest in the licensee on or before the last trading day of December, 1996, and shall not exercise any voting rights or privileges, both as memorialized in the Voting Agreement between Euro Investment Corporation and Colorado Casino Resorts, Inc., dated July 30, 1996. Furthermore, Euro Investment Corporation, Donald Fraser, and Gillian Fraser shall not acquire any equity ownership interest or control in the license without first being found suitable by the Commission. These licenses will be effective at 12 noon on August 16, 1996, and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership as outlined in the investigative report for Colorado Casino Resorts, Inc., doing business as Creeker's, Inc. Further, the operator and retailer licenses of Colorado Casino Resorts, Inc., dba Creeker's, Inc., shall be conditioned upon the requirement that Donald Fraser and Euro Investment Corporation shall sell or transfer their complete common stock equity interest in the licensee on or before the last trading day of December, 1996, and shall not exercise any voting rights or privileges, both as memorialized in the Voting Agreement between Euro Investment Corporation and Colorado Casino Resorts, Inc., dated July 30, 1996. Furthermore, Euro Investment Corporation, Donald Fraser, and Gillian Fraser shall not acquire any equity ownership interest or control in the license without first being found suitable by the Commission. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:08 a.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
August 15, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on August 15, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Tom Beltz, Marilyn Wheeler and Shirley Harris. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Investigator, Will Lukela; Investigator, Chris Lucas; Investigator, James Medina; Licensing and Operations Supervisor, Phyllis Accetturo; Administrative Assistant, Ronni Hunter; OPA Analyst, Andrea Smith; and Assistant Attorney General, Tom Fears. Persons making presentations included: Pete Mang, Colorado Bureau of Investigation; Michael Rosenbaum; Chris Whitney, Counsel for Bronco Billy's. Person making a presentation in executive session included: Pete Mang, Colorado Bureau of Investigation, and Dennis Hall, Jefferson County District Attorney.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission. No one responded.

Mr. Fears reviewed the proposed amendments to Regulations 311. After having some discussion, the Commission directed Mr. Fears and the Division to draft proposed parameters for Division discretion in licensing matters and report back in September.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending June 30, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for June 1996 and authorize distribution. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Voge reviewed the 1996 Limited Gaming Distribution of Fund. The Chair called for a motion to authorize the distribution of the general funds excluding the Department of Transportation. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

The meeting was reconvened into public session at 10:55 a.m. by Chairman Hyatt.

Investigators Chris Lucas and James Medina were sworn in by Chairman Hyatt.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause on North Star Casino, LLC, doing business as Golden Gates Casino. The Chair called for a motion to approve the Order to Show Cause on North Star Casino, LLC, doing business as Golden Gates Casino,

and authorize the Chair to sign. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was approved.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Cindy Carmen. The Chair called for a motion to approve the Summary Suspension of the support license of Cindy Carmen and authorize the Chair to sign. Ms. Shirley made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Kevin Nettles. The Chair called for a motion to approve the Summary Suspension of the support license of Kevin Nettles and authorize the Chair to sign. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was approved.

Mr. Fears presented to the Commission the Stipulation and Agreement between the Division of Gaming and William Baer. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and William Baer and authorize the Chair to sign the order. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented to the Commission the Stipulation and Agreement between the Division of Gaming and Central Palace Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Central Palace Casino and authorize the Chair to sign the order. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears updated the Commission on the "21 Superbucks" Court of Appeals case, noting the Court of Appeals decided in favor of the Commission.

The Chair called for a motion to approve the Minutes of the Meeting of July 18, 1996. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of July 19, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Turner updated the Commission on organizational matters. He introduced Phyllis Accetturo, who in turn introduced Ronni Hunter, a new Division of Gaming employee.

The meeting was adjourned for lunch at 11:45 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:35 p.m. by Chairman Hyatt.

Ms. Zalesky gave a brief update on the Audit Section's activities.

Mr. Mang presented a check to the Commission in the amount of \$50,000 as compensation in prosecution Ft. Morgan.

The Chair called for a motion to go into executive session at 1:50 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. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:40 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of Black Forest Inn, Inc., doing business as Otto's Black Forest Inn; Dostal Alley, Inc., doing business as Dostal Alley Saloon & Gambling Emporium; Johnny Nolon Saloon & Gambling Emporium; North Star Casino Ltd. Liability Co., doing business as Golden Gates Casino; and Outlaws Management Co. Ltd. Liability Co., doing business as Crooks Palace. 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. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator licenses of Casinos Austria Maritime Corp., and Gold Creek Associates LP. 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. Harris seconded the motion. The motion was adopted.

The Chair called for a motion renew the finding that GWC Gaming, as management company of the Sky Ute Lodge and Casino, would be qualified to receive a gaming license from the State, had the application been for a gaming license for the same or similar activity within the jurisdiction of the State, and report the finding to the Southern Ute Tribe. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Notice of Denial to Michael Rosenbaum. The Chair called for a motion to issue the Notice of Denial to Michael Rosenbaum and authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Rosenbaum requested the Commission to defer consideration and determination on the Notice of Denial during the pendency of current felony charges. The Commission accepted Mr. Rosenbaum's request.

Mr. Fears presented the proposed Notice of Denial to Pioneer Associates, L.L.C. doing business as Bronco Billy's. The Chair called for a motion to issue the Notice of Denial to Pioneer Associates, L.L.C., doing business as Bronco Billy's and authorize the Chair to sign the order. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Notice of Denial to Pioneer Group, Inc., doing business as Bronco Billy's Sports Bar and Casino. The Chair called for a motion to issue the Notice of Denial to Pioneer Group, Inc., doing business as Bronco Billy's Sports Bar, and Casino and authorize the Chair to sign the order. Ms. Wheeler made the motion. Mr. Brower seconded the motion. Mr. Beltz was opposed. The motion was adopted.

Mr. Whitney requested the Commission to defer consideration and determination on the Notices of Denial for both the Black Hawk and Cripple Creek Bronco Billy's licenses. The Commission accepted Mr. Whitney's request.

The meeting was adjourned at 5:05 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
July 19, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on July 19, at 301 E. Bennett Avenue, Johnny Nolon's, Cripple Creek, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Executive Director of the Department of Revenue, Renny Fagan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Lakewood Agent In-Charge, Phil Wargo; Cripple Creek Agent-In-Charge, Craig Bridgmon; Investigator, Nick Reisndorff; Director of OPA, Jim Huyghebaert; and Assistant Attorney General, Tom Fears. Persons making presentation were: Mark Grueskin, Counsel for the Casino Owners Association; Ken Harts, Landlord for Colorado Grande.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Grueskin talked about Teller County and the amount of money they were making, noting it was enough to pay for the impacts on Teller County.

Mr. Harts talked about the amount of crime some of the casino workers commit. He noted he thought everybody that works in the industry should have to have a background check.

Chairman Hyatt swore in Division of Gaming investigator, Nick Reisndorff, for the Division of Gaming.

The Chair called for a motion to go into executive session at 9:25 a.m. for the purpose of discussing personnel issues and asked that the Commissioners, Renny Fagan and George Turner be present in executive session. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Division of Gaming employees joined the executive session at 10:10 a.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses.

The meeting was reconvened into public session at 11:00 a.m. by Chairman Hyatt.

The Chair called for a motion to approve the Minutes of the Meeting of June 24, 1996. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of June 28, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Turner updated the Commission on an open FTE in the Lakewood office, noting that the Division was to redistribute this position part time in the Lakewood office and part time in the Cripple Creek office.

He said the Division has checked 683 IRS records in the last quarter with a resulting 96 non-filers detected, totalling 158 years and \$48,000 in taxes to be paid to the IRS.

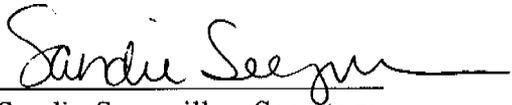
He said the Division of Gaming plans to meet with the Ute Mountain Ute Tribe for its semi-annual meeting in August.

Mr. Fears introduced an amendment to a proposed rule on hearings protocol and requested the Commission approval to publish for a rule-making hearing. The Commission directed the Division to published the proposed rule for hearing.

Mr. Kammerzell updated the Commission on the Audit Section activities.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending May 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for May 1996 and authorize distribution. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 12:10 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
July 18, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on July 18, at 301 E. Bennett Avenue, Johnny Nolon's, Cripple Creek, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Deputy Chief of Investigations, Jim Cain; Chief Auditor, Georgine Zalesky; Lakewood Agent In-Charge, Phil Wargo; Central City Agent-In-Charge, Jim Huskey; Cripple Creek Agent-In-Charge, Craig Bridgmon; Investigator, Huck Henderson; Director of OPA, Jim Huyghebaert; and Assistant Attorney General, Tom Fears. Persons making presentation were: Mark Grueskin, Counsel for the Casino Owners Association; Clint Chambers, industry worker.

Ms. Buchanan introduced the newest member of the Colorado Limited Gaming Control Commission, Shirley Harris.

Chairman Hyatt relinquished the chairmanship to Mr. Fears in order to vote or nominate for Chairperson for fiscal year 1996-97. Mr. Fears asked if there were any nomination to be made for Chairman. Mr. Brower nominated Dan Hyatt for Chairman. Mr. Beltz seconded the motion. The nomination was accepted by Mr. Hyatt. Being no further nominations, the nomination was unanimously approved.

Ms. Wheeler nominated Mr. Brower for Vice Chairman. Mr. Beltz seconded the motion. The nomination was accepted by Mr. Brower. Being no further nominations, the nomination was unanimously approved. Mr. Fears relinquished the chair back to Mr. Hyatt.

Ms. Buchanan and Mr. Huyghebaert reviewed the tax methodology and gave an overview of the constitution and statute, as well as measures that can and will be used during the upcoming tax hearings.

Mr. Grueskin welcomed Ms. Harris to the industry. He noted that the tax setting hearings are an open process and appreciated the involvement the industry has had in the past and he emphasized stability and how important it is to the industry.

The meeting was recessed at 10:30 a.m. by Chairman Hyatt.

The meeting was reconvened into public session and the Chair called for a motion to go into executive session at 10:47 a.m. for the purpose of discussing personnel issues and asked that the Commissioners, Amelie Buchanan and George Turner be present in executive session. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:40 a.m. by Chairman Hyatt.

Mr. Fears reviewed with the Commission the Stipulations and Agreements between the Division of Gaming and Harrah's Black Hawk Casino and Harrah's Central City Casino. The Chair called for a motion to approve the Stipulations and Agreements for Harrah's Central City Casino and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Stipulation and Agreement for Harrah's Black Hawk Casino and authorize the Chair to sign the order. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Woodrow Garcia. The Chair called for a motion to approve the Stipulation and Agreement for Woodrow Garcia and authorize the Chair to sign the order. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

The meeting reconvened into public session at 1:35 p.m. by Chairman Hyatt.

The Chair opened public hearings on various proposed regulation changes.

Mr. Fears and Mr. Wargo discussed regulations 47.1-106, 47.1-303, 47.1-304, 47.1-1017.4, 47.1-1017.6, 47.1-1050, and 47.1-1060, with testimony from Ms. Petkash on regulation 47.1-303 and 47.1-304 and testimony from Mr. Chambers on 47.1-427.

The Chair called for a motion to approve the amendments on a permanent basis to 47.1-303, License fees, and 47.1-304, Application. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was approved.

The Chair called for a motion to approve the amendments to 47.1-1017.4, The play -- Crazy pineapple hold 'em high and high-low split, and 47.1-1017.6 - The play -- Hold 'em Eighty-eight. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the amendments on a permanent basis to 47.1-1050, Poker tournaments, and 47.1-1060 - Jackpot awards in poker. Mr. Brower made the motion. The motion was adopted.

The Chair called for a motion to approve the amendments on a permanent basis to 47.1-106 - Definitions and 47.1-427, Strategy Cards. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 2:47 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. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:43 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of 101 Main Street Ltd. Liability Co., dba Fitzgeralds Casino Black Hawk; Tivolino Teller House, Inc., dba The Teller House; Colorado Grande Enterprises, Inc., dba Colorado Grande Gaming Parlor; Gold Mine Casino, dba Gold Mine Casino; Gold Vein Ltd. Liability Co., dba Black Diamond Casino; Bowl of Gold Resorts, Inc., dba Loose Caboose; and Bowl of Gold Resorts, Inc., dba Lucky Lola's Pleasure Palace. 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. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer and distributor licenses of IGT; IGT-Colorado Corp., dba IGT-Colorado; Royal Bell, Ltd.; Sigma Game, Inc.; Universal Distributing of Nevada, Inc.; and Bally Gaming, Inc., dba Bally Gaming. 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. Harris seconded the motion. The motion was adopted.

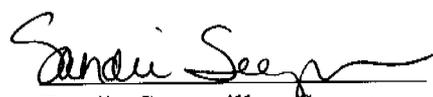
The Chair called for a motion to renew the permanent operator license of Rocky Mountain Gaming Equipment Ltd. This license will be issued upon the expiration of the current license and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the changes of ownership as outlined in the respective investigative reports for Richman Properties Ltd. Liability Co., dba The Richman Casino; Outlaws Management Company Ltd. Liability Co., dba Crooks Palace; and Vista Gaming Corp. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Page 4 of 4  
July 18, 1996

The Chair called for a motion to issue permanent operator licenses to Earl Wallace Neudecker and John A. Schaffer. These licenses will be effective at 5:00 p.m. on July 18, 1996, and expire one year from the date of issuance. Ms. Wheeler 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 4:48 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**

Minutes of Meeting  
June 28, 1996

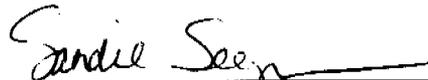
The meeting was held telephonically and commenced at 2:00 p.m. at 1881 Pierce Street, Suite 112, Lakewood, Colorado, on June 28, 1996. Present via telephone were Chairman Daniel Hyatt, Commissioner Ben Brower, Commissioner Richard Harvey, Director of Administration, Tom Kitts; Assistant Attorney General, Tom Fears. Those in personal attendance were: Communications Director, Don Burmania; and Secretary, Sandie Seegmiller.

The meeting was called to order to repromulgate revisions to regulations 47.1-303 License fees and 47.1-304 Application fees originally adopted on May 20, 1996. In addition the emergency basis and purpose for their adoption was ratified and incorporated by reference from that proceeding.

Mr. Harvey moved to approve regulations 47.1-303 License fees and 47.1-304 Application fees to be effective on July 1, 1996. Mr. Brower seconded the motion. the motion was adopted.

Ms. Seegmiller took roll call, noting the three Commissioners were present on the conference call.

There being no further business to come before the Commission, the meeting was adjourned at 2:08 p.m.

  
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Sandie Seegmiller

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
June 24, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on June 24, at 120 Eureka Street, Teller House, Central City, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, and Tom Beltz. Absent and excused was Marilyn Wheeler. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Deputy Chief of Investigations, Jim Cain; Chief Auditor, Georgine Zalesky; Investigator, Vic Freburg; Investigator Chris Hartman; Investigator, Huck Henderson; and Assistant Attorney General, Tom Fears; Commission's CPA Consultant, Ed Meier; Casino Owners' Allan Mayer and Dick Beck; Central City Mayor, Don Mattivi; Central City Manager, Jim Drinkhouse; Black Hawk City Planner, Mark Keiffer;

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Mayer and Mr. Beck both discussed some of the positive aspects that the gaming industry has brought the towns including environmental waste remediation, new parking facilities and main street developments.

Mr. Meier summarized for the Commission his report on the average operating results and rates of return ratios over the past three years, for casinos in Colorado within stratified AGP revenue categories.

The meeting was recessed at 10:20 a.m. by Chairman Hyatt.

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

Mr. Drinkhouse and Mayor Mattivi reviewed with the Commissioners the Southern Access Highway proposal. They noted the completion date would be around January 1998. They asked for some assistance from the Gaming Fund to help fund this project. The Commission said they did not believe that they had the authority to fund such project but would look into this issue.

Mr. Keiffer updated the Commission on the development of Black Hawk, and the city's efforts to reconstruct an accurate representation of the gaming district based upon historical records.

Mr. Burmania briefly reviewed the Contract with La Plata County. The Chair called for a motion to approve the Contract between the Division of Gaming and La Plata County and to authorize the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Petkash discussed the Memorandum of Understanding between the Colorado Limited Gaming Control Commission and Colorado State Patrol. The Chair called for a motion to approve the Memorandum of Understanding between the Colorado Limited Gaming Control Commission and Colorado State Patrol and authorize the chair to sign. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending April 30, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for April 1996 and authorize distribution. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of May 20, 1996. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Fears asked that the Commission postpone rule-making for Regulations 47.1-106, 47.1-427 47.1-303 and 47.1-304 until July 19, 1996 at 9:00 a.m. at Johnny Nolon's Casino in Cripple Creek. The Chair called for a motion to postpone rule-making for Regulations 47.1-106, 47.1-427 47.1-303 and 47.1-304 until July 19, 1996 at 9:00 a.m. Mr. Beltz made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Fears requested approval on commencing rule-making procedures on regulations 47.1-302, 47.1-405, 47.1-4.515, and to consider adding new poker games to rule 10 , and new blackjack games to rule 8.

The Chair called for a motion to authorize commencing rule-making on regulation 47.1-302, 47.1-405, 47.1-4.515, 47.1-8 and 47.1-10. Mr. Beltz made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Grantham and Ms. Petkash presented the Negative Supplemental Budget request of \$25,933. This money was for the difference to hire an Administrator Program Specialist (Intern) to do the slot machine inspections instead of an Investigator I position as originally budgeted for. The Chair called for a motion to approve the Negative Supplemental Budget request in the amount of \$25,933. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 11:55 a.m. by Chairman Hyatt.

The meeting was reconvened at 1:35 p.m by Chairman Hyatt.

The Chair called for a motion to go into executive session at 1:35 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. Harvey seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:15 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of 353 Myers Ave. Limited Partnership, dba Jubilee Casino; Doc Holliday, Inc., dba Doc Holliday Ltd.; Harveys Wagon Wheel Casino Ltd. Liability Co., dba Harveys Wagon Wheel Casino; and Richman Properties Ltd. Liability Co., dba The Richman 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. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail license of Papone's Palace Ltd. Liability Co., dba Papone's Palace. These licenses will be issued upon expiration of the current licenses and expire 11 months from the date of issuance. Further, these licenses shall be conditioned upon the following conditions:

- (1) The licensee shall submit for approval by the Division of Gaming proof of compliance with minimum bankroll requirements, including verification of financial resources and expenditures. This proof shall be submitted to the Division of Gaming each Friday every week for three months and at the Director's discretion thereafter.
- (2) The licensee shall comply with all gaming laws, regulations, and internal control minimum procedures, including the revised surveillance requirements.

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

The Chair called for a motion to renew the permanent manufacturer/distributor license of Video Lottery Consultants, Inc. This license will be issued upon the expiration of the current license 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 permanent operator's license of Imperial Palace of Mississippi, dba Imperial Palace. This license will be issued upon the expiration of the current license 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 approve the changes of ownership as outlined in the respective investigative reports for Century Casinos Cripple Creek, Inc., dba Legends Casino at Long Branch; Imperial Gaming Corp., dba Imperial Casino & Hotel; and Old Chicago Cripple Creek Ltd. Partnership, dba Old Chicago Casino. Mr. Beltz made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue a permanent manufacturer/distributor license of Freomara Ltd. Liability Co. This license will be effective at 5:00 p.m. on June 24, 1996, and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted. Commissioner Harvey noting a previous professional contact with the applicant, abstained from participation in the consideration or vote of this matter.

The Chair called for a motion to issue permanent operator and retailer licenses to E.T.'s Casino, Inc., dba E.T.'s Casino, 301 Gregory St., Black Hawk; Silver Hawk Casino, Inc., dba Silver Hawk Saloon & Casino, 100 Chase St., Black Hawk; and Silver Spur Ltd. Liability Co., dba Silver Spur Casino, 443 E. Bennett Ave., Cripple Creek. These licenses will be effective at 5:00 p.m. on June 24, 1996, and expire one year from the date of issuance. Further, the standard conditions for retail licenses shall apply. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent operator and retailer licenses to Holland Ventures, Inc., dba J.P. McGill's, 232 E. Bennett Ave., Cripple Creek. These licenses will be effective at 5:00 p.m. on June 24, 1996, and expire one year from the date of issuance. Further, the standard conditions for a retail license shall apply. In addition, the retail license shall be conditioned upon the surrender of the current retail license at that location. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent operator and retailer licenses to WMCK Acquisition Corp., dba Womack's Saloon & Gaming Parlor, 208-220 E. Bennett Ave., Cripple Creek. These licenses will be effective at 5:00 p.m. on June 24, 1996, and expire one year from the date of issuance. Further, the standard conditions for a retail license shall apply. In addition, the retail license shall be conditioned upon the surrender of the two current retail licenses at that location. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:35 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
May 20, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on May 20, 1996, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, Tom Beltz and Marilyn Wheeler. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Accountant, Janet Ford; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Investigator, Huck Henderson; and Assistant Attorney General, Cliff Hyphere. Persons making presentations or testimony included: Jerry Smith and Jack Kirtland, Department of Local Affairs.

Mr. Smith and Mr. Kirtland reviewed with the Commission the Contiguous County Impact Fund of \$605,901 for the southern counties contiguous to tribal gaming. After discussion, the Chair called for a motion to approve the appropriation in that amount. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Burmania discussed the contract between the Colorado Limited Gaming Control Commission and LaPlata County to partially finance a study to determine the impacts of tribal gaming on the county. Mr. Burmania explained that the contract was to secure the financial participation of the Commission, and La Plata County would be managing a separate contract for the study. The Commission tabled action on the contract until the next meeting.

Ms. Ford reviewed the Financial Reports and Balance Sheet for the month ending March 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for March 1996 and authorize distribution. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

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

Ms. Petkash reviewed with the Commission Regulations 47.1-303 License fees and 47.1-304 Application fees. The Commission requested the exact language on the regulations and delayed consideration until later in the day.

The Chair called for a motion to approve the Minutes of Meeting of April 19, 1996. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of Meeting of April 22, 1996. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Ms. Zalesky updated the Commission on the requirement of all "B" and "C" class casinos employ compliance officers. She indicated the casinos have seen benefits from having these positions.

Mr. Hypshire reviewed with the Commission the Order to Show Cause on Debra Hemhouser. The Chair called for a motion to approve the Order to Show Cause for Debra Hemhouser and authorized 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 11:00 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. Beltz seconded the motion. The motion was adopted.

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

The meeting reconvened into executive session at 1:30 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 5:30 p.m. by Chairman Hyatt.

The Chair called for a motion to approve the change of ownership as outlined in the investigative report for Bowl of Gold Resorts, Inc., dba Loose Caboose; and Bowl of Gold Resorts, dba Lucky Lola's Pleasure Palace. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to temporarily renew the permanent operator and retail licenses of Papone's Palace Ltd. Liability Co., dba Papone's Palace. These licenses shall be issued upon expiration of the current license and expire one month from the date of issuance. Further, the licenses shall be conditioned upon the licensee submitting for approval by the Division of Gaming proof of compliance with minimum bankroll requirements, including verification of financial resources and expenditures. This proof shall be submitted to the Division of Gaming prior to re-opening and every Friday each week thereafter. Further, the licensee shall comply with all gaming laws, regulations, and internal control minimum procedures, including the revised surveillance requirements. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

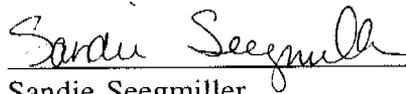
The Chair called for a motion to issue new permanent operator and retail licenses to Paradise Casino Ltd. Liability Co., dba Glitter Gulch Casino, 405 E. Bennett Ave., Cripple Creek. These licenses shall be effective at 5:00 p.m. on May 20, 1996, and expire one year from the date of issuance. Further, the standard conditions for a retail license shall apply. 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 retail licenses of Terry's Cafe Ltd. Partnership, dba Maverick's Steakhouse & Casino; The Lays' Palace, Ltd., dba The Palace Hotel & Casino; Casino Holdings, Inc., dba The Brass Ass; Blue Building Development, Inc., dba Gold Digger's Casino; Imperial Gaming Corp., dba Imperial Casino & Hotel; and Global Casinos, Inc., dba Bull Durham Saloon & Casino. These licenses shall be issued upon expiration of the current licenses 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 permanent operator and retail licenses of, and approve the ownership changes outlined in the respective investigative reports (referenced as Exhibit A) for BWBH, Inc., dba Bullwhackers Black Hawk Casino; and BWCC, Inc., dba Bullwhackers Central City Casino. These licenses shall be issued upon expiration of the current licenses 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 approve the amendments to Regulation 47.1-303 License fees and 47.1-304 Application fees to be effective starting July 1, 1996 on a temporary basis. Mr. Brower 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 recessed at 5:40 p.m.

  
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Sandie Seegmiller

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
April 22, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:30 a.m. on April 22, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, Tom Beltz and Marilyn Wheeler. Also attending were: Department of Revenue Executive Director, Renny Fagan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Central City Supervisor, Jim Huskey; Cripple Creek Supervisor, Craig Bridgmon; and Assistant Attorney General, Tom Fears.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission. No one responded.

The Commissioners reviewed in detail the Division of Gaming's 1997 budget request that was previously approved at the March 15, 1996 Commission Meeting.

Mr. Fears reviewed with the Commission Stipulation and Agreements between the Division of Gaming and Lady Luck Casino and key licensee, Don Mjoen. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Lady Luck Casino and authorize the chair to sign the order. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was approved.

The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Don Mjeon and authorize the chair to sign the order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The following dates for Commission meetings were determined: May 20th, June 24th, July 18 & 19, August 16th, October 18th, November 15th and December 20th.

There being no further business to come before the Commission the meeting was adjourned at 12:15 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
April 19, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:30 a.m. on April 19, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Tom Beltz and Marilyn Wheeler. Absent and excused was Richard Harvey. Also attending were: Department of Revenue Deputy Director, Amelie Buchanan; Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisor, Ron Kammerzell; Investigator, Steve Barber; Investigator, Huck Henderson; and Assistant Attorney General, Tom Fears. Persons making presentations or testimony included: Kay Lorenz; Dick Beck; Mark Meyer; Larry Lawson; Jerry Smith and Jack Kirtland, Department of Local Affairs; Wayne Bedor, La Plata County; Bob Brubacker, Montezuma County; Jeanne Rubin, Counsel for the Ute Mountain Indian Tribe; Phil Wilson, Colorado Bureau of Investigation; and Mark Grueskin, Counsel for the Colorado Casinos Owners Association.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission. Ms. Lorenz and Mr. Beck discussed House Bill 1148 on Compulsive Gambling that did not pass. They noted they were going to organize some of their own educational programs around compulsive gambling.

Mr. Meyers and Mr. Lawson talked with the Commission about the Award Ceremony in Cripple Creek on April 2, 1996, noting that Craig Bridgmon won the Humanitarian Award.

Ms. Petkash reviewed the Memorandums of Understanding (MOU) with Department of Local Affairs, Division of Fire Safety and the Colorado Bureau of Investigation. Having reviewed these MOUs the Chair called for a motion to approve the MOU between the Colorado Limited Gaming Control Commission and the Department of Local Affairs. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the MOU between the Colorado Limited Gaming Control Commission and Colorado Bureau of Investigation. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the MOU between the Colorado Limited Gaming Control Commission and Division of Fire Safety. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears and Ms. Zalesky reviewed the amendments to regulation 47.1-106(14), and the proposed related interpretive ICMPs and asked that the Commission approve the rule amendment on a permanent basis. Mr. Grueskin testified stating he agreed that the proposed changes were

appropriate, and that the Division's revision of the language met the industry's concerns.

The Chair called for a motion to approve the amendments to regulation 47.1-106(14) - Definitions. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed the proposed changes to regulations 47.1-1017.4, 47.1-1017.6, 47.1-1050, 47.1-1060 and 47.1-1101. The Chair called for a motion to approve the amendments to 47.1-1017.4 - The play -- Crazy pineapple hold 'em high and high-low split, 47.1-1017.6 - The play - - Hold 'em Eighty-eight, 47.1-1050, Poker tournaments, 47.1-1060 - Jackpot awards in poker, and 47.1-1101 - Drop and count procedures as an emergency rule. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted. The Commission also directed staff to commence regular rulemaking proceedings on these rules.

Mr. Fears discussed amendments to regulation 47.1-1202. The Chair called for a motion to approve the amendments to 47.1-1202 - Testing as an emergency and permanent rule. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears discussed amendments to regulation 47.1-1805. The Chair tabled consideration of the amendments to a later time in the day to have revision made to the rule. The meeting was recessed at 10:45 a.m. by Chairman Hyatt.

The meeting reconvened into public session at 11:00 a.m. by Chairman Hyatt.

Ms. Buchanan reviewed with the Commission a cost comparison of purchasing versus a lease option on the new building at 1881 Pierce Street.

Mr. Fears offered the Commission an overview of the Contiguous County Impact Fund.

Mr. Smith and Mr. Kirtland presented the request for funding from the Contiguous County Advisory Committee. Mr. Smith indicated the eight counties surrounding Gilpin and Teller Counties were seeking only the statutorily imposed 9 percent they are entitled.

Mr. Bedor and Mr. Brubaker presented to the Commission a request from La Plata and Montezuma counties to offset the gaming-related impacts of the tribal casinos in those two counties.

The Chair stated the Commission was interested in having the counties work together with the Indian tribes and the State to study the impacts on the counties from tribal gaming. Mr. Burmania indicated that La Plata County was currently involved with the Southern Ute Tribe and the

Division in planning such a study, and that the Division had not yet secured the cooperation of Montezuma County in a similar study.

Ms. Rubin testified the Ute Mountain Ute Tribe was willing to work with the State and Montezuma County to identify gaming-related impacts. She noted that the Tribe had commissioned a study that showed that the tribal gaming operations had a positive impact on the county. She further stated that the Tribe questioned the magnitude and validity of some of the county's identified impacts.

The Commission deferred action on the Contiguous Counties until the May meeting.

The meeting was adjourned for lunch recess at 12:20 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 2:10 p.m. by Chairman Hyatt.

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 and review investigative reports. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 3:40 p.m. by Chairman Hyatt.

The Chair called for a motion to approve the amendments to 47.1-1805 - Pre-conditions for seeking funding from the Commission as a permanent rule. Mr. Brower made the motion. Ms. Marilyn Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of Ed & Shirley's, Inc., doing business as The Wild Card Saloon; DEC, Inc., doing business as the Eureka! Ltd.; Virgin Mule, Inc., doing business as The Virgin Mule; Cripple Creek Development Co., Inc., doing business as Gold Rush Hotel & Casino; Stage Stop Gaming Hall, Inc., doing business as Coyote Creek Casino; Jazz Alley Casino, Inc., doing business as Jazz Alley Casino; and Red Dolly, Inc., doing business as Red Dolly Casino, Inc. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Further, the Red Dolly Casino license shall be conditioned upon Frank R. Spinuzzi, through his control or ownership of any other non-gaming business interests, complying with all applicable federal and state laws and regulations pertaining to gambling. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail license of and approve the change of ownership as outlined in the investigative report for Dedicated International, Inc.,

doing business as Black Hawk Station. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of First Choice Coin Distributing Co. This license will be issued upon the expiration of the current license and expire one year from the date of issuance. Further, this license shall be conditioned upon Lazier Singer having no contact with Barry McNamara. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the changes of ownership as outlined in the investigative report for 353 Myers Avenue Ltd. Partnership, doing business as Jubilee Casino. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Chairman Hyatt excuse himself at 4:50 p.m. to attend other commitments.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending February 29, 1996. Mr. Brower called for a motion to approve and adopt the Financial Reports and Balance Sheet for February 1996 and authorize distribution. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

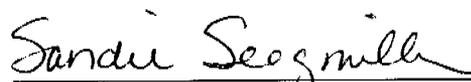
Mr. Brower called for a motion to approve the Minutes of Meeting of February 9, 1996. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was approved.

Mr. Brower called for a motion to approve the Minutes of Meeting of March 14, 1996. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was approved.

Mr. Brower called for a motion to approve the Minutes of Meeting of March 15, 1996. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was approved.

Ms. Zalesky reviewed with the Commissioners the Internal Control Procedure Compliance Checklist. She noted the Division would be conducting training for the industry on the new Internal Control Procedures Manual.

There being no further business to come before the Commission, the meeting was adjourned at 4:15 p.m.

  
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Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
March 14, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:37 a.m. on March 14, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, and Marilyn Wheeler. Absent and excused was Tom Beltz. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Public Communications Director, Don Burmania; Denver Investigator-in-Charge, Phil Wargo; Investigator Vic Freburg; Investigator, Huck Henderson; Criminal Financial Investigator, Max Kettler; and Assistant Attorney General, Tom Fears.

The Chair called for a motion to go into executive session at 8:37 a.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses and review investigative and audit reports. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:34 a.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of Independence Hotel Ltd. Partnership, doing business as Independence Hotel & Casino; Gold Coin, Inc., doing business as Lady Luck Central City Casino; and Golden Rose Partnership, Ltd., doing business as Golden Rose Casino. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Further, the prior condition for Golden Rose shall remain in effect. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license of Black Forest Inn, Inc., doing business as Rohling Inn Casino. This license will be issued upon the expiration of the current license 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 permanent manufacturer/distributor license of WMS Gaming, Inc. This license will be issued upon the expiration of the current license 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 issue a permanent manufacturer/distributor license to AGI Distribution, Inc. This license will be effective at 5:00 p.m. on March 14, 1996, and expire one year from the date of issuance. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

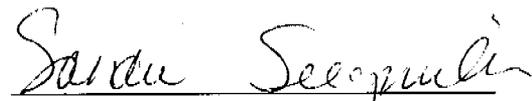
The Chair called for a motion to issue a permanent manufacturer/distributor license to Video King Gaming Systems, Inc., doing business as Video King, with the following conditions:

1. Kenneth Stuart shall have no control, ownership, association, or business relationship, directly or indirectly, with Video King Gaming Systems, Inc.
2. Kenneth Stuart shall have no association or business relationship through Stuart Entertainment, Inc., doing business as Bingo King Company, Inc., directly or indirectly, with any Colorado Limited Gaming licensee.
3. Frank Nannicola shall have no association or business relationship through Stuart Entertainment, Inc., doing business as Bingo King Company, Inc., directly or indirectly, with any Colorado Limited Gaming licensee.
4. Stuart Entertainment, Inc., shall immediately and henceforth comply with all the requirements of Rule 4.5, 1 C.C.R. 207-1, of the Colorado Limited Gaming Control Commission; and further, Stuart Entertainment, Inc., shall have six months to amend its Articles of Incorporation to comply with said Rule 4.5.

This license will be effective at 5:00 p.m. on March 14, 1996, and expire one year from the date of issuance. Mr. Harvey made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was adjourned until 8:00 a.m. March 15, 1996.

There being no further business to come before the Commission, the meeting was adjourned at 12:10 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
March 15, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:30 a.m. on March 15, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, Tom Beltz and Marilyn Wheeler. Absent and excused was Tom Beltz. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Public Communications Director, Don Burmania; and Assistant Attorney General, Tom Fears. Persons making presentations or testimony included: Jerry Smith and Jack Kirtland, Department of Local Affairs; Linda Wittamore, Department of Public Safety; Paul Cooke, Division of Fire Safety; Phil Wilson, Colorado Bureau of Investigation; Mark Grueskin, Counsel for the Colorado Casinos Owners Association; Mark Meyer; and Russell Ross.

The Commission toured the Division of Gaming's new facility at 1881 Pierce Street.

The Commission at 10:00 a.m. convened into their regular schedule.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Grueskin discussed the results of a Marketing Research Survey of 600 participants. The Commission inquired about receiving a copy of this survey. Mr. Grueskin said he would look into getting the Commission a copy.

Mr. Wilson and Ms. Wittamore presented the Colorado Bureau of Investigation's budget request for FY 1996 in the amount of \$529,7555. After reviewing the request, the Commission directed CBI to make adjustments to line items to their budget and come back later in the day.

The meeting was recessed at 11:25 a.m. by Chairman Hyatt.

The meeting was reconvened into public session at 11:40 a.m. by Chairman Hyatt.

Mr. Smith and Mr. Kirtland presented the Department of Local Affairs' budget request for FY 1997 in the amount of \$63,433. The Chair called for a motion to approve the Department of Local Affairs' budget request for FY 1997 in the amount of \$63,433. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending January 31, 1996. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for January 1996 and authorize distribution. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to approve as policy (Policy 96-01):

Budget submissions of other State agencies requesting funding from the Limited Gaming Fund shall submit budget documentation based on the following:

- A. Documentation shall provide the same level of detail as required by the Governor's office of Planning and Budgeting annual procedures manual.
- B. Calculation of the funding request shall be based upon the guidelines contained in the above referenced manual.
- C. The budget submission should reflect the planned spending patterns.

The Commission reserves the right to request any other additional information it deems necessary as appropriate justification for the funding request.

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

Mr. Turner updated the Commission on legislative issues.

Mr. Fears briefed the Commission on Benny Honeycutt, noting that he did not appeal the Commission's decision of revocation and has not paid the fine.

The Chair called for a motion to go into executive session over lunch at 12:12 p.m. to consider information of the various disciplinary hearings, and requested that the only parties to participate in this executive session be the Commission members. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

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

Mr. Wilson and Ms. Wittamore returned with the requested revisions. The Chair called for a motion to approve Colorado Bureau of Investigations budget request for FY 1997 in the amount of \$529,755. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Cooke and Ms. Wittamore brought forward a revised budget request for the Division of Fire Safety. After reviewing the budget, the Chair called for a motion to approve the Division of Fire Safety budget request for FY 1997 in the amount of \$138,851. Mr. Brower made the motion. Ms. Wheeler 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 investigative and audit reports. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

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

The Commission lauded Mark Meyer and Russell Ross for their hard efforts on receiving a good audit report on Gold Ruch and Gold Digger's.

The Chair called for a motion to approve the minutes of the meetings of January 18 and 19, 1996. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the minutes of the meeting of February 16, 1996. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was approved.

The Chair called for a motion to approve the following policy (Policy 96-02):

The Colorado Limited Gaming Control Commission shall take one of these actions where a stipulation agreement comes before the Commission:

- Approve the stipulation as presented;
- Reject the stipulation with out comment; or
- Reject the stipulation with comment.

This policy supersedes all previously adopted policy referring to stipulation and is effective immediately.

Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was approved.

The Chair opened the public hearing on a proposed amendment to Gaming Regulation 12-47.1-106. The Chair entered letters from the following persons into the hearing record: Jeffrey R. Jones, Deb Gorham, Sherron Slavens, and Ed Warren.

Mr. Fears swore in Ms. Hammer to present testimony in behalf of the proposed amendment. She indicated that accounting personnel had access to gaming documents that they could alter and/or destroy. She cited examples of documents altered by non-licensed accounting personnel, and stated licensure would act as a deterrent.

Mr. Grueskin testified that he agreed with the need to license accounting personnel, but was concerned that the use of the term "handling" in the proposed amendment would require the licensure of secretaries and clerks.

Mr. Fears indicated that statute uses the term "handling" in the definition of gaming employees.

Mr. Harvey made a motion to postpone consideration of Gaming Regulation 12-47.1-106 until the next meeting on April 19th at 9 a.m. at the Cherry Creek Inn, Denver. Mr. Beltz seconded the motion. The motion was approved.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Kenneth Lamarre, and authorize the Chair to sign. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion passed. The Chair announced that the Commission's action resulted in the revocation of Mr. Lamarre's support license and a \$500 fine.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Charles Norkett, and authorize the Chair to sign. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion passed. The Chair announced that the Commission's action sustained Mr. Norkett's support license denial and resulted in a \$300 fine.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Timothy Johnson, and authorize the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion passed. The Chair announced that the Commission's action sustained Mr. Johnson's support license denial and resulted in a \$200 fine.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Greg Deringer, and authorize the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion passed. The Chair announced that the Commission's action resulted in the revocation of Mr. Deringer's support denial and a \$500 fine.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Janet Torres, and authorize the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion passed. The Chair announced that the Commission's action resulted in the revocation of Ms. Torres's support denial and a \$1,500 fine.

The Chair called for a motion to approve the Findings of Fact, Conclusions of Law, and Order in the matter of Leslie David VanCleave, and authorize the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion passed. The Chair announced that the Commission's action resulted in the reinstatement of Mr. VanCleave's support license.

The Chair announced the Commission was sending a message through its actions in these disciplinary cases that people filling out applications and taking actions after should take matters seriously, because the Commission does.

Mr. Turner introduced the Division of Gaming's FY1997 budget request and a supplemental budget request for FY1996. Ms. Petkash presented the FY1996 budget request, noting the Division needed an additional \$88,626 for the Denver office move to 1881 Pierce St.; \$34,354 for Workmen's Compensation and Risk Management costs; and \$28,521 for fingerprints and name searches. Mr. Harvey made a motion to approved the supplemental budget request for FY1996 in the amount of \$151,501. Ms. Wheeler seconded the motion. The motion was approved.

The Chair called for a motion to approve the Division's FY1997 budget request in the amount of \$6,389,467, including 70.0 FTE, with the understanding that the Commission may make supplemental or negative supplemental adjustments to the budget in the future after further scrutiny. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was approved.

The Chair announced that the Commission would closely scrutinize the Division's FY1997 budget at a meeting to be held April 22, 1996, starting at 9:30 a.m., at Cherry Creek Inn, Denver.

There being no further business to come before the Commission, the meeting was adjourned at 5:47 p.m.

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Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
February 16, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on February 16, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, Marilyn Wheeler and Tom Beltz. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Accountant, Janet Ford; Chief Auditor, Georgine Zalesky; Public Communications Director, Don Burmania; Budget Analyst, Linda Petkash; Denver Investigator-in-Charge, Phil Wargo; Investigator Laura Manning; Investigator Eric Hartsough; Investigator, Steve Bartley; Audit Supervisor, Charissa Hammer; Criminal Financial Investigator, Kendell Dittmer; Auditor, Flavio Quintana; and Assistant Attorney General, Tom Fears. Persons making presentations or testimony included: Jerry Smith and Jack Kirtland, Department of Local Affairs; Linda Wittamore, Department of Public Safety; Paul Cooke, Division of Fire Safety; Chief Lonnie Westphal, Colorado State Patrol; Phil Wilson, Colorado Bureau of Investigation; Mark Grueskin, Counsel for the Colorado Casinos Owners Association

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission. Mr. Grueskin discussed the Internal Controls regarding surveillance. He acknowledged the industry's role in the internal control review process, but said the new surveillance controls place an undue burden on some casinos.

Mr. Smith and Mr. Kirtland presented the Department of Local Affairs' budget request for FY 1997 in the amount of \$63,433. The Commission had some concerns with the request for \$1,000 for Workman's Compensation and asked that they come back with information supporting this request at the next regular scheduled commission meeting.

Mr. Westphal and Ms. Wittamore presented Colorado State Patrol's budget request in the amount of \$1,039,012. The Chair called for a motion to approve State Patrol's budget request for FY 1997 in the amount of \$1,039,012. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Cooke and Ms. Wittamore presented the Division of Public Safety's budget request for FY 1996 in the amount of \$139,141. The Commission having reviewed the request, asked that they bring back the actual 1996 expenses to clarify their request at the March Commission meeting.

Mr. Fears advised the Commission that it had the authority to promulgate regulations or establish a policy addressing the criteria to be used in hearing budget requests. The Chair called for a motion to direct the Division of Gaming to develop a proposed amendment to Regulation 47.1-1803 that would set out standard criteria necessary to submit at the time of budget request. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

The meeting was reconvened into public session at 10:55 a.m. by Chairman Hyatt.

Mr. Wilson and Ms. Wittamore presented CBI's budget request for FY 1997 in the amount of \$529,755. The Commission asked for CBI to bring back actual 1996 expenses at the March meeting to clarify their request.

The Chair called for a motion to go into executive session over lunch at 11:40 a.m. to consider information of the denial hearings in the matters of support applicants John Pietrus and Donald Olguin, and requested that the only parties to participate in this executive session be the Commission members. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting reconvened into public session at 1:04 p.m. by Chairman Hyatt.

Ms. Ford reviewed the Financial Reports and Balance Sheet for the month ending December 30, 1995. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for December 1995 and authorize distribution. 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 1:14 p.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses and review investigative and audit reports. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting reconvened into public session at 4:00 p.m. by Chairman Hyatt.

The Chair called for a motion to issue a permanent operator license to INTERNATIONAL AMERICAN GAMING ASSOCIATION, INC. This license shall be effective at 5:00 p.m. on February 16, 1996 and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of COLORADO CASINO RESORTS, INC., doing business as CREEKER'S, INC. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of and approve the change of ownership as outlined in the investigative report for GREGORY STREET CASINO, INC., doing business as GREGORY STREET CASINO. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator license of GOLDEN GULF CASINO. This license will be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of ATRONIC CASINO TECHNOLOGY, LTD. This license will be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the changes of ownership as outlined in the respective investigative reports for 101 MAIN STREET LTD. LIABILITY COMPANY, doing business as FITZGERALDS CASINO BLACK HAWK; and HARVEYS WAGON WHEEL CASINO LTD., LIABILITY COMPANY doing business as HARVEYS WAGON WHEEL HOTEL & CASINO. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears briefed the Commission on the Tivolino Teller House Case. He noted that oral arguments would be presented on May 1 at 1:30 p.m.

Mr. Turner updated the Commission on legislative issues.

Mr. Turner announced table game training for the Commissioners will be on April 5.

Mr. Kitts announced that the preliminary report on the profitability study that is being conducted by Ed Meier will be done by April 1, 1996 and the final report will be done on June 30, 1996.

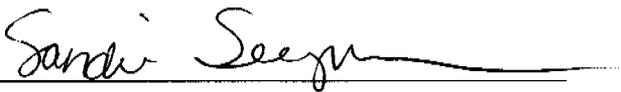
Mr. Turner and Mr. Grantham responded to Mr. Grueskin's comments during public comment at the beginning of the meeting. Mr. Grantham noted that the industry did not indicate that the new surveillance requirements would create an undue financial burden during the review process, and that most casinos were already in compliance.

Page 4 of 4  
February 16, 1996

The Chair called for a motion to approve the Findings of Fact, Conclusion of Law and Order in the matter of John Pietrus, support license L30-13807, and authorize the Chair to sign. Mr. Brower made the motion. Mr. Harvey seconded the motion. seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Findings of Fact, Conclusion of Law and Order in the matter of Donald Olguin, support license L30-15136, and authorize the Chair to sign. Ms. Wheeler 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  
February 9, 1996

The meeting was held telephonically and commenced at 1:33 p.m., 720 S. Colorado Blvd., Suite 540-S, Denver, Colorado, on February 9, 1996. The meeting was noticed by facsimile on Tuesday, February 6, 1996, to interested parties who had access to a fax machine, and others were notified by telephone and/or by U.S. mail by the Commission's Secretary, Sandie Seegmiller. Present via telephone were Chairman Daniel Hyatt, Commissioner Ben Brower, Commissioner Richard Harvey, Commissioner Tom Beltz, Commissioner Wheeler and Teller County Commissioner Carol Vayhinger. Also in attendance were: Renny Fagan, Executive Director of the Department of Revenue; George Turner, Director of the Division of Gaming; Tom Kitts, Director of Administration; Mel Grantham, Chief of Investigations; Don Burmania, Public Communications Director; Sandie Seegmiller, Secretary; Tom Fears, Assistant Attorney General; and Mark Grueskin, Counsel for the Casino Owner's Association.

Chairman Hyatt indicated the Commission had been approached by the Teller County Board of Commissioners to provide information regarding proposed legislation, House Bill 1240, which would create a fund to offset unfunded impacts in Teller and Gilpin counties.

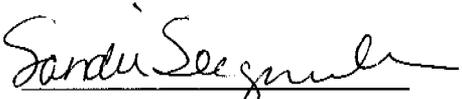
Ms. Vayhinger requested that the Gaming Commission draft a letter stating the Commission's support of the county seeking funds from the legislature since the Gaming Commission cannot directly fund the county and the county is facing a budgetary shortfall in covering gaming-related impacts.

Mr. Fagan advised the Commission against drafting a letter because of potential political ramifications and the fact that the Commission has never taken a stance on any previous proposed legislation. After discussion, the Commission decided that a letter was the most appropriate means of answering Teller County's request for information. Ms. Seegmiller read into record a proposed letter that had been drafted prior to the meeting.

Mr. Beltz made a motion to approve the proposed letter addressed to Ms. Vayhinger. The motion died to the lack of a second.

Mr. Harvey made a motion to approve the letter as amended (Exhibit A) and authorize the chair to sign on behalf of the Commission. Mr. Beltz seconded the motion. The motion was adopted upon a roll call.

There being no further business before the Commission, the meeting was adjourned at 2:50 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
January 18, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Ben Brower, at 1:25 p.m. on January 18, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Ben Brower, Richard Harvey, Marilyn Wheeler and Tom Beltz. Absent and excused was Dan Hyatt. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Chief Auditor, Georgine Zalesky; Public Communications Director, Don Burmania; Denver Investigator In-Charge, Phil Wargo; Investigator Huck Henderson; Investigator, Steve Barber; Investigator Phil Spencer; Investigator John Fisher; Budget Officer, Linda Petkash; and Assistant Attorney General, Tom Fears. Persons making a presentation included: Mark Grueskin. Person making a presentation in executive session included: Phil Wilson, Colorado Bureau of Investigation, and Tom Jackson, 18th Judicial District Attorneys Office.

Division of Gaming investigators for the Division of Gaming. Investigators Steve Barber, Phil Spencer, and John Fisher were sworn in by Vice Chairman Brower.

Mr. Fears updated the Commission on the status of the Formal Attorney General Opinion concerning the Authority of the Commission on enforcing the prohibitions against grey market slot machines outside the three gaming towns. He said the A.G.'s office is still doing some research on the matter; therefore, it is not complete yet. Mr. Fears noted the Lorenz case has been appealed to the Supreme Court. He said he would notify the Commission of the date of oral argument in case they wanted to attend. He also mentioned that both the "21 Superbucks" decisions have been appealed three times to the Court of Appeals.

Mr. Voge reviewed the Financial Reports and Balance Sheet for the month ending November 30, 1995. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for November 1995 and authorize distribution. Mr. Harvey made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of December 20, 1995. Ms. Wheeler made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Turner updated the Commission on the legislation. He stated that the Sunset Review went to the State Affairs and was passed unanimously.

Mr. Grueskin announced that the Casino owners backed the proposed legislation to restrict persons under 21 from casino gaming areas.

The Chair called for a motion to go into executive session at 2:00 p.m. for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses and review denial transcripts. Mr. Beltz made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting reconvened into public session at 4:12 by Chairman Brower.

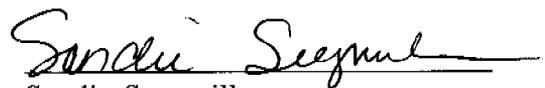
Mr. Brower announced that were going to table further decision on denial transcripts of Olguin and Pietrus until January 19, 1996.

The Chair called for a motion to issue permanent retail and operator licenses to D & D GAMING, INC., doing business as TREASURE MOUNTAIN CASINO, 243 E. Bennett Ave., Cripple Creek. These licenses shall be issued at 5 p.m. on January 18, 1996 and expire one year from the date of issuance. The standard conditions for retailer licenses shall apply. Further, the license shall be conditioned upon the following condition: No person may sell, lease, purchase, convey or acquire an interest in Elk Creek Partners, a Minnesota Limited Partnership, without prior approval of the Commission. Mr. Harvey made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license for ARISTOCRAT, INC. This license shall be issued upon the expiration of the current license and expire one year from date of issuance. Mr. Harvey made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue permanent retail and operator licenses to ASPEN MINE AND CASINO LIMITED, doing business as ASPEN MINE AND CASINO. These licenses shall be issued upon the expiration of the current license and expire one year from date of issuance. Mr. Harvey made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 4:18 p.m.

  
Sandie Seegmiller

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
January 19, 1996

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:12 a.m. on January 19, 1996, at 600 South Colorado Blvd., (Cherry Creek Inn), Denver. Present were Commissioners Dan Hyatt, Ben Brower, Richard Harvey, Marilyn Wheeler and Tom Beltz. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Chief Auditor, Georgine Zalesky; Public Communications Director, Don Burmania; Denver Investigator-in-Charge, Phil Wargo; Investigator Chris Hartman; Investigator Rob Neely; Audit Supervisor, Charissa Hammer; Auditor, Sharon New; and Assistant Attorney General, Tom Fears. Persons making presentations or testimony included: Chief Lonnie Westphaland Major Ray Elder, Colorado State Patrol; Mark Grueskin, Steve Roark, and Robert McCormick, Gilpin Hotel and Casino; Rich Nathan, Counsel for Mark Kawano; Bill Evers; and Bill Dardano.

Chairman Hyatt opened the meeting by asking if there was any one who wished to speak to the Commission on any gaming issues that were not on the agenda. No one responded.

Mr. Westphal and Mr. Elder presented Colorado State Patrol's supplemental budget request in the amount of \$75,012. The Commission having reviewed the request, the Chair called for a motion to approve the supplemental budget request for \$75,012 for State Patrol. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted. Mr. Harvey noted for the record that the Colorado State Patrol must support and document the necessity for the expenditures in the next budget cycle.

Mr. Fears reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Papone's Palace. Fred Ginsberg, counsel for Earl Neudecker appeared to answer questions. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Papone's Palace and authorize the Chair to sign the Order. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting was recessed at 10:03 a.m. by Chairman Hyatt.

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

Ms. Seegmiller read into the record the amendment that the Commission had imposed and approved on the Stipulation and Agreement between the Division of Gaming and the Gilpin Hotel Casino at its December 20, 1995, meeting.

Counsel for the Gilpin Hotel, Mr. Gueskin asked that the Commission reconsider and rescind the amendment that was attached to the original Stipulation and Agreement between the Division of Gaming and the Gilpin Hotel Casino. The Commission heard argument from Mr. Gueskin and Mr. Fears.

The Chair called for a motion at 11:42 a.m. to go into executive session with only the Colorado Limited Gaming Control Commission in attendance to consider the Motion to Reconsider from the Gilpin Hotel Casino. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The meeting returned into public session at 1:18 p.m. by Chairman Hyatt.

The Chair announced the Commission was giving notice to the industry and the Division that it reserves the right to impose the full stipulated penalty agreed upon in stipulations and agreements between licensees and the Division at the time the Commission agrees to the stipulations, without further notice.

The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Gilpin Hotel Casino as originally agreed upon. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to amend the effective date of the Stipulation and Agreement Order to January 19, 1996. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Fears presented the Stipulation and Agreement between the Division of Gaming and Mark Kawano. Mr. Nathan, counsel for Mr. Kawano, appeared and answered questions of the Commission. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Mark Kawano and authorized the Chair to sign. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Summary Suspension in the matter of Clint Burdick. The Chair called for a motion to approve the Summary Suspension in the matter of Clint Burdick and authorize the Chair to sign the order. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

The Chair called for a motion to assign Commissioner Ben Brower as the hearing officer for the next scheduled hearings. Mr. Harvey made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Order to Show Cause in the matter of Cynthia Spencer. The Chair called for a motion to approve the Order to Show Cause in the matter of Cynthia Spencer and authorize the Chair to sign the order. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

Mr. Fears reviewed the proposed Summary Suspension in the matter of Greg Hedges. The Chair called for a motion to approve the Summary Suspension in the matter of Greg Hedges and authorize the Chair to sign the order. Mr. Harvey made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears discussed the proposed Regulation 47.1-1805 - Pre-conditions for seeking funding from the Commission. After the Commission reviewed the proposed regulation, they asked for minor changes to be made as concern the disqualification for funding. Mr. Harvey moved that the Commission refer this back to the Division for these changes and bring it back to the Commission at the February 16, 1996 meeting. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was recessed at 2:35 p.m. by Chiarman Hyatt.

The meeting reconvened into public session at 2:48 p.m. by Chairman Hyatt.

More testimony on the proposed poker rule changes was taken.

The meeting was recessed at 3:50 p.m. due to technical difficulties.

The meeting was reconvened at 4:03 p.m. by Chiarman Hyatt.

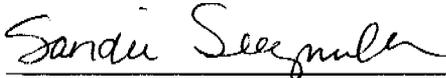
Having heard testimony and argument from Mel Grantham, Phil Wargo and Bill Dardano on the proposed poker amendments, the Chair announced that these proposed amendments to the poker regulations would be continued for deliberation to 2/16/96, at 9:00 a.m. at 600 S. Colorado Blvd. (The Cherry Creek Inn) at the next regularly scheduled Commission meeting.

Mr. Fears presented a proposed regulation that would require accounting personnel to be licensed and asked the Commission to authorize the Division to publish it for hearing in March. The Chair called for a motion to authorize the Division to publish such rule. Mr. Brower made the motion. Mr. Harvey seconded the motion. The motion was adopted.

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January 19, 1996

The Chair called for a motion to go into executive session at 4:37 p.m. for the purpose of reviewing denial transcripts of Donald Olguin and John Pietrus. Mr. Brower 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 5:20 p.m.

  
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Sandie Seegmiller, Secretary