

Colorado Limited Gaming Control Commission
Minutes of Meeting
December 19, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on December 19, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, and Shirley Harris. Absent and excused was Phil Walter. 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; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisor, Paul Hogan; Public Information Officer, Maren Rubino; Investigators, Laura Manning; Eric Hartsough; Steve Barber, and Rennea Jensen-Brown; and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Attorney for PGI, Robert Purcell; Representing Mikohn Corp., Charles McCrea. Persons making a presentation in executive session included Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking 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 before the Commission.

The Chair opened the rulemaking hearing concerning Rule 47.1- 1244(10), Cash Requirements. Ms. Zalesky and Mr. Hogan noted that the industry felt the requirement was too burdensome, and after working with a statistician from the IRS, it was decided that if the amount of the cash requirements was reduced from the current 100% of the progressive jackpot liabilities to the total liabilities less the base amount, there would be adequate cash reserves to ensure the casino has the ability to pay all jackpots. After hearing the testimony, the Chair called for a motion to approve the amendments to Rule 47.1-12(10) Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair opened the rulemaking hearing concerning Rule 1901 Black Hawk boundaries. Mr. Fears reviewed with the Commission the erroneous commercial description that included blocks 34 and 36 of the City of Black Hawk that should be zoned as residential according to the 1978 zoning map. After hearing testimony, the Chair called for a motion to approve Rule 1901 on an emergency basis because the current rule poses a threat that possible illegal gaming may be occurring outside the gaming district. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending October 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for October 1997 and authorize distribution. Ms. Harris 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 November 21, 1997. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the manufacturer/distributor license of Wolf Gaming, LLC. The Chair called for a motion to approve the Summary Suspension of Wolf Gaming, Inc. and authorize the Chair to sign. Mr. Beltz 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 Julienne Langloss. The Chair called for a motion to approve the Summary Suspension of the support license of Julienne Langloss and authorize the Chair to sign. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between Jeffery Trenary and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Jeffery Trenary and the Division of Gaming, and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between Henry Gibson and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Henry Gibson and the Division of Gaming, and authorize the Chair to sign. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between Paul Oegerle and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Paul Oegerle and the Division of Gaming, and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between Stephen Walker and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Stephen Walker and the Division of Gaming, and authorize the Chair to sign. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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. Bridgmon and Ms. Petkash briefly reviewed the proposed new lease in Cripple Creek and asked that the Chair approve the lease agreement as submitted. The Chair called for a motion to approve the lease agreement as submitted and authorize the Chair to execute the agreement at the appropriate time. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to authorize Vice-Chair to execute the lease agreement at the appropriate time if the Chair was unavailable. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for

The Chair called for a motion to go into executive session at 11:15 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure and backgrounds of various applicants for gaming licenses and reports from the Colorado Bureau of Investigations. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Purcell addressed the Commission asking the Commission to consider PGI's business interest in the matter, and condition the renewal of Mikohn's license on a complete relinquished by Mikohn of any interest in or use of PGI's intellectual property. Mr. McCrea asked the Commission to rule from the regulatory perspective only and deny PGI's requested relief.

The Chair called for a motion to return to executive session at 12:05 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure background of various applicants for gaming licenses and reports from the Colorado Bureau of Investigations. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

The Chair called for a motion to rescind GAD 96043: Notice of Denial in the Matter of the Application of Pioneer Associates L.L.C., dba Bronco Billy's (Black Hawk). As a result, the permanent operator and retailer licenses of Pioneer Associates L.L.C., dba Bronco Billy's (Black Hawk), shall be issued upon expiration of the current licenses and expire on September 8, 1998. Further, the current conditions on the licenses regarding the employment of, and management participation by, Calvin Kinney shall be continued. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license of Grimes Limited Liability

Co, dba Lucky Strike Casino at Pete' s Place. 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. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of MGC, Inc., dba Mikohn Gaming Corporation; and Silicon Gaming-Colorado, Inc. 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 called for a motion to issue a new permanent manufacturer/distributor license to Mountain Gaming Distributors, LLC. This license shall be effective at 5:00 p.m. on December 19, 1997, and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 1:12 p.m. by Chairman Hyatt.

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

The Chair called for a motion to go into executive session at 2:45 p.m. to discuss court litigation cases. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:15 p.m. by Chairman Hyatt.

Discussion on possible changes to Regulation 47.1-4.511. Mr. Beltz indicated his desire to see changes made to Regulation 47.1-4.511.

The Chair called for a motion to adopt Resolution R97-1, concerning the release of information in the case of 97-01398-CC (Exhibit A) and authorize the Chair to sign. Mr. Beltz 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 4:45 p.m.

Sandie Seegmiller, Secretary

RESOLUTION R97-1

WHEREAS the Colorado Division of Gaming conducted an investigation into circumstances surrounding allegations that a slot machine conveyed an electrical shock to a patron and others, which investigation is identified by case number 97-01398-CC; and

WHEREAS counsel for the patron has requested the Division allow it access to the investigative report, evidence, surveillance tape, and witness statements, and other supporting documents of the investigation; and

WHEREAS section 12-47.1-527 C.R.S. (1997) provides, *inter alia*, that investigative reports of the Division are privileged and confidential, and may not be disclosed or obtained by discovery or subpoena, and may be obtained only by this Commission's grant of approval for access or a court order; and

WHEREAS, the Commission finds sufficient grounds and public interest in allowing counsel for Persons in Interest to have access to the Division's investigative report, evidence, and witness statements, which Persons in Interest shall include counsel for the patron, Judith K. Funderburg, from the law firm of Melat, Pressman, Ezell & Higbie, L.L.P., and counsel for the casino where the slot machine was located, Colorado Grande Casino, and counsel for the Colorado manufacturer/distributor licensee(s) of the subject slot machine;

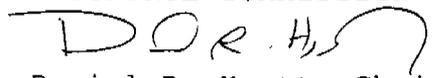
NOW THEREFORE, be it RESOLVED and ORDERED by the Colorado Limited Gaming Control Commission this 19th day of December 1997:

That counsel for the three Persons in Interest shall be entitled to: (1) a complete copy of the investigative report, including witness interviews, statements, and other supporting documentation, in Division case number 97-01398-CC; (2) reasonable access to observe any evidence in this matter; and (3) a copy of any recordings made or taken in this matter, including any surveillance tape or audio recordings of witness interviews or statements. Upon request, the Division's custodian of records will verify the authenticity of the copies of the documents. Persons in interest shall pay the reasonable cost of duplication.

Persons in Interest are not restricted as to the purposes for which any of these documents may be used.

Persons in Interest must petition the Commission anew for release of original documents, evidence, or objects related to this investigation.

COLORADO LIMITED GAMING
CONTROL COMMISSION

 12-19-97
Daniel R. Hyatt, Chairman

Approved

Colorado Limited Gaming Control Commission

Minutes of Meeting
November 21, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on November 21, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigation, Mel Grantham; Accountant, Janet Ford; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Investigator, Laura Manning; Investigator, Eric Hartsough; and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Mark Grueskin, Counsel for the Casino Owners Association. Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking 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 before the Commission.

The Chair opened the rule-making hearing concerning Rule 47.1- 1401, gaming tax year change, and Rule 47.1-1619 on standard financial statements. Mr. Kitts discussed the advantages to having the tax year run simultaneously with the fiscal year. Mr. Grueskin testified that this was not an advantage for the industry and would only be benefiting the Division of Gaming. After hearing the testimony concerning the possible tax year change the Commission discussed the advantages and disadvantages. The Chair called for a motion to approve the amendments to Rule 47.1-1401. Mr. Walter made the motion. Ms. Wheeler seconded the motion seconded the motion. Mr. Beltz opposed the amendments to Rule 47.1-1401. The motion was passed.

The Chair called for a motion to approve the amendments to Rule 47.1-1619. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed at 9:55 a.m. by Chairman Hyatt.

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

The Chair called for a motion to approve the Minutes of the Meeting of October 17, 1997. Mr. Walter 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 October 27, 1997. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Ford presented the Financial Reports and Balance Sheet for the month ending September 30, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for September 1997 and authorize distribution. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

Mr. Fears briefly informed the Commission on Rule 19 regarding the Black Hawk boundaries, as promulgated, and he noted that the rule that was adopted by the Commission contained an error in describing the boundary. The erroneous description included blocks 34 and 36 of the City of Black Hawk; the 1978 zoning map for the City of Black Hawk represents those blocks as being residential, and not commercial, in character. Limited gaming is only allowed in the 1978 commercially zoned areas within the City of Black Hawk. Mr. Fears asked the Commission to approve a Notice of Rulemaking to remove those blocks from the gaming district. The Chair called for a motion to authorize the Division of Gaming to go forward with the rulemaking notice. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Seegmiller reviewed Commission meeting dates for 1998. The dates agreed upon for Commission meetings for 1998 were as follows: January 16; February 20; March 19; April 16 & 17; May 14 & 15; June 18 & 19; July 17; August 21; September 18; October 16; November 20; and December 18.

The Chair called for a motion to go into executive session at 10:55 a.m. for the purpose of reviewing and considering temporary and permanent licensure, the backgrounds of various applicants for gaming licenses and an audit report. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

The Chair called for a motion to renew the permanent operator and retailer licenses of Anchor Coin, Inc., dba Colorado Central Station. These licenses shall be issued upon expiration of the current licenses and expire one year from date of issuance. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer licenses of BWBH, Inc., dba Bullwhackers Black Hawk; BWCC, Inc., dba Bullwhackers Central City; Central City Gaming Investors LLC., dba Glory Hole; G.F. Gaming Corp., dba The Famous Bonanza Casino; and Horseshoe Casino LLC, dba Canyon Casino. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to approve the changes of ownership as outlined in the respective reports for Central City Gaming Investors LLC, dba Glory Hole; and Horseshoe Casino LLC, dba Canyon Casino. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

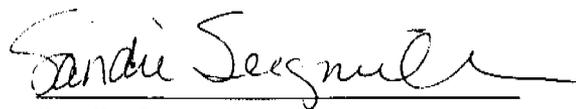
The Chair called for a motion to renew the permanent manufacturer/distributor license of Vista Gaming Corporation. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion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

The Chair called for a motion to go into executive session at 2:01 p.m. with only the Commissioners to consider the Motion for Clarification of September 4, 1997, Order concerning Disclosures filed by the Division of Gaming. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:20 p.m.

The Chair called for a motion to order Phillip S. Lorenzo, attorney at law, and Gordan Greiner, attorney at law, to return all the appropriate protected materials released to them in Case GAD 97038 to the Division prior to 5:00 p.m. Friday, December 5th, 1997. If the order is not complied with the Commission will entertain motions for appropriate actions at that time. Mr. Walter 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 2:30 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
October 27, 1997

The meeting was held telephonically and commenced at 9:15 a.m. at 1881 Pierce Street, Suite 110, Lakewood, Colorado, on October 27, 1997. The meeting was noticed by facsimile 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 Marilyn Wheeler, Commissioner Shirley Harris, Commissioner Tom Beltz and Commissioner Phil Walter. Those in personal attendance were: Lisa Coughlin, Counsel for the Commission; Tom Fears, Counsel for the Division of Gaming; George Turner, Director of the Division of Gaming; Tom Kitts, Director of Administration; Don Burmania, Communications and Licensing Director; Chief of Investigations, Mel Grantham; Investigators Huck Henderson and Vic Freburg; Secretary, Sandie Seegmiller; Counsel for Leonard H. Ainsworth, Gordon Greiner; Counsel for Simon Ainsworth, Phil Lorenzo; and Counsel for Aristocrat, Inc., Alan Dill and Roger Morris.

Ms. Seegmiller announced all the parties present on the conference call, and took roll call of the Commissioners.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Simon Ainsworth. Mr. Lorenzo agreed that Mr. Fears' testimony of the Stipulation and Agreement was accurate. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Simon Ainsworth and authorize Commissioner Wheeler to sign the order on behalf of the Commission. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Leonard Hastings Ainsworth. Mr. Greiner agreed that Mr. Fears' testimony of the Stipulation and Agreement was accurate. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Leonard Hastings Ainsworth and authorize Commissioner Wheeler to sign the order on behalf of the Commission. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears reviewed the Settlement Agreement with the Division of Gaming and Aristocrat, Inc. Both Mr. Morris and Mr. Dill agreed that Mr. Fears' testimony of the Settlement Agreement was accurate. The Chair called for a motion to the Settlement Agreement with the Division of Gaming and Aristocrat, Inc. and authorize Commissioner Wheeler to sign the order on behalf of the Commission. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed the Amended Notice of Denial and asked the Commission to approve it *nunc pro tunc* July 17, 1997. The Chair called for a motion to approve the Amended Notice of Denial and authorize Commissioner Wheeler to sign the order on behalf of the Commission. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the manufacturer/distributor license for Aristocrat, Inc. This license shall be issued upon expiration of the current license and expire one year from the date of issuance under the conditions that have been outlined in the Stipulation and Agreement approved by the Commission on October 27, 1997. 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 10:30 a.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
October 17, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:02 a.m. on October 17, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Shirley Harris and Phil Walter. 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; AIC for the Lakewood Office, Phil Wargo; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisor, Ron Kammerzell; Auditor, Sharon New; and Assistant Attorney General, Tom Fears. Persons making presentation were: Barry Bowman, representing John Dougall; Chris Whitney, representing Steven Ainsworth; Meg McClellan, representing Christian Ainsworth; Michael Martin, representing Simon Ainsworth; Gordon Greiner, representing Leonard H. Ainsworth; and Vic Reichman, from the Attorney General's Office. Person making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking Mr. Fears to proceed with the first matter for the Commission to hear motions in the Aristocrat, Inc. denial case. Mr. Fears and Mr. Bowman reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and John Dougall. The Commission having reviewed this Agreement, the Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and John Dougall and authorize the Chair to sign the order on behalf of the Commission. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears and Mr. Whitney reviewed the Stipulation and Agreement between Stephen Ainsworth and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Stephen Ainsworth and the Division of Gaming and authorize the Chair to sign. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Reichman gave a report on the outcome of criminal cases involving a stock scam regarding casino property in Cripple Creek. The Commission thanked Mr. Reichman for the good work and the update.

Ms. Petkash reviewed the negative supplemental budget request for the Division of Gaming in the amount of \$577,820. The Chair called for a motion to approve the FY 1998 negative supplemental budget request in the amount of \$577,820. Ms. Wheeler made the motion. Ms. Harris seconded the motion the motion was adopted.

Ms. Petkash gave an overview of the FY 1999 budget request that will be transmitted to the JBC.

The Chair called for a motion to excuse Tom Beltz from the Commission meeting. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed by Chairman Hyatt at 9:54 a.m.

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

Ms. McClellan and Mr. Fears reviewed the Stipulation and Agreement between Christian Ainsworth and the Division of Gaming. The Chair called for a motion to approve the Stipulation and Agreement between Christian Ainsworth and the Division of Gaming and authorize the chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears and Mr. Martin briefly reviewed motions filed on behalf of Simon Ainsworth.

Mr. Greiner noted he filed a Motion to Reconsider the Intervenor status of Leonard Hastings Ainsworth.

The Commission called for a motion to go into executive session with only the Commission and conflicts counsel Lisa Coughlin to review the motions that had been presented to them. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:35 p.m. by Chairman Hyatt.

The Chair called for a motion to deny the Motion to Disqualify the Commission by Simon Ainsworth. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to deny the motion for Reconsideration of the Order Denying LHA's Motion to Intervene. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to deny the Motion for Amendment of Commission's Protective Order. Mr. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to deny the motion for Reconsideration of Motions to Dismiss. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to deny Aristocrat's Motion for Reconsideration of Commissioner Beltz's Corrected Order and the Petition for Declaratory Order. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to not to take action on Aristocrat's First Motion to Limine, noting that the motion shall be treated as a trial brief and any objections to hearsay shall be done at the hearing. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to deny Aristocrat's motion for Reconsideration of its Motion For Discovery. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 12:45 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 2:05 p.m. by Vice Chair Wheeler.

Mr. Kitts asked the Commission to authorize to commence the rule-making process on Rule 12. Ms. Wheeler called for a motion to authorize the Division to start the rule-making process on Rule 12. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending August, 1997. Ms. Wheeler called for a motion to approve and adopt the Financial Reports and Balance Sheet for August 1997 and authorize distribution. Mr. Walter made the motion. Ms. Harris the motion. The motion was adopted.

Ms. Wheeler called for a motion to approve the Minutes of the Meeting of September 18, 1997. Mr. Walter 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 David Chubby. Ms. Wheeler called for a motion to approve the Summary Suspension of the support license of David Chubby and authorize the Vice Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between John Paterson and the Division of Gaming. Ms. Wheeler called for a motion to approve the Stipulation and Agreement between John Paterson and the Division of Gaming and authorize the Vice Chair to sign.

Mr. Kammerzell reviewed with the Commission the Stipulation and Agreement between Bronco Billy's Sports Bar and Casino and the Division of Gaming. Ms. Wheeler called for a motion to approve the Stipulation and Agreement between Bronco Billy's Sports Bar and Casino and the Division of Gaming and authorize the Vice Chair to sign. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Robin Hail. Ms. Wheeler called for a motion to approve the Summary Suspension of the support license of Robin Hail and authorize the Vice Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Cain updated the Commission on the Division's negotiation on a possible new off site in Cripple Creek.

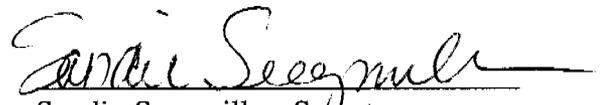
Ms. Wheeler called for a motion to go into executive session at 2:45 p.m. for the purpose of reviewing and considering temporary and permanent licensure, the backgrounds of various applicants for gaming licenses and an audit report. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Wheeler called for a motion to renew the permanent operator and retailer licenses of Old Chicago Cripple Creek Ltd. Partnership, dba Old Chicago Casino; Reynolds Court Partnership, Ltd., dba Central Palace Casino; and Vision Gaming, Inc. dba Crapper Jack's Casino. these licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Wheeler called for a motion to approve the change of ownership as outlined in the respective investigative reports for Central City Gaming Investors Ltd. Liability Co., dba Glory Hole Casino; and Horseshoe Casino Ltd. Liability, dba Canyon Casino. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Wheeler called for motion to renew the permanent manufacturer/distributor licenses of Collins Games of Colorado, Inc.; and Video Lottery Consultants, Inc., dba Video Lottery Consultants. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 3:58 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
September 19, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:12 a.m. on September 19, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigation, Mel Grantham; AIC for the Lakewood Office, Phil Wargo; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentation were: Jim Huyghebaert and Susan Conwell, Department of Revenue Office of Program Analysis; Ed Meier, Commission's CPA Consultant; and Mark Grueskin, Counsel for the Casino Owners Association. Various casino owners reviewed their financial statements with the Commissioners in executive session.

The Chair called for a motion to go into executive session at 8:12 a.m. to review individual casino financial information with the various casino owners. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

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

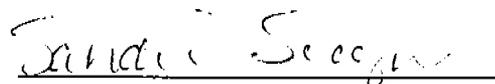
Mr. Grueskin testified that the financial information presented by the Department of Revenue and by the individual casino owners in executive session showed that tax relief was needed for casinos with less than \$10 million in AGP and that the industry had proposed four scenarios that would provide that relief without affecting the Limited Gaming Fund.

Mr. Huyghebaert reviewed the four tax rates proposed by the industry.

Having hearing testimony on financials and reviewing information on the gaming tax and the device fee, Mr. Beltz read into record an amendment to Regulation 14-1401(4)(a) that sets the device fee for the period of October 1, 1997, through June 30, 1998, at a rate of \$56.25. Mr. Walter seconded the motion. The motion was adopted.

Ms. Wheeler moved to keep the tax structure effective October 1, 1997, at its current rates. Mr. Walter seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:35 a.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
September 18, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:03 a.m. on September 18, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigation, Mel Grantham; AIC for the Lakewood Office, Phil Wargo; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentation were: Jim Huyghebaert and Susan Conwell, Department of Revenue Office of Program Analysis; Ed Meier, Commission's CPA Consultant; Mark Grueskin, Counsel for the Casino Owners Association; Lois Rice, Casino Owner's Association; and Ann Dodson, Casino Owner. Person making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Ms. Rice discussed the cooperative effort with the State agencies on problem gaming. Mr. Grueskin apprised the commission on the availability to gamble on the internet.

The Chair called for a motion to approve the Minutes of the Meeting of August 14, 1997. Mr. Walter 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, 1997. Mr. Walter 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 28, 1997. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Seegmiller announced that the hearing concerning the Notice of Denial on the renewal application for Aristocrat will be held at 600 S. Colorado Blvd. at the Cherry Creek Inn, in Denver, Colorado.

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

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Michelle Laeyt. The Chair called for a motion to approve the Summary Suspension of the support license of Michelle Laeyt and authorize the Chair to sign. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending July 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for July 1997 and authorize distribution. Ms. Harris made the motion. Mr. Walter made the motion. The motion was adopted.

The meeting was recessed at 9:35 a.m. by Chairman Hyatt.

The meeting was reconvened at 9:47 a.m. by Chairman Hyatt.

Mr. Huyghebaert, Ms. Conwell and Mr. Meier presented casino financial information for various size casino categories from the financial statements submitted by the casinos for fiscal year 1997.

Mr. Grueskin gave a presentation outlining the slowing rate of growth in the casino industry through the years and the risk factors that casinos must consider when realizing a fair rate of return on their investments. He then presented four tax scenarios being offered by the industry.

The Chair called for a motion to go into executive session at 11:30 a.m. to review individual casino financial information. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed at 12:15 p.m. for lunch by Chairman Hyatt.

The meeting was reconvened into public session at 1:55 p.m. by Chairman Hyatt.

Ms. Dodson testified regarding historical preservation in the three gaming towns.

Mr. Voge gave a presentation of the benefits of changing the tax year to the state fiscal year. The Commission deferred action on the rule changes necessary to implement the change until the proposed rule changes were properly noticed.

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

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

Upon review of the Petition for Declaratory Order from Patrick Tooley on behalf of Aristocrat, Inc., the Chair called for a motion to set this matter aside until Commissioner Beltz finalized orders from previous hearings. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 3:20 p.m. to discuss with counsel a request to amend the Protective Order issued by the Commission. He noted that only the Commissioners and their counsel would be allowed in the executive session. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to set aside the request from Mr. Griener, and if he desires to pursue the request he needs to do it in legal form. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Wargo presented proposed amendments to rules 1, 3, 4 and 10 and asked that the Commission approved the amendments. The Chair called for motion to approve and adopt the amendments to 47.1-106, 47.1-305, 47.1-305.5, 47.1-325, 47.1-409, 47.1-425, 47.1-1001, 47.1-1002, 47.1-1009, 47.1-1017.14, 47.1-1017.16, 47.1-1017.18, 47.1-1017.24, 47.1-1023, 47.1-1048, 47.1-1049, and 47.1-1055. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 4:05 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 Chair called for a motion to renew the permanent operator and retailer licenses of Midnight Rose Hotel & Casino; Black Forest Inn, Inc., dba Otto's Black Forest Inn; and Century Casinos Cripple Creek, Inc., dba Womack's Legends Casino. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer licenses of Gilpin Hotel Venture, dba The Gilpin Hotel Casino, Ltd; and Black Forest Inn, Inc., dba Rohling Inn Casino. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Further the existing condition on the Gilpin Hotel Casino, Ltd. license prohibiting the licensee from employing Joseph Capps and allowing Joseph Capps any involvement in the casino shall be continued. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator license of The Konczak Corporation Luxury Unlimited Etal. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Walter 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 Innovative Gaming, 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. Ms. Harris 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 similarly suitable for licensure by the Ute Mountain Ute Tribe. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears read into the record two resolutions for the release of information regarding Aristocrat, Inc. for New South Whales. The Chair called for a motion to approve the resolution and authorize the Chair to sign on behalf of the Commission. Mr. Walter 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 5:25 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 15, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:17 a.m. on August 15, at 1881 Pierce St., Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Shirley Harris and Phil Walter. Commissioner Tom Beltz was absent and excused for the morning session and was present during the afternoon session. Also in attendance were Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Mel Grantham; Lakewood Agent in Charge, Phil Wargo; Controller, Brent Voge; Communications & Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Budget Analyst, Linda Petkash; Assistant Attorney General, Tom Fears; and conflicts counsel, Lisa Coughlin. Persons making presentations were: Roger Holbrook, Dept. of Public Health & Environment, Consumer Protection Division; Ron Cattany and Dave Bucknam, Dept. of Natural Resources; Bruce Nilemo, Bob Torres and Ed Fink, Dept. of Transportation; Craig Nicholson, Web Sill and Ken Eye, Gilpin County; Lucille Fehn and Jerry Bergman, Teller County; Kip Peterson and Paul Harris, City of Cripple Creek; Lynnette Hailey and David Spielman, City of Black Hawk; Medill Barnes, Black Hawk Casino Owners Association; Mark Grueskin, Colorado Casino Owners' Association; Don Mattivi, City of Central; Patrick Tooley, H. Alan Dill and Roger Morris, attorneys for Aristocrat, Inc.; Patrick Murphy, attorney for John Dougall; Michael Martin, attorney for Simon Ainsworth; Richard Slivka, attorney for Christian Ainsworth; Elizabeth Cohen, attorney for Leonard Hastings Ainsworth; and Christopher Whitney, attorney to Stephen Ainsworth.

The Chair called for a motion to excuse Mr. Beltz from attending the morning session to tend to other Commission business. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Petkash provided an overview of the testimony that state agencies and local governmental agencies would provide.

Mr. Holbrook testified that the Dept. of Public Health would be submitting a supplemental budget request for the current fiscal year to the JBC in the amount of \$8,100, primarily to cover increased inspections in Teller County.

Mr. Cattany testified the Dept. of Natural Resources would be asking the JBC to continue its \$111,655 budget for the Division of Minerals & Geology in FY 1999 to fund mine reclamation projects in Gilpin and Teller Counties. He also outlined the impact of gaming on other divisions with DONR, but indicated the agency would not be seeking funds to offset any of those impacts. Mr. Bucknam provided an overview of the mine reclamation projects.

Mr. Nilemo, Mr. Torres and Mr. Fink testified the Dept. of Transportation would present a budget request for FY 1999 to the JBC in the amount of \$3,076,000 for projects they described in the gaming areas.

The meeting was recessed at 10:00 a.m.

The meeting was reconvened at 10:20 a.m.

Ms. Petkash testified the Judicial Department would be submitting a continuation budget request to the JBC for FY 1999 in the amount of \$219,388.

The Chair called for a motion to certify that the Judicial Department's request for \$219,388, Natural Resources' request for \$111,665, Public Health and Environment's request for \$46,659, and Transportation's request for \$3,076,000 for FY 1999 were considered by the Commission when setting the gaming tax rate starting October 1. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair presented 1997 Limited Gaming Fund distribution checks to Cripple Creek, Woodland Park, Victor, Teller County, Black Hawk and Gilpin County.

Mr. Nicholson, Mr. Sill and Mr. Eye testified to the impacts of gaming on Gilpin County.

Ms. Fehn and Mr. Bergman testified to the impacts of gaming on Teller County.

Mr. Peterson and Mr. Harris testified to the gaming-related impacts on Cripple Creek.

Ms. Hailey, Mr. Spellman and Mr. Barnes testified to the gaming-related impacts on Black Hawk.

Mr. Grueskin praised the upbeat tone of the public entities and noted that the industry and the host governmental entities were starting to better understand each other. Ms. Fehn agreed with Mr. Grueskin's remarks, citing the maturity of the industry as facilitating this better understanding.

The meeting was recessed for lunch at 11:45 a.m.

The meeting was reconvened at 1:24 p.m.

The Chair presented the 1997 Limited Gaming Fund distribution check to the City of Central.

Mr. Mattivi testified to the gaming-related impacts on the City of Central.

The Chair called for a motion in the matter of DC 97003, Declaratory Order submitted by Innovative Gaming, Inc., to find for the petitioner and request that Mr. Morris, attorney for Innovative Gaming, Inc., draft a proposed order, finding of fact and conclusion of law by September 11, 1997. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed at 1:50 p.m.

The meeting was reconvened at 2:01 p.m.

The Chair commenced motions hearings in the matter of Case Number GAD 97-038 in the matter of the application of Aristocrat, Inc.

The Chair called for a motion to sustain the Order made by Mr. Beltz on the request for fees made by the Division of Gaming and objected to by the Aristocrat. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was recessed at 2:52 p.m. so the Commission could read motions submitted earlier in the day.

The meeting was reconvened at 3:28 p.m.

The Commission heard testimony on the various motions to continue and motions to appoint an administrative law judge to consider pre-hearing motions and conduct the denial notice hearings.

The Chair called for a motion to go into executive session and 4:14 p.m. for the purpose of considering joint motions on continuance and the appointment of an administrative law judge. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 5:28 p.m.

The Chair called for a motion to deny all motions seeking the appointment of an administrative law judge. Mr. Walter made the motion. Mr. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to vacate the hearing dates of August 29 and September 6 and leave the hearing dates of August 28 and September 5 for pre-trial matters. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to set October 27-31 for hearings on substantive matters in Case Number GAD 97 038. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair announced Mr. Beltz will continue to handle all pre-hearing matters except whether there shall be disclosure of investigatory reports under C.R.S. 12-47.1-527(1)(d).

The Chair called for a motion for each party to file simultaneous briefs and what information should be released and how under C.R.S. 12-47.1-527(1)(d), and for the Division of Gaming to specifically provide which class of items should be released and whether any limitations on the

release of this information would be reasonable and would insure security. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to require the submission of these briefs by 3:00 p.m. on Friday, August 22. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to set a hearing for this matter at 9 a.m. on August 28, 1997, at 1881 Pierce St., Ste. 110. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Beltz instructed the intervenors to submit proof for their claims of standing to intervene, and that he would be conducting hearings on the claims on September 5, 1997.

The Chair called for a motion to set a hearing for the motion for reconsideration en banc the motion to dismiss for August 28, 1997, following the hearing on the disclosure of investigatory reports. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to authorize the Division of Gaming to bill for investigative costs incurred by the Division after 7 p.m. on August 15, 1997, at which time the intervenors' obligation to pay these costs begins. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Being no further business to come before the Commission, the meeting was adjourned at 6:15 p.m.

Don Burmania for
Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 14, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:12 a.m. on August 14, at 1881 Pierce St., Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Tom Beltz, Shirley Harris and Phil Walter. Commissioner Marilyn Wheeler arrived and was present at 11:00 a.m. Also in attendance were 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; Communications & Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Accountant, Janet Ford; Budget Analyst, Linda Petkash; Central City Agent-In-Charge, Jim Huskey; Investigators, Bob Abbott, Steve Barber, Eric Hartsough and Laura Manning; Auditor Paul Hogan; and Assistant Attorney General, Tom Fears. Persons making presentations were: Kip Peterson, Cripple Creek city administrator; Roger Morris, attorney representing Innovative Gaming, Inc.; and Craig Bullis, Innovative Gaming, Inc. Making a presentation in executive session was Pete Mang, Colorado Bureau of Investigations.

Mr. Voge presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures for the 12 Months Ending June 30, 1997. The Chair called for a motion to approve and adopt the Statement of Gaming Revenues, Gaming Taxes, and Expenditures for the 12 Months Ending June 30, 1997 and authorize distribution. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Voge presented the Limited Gaming Fund distribution for fiscal year 1997. The Chair called for a motion to approve the distribution of the Limited Gaming Fund for fiscal year 1997 as presented. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Kitts reviewed proposed amendments to Regulation 47.1-4.500, changing the address for the Division of Gaming. The Chair called for a motion to approve the changes to Regulation 47.1-4.500. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed at 9:25 a.m. The meeting was reconvened at 9:35 a.m.

The Chair called for a motion to approve the Minutes of Meeting of July 17, 1997. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion for approve the Minutes of Meeting of July 18, 1997. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Grantham presented a Stipulation and Agreement between the Division of Gaming and Bobby F. Salazar. The Chair called for a motion in Case SA 97 000 in the matter of Bobby F. Salazar for the Commission to approve the Stipulation and Agreement and authorize the Chair to sign the Order. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Zalesky and Ms. Ford made a presentation from the Division of Gaming recommending changing the gaming tax year from October through September to the state fiscal year from July through June. The Commission requested further information from the Division showing revenue flow projections over a 21-month period from September 1997 through June 1999.

The Chair asked if anyone wished to address the Commission on any matter not on the agenda. No one responded.

The Chair called for a motion to go into executive session at 10:27 a.m. for the purpose of reviewing and considering applications for new and renewal temporary and permanent licensure, backgrounds of various applicants for gaming licenses, and reports from the Division of Gaming and the Colorado Bureau of Investigations. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed for lunch at 11:30 a.m. The meeting was reconvened into public session at 1:40 p.m.

The Chair announced that he and Mr. Beltz had lunch separate from the rest of the Commission. He indicated that Mr. Beltz had discussions with conflicts counsel during lunch, but the Chair and Mr. Beltz did not discuss official business during the lunch break.

The Chair called for a motion to renew the permanent operator and retailer licenses of Bowl of Gold Resorts, Inc., dba Lucky Lola's Pleasure Palace, Inc.; Colorado Grande Enterprises, Inc. dba Colorado Grande Gaming Parlor; Dostal Alley, Inc.; dba Dostal Alley, Inc; Gold Mine Casino, Inc., dba Gold Mine Casino; Gold Vein Ltd. Liability Company, dba Black Diamond Casino.; Outlaws Management Company, Ltd. Liability Co, dba Crooks Palace, Ltd. Liability Co.; and Tivolino Teller House, Inc., dba Teller House Casino, Inc. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was approved.

The Chair called for a motion to renew the permanent operator and retailer licenses of Pioneer Group, Inc., dba Bronco Billy's Sports Bar & Casino. These licenses will be issued upon expiration of the current licenses and expire one year from the date of issuance. The existing condition prohibiting the licensee from employing Calvin Kinney and allowing Calvin Kinney to participate in the management of the licensee shall be continued. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was approved.

The Chair called for a motion to approve the change of ownership as outlined in the investigative report for 101 Main Street Ltd. Liability Co., dba Fitzgeralds Casino. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was approved.

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

The Chair called for a motion to renew the permanent manufacturer/distributor license of Wolf Gaming Ltd. Liability Co. 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. Ms. Harris seconded the motion. The motion was approved.

Mr. Griffith addressed the Commission on behalf of Fitzgeralds Casino, expressing gratitude for the Commission's approval of the casino's change of ownership.

The Chair called for a motion to go into executive session at 1:43 p.m. to go into executive session to discuss possible litigation regarding Cripple Creek boundaries. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted. The Chair announced that only Mr. Fears and Mr. Turner would be present during the executive session.

The meeting was reconvened into public session at 2:22 p.m.

The Chair opened rulemaking on Cripple Creek boundaries.

Mr. Beltz made a motion to terminate rulemaking on Cripple Creek boundaries, citing lack of controversy on the boundary issue. Mr. Peterson indicated the City of Cripple Creek had no objections to the termination of rulemaking. Mr. Walter seconded the motion. The motion was adopted, with Ms. Wheeler voting in opposition.

The Chair opened the hearing on DC 97 003, a declaratory order submitted on behalf of Innovative Gaming, Inc., in reference to the Director of the Division of Gaming's denial of approval for the video slot machine Lightning Strike Roulette.

Mr. Morris requested the Commission stipulate that the Commission has not conducted administrative hearings to pass regulations defining video images that can be displayed on slot machines. The Chair called for a motion to stipulate the Commission has not conducted administrative hearings to pass regulations defining video images that can be displayed on slot machines. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Morris provided opening statements on behalf of Innovative Gaming, Inc.

Mr. Fears provided opening statements on behalf of the Division of Gaming.

Mr. Bullis gave sworn testimony on behalf of Innovative Gaming, Inc. Mr. Fears crossed the witness. Mr. Morris redirected. The Commission questioned the witness.

Mr. Hogan gave sworn testimony on behalf of the Division of Gaming. Mr. Morris crossed the witness. Mr. Fears redirected.

Mr. Morris offered closing arguments.

Mr. Fears offered closing arguments. Mr. Morris rebutted, concluding the testimony and evidenciary hearing.

The Chair called for a motion to go into executive session at 3:50 p.m. for the purpose of considering a decision on the Declaratory Order in reference to Lightning Strike Roulette. Only Commission members will be present during the executive session. Further, the Commission will recess out of executive session until the next morning, and will not take up any other matters in public session after the executive session. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted

Don Burmania for
Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 28, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 8:45 a.m. on August 28, at 1881 Pierce St., Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also in attendance were Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Mel Grantham; Investigators, Vic Freburg and Huck Henderson; Communications & Licensing Director, Don Burmania; Assistant Attorney General, Tom Fears; and Conflicts Counsel, Lisa Coughlin. Persons making presentations were: Patrick Tooley, attorney for Aristocrat, Inc.; Patrick Murphy, attorney for John Dougall; Phillip Lorenzo, attorney for Simon Ainsworth; Richard Slivka, attorney for Christian Ainsworth; Gordon Greiner, attorney for Leonard Hastings Ainsworth; and Christopher Whitney, attorney to Stephen Ainsworth.

The Chair commenced motions hearings in the matter of the application of Aristocrat, Inc., case number GAD 97-038.

The Commission heard testimony on issues of discovery of confidential information under 12-47.1-512(d) and 527(1)(9)(d).

After hearing testimony on the discovery issue, the Chair called for a motion to go into executive session at 10:23 a.m. for the purpose of considering the motion before them. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting reconvened into public session at 12:30 p.m.

The Chair stated that the Commission finds that information disclosed in executive session is clearly confidential under 12-47.1-522 and 12-47.1-523. The Commission also finds that under 12-47.1-527(d) the parties are entitled to the investigative reports and necessary disclosure necessary, reasonable and prudent (*Feeney v. Colorado*). The disclosure reciprocals are evidence, witnesses and summary of expected testimony. Also, interview transcripts, restricted to copies that are directly related (only to person in interest) are covered by protective order and cannot reveal to other parties. The Chair called for a motion to adopt this statement and authorize the Chair to prepare the written order and sign it. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Commission agreed the written order would be the controlling document.

The Chair called for a motion to go into executive session to hear confidential information from Alan Dill. The Chair asked that only the Commissioner members and conflicts counsel, Lisa Coughlin, Tom Fears, Patrick Tooley, Alan Dill and the court reporter be present during this executive session. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion

was adopted.

The meeting was reconvened into public session by Chairman Hyatt.

The Chair called for a motion to seal the records pertaining to Mr. Dill's disclosure in executive session, noting that what was disclosed in executive session did not have an adverse effect on any other parties. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to set aside the Motion to Dismiss until Mr. Beltz provides a written order. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears motioned the Commission for reconsideration on paragraph five of the Procedural Order issued by Hearing Officer Tom Beltz regarding the exculpatory information to be provided to the Applicant.

The Chair called for a motion to go into executive session at 2:05 p.m. for the purpose of considering the motion before them. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:13 p.m.

The Chair called for a motion to sustain the Procedural Order with clarification that will be put forth in a written order by Chairman Hyatt and authorize the Chair to sign the order. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

There being no further business to come before the whole Commission, the hearing was adjourned at 2:20 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
July 17, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:03 a.m. on July 17, at 442 Bennett Avenue, Double Eagle Casino, Cripple Creek, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Chief of Investigations, Mel Grantham; Lakewood Agent-in-Charge, Phil Wargo, Controller, Brent Voge; Public Communications Director, Don Burmania; Chief Auditor, Georgine Zalesky; Central City Agent-In-Charge, Jim Huskey; Cripple Creek Agent-In-Charge, Craig Bridgmon; Investigators, Charles Lindsey, Huck Henderson, and Vic Freburg; Auditor, Paul Hogan; and Assistant Attorney General, Tom Fears. Persons making presentation were: Lois Rice, Casino Owners Association; Jeffery Gilbert, Universal Distributing of Nevada; Mark Gardiner, Victoria Casino and Gaming Authority; Kip Peterson, Cripple Creek city manager; and Roger Morris, attorney for Aristocrat, Inc.

Mr. Turner introduced the newest member of the Colorado Limited Gaming Control Commission, Phil Walter.

Ms. Rice discussed the training for compulsive and underage gambling that occurred on June 26-27. She noted there was a good turnout of casino personnel.

Mr. Gilbert, from Universal Distributing of Nevada, introduced himself to the Commission.

Mr. Hogan and Mr. Lindsey reviewed the proposed changes to Regulation 47.1-12 and asked that they be adopted. After consideration, the Chair called for a motion to adopt Regulation 47.1-12 as submitted. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Kitts reviewed the proposed changes to Regulation 47.1-1803. The Chair called for a motion to adopt Regulation 47.1-1803 as submitted. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Kitts discussed the lease agreement for Central City parking between the Division of Gaming and Harvey's Wagon Wheel Casino and asked the Commission to approve it. The Chair called for a motion to approve the Lease agreement and authorize the Chair to sign. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Henderson introduced Mark Gardiner, a peace officer from the Victoria Casino and Gaming Authority. Mr. Henderson discussed the possibility of having Mr. Gardiner and his fellow officers, Claude Minisini and Max Priestley, take part in executive session to listen to the Division of Gaming's report concerning Aristocrat. The Chair called for a motion to allow Mr. Gardiner, Mr. Minisini and Mr. Priestley from the Victoria Casino and Gaming Authority to attend executive session for the purpose of hearing the report on Aristocrat. Mr. Walter made the motion. Ms Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 10:00 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure, backgrounds of various applicants for gaming licenses and reports from the Division of Gaming. Mr. Walter 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 Concorde Cripple Creek, Inc., dba Golden Gates Casino, 261 Main Street, Black Hawk. These licenses shall be effective at 5:00 p.m. on July 17, 1997, and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Further, the retail license shall be conditioned upon the surrender of the current license at that location. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent retail license to Jilly Billy Bones Casino Company, dba Johnny Nolon's, 301 E. Bennett Ave., Cripple Creek. This license shall be effective at 5:00 p.m. on July 17, 1997, and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Further, the retail license shall be conditioned upon the surrender of the current license at that location. Ms. Wheeler 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 Earl Neudecker. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retailer licenses of Colorado Casinos Resorts, Inc., dba The Double Eagle Casino. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of Universal Distributing of Nevada, Inc.; Sigma Game, Inc.; Royal Bell, Ltd.; IGT-Colorado Corporation; and IGT. These licenses will be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Wheeler made the motion. Ms. Harris 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 1st Choice Coin Distributing Co. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion as adopted.

The Chair called for a motion to renew the permanent operator license of, and approve the change of ownership as outlined in the investigative report for, Casinos Austria Maritime Corporation. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent manufacturer/distributor license to PDS Financial Corporation. This license shall be effective at 5:00 p.m. on July 17, 1997, and expire one year from the date of issuance. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears requested the Commission go into executive session to discuss possible litigation regarding the Cripple Creek boundaries. The Chair called for a motion to go into executive session at 11:40 a.m. and asked that only Mr. Fears and Mr. Turner be present during this time. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

The meeting reconvened into public session at 1:27 p.m. by Chairman Hyatt.

Chairman Hyatt relinquished the chairmanship to Mr. Fears in order to nominate and vote for chair and vice chair for fiscal year 1997-98. Mr. Fears asked if there were any nominations to be made for chair. Mr. Beltz nominated Dan Hyatt for chair and Marilyn Wheeler for vice chair. Ms. Harris seconded the motion. The nomination was accepted by Mr. Hyatt and Ms. Wheeler. Being no further nominations, the nominations were unanimously approved. Mr. Fears relinquished the chair back to Mr. Hyatt.

The hearing concerning Cripple Creek boundaries was opened by Chairman Hyatt. Mr. Peterson and Mr. Fears asked that this be continued until the following day. The Chair called for a motion to continue the rule-making regarding regulation 47.1-1903 - Cripple Creek gaming boundaries. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 1:45 p.m. for the purpose of reviewing and considering applications renewal, temporary and permanent licensure, backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

Mr. Fears reviewed a Notice of Denial of the manufacturer/distributor license of Aristocrat, Inc. The Chair called for a motion to issue the Notice of Denial of Aristocrat, Inc. and authorize the Chair to sign the order. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Morris requested a hearing on the Notice of Denial on behalf of Aristocrat, Inc. He noted that by making a request for hearing, Aristocrat would be allowed to continue to operate in Colorado under its existing license until the outcome of the hearings.

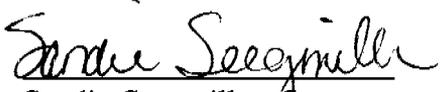
The Chair called for a motion to approve August 28 and August 29, 1997, as well as September 5 and September 6, 1997, for hearing dates for the Aristocrat hearing. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to authorize Tom Beltz to serve as the hearing officer on pre-hearing issues prior to the Aristocrat hearing. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to defer action on the change of ownership for Aristocrat until the Notice of Denial has been resolved or when requested by Aristocrat. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Chairman Hyatt noted that the commissioners would be attending an official function later that evening, but no official action would be taken.

There being no further action to come before the commission, the meeting was recessed at 5:30 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
July 18, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:03 a.m. on July 18, at 442 Bennett Avenue, Double Eagle Casino, Cripple Creek, Colorado. Present were Commissioners Dan Hyatt, Marilyn Wheeler, Tom Beltz, Shirley Harris and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Administrative Director, Tom Kitts; Lakewood Agent-in-Charge, Phil Wargo; Controller, Brent Voge; Public Communications Director, Don Burmania; and Assistant Attorney General, Tom Fears. Persons making presentation were: Trudy Strewler, CASA; Jim Huyghebaert, Dept. of Revenue Office of Tax Analysis; and Kip Peterson, Cripple Creek city manager.

Chairman Hyatt opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Ms. Strewler discussed some of the impacts gaming was having on her agency's services.

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.

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

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

Mr. Fears reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Todd Seymour. The Chair called for a motion to approve the Stipulation and Agreement between the Division and Todd Seymour and authorize the Chair to sign the order. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

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

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

The Chair called for a motion to continue the hearing concerning Cripple Creek boundaries until August 14, 1997, at 1:30 p.m. at 1881 Pierce Street in Lakewood. Mr. Walter 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 May 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for May 1997 and authorize distribution. Mr. Walter 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 June 20, 1997. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

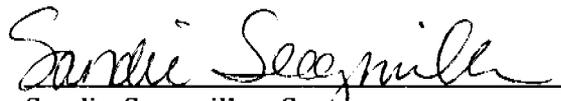
The Chair called for a motion to approve the Minutes of the Meeting of June 25, 1997. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Walter abstained from voting on Minutes of Meeting for both meetings in June 1997 because he was not on the Commission at that time. Ms. Harris abstained from voting on the Minutes of Meeting of Meeting for June 20, 1997, because she was not present at that meeting.

The Chair called for a motion to go into executive session at 11:15 a.m. to consider disciplinary actions under advisement. The Chair asked that only Commissioners Walter, Wheeler, Harris and himself be present during this executive session. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the final Decision in the matter of Patricia Dinwiddie and authorize the chair to sign the order. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted. Mr. Walter obtained for voting.

There being no further business to come before the Commission, the meeting was adjourned at 11:47 a.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
June 25, 1997

The meeting was called to order by the Vice Chairperson of the Colorado Limited Gaming Control Commission, Ben Brower, at 10:50 a.m. on June 25, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt (joining the meeting at 11:50 a.m.), Marilyn Wheeler and Tom Beltz. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; AIC for Central City and Black Hawk, Jim Huskey; Controller, Brent Voge; Communications and Licensing Director, Don Burmania; and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Kerry Buckey, Central City Attorney; Mark Grueskin, Counsel for the Casino Owners Association; Rich Nathan, Counsel for Pine Holdings; Mark Keifer, Black Hawk City Planner, Jim Maloney, City Attorney for Black Hawk; Doug Lancaster, Land Surveyor from Cross County Survey, Inc.; Albert Sebald, SO Family Partnership; Russel Brown, on behalf of the Boston & Colorado Millsite property, Scott Albertson on behalf of the Boston & Colorado Millsite property; Dan Peterson, Pine Holdings; Betty Mahaffey, Central City Alderman.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission. No one responded.

The Commission opened the rule-making hearing concerning the gaming district boundaries for Black Hawk. Mr. Fears presented a revised draft proposed regulation 47.1-1901, and described the basis for the revisions. The Chair called for a motion to re-open the record. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted. The following people testified: Mark Keifer, Doug Lancaster, (exhibits C-7, C-8, C-9, C-10 submitted) Albert Sewald, (exhibit F-1 submitted) Russel Brown, (exhibits H1-A through H1-J submitted) and Scott Albertson (exhibit H-2 submitted).

The meeting was recessed for lunch at 12:30 p.m. by Chairman Brower.

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

After hearing the testimony and closing arguments from Tom Fears and the parties regarding the Black Hawk Gaming District boundaries, and making amendments to the draft proposed regulation 47.1-1901, the chair called for a motion to adopt regulation 47.1-1901. Mr. Beltz made the motion. Ms. Wheeler seconded the Motion. The motion was adopted. Mr. Hyatt abstained from voting because he arrived late and did not hear all the testimony.

The Commission opened the rule-making concerning the gaming district boundaries on Central City. The following people testified: William Russel, Charles Van Cullar, Betty Mahafey, Brent Combs, Dan Paterson (Exhibits D-29 and D-30 submitted).

The meeting recessed at 5:55 p.m. by Chairman Hyatt.

The meeting was reconvened at 6:03 p.m by Chairman Hyatt.

After hearing the testimony and closing arguments from Tom Fears, Rich Nathan and Kerry Buckey regarding the Central City boundaries, and making amendments to the draft proposed regulation 47.1-1902, the chair called for a motion to adopt regulation 47.1-1902. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Nathan requested that the petition for declaratory order regarding Pine Holdings be withdrawn until further notice.

The Chair called for a motion to accept the withdraw of Pine Holdings petition for declaratory order. Mr. Beltz made the motion. Mr. Brower seconded the motion . The motion was adopted.

There being no further matters to come before the Commission, the meeting was adjourned at 7:16 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
June 20, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on June 20, 1997, 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, Renny Fagan; Deputy Director of the Department of Revenue, Amelie Buchanan; Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigation, Mel Grantham; Paul Hogan, Audit Section Supervisor; Investigator, Phil Dinan; AIC for Central City and Black Hawk, Jim Huskey; Investigator Steve Barber, AIC for Cripple Creek, Craig Bridgmon; AIC for Lakewood, Phil Wargo; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Kerry Buckey, Central City Attorney; Jim Hartman, Historical Preservation Society, Mark Grueskin, Counsel for the Casino Owners Association; Chris Whitney, Counsel for Bronco Billy Casino; Lois Rice, Casino Owner Association; Roger Morris, Counsel for Mikohn Gaming; and Charles McGree, Mikohn Gaming. Person making a presentation in executive session included Mark Wilson, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Buckey asked that the Central City gaming boundaries hearing that is to be held on June 25th be continued until July, until he has a chance to thoroughly review all of the information on this subject. The Commission decided to leave the Central City gaming boundaries hearing on the scheduled date of June 25, 1997 and asked Mr. Buckey try and get up to speed on this issue. He agreed to do so.

The Chair opened the rule-making hearing concerning the gaming district boundary for the city of Black Hawk. Mr. Fears asked that the hearing concerning the Black Hawk gaming boundaries be continued until June 25, 1997. The Chair called for a motion to continue the hearing on Black Hawk gaming boundaries until June 25, 1997 at 10:30 a.m. at 1881 Pierce Street, Lakewood Colorado. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Ms. Rice informed the Commission that the Casino Owners Association was planning training for the casino employees on under age gaming and fake ID's.

Mr. Hartman gave a brief update on the Historical Preservation Society, noting that gambling was having a detrimental effect on the historic nature of the towns.

Mr. Turner recognized the Division of Gaming Accounting Section for winning the "Fiscal Office of the Year" award. Mr. Grantham recognized Craig Bridgmon for winning the "Brent Holloway Memorial Award." He also recognized other Cripple Creek Division of Gaming employees for receiving Teller County Law Enforcement Association awards. Those recognized included Bill Garrett, Candice Zamora, Angie Scott, Vikie Jordan, John Fisher and Chas Lindsey.

The Chair opened the rule-making hearing concerning amendments to Regulation 47.1-106 (8.5) and the repeal and replacement of 47.1-1308, concerning credit. Mr. Fears reviewed with the Commission a the latest draft rule regarding definition of credit and check cashing policies.

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

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

After hearing testimony from Mark Grueskin, Chris Whitney and Tom Fears regarding the Credit rule, and after making some revisions to the text of the draft rule, the Chair called for a motion to approve adopt 47.1-106 and 47.1-1308 as a permanent rule. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair opened the rule-making hearing concerning rule 12. Mr. Hogan and Mr. Fears asked the Commission to continue the hearing concerning Rule 12 because they had new information they were not ready to bring to the Commission at this time. The Chair called for a motion to continue Rule 12 until July 17, 1997, at 9:00 a.m. in Cripple Creek. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Ms. Petkash presented to the Commission the letter received from the Joint Budget Committee requesting the Colorado Limited Gaming Control Commission to submit the budget request for the Division of Gaming to the Committee by November 1, 1997, and for each fiscal year thereafter. Ms. Petkash presented the Commission a draft response identifying the Commission's budgetary procedure, which procedure is incompatible with the JBC's request. The Chair called for a motion to authorize the Chair to sign the draft response letter to the JBC responding to their request. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 12:00 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure, backgrounds of various applicants for gaming licenses and reports from the Colorado Bureau of Investigation. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 1:45 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retailer licenses of 101 Main Street Ltd. Liability Co., dba Fitzgeralds Casino; 353 Myers Avenue Ltd. Liability Co., dba The Jubilee Casino Co.; and Doc Holliday, Inc., dba Doc Holliday, Ltd. 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. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retailer licenses of, and approve the changes of ownership as outlined in the respective investigative reports for, Blue Building Development, Inc., dba Gold Digger's Casino; Cripple Creek Development Co., dba Gold Rush Hotel & Casino; and Richman Properties Ltd. Liability Co., dba The Richman Casino. 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. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of, and approve the change of ownership as outlined in the investigative report for, Bally Gaming, Inc., dba Bally Gaming. 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 renew the permanent operator licenses of Imperial Palace Hotel & Casino Corp., dba Imperial Palace; and John A. Schaffer. These licenses shall be issued upon expiration of the current licenses 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 approve the change of ownership as outlined in the investigative report for Imperial Gaming Corp., dba Imperial Hotel & Casino Corp. Mr. Brower made the motion. Mr. Belts seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent manufacturer/distributor license to CDS Services Company. This license shall be effective at 5:00 p.m. on June 20, 1997, and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 2:02 p.m. by Chairman Hyatt.

The meeting reconvened into public at 2:16 p.m. Chairman Hyatt.

The Chair called for a motion to approve the Minutes of the Meeting of May 15, 1997. 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 May 16, 1997. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Petkash briefed the Commission on the negative budget supplemental request for FY 1998 for the Division. The reduction was due to PERA rate reduction (HB 97-1082). The Chair called for a motion to approve the negative budget supplemental in the amount of \$4,955. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Ms. Petkash reviewed the draft Memorandums of Understanding (MOU) for fiscal year 97/98 with Colorado State Patrol, Division of Fire Safety, Colorado Bureau of Investigations and Department of Local Affairs.

The Chair called for a motion to approve the MOU with the Department of Local Affairs and authorize 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 MOU with the Colorado State Patrol and authorize the Chair to sign. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair called for a motion to approve the MOU with the Division of Fire Safety and authorize the Chair to sign. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the MOU with the Colorado Bureau of Investigations and authorize the Chair to sign. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending April 30, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for April 1997 and authorize distribution. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed the Motion to Dismiss the Order to Show Cause of the support license of Carol Veren. The Chair called for a motion to dismiss the Order to Show Cause of the support license of Carol Veren and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Support licensee, Gregory Pratt. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Support licensee, Gregory Pratt and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Lucky Lola's Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Lucky Lola's 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 reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and Old Chicago Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Old Chicago 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 reviewed with the Commission the Stipulation and Agreement between the Division of Gaming and the Wild Card Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and the Wild Card Casino 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 Stipulation and Agreement between the Division of Gaming and the Womack Casino. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and the Womack Casino and authorize the Chair to sign the order. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Morris requested that his request for a hearing on the Hot Shot Craps Slot machine game be withdrawn. The Chair called for a motion to accept the request to withdraw the request for hearing on the game of Hot Shot Craps Slot machine game. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to conduct a hearing on July 17, 1997 at 1:30 p.m. for the purpose of hearing testimony regarding the Division's denial of approval of the Innovative Gaming Roulette slot machine game. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Morris, on behalf of MCG, Inc., dba Mikohn Gaming, presented a request to the Commission to stipulate to the entry of license conditions on the renewal of MCG, Inc., dba Mikohn Gaming's license. The Stipulation allows Mikohn Gaming six months, instead of three, within which to sever it's relationships, if any exist, with certain named persons. In exchange for the Stipulation, Mikohn Gaming would withdraw it's objections to all license conditions, as amended and provided for int he written Stipulation.

The Chair called for a motion to approve the Stipulation concerning Mikohn's conditional license. Mr. Beltz made the motion. Mr. Brower seconded the motion. Thee motion was adopted. Mr. Morris formally rescinded Mikohn Gaming's objections to the license conditions.

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


Sandie Seegmiller, Secretary

Minutes of Meeting
May 15, 1997

The meeting was called to order by the Vice Chairman of the Colorado Limited Gaming Control Commission, Ben Brower, at 2:45 p.m. on May 15, 1997, at 260 Gregory Street, (Black Forest Inn) Black Hawk, Colorado. Present were Commissioners Marilyn Wheeler, Tom Beltz, and Shirley Harris. Chairman Hyatt appeared at 6:15 p.m. Attending from the Division of Gaming were; Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations; Mel Grantham; AIC for the Lakewood office, Phil Wargo; AIC for Central City and Black Hawk, Jim Huskey; Communications and Licensing Director, Don Burmania; Secretary, Sandie Seegmiller; Investigators: Steve Barber, Eric Hartsough and Huck Henderson; the Assistant Attorney General for the Division of Gaming, Tom Fears. Black Hawk City representatives included: Lynette Haley, Black Hawk City Manager; Jim Maloney, City Attorney Hearing officer Martin Semple; Penny Round, City Clerk. Persons testifying included: Albert Siebald; Doug Lancaster, Land Surveyor from Cross County Survey, Inc.; Mark Keiffer, Black Hawk City Planner on behalf of the City of Black Hawk; Loren Yonkers; and Russel Brown, on behalf of the Boston & Colorado Millsite property.

Mr. Brower opened the meeting and announced that the rule-making hearing concerning the taxes will be considered later in the day at 4:45 p.m.

Mr. Brower called for a motion to go into executive session at 2:46 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:58 p.m. by Mr. Brower.

Mr. Brower called for a motion to renew the permanent operator and retailer licenses for Casino Holdings, Inc., doing business as The Brass Ass Casino; DEC, Inc., doing business as The Eureka! Ltd.; Global Casinos, Inc., doing business as Bull Durham Saloon & Casino; Holland Ventures, Inc., doing business as J.P. McGill's Hotel & Casino; The Lays' Palace, Ltd., doing business as The Palace Hotel, Ltd.; Silver Spur Ltd. Liability Co., doing business as Silver Spur Casino; Silver Hawk Casino, Inc., doing business as Silver Hawk Saloon & Casino; Red Dolly, Inc., doing business as Red Dolly Casino; Terry'S Cafe Ltd. Partnership, doing business as Maverick's Casino & Steakhouse; and WMCK Acquisition Corp., doing business as Womack's Saloon & Gaming Parlor. 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. Ms. Harris seconded the motion. The motion was adopted.

Mr. Brower made the motion to issue permanent operator and retailer license to Harveys C.C. Management Co., Inc., doing business as Harveys Wagon Wheel Hotel & Casino, 321 Gregory Street, Central City, Colorado. These licenses shall be effective upon the surrender of the retailer license at that location and shall expire on May 15, 1998. Further, the standard conditions for

a retailer license shall apply, and the licenses shall be further conditioned upon the license continuing at the AGP level heretofore accrued during the current fiscal gaming year by the current licensee at that location. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Brower made the motion to issue a permanent manufacturer/distributor license to Northstar Gaming Ltd. This license shall be effective at 5:00 p.m. on May 15, 1997, and expire one year from the date of issuance. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Brower made the motion to renew the permanent manufacturer/distributor license of Fremora Ltd. Liability Company. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Brower made the motion to approve the changes of ownership as outlined in the investigative reports for Pioneer Associates Ltd. Liability Co., doing business as Bronco Billy's II, Ltd. Liability Company. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Brower opened the rule-making hearing concerning rule 1401, Gaming and Device Tax, regarding the gaming tax rate. He called for a motion to terminate the rule-making process on rule 1401, Gaming and Device Tax, by taking no action. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

There being nor further gaming license issues to come before the Commission the meeting was recessed at 4:58 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
May 15, 1997

The meeting was reconvened by Chairman Hyatt at 6:15 p.m. on May 15, 1997, at 260 Gregory Street, (Black Forest Inn) Black Hawk, Colorado.

Hearing Officer Mr. Semple opened the joint hearing reference Black Hawk gaming boundaries by recognizing the interested parties in testifying regarding the boundaries.

Ms. Yonkers testified regarding her property in Black Hawk (Millsites 45-47).

Mr. Brown testified and submitted rebuttal exhibits on behalf of the Boston & Colorado Millsite property.

After all testimony was received and the record was closed, Mr. Fears gave a closing argument.

The meeting was recessed at 7:45 p.m. by Mr. Semple.

The meeting was reconvened at 8:00 p.m. by Mr. Semple.

The Chair directed the Division of Gaming to draft a rule in conformity with the action taken by the Black Hawk Board of Aldermen.

The Commission asked that the boundaries be brought back to them on June 20, 1997, in regulation form.

There being no further business before the Commission the meeting adjourned at 9:30 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
May 16, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 10:02 a.m. on May 16, 1997, at 120 Eureka Street, Central City, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris and the Commission's independent map consultant Barbara Green. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Mel Grantham; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; AIC for Central City and Black Hawk, Jim Huskey; Investigator Steve Barber; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony included: Mark Grueskin, Counsel for the Casino Owner's Association; Lois Rice, Casino Owner Association; Roger Morris, Counsel for Mikohn Gaming; Steve Sandval, Part owner of Mikohn Gaming; Rich Nathan, Counsel for Pine Holdings; Robert Schnutz; J.D. Carelli; Fred Crochi; Ann Dodson; and Pete Mang, Colorado Bureau of Investigation.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission. Mr. Grueskin told the commission that the industry opposes HB 1351, which would allow video lottery terminals at parimutuel tracks and casinos because the VLTs are slot machines and would endanger the casino industry.

Ms. Rice spoke with the Commission about an economic impact study that was conducted on other jurisdictions. She noted that the results of the study showed there are better jobs and benefits that come with the casino industry.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending March 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for March 1997 and authorize distribution. 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 April 16, 1997. 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 April 17, 1997. 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 April 18, 1997. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Ken Peterson. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Ken Peterson. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Carol Vern. The Chair called for a motion to approve the Order to Show Cause of the support license of Carol Vern 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 Order to Show Cause of the support license of Geraldine Carpenter. The Chair called for a motion to approve the Order to Show Cause of the support license of Geraldine Carpenter and authorize the Chair to sign. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Gregory Pratt. The Chair called for a motion to approve the Order to Show Cause of the support license of Gregory Pratt and authorize the Chair to sign. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Beverly Curtis. The Chair called for a motion to approve the Order to Show Cause of the support license of Beverly Curtis and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Kames White. The Chair called for a motion to approve the Order to Show Cause of the support license of James White and authorize the Chair to sign. 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 10:47 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

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

The Chair called for a motion to renew the permanent manufacturer/distributor license of MGC, Inc., doing business as Mikohn Gaming Corp. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the license shall be conditioned upon the following:

1. MGC, Inc., parent company of MGC, Inc., shall immediately terminate all current and future business relationships, contractual relationships, contacts and associations, of whatsoever nature, with Anthony Tomasello and his company, PAR4, and Daniel Jones and his companies, D & D Gaming and EDI, Inc.
2. MGC, Inc., and Mikohn Gaming Inc., parent company of MGC, Inc., shall within 90 days terminate all current and future business relationships, contractual relationships, contacts and associations, of whatever nature, with Progressive Games, Inc., and Donald Jones.

Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Morris objected to the conditions placed on Mikohn Gaming, noting that if the applicant does not agree to the conditions, the application is treated as a denial and as a result a hearing must be conducted on the merits of the conditions. He requested a hearing and asked that MGC, Inc., continue to operate under its old license until such hearing is held.

Mr. Nathan reported that two of his witnesses failed to appear - one went to the Lakewood office and the other had surgery two days earlier. He indicated he needed the witnesses to complete his case, and as a result asked that the hearing be continued.

The Commission opened the rule-making hearing concerning the gaming district boundaries for Central City. The following people testified: Jennifer Novak, Robert Schnutz, Bruce Schmaltz, J.D. Carelli, Fred Crochi, Jim Huskey, and Ann Dodson.

The Chair called for a motion to continue the hearing on the Central City gaming boundaries until 1:30 p.m. June 25th at 1881 Pierce Street in Lakewood. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to continue Barb Green's service through resolution of the Pine Holdings petition for declaratory order. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to set oral argument on Pine Holdings declaratory order in reference to the percentage of building square footage devoted to gaming on June 25th after the rule-making procedures on the gaming boundaries. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

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

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

The Chair called for a motion to go into executive session at 4:40 p.m. for the purpose of hearing reports from Colorado Bureau of Investigation. Mr. Brower made 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

April 17, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 9:12 a.m. on April 17, 1997, at 120 Eureka Street, (Teller House Casino) Central City, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris and the Commission's independent map consultant, Barbara Green. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Communications and Licensing Director, Don Burmania; Agent in Charge for Central City, Jim Huskey, and Assistant Attorney General, Tom Fears. Persons making presentations included: Glenda Allen, Mark Grueskin, Counsel for the Casino Owner's Association; Rich Nathan, Counsel for Pine Holdings; Manual Martinez, Counsel for Riveria Hotel; Ron Johnson, Part owner of the Riveria, and John Fienberg.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission. Ms. Allen, owner of Lots 13, 14, 15 of Block 18 asked the Commission to consider excluding Lot 13 the gaming district. The Chair explained that the hearing would concerning gaming district boundaries would be convened later that day and he would make her comment part of the record.

Mr. Martinez and Mr. Johnson reviewed their plans for the proposed new casino, Riveria.

Mr. Grueskin talked about internet gaming and hopes to seek some type of control over it through some type of legislative action.

The Chair opened the rule-making hearing concerning amendment of Regulation 47.1-1401. Mr. Fears noted that House Bill 1193 was still pending and asked to have it postponed to a date certain. The Chair called for a motion to continue rule-making on regulation 47.1-1401 until May 15th at 2:00 at 260 Gregory Street. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending February 28, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for February 1997 and authorize distribution. Ms. Harris made the motion. Mr. Brower the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Stephanie Elio. He noted that Ms. Elio has agreed to surrender her license for one year and consented to an additional license qualification pertaining to control over her gambling problems. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Ms. Elio. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Becky McAllister. The Chair called for a motion to approve the Order to Show Cause of the support license of Becky McAllister and authorize the Chair to sign. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Todd Seymour. The Chair called for a motion to approve the Order to Show Cause of the support license of Todd Seymour and authorize the Chair to sign. 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 10:37 a.m. for the purpose of reviewing and considering applications for new and renewal, 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 reconvened into public session at 11:40 a.m. by Chairman Hyatt. The Chair noted the only persons present during the consideration of Phyllis Knight's Exception to the Initial Decisions concerning her support license were Commissioners Brower, Beltz, Wheeler, himself.

The Chair called for a motion to renew the permanent operator and retail licenses of Imperial Gaming Corp., doing business as Imperial Casino & Hotel; Jazz Alley Casino, Inc., doing business as Jazz Alley Casino; Paradise Casino Ltd. Liability Co., doing business as Glitter Gulch Casino. 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. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of Stage Stop Gaming Hall, Inc., doing business as Coyote Creek Casino. 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. Ms. Harris seconded the motion. The motion was adopted.

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April 17, 1997

The Chair called for a motion to renew the permanent manufacturer/distributor license of First Choice Coin Distributing Co. 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 issue a permanent operator license to Jilly Billy Bones Casino Co. This license shall be effective at 5:00 p.m. on April 17, 1997, and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

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

After hearing oral argument from Mr. Nathan and Mr. Fears for the reconsideration of Pine Holdings petition for declaratory order, the Chair called for a motion to deny the reconsideration of Pine Holdings. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Commission opened the rule-making hearing concerning the gaming district boundaries for Central City, the substance of Glenda Allen's request was presented for the record. The following people testified: John Fienberg, on behalf of Pine Holdings, Inc.

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

The meeting was reconvened at 3:35 p.m. by Chairman Hyatt.

The Chair called for a motion to continue the hearing concerning the Central City Gaming district until May 16, 1997 at 9:00 a.m. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was adjourned at 5:00 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
April 17, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 9:12 a.m. on April 17, 1997, at 120 Eureka Street, (Teller House Casino) Central City, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris and the Commission's independent map consultant, Barbara Green. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Communications and Licensing Director, Don Burmania; Agent in Charge for Central City, Jim Huskey, and Assistant Attorney General, Tom Fears. Persons making presentations included: Glenda Allen, Mark Grueskin, Counsel for the Casino Owner's Association; Rich Nathan, Counsel for Pine Holdings; Manual Martinez, Counsel for Riveria Hotel; Ron Johnson, Part owner of the Riveria, and John Fienberg.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission. Ms. Allen, owner of Lots 13, 14, 15 of Block 18 asked the Commission to consider excluding Lot 13 the gaming district. The Chair explained that the hearing would concerning gaming district boundaries would be convened later that day and he would make her comment part of the record.

Mr. Martinez and Mr. Johnson reviewed their plans for the proposed new casino, Riveria.

Mr. Grueskin talked about internet gaming and hopes to seek some type of control over it through some type of legislative action.

The Chair opened the rule-making hearing concerning amendment of Regulation 47.1-1401. Mr. Fears noted that House Bill 1193 was still pending and asked to have it postponed to a date certain. The Chair called for a motion to continue rule-making on regulation 47.1-1401 until May 15th at 2:00 at 260 Gregory Street. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending February 28, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for February 1997 and authorize distribution. Ms. Harris made the motion. Mr. Brower the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Stephanie Elio. He noted that Ms. Elio has agreed to surrender her license for one year and consented to an additional license qualification pertaining to control over her gambling problems. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Ms. Elio. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Becky McAllister. The Chair called for a motion to approve the Order to Show Cause of the support license of Becky McAllister and authorize the Chair to sign. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Todd Seymour. The Chair called for a motion to approve the Order to Show Cause of the support license of Todd Seymour and authorize the Chair to sign. 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 10:37 a.m. for the purpose of reviewing and considering applications for new and renewal, 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 reconvened into public session at 11:40 a.m. by Chairman Hyatt. The Chair noted the only persons present during the consideration of Phyllis Knight's Exception to the Initial Decisions concerning her support license were Commissioners Brower, Beltz, Wheeler, himself.

The Chair called for a motion to renew the permanent operator and retail licenses of Imperial Gaming Corp., doing business as Imperial Casino & Hotel; Jazz Alley Casino, Inc., doing business as Jazz Alley Casino; Paradise Casino Ltd. Liability Co., doing business as Glitter Gulch Casino. 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. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retail licenses of Stage Stop Gaming Hall, Inc., doing business as Coyote Creek Casino. 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. Ms. Harris 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 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 issue a permanent operator license to Jilly Billy Bones Casino Co. This license shall be effective at 5:00 p.m. on April 17, 1997, and expire one year from the date of issuance. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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

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

After hearing oral argument from Mr. Nathan and Mr. Fears for the reconsideration of Pine Holdings petition for declaratory order, the Chair called for a motion to deny the reconsideration of Pine Holdings. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

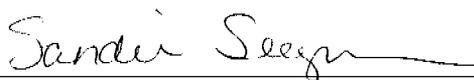
The Commission opened the rule-making hearing concerning the gaming district boundaries for Central City, the substance of Glenda Allen's request was presented for the record. The following people testified: John Fienberg, on behalf of Pine Holdings, Inc.

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

The meeting was reconvened at 3:35 p.m. by Chairman Hyatt.

The Chair called for a motion to continue the hearing concerning the Central City Gaming district until May 16, 1997 at 9:00 a.m. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was adjourned at 5:00 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
April 18, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 9:15 a.m. on April 18, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; Audit Supervisors, Ron Kammerzel and Charissa Hammer; Agent in Charge for the Lakewood office, Phil Wargo; and Assistant Attorney General, Tom Fears. Persons making presentations included: Jack Kirtland, and Jerry Smith from Department of Local Affairs; and Pete Mang, Colorado Bureau of Investigation. Persons testifying included; Dick Beck, From the Gilpin Casino; Mark Grueskin, Counsel for the Casino Owner's Association; Terri La Rouche and Ed Warren, from Golden Gates Casino; Sharon Slavens; Laura Johnson, from Harvey's Wagon Wheel; Chris Whitney, Counsel for Bronco Billy Casino; and Michael Smith from Creekers and Double Eagle Casino; and Pete Mang, Colorado Bureau of Investigation.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission. No one responded.

The Chair opened the rule-making hearing concerning amendments of Regulation 47.1-106 and 47.1-428, Definition of Credit. Mr. Fears reviewed with the Commission a draft rule regarding definition of Credit.

Testimony and exhibits were received from Mark Grueskin.

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

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

Mr. Kirtland and Mr. Smith discussed the Contiguous County budget request. The Chair called for a motion to authorize \$630,691 out of the gaming fund to offset impacts resulting from the tribal gaming in the counties of La Plata, Montezuma, and Archuleta. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Beck, Mr. Smith Ms. La Rouche gave testimony regarding regulations 47.1-106 and 47.1-428.

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

The meeting reconvened into public session at 1:34 p.m. by Chairman Hyatt.

The Chair called for a motion to approve the Minutes of the Meeting of February 20, 1997. 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 February 21, 1997. 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 March 21, 1997. Ms. Wheeler made the motion. Mr. Brower seconded the motion. The motion was adopted.

The Chair re-opened the rule-making hearing concerning amendments of Regulation 47.1-106 and 47.1-428, Definition of Credit. Ms. Slavens, Mr. Warren, Ms. Johnson, Mr. Whitney, Mr. Fears and Mr. Grueskin gave testimony regarding these regulations.

The meeting was continued to June 20, 1997 at 9:00 a.m. at 1881 Pierce Street, Lakewood, Colorado.

The meeting was recessed at 3:30 p.m. by Chairman Hyatt.

The meeting reconvened at 3:45 p.m. by Chairman Hyatt.

Mr. Fears requested the Commission approve the publication of proposed changes to Rule 12. The Chair called for a motion to direct the Division to publish Rule 12 for hearing on June 20, 1997 at 9:00 a.m. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the requested revision of the Articles Incorporation of Colorado Gaming and Entertainment Company. The Chair called for a motion to adopt the requested revision until such time when the Commission's rule 47.1-4.5 may require revision thereto, in order to bring the Licensees' Articles of Incorporation into full and accurate compliance. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

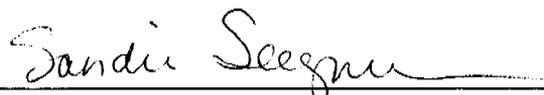
The Chair opened the rule-making hearing concerning amendments of Regulation 47.1-835, The play -- Competition 21. Mr. Wargo explain to the Commission that this rule was passed temporarily in February of 1997, and the Division was asking for the Commission to adopt it on a permanent basis. The Chair called for a motion to a called for a motion to adopt 47.1-835 as a permanent rule. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the Final Decision on Phyllis Knight. Mr. Beltz made the motion. Mr. Brower seconded the motion. Ms. Harris abstained from voting. The motion was adopted.

The Commission took official notice of the recently published initial decision in the matter of the application of Patricia Dinwiddie. The Chair called for a motion to take exception to the recommended decision of the hearing officer, to review the decision in its entirety, and to stay the recommended order until the Commission could issue a final decision on the merits, in the matter of the application of Patricia Dinwiddie. Mr. Brower made the motion. Ms. Wheeler seconded the motion. Mr. Beltz abstained from voting. The motion was adopted.

The Chair called for a motion to go into executive session at 4:00 p.m. for the purpose of reviewing reports of the Colorado Bureau of Investigations. 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 4:20 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
April 16, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 7:05 p.m. on April 16, 1997, at 260 Gregory Street, (Black Forest Inn) Black Hawk, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz, Shirley Harris and the Commission's independent map consultant Barbara Green. Also attending were the Black Hawk Aldermen: Al Price, Hal Midcap, George Armbright, Kathy Poles, Tom Kerr and David Spellman. Attending from the Division of Gaming were; Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Controller, Brent Voge; Communications and Licensing Director, Don Burmania; Secretary, Sandie Seegmiller; the Assistant Attorney General for the Division of Gaming, Tom Fears. Black hawk City representatives included: Lynette Haley, Black Hawk City Manager; Jim Maloney, City Attorney Hearing officer Martin Semple; Penny Round, City Clerk. Persons testifying included: Mark Keiffer, Black Hawk City Planner on behalf of the City of Black Hawk; Russel Brown, Lucy McConnell, and Scott Albertson on behalf of the Boston & Colorado Millsite property.

Chairman Hyatt called for a motion to appoint Martin Semple as the Hearing Officer. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

Hearing Officer Mr. Semple opened the joint hearing reference Black Hawk Gaming Boundaries by reading aloud the Public Hearing Statement. (Attached)

Testimony and exhibits were received by Mark Keiffer.

Russel Brown, Lucy McConnell, and Scott Albertson testified and submitted exhibits on behalf of the Boston & Colorado Millsite property.

The meeting was continued to May 15, 1997 at 6:00 p.m. at 260 Gregory Street, Black Hawk, Colorado.

The meeting was recessed at 11:10 p.m.



Sandie Seegmiller, Secretary

PUBLIC HEARING STATEMENT

The Black Hawk public hearing on Councilman's Bill No. 11 will be opened by the Mayor. The City Council will address such procedural and business matters as are necessary. The Mayor will take a motion to appoint Martin Semple as the hearing officer.

The Gaming Commission public hearing on rulemaking will be opened by the Chairperson of the Colorado Gaming Commission. The Gaming Commission will address such procedural and business matters as are necessary. The Chairperson will take a motion to appoint Martin Semple as the hearing officer.

The following is the statement of the hearing officer:

This is a public hearing before the Colorado Limited Gaming Control Commission and the City Council of the City of Black Hawk, concerning the location of the geographic boundaries of the area in which limited stakes gaming may take place within the City of Black Hawk.

The purpose of the public hearing is to allow the Gaming Commission to consider information as part of the rulemaking function of the Gaming Commission to establish the geographic boundaries of the area in which limited stakes gaming may take place in the City of Black Hawk.

The purpose of this hearing for the City of Black Hawk is to allow the City Council, as the legislative authority for the City of Black Hawk, to consider information to allow the City to legislatively determine by ordinance the geographic boundaries of the area in which limited stakes gaming may take place, and to adopt the gaming district map that depicts such boundaries.

It is important to note that neither the Colorado Limited Gaming Control Commission, nor for that matter the City of Black Hawk, is bound by the decision of the other concerning the determination of the geographic boundaries of the limited stakes gaming district within the City of Black Hawk.

This hearing is being transcribed by a court reporter and also is being recorded electronically. In order to establish a good record of this public hearing, it is important that only one person speak at a time. When you do speak as part of this public hearing, you need to first state your name before you make your statement. If you are a member of the public addressing the Gaming Commission and the City Council, you must first state your name, your address, and the property that you represent within the City of Black Hawk. It is important to follow this procedure for the simple reason that the court reporter needs to identify the speaker and is only able to transcribe one speaker at a time.

If you wish to make a statement to either or both the City Board of Aldermen or the Colorado Limited Gaming Control Commission ("Gaming Commission"), you may do so as an "interested person." An "interested person" will be provided a reasonable opportunity to comment on the subject of the gaming district boundary, but will not have to meet the obligations and responsibilities of a "party" before the Gaming Commission. As an "interested person" you will not have any right, however, to ask questions or other persons.

If you are someone to whom the decision of the Gaming Commission will directly apply, you have the right to be a "party" before the Gaming Commission. For example, if you own land within, or on the border of, the gaming district boundary, then the decision of the Gaming Commission will directly apply to you and your interests, and you will have standing to appeal any decision of the Gaming Commission. You may, therefore, participate in this matter as a "party" before the Gaming Commission. While a "party" does have the right to ask questions of other "parties" and present legal argument, a "party" also has obligations to other "parties," including the service of legal documents and exhibits, or such other duties as the hearing officer may require. However, if you merely wish to make a statement to either or both the City Board of Aldermen or the Gaming Commission, you may do so as an "interested person" without compromising any legal right you may have to appeal the decision of the Gaming Commission.

The City Clerk has sign-up sheets for "parties" and "interested persons." Be sure to sign-up on the correct sheet.

As part of this public hearing the Gaming Commission and the City Council will consider not only testimony but written documents. For purposes of this hearing, written documents that are submitted by staff of the City of Black Hawk will be marked with the letter "C" followed by a number. For example, the City of Black Hawk's first document will be labeled C-1. Written documents submitted by the Colorado Division of Gaming will be marked with the letter "G" followed by a number. Other parties will each be assigned an alphabet letter for similarly marking evidence submitted. Documents submitted by members of the public will be marked with the letter "P" followed by a number. It is my understanding that the documents to be submitted by the City and the Division of Gaming have been pre-marked. Any member of the public desiring to submit documents for consideration must have them first marked by the court reporter.

There will be two separate records generated as a result of this single hearing; if at all possible, parties shall submit two copies of each exhibit or document into the record; one for the City of Black Hawk, the other for the Gaming Commission, to the extent accepted into evidence. If only one such exhibit is available, it shall be tendered to the City of Black Hawk, who has agreed to duplicate the exhibit and provide it to the Gaming Commission in due course.

It is my understanding that notice of this public hearing has been provided by publication in the Weekly-Register Call, by posting throughout the City of Black Hawk, and in some cases notice by certified mail. The affidavits of publication and posting, as well as copies of the certified letters, are exhibits that will be made part of the public record in this matter.

The procedure to be followed in this public hearing is as follows:

1. Counsel for the City of Black Hawk will make a brief presentation to the members of the Black Hawk City Council, outlining the foundation for the hearing, and apprising all present of the role and responsibility of the City Council during these proceedings. Following that, counsel for the Colorado Limited Gaming Control Commission will make a similar introductory and foundational presentation to the Commission. Counsel may at this time present stipulations of evidence, and address other procedural matters.

2. I will next identify all parties to the Gaming Commission's rulemaking proceeding.

[Identify Parties for the record, including the City of Black Hawk and the Division of Gaming].

3. The City of Black Hawk will, under oath, present testimony and evidence related to the geographic boundaries of the area in which limited stakes gaming may take place within the City of Black Hawk.

[Cross Examination by first the other parties, then the Board of Aldermen and the Commission].

4. At the conclusion of the presentation by the City of Black Hawk, I will first open this public hearing up to parties that are land owners who believe they own real property that is located within the gaming district of the City of Black Hawk. There is a sign-up sheet with the Black Hawk City Clerk that you should fill out at this time. The sign-up sheet will include your name, address, and description of the real property that you believe is located in the gaming district. I will call up parties in the order that you appear on the sign-up sheet. As a party you will be placed under oath and you may provide testimony and written documents that are related to the issue of the location of your property within the geographic boundaries of the area in which limited stakes gaming may take place within the City of Black Hawk. As a party, you are subject to questioning by the Gaming Commission and their staff, which includes Mr. Tom Fears, who is legal counsel for the Gaming Commission, and Barbara Green, who is special planning consultant to both the City and the Commission.

5. At the conclusion of the public testimony by persons designated as parties, I will open the public hearing to interested persons to provide testimony and written documents that are related to the issue of the location of the geographic boundaries of the area in which limited stakes gaming may take place in the City of Black Hawk. As an interested person you are subject to questioning by the Gaming Commission and the City, and their staff. You are also subject to questioning by parties. At the conclusion of each interested person's statement I will ask if any party desires to ask any questions. You must wait until I recognize you before you speak, and as I indicated before, you will need to state your name before you speak.

I would encourage each person to make your presentation brief and limited to the issue of the location of the geographic boundaries of the area in which limited stakes gaming can take place in the City of Black Hawk and not to restate information that has already been presented. If you have any documents that you desire to submit as part of the record, you must first submit them to the court reporter so the documents can be appropriately numbered. As I indicated before, all documents submitted by the public must first be marked with the letter "P" followed by a number which will be assigned in the order received by the court reporter.

Before making any statement, again, please state your name, your address, and what specific property you are representing within the City of Black Hawk. It would be helpful to the Gaming Commission and to the City Council if you could identify the location of the property that you will be discussing in this public hearing on the proposed gaming boundary map.

[Cross Examination by first the other parties, then the City and the Commission].

6. At the close of the public testimony portion of this hearing, all parties will be allowed to present rebuttal testimony and exhibits.

7. At the close of the rebuttal evidence, brief closing remarks may be given by parties, the City of Black Hawk, and the Division of Gaming.

At this time I request that counsel for the City of Black Hawk begin these proceedings.

Colorado Limited Gaming Control Commission

Minutes of Meeting
March 21, 1997

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Dan Hyatt, at 9:07 a.m. on March 21, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Ben Brower, Marilyn Wheeler, Tom Beltz and Shirley Harris. Also attending were: Department of Revenue Executive Director, Renny Fagan; Department of Revenue Deputy Director, Amelie Buchanan; Director of Administration, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentations included: Mark Gairrtano, Internal Revenue Service; Rich Nathan, Counsel for Pine Holdings; Lynette Haley, Black Hawk City Manager; Mark Keifer, Black Hawk City Planner; Rudy Saenz and Michael Smith from Creekers and Double Eagle Casino; and Pete Mang, Colorado Bureau of Investigation.

The Chair opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Kitts recognized Mark Gairrtano from the Internal Revenue Service (IRS). Mr. Gairrtano introduced Jackie Nielson and Jane Erikson also from the IRS. Mr. Gairrtano thanked the Division of Gaming for its cooperation in helping the IRS check the applicants for a gaming license. He reviewed the statistics from the program, noting that non-compliance had decreased over time.

The Commission opened the rule-making hearing concerning Gaming District Boundaries, which had been previously noticed for this date. Mr. Fears addressed the proposed rule on gaming boundaries and how to proceed with this rule. Mr. Nathan requested that the Commission reconsider the Pine Holdings request for declaratory order regarding the zoning in Central City, as well as the square footage issues. The Commission decided to postpone discussion until the Attorney General's office had some time to review the new petition, and file a response.

Ms. Haley and Mr. Keiffer from the City of Black Hawk requested a joint meeting between the city's Board of Aldermen and the Colorado Limited Gaming Control Commission to take evidence on the gaming boundary in Black Hawk. The date and location was announced as April 16th at 7:00 p.m. in Black Hawk at the Black Hawk City Hall Annex, 211 Church Street. The Chair called for a motion to continue the hearing concerning the Black Hawk gaming district boundary until April 16th at 7:00 p.m. at 211 Church Street in Black Hawk. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to continue the hearing concerning the Central City gaming district boundaries on April 17th at 1:30 p.m. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair noted the Cripple Creek gaming district boundary hearing will commence at the conclusion of the Black Hawk proceedings. All persons interested in the Cripple Creek gaming district boundary must follow the proceedings concerning Black Hawk's gaming district boundary.

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

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

Mr. Fagan updated the Commission on the progress of interrogatories to be presented to the Supreme Court to decide the constitutionality of raising the gaming tax rate.

Mr. Fears asked the Commission to start the rule-making for Regulation 47.1-1401. He noted that this rule had been previously passed on September 26, 1996. The following people testified about the testimony that was taken during tax hearings last year: Ms. Seegmiller, Mr. Kitts, Ms. Petkash, Mr. Meier, and Mr. Huyghebaert.

Mr. Saenz and Mr. Smith spoke to the Commission about the disadvantages to having the taxes changed every year.

The Chair recessed the rule-making hearings concerning re-establishing the gaming tax until April 17, 1997 at 9:00 a.m.

The Chair called for a motion to continue discussion on the request for declaratory order of Pine Holdings until April 17, 1997 at 1:30 p.m. Ms. Harris made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was recessed at 12:07 p.m. by Chairman Hyatt.

The meeting was reconvened into public session at 1:55 p.m. by Chairman Hyatt.

Mr. Fears asked that the Rule-making process on extension of credit opened, then requested it be postponed to a date certain. The Chair called for a motion to continue Rule-making on the definition of extension of credit until April 18, 1997 at 9:00 a.m. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to continue hearing on Regulation 47.1-1401 until 9:00 a.m. on April 17, 1997. Mr. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending January 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for January 1997 and authorize distribution. Mr. Brower made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission a motion to dismiss the Order of Summary Suspension on Jennifer Sorrell. The Chair called for a motion to accept the motion to dismiss the Summary Suspension on Jennifer Sorrell and authorize the Chair to sign the order. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Linda Huscher. He noted that Ms. Huscher has agreed to surrender her license for life. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Linda Huscher and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears reviewed the Stipulation and Agreement between the Division of Gaming and Patricia Robinson. He noted that Ms. Robinson has agreed to surrender her license for one year. The Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Patricia Robinson and authorize the Chair to sign the order. 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 2:30 p.m. to consider the Division's Exception to the Initial Decision concerning the license Phyllis Knight for the purpose of reviewing and considering temporary and permanent licensure, and the backgrounds of various applicants for gaming licenses. The Chair asked that the only persons to be present in executive session while considering Ms. Knight's Exception to the Initial Decision be Commissioners Brower, Wheeler, Beltz and himself. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 4:35 a.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and retail licenses of Dedicated International, Inc., doing business as Black Hawk Station; Ed & Shirley's, Inc., doing business as The Wild Card Saloon; Gold Coin, Inc., doing business as Lady Luck Central City Casino;

and Virgin Mule, Inc., doing business as Virgin Mule. 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. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail license of Black Forest Inn, Inc., doing business as Rohling Inn Casino. This license shall be issued upon expiration of the current license and expire six months from the date of issuance. Mr. Beltz 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, Independence Hotel Ltd. Partnership, doing business as Independence Hotel & Casino. 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. Ms. Harris 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 shall be issued upon expiration of the current license 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 called for a motion to approve the changes of ownership as outlined in the respective investigative reports for 101 Main Street Ltd. Liability Co., doing business as Fitzgeralds Casino Black Hawk; Horseshoe Casino Ltd. Liability Co., doing business as Canyon Casino; and Central City Gaming Investors Ltd. Liability Co., doing business as Glory Hole Casino. 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 4:40 p.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
February 21, 1997

The meeting was called to order by the Vice Chair of the Colorado Limited Gaming Control Commission, Ben Brower, at 9:20 a.m. on February 21, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Tom Beltz and Shirley Harris. Absent and excused was Dan Hyatt. Also attending were: Department of Revenue Executive Director, Renny Fagan; Department of Revenue Deputy Director, 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; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentations included: Pete Mang, Colorado Bureau of Investigation; Dan Patterson; Mark Grueskin; Counsel for the Casino Owners' Association.

Mr. Brower 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 discussed the Innovative Gaming petition request. He asked that this request be continued for 90 days and have it heard in May, if the issue is not resolved by that time.

Mr. Brower called for a motion to continue the petition from Innovative Gaming for 90 days and direct the Division of Gaming to keep working with Innovative Gaming with hopes to resolve this issue. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Commission reviewed the petition for declaratory order on "Gaming Zone for District Boundary for the Lucky Penny." Mr. Beltz made a motion to deny this petition for declaratory order on the basis that this topic of clarifying the gaming district is scheduled for rule-making on March 21, 1997 and would be addressed in that forum. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Beltz made a motion to accept Lucky Penny's petition for declaratory order in regards to the calculation of gaming space but to table consideration of the matter until after the conclusion of the gaming district boundary rule-making proceedings. Ms. Harris seconded the motion. The motion was adopted.

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

Mr. Brower called for a motion to approve the Minutes of the Meeting of January 24, 1997. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was recessed at 10:15 a.m. by Mr. Brower.

The meeting was reconvened into public session at 10:25 a.m. by Mr. Brower.

Mr. Fagan updated the Commission on the tax rule. He noted that the Legislative Legal Services Committee voted again not to extend the rule with the intent to asking the Supreme Court to decide on the constitutionality.

Mr. Brower called for a motion to go into executive session at 10:40 a.m. for the purpose of hearing CBI's investigative reports. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:55 a.m. by Mr. Brower.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Ken Peterson. The Chair called for a motion to approve the Order to Show Cause of the support license of Ken Peterson and authorize the Chair to sign. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Wargo and Mr. Fears reviewed the proposed changes to Regulation 47.1-835 The play Competition 21 and asked that it be adopted on an emergency basis. After consideration, Mr. Brower called for a motion to adopt as an emergency rule. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. Ms. Harris opposed the motion. The motion was adopted. The Commission also directed staff to commence regular rule-making proceedings.

Mr. Brower called for a motion to renew the permanent operator and retailer licenses of Colorado Casino Resorts, Inc., doing business as Creeker's, Inc.; and Golden Rose Partnership Ltd., doing business as Golden Rose Casino. 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.

Mr. Brower called for a motion to renew the permanent manufacturer/distributor licenses of AGI Distribution, Inc.; Atronic Casino Technology Ltd.; and Video King Gaming Systems, Inc. doing business as Video King. These licenses shall be issued upon expiration of the current licenses and expire on year from the date of issuance. Further, the Video King license shall be conditioned upon the following: (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 Stewart Entertainment, Inc., doing business as Bingo King Company, Inc., directly or indirectly, with any Colorado limited gaming licensee; and (3) Frank Nannicola shall have no association or business relationship through Stewart Entertainment, Inc., doing business as Bingo King Company, Inc., directly or indirectly, with any Colorado limited gaming licensee. Ms. Wheeler 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 Corp., doing business as Imperial Hotel & 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 11:40 a.m.



Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
February 20, 1997

The meeting was called to order by the Vice Chair of the Colorado Limited Gaming Control Commission, Ben Brower, at 9:10 a.m. on February 20, 1997, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Tom Beltz and Shirley Harris. Absent and excused was Dan Hyatt. Also attending were: 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; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Persons making presentations or testimony included: Brian Kenna and Gary Krueger, Department of Revenue; Jerry Smith and Jack Kirtland, Department of Local Affairs; Paul Cooke, Division of Fire Safety; Chief Lonnic Westphal, Colorado State Patrol; Pete Mang, Colorado Bureau of Investigation; Mark Snyder from Harrah's Casino.

Chairman Brower opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Snyder reviewed with the Commission a survey that was conducted on Harrah's employee's on benefits attributable to casino jobs. He showed the positive impact of casino employees working in the gaming areas.

Ms. Petkash and Mr. Turner introduced the Division of Gaming's FY 1998 budget request in the amount of \$7,022,782 which included 3 new FTE for the audit section. Mr. Beltz asked for further information on the percentage increase in the budget.

Mr. Kenna and Mr. Krueger presented to the Commission the Indirect Cost Analysis for the Department of Revenue that was included in the Division of Gaming's budget request.

Mr. Smith and Mr. Kirtland presented the Department of Local Affairs' budget request for FY 1998 in the amount of \$69,937. Mr. Smith noted that this is just a continuation of the same budget presented last year. Mr. Brower called for a motion to approved the budget request for \$69,937. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was recessed at 10:30 a.m. by Mr. Brower.

The meeting reconvened into public session at 10:45 a.m. by Mr. Brower.

Ms. Petkash reported back to the Commission the information requested by Mr. Beltz. Mr. Brower called for a motion to approve the Division of Gaming's budget request in the amount of \$7,022,782 for fiscal year 1998. Ms. Wheeler made the motion. Ms. Harris seconded the motion. Mr. Beltz opposed the motion. The motion was adopted.

Mr. Mang presented CBI's budget request for FY 1998 in the amount of \$575,939. Mr. Brower called for a motion to approve CBI's budget request in the amount of \$575,939. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was approved.

Mr. Cooke presented the Division of Fire Safety's budget request for FY 1998 in the amount of \$143,119. Mr. Brower called for a motion to approve Fire Safety's budget request for \$143,119. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

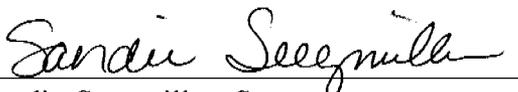
The meeting was recessed for lunch at 11:30 a.m. by Mr. Brower.

The meeting was reconvened into public session at 1:00 p.m. by Mr. Brower.

Mr. Westphal presented Colorado State Patrol's budget request in the amount of \$1,076,568. Mr. Brower called for a motion to approve State Patrol's budget request for FY 1998 in the amount of \$1,076,568. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Brower called for a motion to go into executive session at 1:10 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. Wheeler seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 1:45 p.m.


Sandie Seegmiller, Secretary

Colorado Limited Gaming Control Commission

Minutes of Meeting
January 24, 1997

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on January 24, 1997, 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 Investigation, Mel Grantham; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Chief Auditor, Georgine Zalesky; and Assistant Attorney General, Tom Fears. Person making presentation were: Mark Grueskin, Counsel for the Casino Owners Association. Person making a presentation in executive session included Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the meeting by asking if there was anyone who wished to speak to the Commission on any gaming issues that were not on the agenda. Mr. Grueskin talked about the proposed employee housing with 200 units in Black Hawk.

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

Ms. Petkash briefly reviewed the 1881 Pierce Building purchase and the current year budgetary impact.

Mr. Fears reviewed with the Commission the proposed Summary Suspension of the support license of Linda Huscher. The Chair called for a motion to approve the Summary Suspension of the support license of Linda Huscher and authorize the Chair to sign. Mr. Beltz 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 Jennifer Sorrell. The Chair called for a motion to approve the Summary Suspension of the support license of Jennifer Sorrell and authorize the Chair to sign. Mr. Beltz made the motion. Mr. Brower seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Patricia Robinson. The Chair called for a motion to approve the Order to Show Cause of the support license of Patricia Robinson and authorize the Chair to sign. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the proposed Order to Show Cause of the support license of Jason Sizer. The Chair called for a motion to approve the Order to Show Cause of the support license of Jason Sizer and authorize the Chair to sign. 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 December 20, 1996. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

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

Mr. Turner brief the Commission on some of the Division's activities, noting that Jim Cain was the newly elected International Police Association president. He announced that Phyllis Accetturo had left the Division of Gaming and Don Burmania would taking over the Licensing Section. He also updated the Commission on some legislative matters.

Mr. Fears announced that Mr. Philip Anderson asked to withdraw the request to have the rule making hearing on the game "Spanish 21." The Chair called for a motion to dismiss the request for rule-making on the game of "Spanish 21." Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears discussed the Commission's authority to interpret the Constitutional provisions addressing the commercial districts in which gaming is allowed in Black Hawk, Central City and Cripple Creek. The Chair called for a motion to direct the Division of Gaming to start the rule-making process on the verification on various gaming districts. 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 reconvened into public session at 10:27 a.m. by Chairman Hyatt.

Mr. Fears advised the Commission that the Legislative Legal Services Committee had voted not to extend the Commission's tax rule because the Committee decided the Commission did not have the authority to raise the top AGP bracket to 20% without voter approval. The Chair called for a motion to direct the Division to start the rule-making process for the tax rule. 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 11:45 to review relevant information regarding on-going credit issues and litigation. Mr. Brower made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The meeting was recessed at 12:25 p.m. for lunch by Chairman Hyatt.

The meeting was reconvened into public session at 2:00 p.m. by Chairman Hyatt.

Mr. Fears reviewed the request from Aristocrat regarding Rule 4.5, requesting approval of the Certificate of Amendment of Articles of Incorporation for Aristocrat, Inc. The Chair called for a motion to approve the amended language as submitted by Aristocrat, Inc. Mr. Brower made the motion. Mr. Beltz and Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to table the rule-making process on the definition of extension of credit. The motion died due to lack of a motion and a second.

The Chair called for a motion to go into executive session at 2:06 p.m. for the purpose of reviewing the exceptions to initial decisions issued by Tom Beltz. Mr. Beltz made the motion. Mr. Brower 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 approve the final decision on Mary Drey and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the final decision on Jana Alaridova and authorize the Chair to sign the order. Mr. Brower made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to approve the final decision on Harry Brost and authorize the Chair to sign the order. 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 3:06 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. Mr. Brower seconded the motion. The motion was adopted.

The meeting reconvened into public session at 3:45 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent manufacturer/distributor license of Aristocrat, Inc. This license shall be issued upon expiration of the current license and expire six months from the date of issuance. Further, this license shall be conditioned upon the following terms:

1. The licensee shall, within 30 days of this approval, submit to the Division full personal and financial disclosure packages for all officers and directors of Aristocrat, Inc., for all officers, directors, and 5% or greater shareholders of Aristocrat Leisure Limited; and for all other persons who exercise control of either, or both, Aristocrat Leisure Limited;
2. The licensee shall provide the Division with a full, complete, and unedited copy of the Casiello Closing Report concerning low value invoicing, as soon as such report is available;
3. The licensee shall provide the Division with a full, complete, and unedited copy of the Jack Godfrey Report on low invoicing, as soon as such report is available;
4. The licensee shall provide the Division with any required or requested authorizations, waivers, and releases; and
5. Upon request, the licensee shall provide the Division with full, complete, and unedited copies of video or audio recordings of interviews of or meetings or discussion with any person, and written transcription of any such recordings pertaining to suitability or past or present business practices of persons associated with the license.

Mr. Brower made the motion. Mr. Beltz and Ms. Harris 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 Aspen Mine & Casino Ltd., doing business as Aspen Mine & Casino. 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 license of International American Gaming Association, Inc. 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 issue a new manufacturer/distributor license to Silicon Gaming-Colorado, Inc. This license will be effective at 5:00 p.m. on January 24, 1997, and expire one year from 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 manufacturer/distributor license of Wolf Gaming Ltd. Liability Company. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the license shall be conditioned upon rescission, without prejudice for future reapplication, of the change of ownership approved at the October 18, 1996, Commission meeting.

The Chair called for a motion to go into executive session at 4:00 p.m. to consider disciplinary actions under advisement. The Chair asked that only the Commissioner Beltz, Commissioner Brower, Commissioner Wheeler and his self be present during this executive session. Mr. Beltz 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 5:15 p.m.



Sandie Seegmiller, Secretary