

## Colorado Limited Gaming Control Commission

Minutes of Meeting  
December 18, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Tom Beltz, at 9:08 a.m. on December 18, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris and Phil Walter. Absent and excused was Dan Hyatt. Also attending were: Executive Director, Renny Fagan; Director, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Controller, Brent Voge; Budget Officer, Linda Petkash; Deputy Chief of Investigations, Jim Cain; Communications and Licensing Director, Don Burmania; Public Information Specialist, Maren Rubino; Investigator, Ken Fransk; and Assistant Attorney General, Heather Shulman. Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigations.

Mr. Turner offered a brief farewell to Mr. Fagan.

The Chair called for a motion to excuse Dan Hyatt from the meeting. Ms. Harris made the motion. Ms. Wheeler seconded the motion.

Chairman Beltz opened the rulemaking for Regulation 20. Tom Kitts was sworn-in and discussed with the Commission the proposed amendments to Regulation 20. Having heard testimony, the Chair called for a motion to adopt the amendments to Regulation 20. 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 9:37 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Chairman Beltz reconvened the meeting into public session at 10:30 a.m.

The Chair called for a motion to renew the permanent retailer licenses of Horseshoe Casino LLC, dba Canyon Casino; State Stop Gaming Hall, Inc., dba Gold Coin Casino, Inc.; and Grimes Gaming Corp., dba Lucky Strike Casino at Pete's Place. 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.

The Chair called for a motion to renew the permanent manufacturer/distributor license of MGC, Inc., dba Mikohn Gaming Corp. 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.

Ms. Shulman presented the proposed Order to Show Cause in the matter licensee Mark DenHartog. The Chair called for a motion to issue the Order to Show Cause in the matter

of Mark DenHartog, and authorize the Chair to sign the Order. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Shulman presented the proposed Order to Show Cause in the matter licensee Sharon Johnson. The Chair called for a motion to issue the Order to Show Cause in the matter of Sharon Johnson, and authorize the Chair to sign the Order. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Shulman presented the proposed Summary Suspension of the license of Stanley Rutter. The Chair called for a motion to issue the Summary Suspension in the matter of Stanley Rutter, and authorize the Chair to sign the Order. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Shulman presented the proposed Summary Suspension of the license of Raymond Saucedo. The Chair called for a motion to issue the Summary Suspension in the matter of Raymond Saucedo, and authorize the Chair to sign the Order. 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 November 20, 1998. Mr. Walter made the motion. Ms. Harris seconded the motion. Ms. Wheeler abstained from voting. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending October 31, 1998. The Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for October 1998 and authorize distribution. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session to discuss the Final Orders on Kwok Tse at 10:40 a.m. 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 10:55 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
November 20, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Tom Beltz, at 9:08 a.m. on November 20, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Dan Hyatt, Shirley Harris and Phil Walter. Absent and excused was Marilyn Wheeler. Also attending were: Director, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Controller, Brent Voge; Budget Officer, Linda Petkash; Deputy Chief of Investigations, Jim Cain; Chief Auditor, Georgine Zalesky; Communications and Licensing Director, Don Burmania; Public Information Specialist, Maren Rubino; Agent In-Charge for Lakewood, Phil Wargo; Investigator, Ken Fransk; and Assistant Attorney General, Heather Shulman. Persons making presentations or giving testimony were: Rich Nathan and Berkley Rasband. Persons making a presentation in executive session included Bob Brown and Pete Mang, Colorado Bureau of Investigations.

Mr. Nathan discussed with the Commission how IGT planned to comply with the new federal law on the payments of progressive machines. He noted that after having some discussion with the Division, he didn't believe there was a need for rule change.

The Chair called for a motion to excuse Marilyn Wheeler from the meeting. Mr. Walter made the motion. Ms. Harris seconded the motion.

The Chair called for a motion to go into executive session at 9:25 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairman Beltz recessed the meeting at 9:50 a.m.

Chairman Beltz reconvened the meeting into public session at 10:15 a.m.

The Chair called for a motion to renew the permanent retailer licenses of Anchor Coin, Inc., dba Colorado Central Station; BWBH, Inc., dba Bullwhackers Black Hawk, Inc.; Silver Hawk Casino, Inc., dba Silver Hawk Saloon and Casino; BWCC, Inc., dba Bullwhackers Central City, Inc.; G.F. Gaming Corporation, dba (The) Famous Bonanza Casino Corporation; and Grimes Limited Liability Company, dba Lucky Strike Casino at Pete's Place. 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. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of Vista Gaming Corporation and for Mountain Gaming Distributors, LLC. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairman Beltz opened the rulemaking for regulation 10. Phil Wargo was sworn-in and discussed with the Commission the proposed amendments to regulation 10. . Having heard testimony, the Chair called for a motion to adopt the amendments to Regulation 10. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

There was discussion of individual commissioners conducting hearings. The Commission asked that Ms. Shulman review procedures the Commission has used during the past year.

Ms. Shulman presented the proposed Summary Suspension of the license of Joseph Gurreri. The Chair called for a motion to issue the Summary Suspension in the matter of Joseph Gurreri, and authorize the Chair to sign the Order. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meeting of October 16, 1998. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending September 30, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for September 1998 and authorize distribution. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session to discuss client matters involving attorney -client privilege at 11:40 a.m. Mr Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairman Beltz recessed the meeting at 12:10 for lunch.

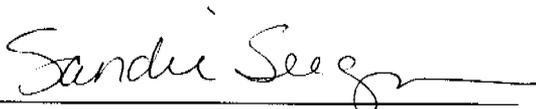
The meeting reconvened into public session at 1:40 p.m. by Chairman Beltz.

Ms. Shulman asked that the Commission rescind the Order to Show Cause in the matter of Leonard Hastings Ainsworth because Mr. Ainsworth had remedied the conditions that were the basis for the Division of Gaming's request for an Order to Show Cause. The Chair called for a motion to rescind the Order to Show Cause that was issued in July in the matter of Leonard Hasting Aisnworth. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted.

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Mr. Rasband, counsel for Kwok Tse, and Ms. Shulman gave brief testimony on the Appeal on the Initial Decision in the matter of Kwok Tse. The Chair called for a motion to go into executive session to deliberate on the Kwok Tse appeal. Mr. Hyatt 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 3:30 p.m.

  
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Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
October 16, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Tom Beltz, at 9:08 a.m. on October 16, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Dan Hyatt and Shirley Harris. Absent and excused was Phil Walter. Also attending were: Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Controller, Brent Voge; Budget Officer, Linda Petkash; Chief Auditor, Georgine Zalesky; Communications and Licensing Director, Don Burmania; Public Information Specialist, Maren Rubino; Agent In-Charge for Lakewood, Phil Wargo; Investigators, Laura Manning, Eric Hartsough and Kendal Dittmer; and Assistant Attorney General, Heather Shulman. Persons making presentations or giving testimony were: Brent Combs, and Betty Mahaffey and Debbie Taylor. Persons making a presentation in executive session included Bob Brown, Colorado Bureau of Investigations.

Mr. Kitts introduction of Janice McCrary and Brent Woods from the New Mexico Gaming Control Board.

The Chair called for a motion to excuse Phil Walter from the meeting. Mr. Hyatt made the motion. Ms. Harris seconded the motion.

Chairman Beltz 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. Combs said he was a concerned resident of Central City and he discussed some of his concerns surrounding the casino industry's influence on local politics. He asked the Commission not to allow casino owners to have a say in the politics and how the city is ran. Ms. Mahaffey echoed Mr. Combs. Ms. Taylor rebutted the claims, stating the Casino Owners Association actually voted not to become involved in the recent recall election.

The Chair swore in new Division of Gaming investigator Brian Dyet.

The Chair called for a motion to allow the Janice McCrary and Brent Woods from the New Mexico Gaming to remain in executive session

The Chair called for a motion to go into executive session at 9:40 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

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

The Chair called for a motion to approve the Minutes of the Meeting of September 18, 1998. Mr. Hyatt 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 for Midnight Rose Hotel & Casino, and Vision Gaming, Inc., dba Crapper Jack's. These licenses shall be issued upon expiration of the current licenses and expire one year from the

date of issuance. Mr. Hyatt made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license for Reynolds Court Partnership Ltd., dba Central Palace Casino, Ltd. 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 retailer license of, and approve the change of ownership as outlined in the investigative report for, Old Chicago Cripple Creek L.P., dba Old Chicago Casino. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Hyatt 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 Innovative Gaming, Inc. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Shulman presented the proposed Show Causes for Scott Schenck, Lucinda Cloud and Carol Keefer.

The Chair called for a motion to issue an Order to Show Cause to Scott Schenck and authorize the Chair to sign. Mr. Hyatt made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Lucinda Cloud and authorize the Chair to sign. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Commission discussed whether they had the authority to issue a disciplinary action against someone's support license who has not paid on their state obligated student loans and asked that Ms. Shulman to look into this and bring this back to the Commission on November 20, 1998. She agreed to do so.

Chairman Beltz recessed the meeting at 12:00 for lunch.

The meeting was reconvened at 1:32 p.m. and the Chair called for a motion to go into executive session to continue reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting reconvened into public session at 2:38 p.m. by Chairman Beltz.

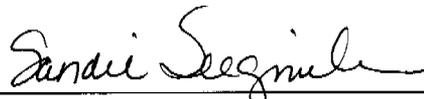
The Chair called for a motion to issue a permanent retailer license to Isle of Capri Black Hawk, LLC, dba Isle of Capri Casino Black Hawk, 401 Main St., Black Hawk. This license shall be effective at 5:00 p.m. on October 16, 1998, and expire one year from the date of issuance. Further, the standard conditions for a retailer license shall apply. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Shulman presented Resolution No. 98-005, authorizing the Division of Gaming to disclose to the Internal Revenue Service the records of Nicholas O. Aliberti. The Chair called for a motion to approve Resolution No. 98-005. Ms. Wheeler 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 August 31, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for August 1998 and authorize distribution. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Wargo presented to the Commission the revisions to the blackjack rules previously presented at the September commission meeting. The Chair called for a motion to approve the rules as presented. Mr. Hyatt 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 3:30 p.m.

  
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Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
September 18, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Tom Beltz, at 9:08 a.m. on September 18, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Dan Hyatt Shirley Harris, and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Chief Auditor, Georgine Zalesky; Audit Supervisor, Ron Kammerzell; Communications and Licensing Director, Don Burmania; Investigators, Laura Manning; and Ken Fransk; and Assistant Attorney General, Larry Williams. Persons making presentations or giving testimony were: Sharon Slavens, Independent CPA. Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Chairman Beltz 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 with the Commission at that time.

The Chair called for a motion to go into executive session at 9:09 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Ms Harris seconded the motion. The motion was adopted.

The meeting reconvened into public session at 10:47 a.m. by Chairman Beltz.

The Chair called for a motion to renew the permanent operator and retailer licenses for Century Casinos Cripple Creek, Inc., dba Legends Casino; and Pioneer Group, Inc., dba Bronco Billy's Sports Bar & 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 Pioneer Group, Inc., license prohibiting the licensee from employing Calvin Kinney and allowing Calvin Kinney to participate in the management of the licensee shall be continued. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license for Black Forest Inn, Inc., dba Otto's Black Forest Inn. The license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the following conditions shall apply:

1. The licensee must complete and provide a minimum bankroll requirement worksheet to the Division for every 15 days of operations. The Division must receive each minimum bankroll requirement worksheet no later than seven calendar days following the end of each 15-day period.

2. The licensee must immediately notify the Division, in writing, of any significant change in financial status which may adversely impact licensee's casino operations.

Ms. Harris made the motion. Mr. Hyatt 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 Horseshoe Casino, LLC, dba Canyon Casino. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license for Dostal Alley, Inc., dba Dostal Alley Saloon & Gambling Emporium. The license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair opened the rule-making hearing on Rule 8. Mr. Wargo and Ms. Slaven were sworn-in. After discussion and testimony on the tipping and betting procedures for a dealer, it was decided that an informal opinion on this was necessary. The Commission continued rule-making until October 16<sup>th</sup> at 9:00 a.m. at 1881 Street in Lakewood, Colorado.

Mr. Hyatt moved to approve the Minutes of the Meeting of August 21, 1998. Mr. Walter seconded the motion. The motion was adopted.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending July 31, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for July 1998 and authorize distribution. Ms. Harris 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 11:34 a.m.

  
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Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
August 21, 1998

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Tom Beltz, at 9:07 a.m. on August 21, 1998, at 120 Eureka Street, Central City, Colorado. Present were Commissioners Marilyn Wheeler, Dan Hyatt, Shirley Harris, and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge, Licensing and Operations Manager, Don Burmania; Public Information Specialist, Maren Rubino; Investigators, Eric Hartsough, Laura Manning, Ralph Henning, Kendal Dittmer, Steve Barber, Ken Fransk and Max Kettler; Agent in Charge for Central City, Jim Huskey; Chief Auditor, Georgine Zalesky; Audit Supervisor, Ron Kammerzell; Auditor, Sharon Novacek; and Assistant Attorney General, Caroline Lievers. Persons making presentations or giving testimony were: Lois Rice, Casino Owner's Association; Ross Grimes, Casino Owner; Lee Burton, Gaming Chip Collector; and Tony Cook, General Manger of the Lodge Casino. Persons making a presentation in executive session included Mark Wilson and Bob Brown, Colorado Bureau of Investigation.

Mr. Grimes discussed the road to Black Hawk and Central City and told the commission that this road is already at its capacity and the added traffic with new casinos coming online, would be endangering the public. He asked the Commission to use it's authority to help this situation by supporting the Southern Access Road.

Ms. Rice stated that they were going to have their annual compulsive gambling conference in October and invited the commissioners to attend.

The Chair called for a motion to go into executive session at 9:27 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. He noted that the meeting would reconvened into public session after lunch around 1:30 p.m. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Chairman Beltz recessed the meeting for lunch at 12:10 p.m.

Chairman Beltz reconvened the meeting into executive session at 1:52 p.m.

Chairman Beltz reconvened the meeting into public session at 2:12 p.m.

The Chair called for a motion to renew the permanent retailer licenses for: Gold Vein Ltd. Liability Co., dba Black Diamond Casino; Gilpin Hotel Venture, dba The Gilpin Hotel Casino, Ltd.; Colorado Grande Enterprises, Inc., dba Colorado Grande Gaming Parlor; Gold Mine Casino, Inc., dba Gold Mine Casino; and Outlaws Management Co., LLC, dba Crooks Palace, LLC. These licenses shall be issued upon expiration of the current licenses and

expire one year from the date of issuance. Further, the Gilpin Hotel Casino, Ltd., license shall continue to be conditioned upon Joseph Capps having no involvement or employment at the casino. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses for: IGT and IGT-Colorado Corp. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator licenses for: The Konczak Corp., etal, and Rocky Mountain Gaming Equipment, LLC, dba Rocky Mountain Gaming Equipment. 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. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to report to the Southern Ute Indian Tribe and the Ute Mountain Ute Tribe of Indians the Commission's finding 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. Mr. Walter 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 respective investigative reports for BWCC, Inc., dba Bullwhackers Central City, Inc.; BWBH, Inc., dba Bullwhackers Black Hawk, Inc.; and Silver Hawk Casino, Inc., dba Silver Hawk Saloon & Casino. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair opened the meeting up for public comment. Mr. Burton expressed his concerns about the Lodge Casino selling special edition chips for more than face value. Mr. Turner said the Division was inundated by complaints from chip collectors and consulted with the Attorney General's office, which said the practice was not illegal. Mr. Cook responded that he is no longer selling these to the public because of the hassle it was creating with the chip collectors.

The Chair called for a motion to approve the Minutes of the Meeting of July 17, 1998. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Lievers presented the proposed Summary Suspension of the license of Kwok Tse and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Kwok Tse and authorize the chair to sign the order. Mr. Hyatt made the motion. Mr. Walter seconded the motion. The motion was adopted

Ms. Lievers presented the proposed Summary Suspension of the license of Paul Burchett, Jr. and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Paul Burchett, Jr. and authorize the chair to sign the order. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending June 30, 1998. Chairman Beltz called for a motion to approve and adopt the Financial Reports and Balance sheet for June 1998 and authorize distribution and to certify the distribution of the Limited Gaming Fund for fiscal year 1998. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Petkash reviewed Regulation 47.1-305, which was adopted on a temporary basis in June, and asked the Commission to approve it on a permanent basis. The Chair called for a motion to approve the permanent adoption of Regulation 47.1-305. Mr. Walter made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Wargo and Ms. Novacek reviewed the proposed amendments to Rules 8 and 12. The Commission decided to continue the review and adoption of these rules until the September 18, 1998 meeting at 9:00 a.m. at 1881 Pierce Street

There being no further business to come before the Commission, the meeting was adjourned at 4:04 p.m.

  
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Sandie Seegmiller, Secretary

Approved

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
July 17, 1998

The meeting was called to order by the Vice Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler, at 9:08 a.m. on July 17, 1998, at 301 E. Bennett Avenue, Cripple Creek Colorado. Present were Commissioners Dan Hyatt, Shirley Harris, and Tom Beltz. Absent and excused was Commissioner Phil Walter. Also attending were: Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge, Investigators, Ralph Henning, Vic Freburg, Bob Abbott and Kendal Dittmer; and Assistant Attorney General, Neil Tillquist. Persons making presentations or giving testimony were: Kip Peterson. Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Ms. Wheeler relinquished the chair to Mr. Tillquist in order to nominate and vote for chair and vice chair for fiscal year 1998-99. Mr. Tillquist asked if there were any nominations to be made for chair. Mr. Hyatt nominated Tom Beltz for the chair. Being no further nominations for chair, the nomination of Tom Beltz for chair was unanimously approved.

Ms. Harris nominated Marilyn Wheeler for vice chair. Being no further nominations for vice chair, the nomination of Marilyn Wheeler for vice chair was unanimously approved.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending May 31, 1998. Chairman Beltz called for a motion to approve and adopt the Financial Reports and Balance sheet for May 1998 and authorize distribution. Ms. Harris made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to approve the Minutes of the Meetings of June 18, 19 and 24, 1998. Ms. Wheeler made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

Mr. Tillquist presented the proposed Summary Suspension of the license of Gary Sheets and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Gary Sheets and authorize the chair to sign the order. Ms. Wheeler made the motion. Mr. Hyatt seconded the motion. The motion was adopted

Mr. Tillquist presented the proposed Order to Show Cause of Leonard Hastings Ainsworth and asked the Commission to approve the Order to Show Cause. The Chair called for a motion to approve the Order to Show Cause of Leonard Hastings Ainsworth and to authorize the chair to sign. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted

The Chair called for a motion to go into executive session at 9:35 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. He noted that the meeting would reconvened into public session after lunch around 1:30 p.m. Ms. Wheeler made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair at 1:40 p.m reconvened the meeting.

Mr. Peterson spoke briefly to the Commission about the Department of Health and the City of Cripple Creek coming before the Commission in August to discuss dust control in Cripple Creek.

The Chair called for a motion to go into executive session at 1:42 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Chairman Beltz reconvened the meeting into public session at 2:27 p.m.

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

The Chair called for a motion to renew the permanent retailer license for Tivolino Teller House, Inc., dba The Teller House. 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 operator license 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. Hyatt 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 Imperial Gaming Corporation, dba Imperial Casino & Hotel Corp. Ms. Harris made the motion. Mr. Hyatt seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of Royal Bell, Ltd.; Sigma Game, Inc.; Universal Distributing of Nevada, Inc.; and Bally

Gaming, Inc. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Mr. Hyatt made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

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 one year from the date of issuance. Further, the following condition shall apply: Aristocrat, Inc., shall continue to comply with the Settlement Agreement between the Commission and the licensee, dated October 27, 1997. Mr. Hyatt made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent retailer license for Grimes Gaming Corp., dba Easy Street Casino, at 121 Main Street in Central City, Colorado. This license shall be issued at 5:00 p.m. on July 17, 1998, and expire one year from the date of issuance. Further, the standard conditions for a retailer license shall apply. Ms. Harris 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 2:32 p.m.

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Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
June 24, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:12 a.m. on June 24, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris, Tom Belt and Phil Walter. Also attending were: Director George Turner; Director of Administration, Tom Kitts; Communications and Licensing Director, Don Burmania; Public Information Officer, Maren Rubino; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Chris Whitney, Independent Counsel; Mark Grueskin, Colorado Casino Owners Association; Roger Morris, Independent Counsel; and Medill Barnes, Black Hawk Casino Owners Association.

The Chair called for a motion to go into executive session at to hear a report from the Audit Section regarding financial information from a casino. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting reconvened into public session at 9:45 a.m. by Chairman Hyatt.

Mr. Fears presented the proposed Summary Suspension of the license of Henry Tellez and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Henry Tellez. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Order to Show Cause of the license of Chanthala Boulaphinh and asked the Commission to approve the Order to Show Cause. The Chair called for a motion to approve the Order to Show Cause of the license of Chanthala Boulaphinh. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Grueskin announced that the Colorado Casino Owners Association had donated to a scholarship fund at the University of Denver Law School in honor of Chairman Hyatt.

The Chair opened testimony on Rules 47.1-305, 47.1-516 and new rule 20.

Mr. Whitney, Mr. Morris, and Mr. Fears gave testimony on rules 47.1-305, 47.1-516 and new rule 20.

Chairman Hyatt recessed the meeting for lunch at 12:07.

Chairman Hyatt reconvened the meeting at 1:30 p.m..

Testimony on rules 47.1-305, 47.1-516 and new rule 20 continued.

Chairman Hyatt recessed the meeting at 3:05 p.m.

The meeting was reconvened into public session at 3:25 p.m.

Having heard testimony and reviewed documentation, the Chair called for a motion to adopt amendments to 47.1-305 and 47.1-516 and new rule 20. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Turner said that he had phoned Renny Fagan, executive director of the Department of Revenue, and discussed the legality of Chairman Hyatt continuing to serve on the Commission until the governor named a replacement. Mr. Turner indicated that Mr. Fagan believed that Chairman Hyatt could continue on the Commission until he is replaced.

Mr. Barnes commented on the great working relationship between the industry and the Division of Gaming on the rules that were passed.

There being no further business to go before the Commission, the meeting was adjourned at 4:46 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
June 19, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:07 a.m. on June 19, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris, Tom Beltz and Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Deputy Chief of Investigations, Jim Cain; Controller; Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Information Officer, Maren Rubino; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Ross Grimes, Famous Bonanza casino; Mark Grueskin, Colorado Casino Owners Association; Rich Cooper, Golden Rose Casino; and Ron Cattany, Department of Natural Resources.

The Chair opened testimony on Rule 14—Gaming Tax Rule.

Mr. Huyghebaert, Ms. Conwell and Mr. Meier gave presentations summarizing and analyzing standard financial information submitted by casinos.

Mr. Grueskin gave a presentation on behalf of the Colorado Casino Owners Association, in which he proposed lowering the tax rate on AGP earned between \$0 to \$2 million from 2 percent to 0.5 percent to improve the financial situation of smaller casinos.

Mr. Grimes testified that as a small casino owner, receiving a tax break would help him possibly expand his business. He testified that casinos operating in historic buildings had a disadvantage in competing with casinos in new buildings, and that the Commission should consider giving some type of tax consideration to those who comply with the spirit of the Constitutional Amendment by operating in historical buildings.

Mr. Cooper testified that the Commission should look at the numbers when determining the tax rate and not let emotion play a role in its decision.

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

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

Mr. Cattany reviewed with the Commission the Department of Natural Resources' request for funds from the Joint Budget Committee in the amount of \$28,000 to offset gaming-related impacts. The Chair called for a motion to provide certification of that amount to the JBC. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

A ceremony was held to commemorate the end of Chairman Hyatt's second and final term on the Commission. Mr. Turner presented a plaque to Chairman Hyatt in recognition of his service to the Commission.

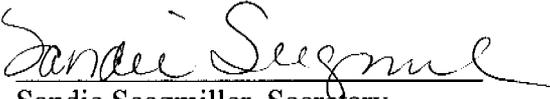
The Chair closed the rulemaking hearing on Rule 14.

After deliberation, the Chair called for a motion to retain the current tax structure and device fees for the gaming year July 1, 1998, through June 30, 1999. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Beltz announced that the Commission had reached a decision in the matter of the Declaratory Order petition filed on behalf of Ken Peterson Enterprises and Tivolino Teller House Casino. He said that in reaching the decision, the Commission had determined that businesses providing gaming-related services to casinos are required to be licensed and that the Commission would commence rulemaking in the future to codify that decision.

The Chair called for a motion to approve the Commission's decision on the Declaratory Order petition filed on behalf of Ken Peterson Enterprises and Tivolino Teller House Casino, and authorize the chair to sign the decision order on behalf of the Commission. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was approved.

There being no further business to come to before the Commission the meeting was adjourned at 2:30 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
June 18, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:07 a.m. on June 18, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris, Tom Belt and Phil Walter. Also attending were: Director of Administration, Tom Kitts; Chief of Investigations, Huck Henderson; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Information Officer, Maren Rubino; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Teri Houk, Doc Holliday Casino; Roger Shuttleworth, Teller House Casino; Ann Dodson and Ross Grimes, Famous Bonanza Casino; Munir Meghjee, Attorney for the Tivolino Teller House; Bill Morris, Attorney for Ken Peterson Enterprises. Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Ms. Petkash reviewed with the Commission the Division of Gaming's negative budget supplemental in the amount of \$3,960. The Chair called for a motion to approve the negative budget supplemental in the amount of \$3,960. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Petkash reviewed the Memorandums of Understanding (MOU's) for fiscal year 98-99 with the Colorado State Patrol, Division of Fire Safety, Colorado Bureau of Investigations and the Department of Local Affairs. The Chair called for a motion to approve the MOU's and authorize the Chair to sign. Mr. Walter made the motion. Mr. Beltz seconded the motion.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending April 30, 1998. The Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for April 1998 and authorize distribution. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Kitts asked the Commission to continue rule-making hearings on Rule 8, Rule 10 and Rule 12, noting the Division and the industry needed more time to work on the proposed changes. The Chair called for a motion to continue rule-making on those aforementioned rules until August 21, 1998 at 9:00 a.m. at the Teller House Casino in Central City. Mr. Walter made the motion. Ms. Wheeler seconded the motion.

Chairman Hyatt recessed the meeting at 9:21 a.m.

Chairman Hyatt reconvened the meeting at 9:45 a.m.

The hearing concerning the Petition for Declaratory Order concerning Ken Peterson Enterprises and the Tivolino Teller House commenced.

After hearing testimony from Mr. Meghjee, Mr. Morris and Mr. Fears, the Chair called for a motion to go into executive session at 11:02 a.m. with the Commission and Conflicts Counsel, Lisa, Coughlin to review testimony given. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Chairman Hyatt recessed the meeting for lunch at 12:25 p.m..

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

Ms. Petkash reviewed with the Commission the proposed changes to regulation 47.1-305, which would change the background investigative hourly rate from \$48 to \$53. The rate increase is due to a salary survey increase and an increase in departmental indirect costs to the Division. Ms. Petkash asked that this rule be adopted on an emergency basis to be effective July 1, 1998. The Chair called for an immediate adoption of amendment to Regulation 47.1-305 as a temporary rule, effective July 1, 1998, to comply with the state law and the delay resulting from compliance with the requirements of section 24-4-103 C.R.S. would be contrary to the public interest. Mr. Walter made the motion. Mr. Beltz and Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears briefly discussed the proposed rules changes to Rule 3 and Rule 5 and the new Rule 20. Mr. Fears asked that consideration of these rules be continued until June 24<sup>th</sup> at 9:00 a.m. The Chair called for a motion to continue consideration of Rule 3, 5 and new rule 20 until June 24, 1998 at 9:00 a.m. at 1881 Pierce Street in Lakewood, Colorado. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears presented the proposed Summary Suspension of the license of Frank Glover and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Frank Glover. Ms Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Houk, Ms. Dodson, Mr. Grimes, and Mr. Shuttleworth testified regarding the tax structure. Each indicated that tax relief was needed for smaller casinos and that some type of tax consideration should be given to casinos located in historical structures. Tax proposals with a 1% and .5% rate at the lower level presented

The Chair called for a motion to go into executive session at 2:55 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Beltz made the motion. Ms Harris seconded the motion. The motion was adopted.

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

The Chair called for a motion to renew the permanent operator and retailer licenses for 353 Myers Avenue Limited Partner, dba Jubilee Casino; Concorde Cripple Creek, Inc., dba Golden Gates Casino; and Jilly Billy Bones Casino Company, dba Johnny Nolon'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.

The Chair called for a motion to renew the permanent retailer license for 101 Main Street Limited Liability Company, dba Fitzgeralds Casino; 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. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator license for Imperial Palace of Mississippi, Inc., dba Imperial Palace; John A. Schaffer; and Earl Wallace Neudecker. These licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Further, with respect to the license of John A. Schaffer, the following condition shall apply:

Prior to the next renewal, Mr. Schaffer must provide the Division of Gaming with proof of the judgment set forth in the San Bernadino County Superior Court, California, case of Richard E. Shaw vs. Schaffer & Sanders Co., Inc., case No E005626, Superior Court Case No. VCV8478, has been satisfied.

Ms. Harris made the motion. Mr. Walter 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 Tivolino Teller House, Inc., dba The Teller House Casino, Inc. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of PDS Financial Corporation. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the following condition shall apply:

At its next annual stockholders meeting to be held in May 1999, PDS Financial Corp. will present for approval by the stockholders an amendment to their articles of incorporation. This amendment will contain the exact wording as contained in Colorado Limited Gaming Rules and Regulations Rule 4.5, or subject to investigation and approval, PDS Financial Corporation will create a wholly owned subsidiary in Colorado with articles of incorporation that contain the exact wording as appears in Rule 4.5.

Mr. Walter 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 Freomara, LLC. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the following condition shall apply:

The licensee shall not permit any person who is not properly licensed to place or service Freomara machines.

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

The Chair called for a motion to issue a permanent manufacturer/distributor license to Western Money Systems. This license shall be effective at 5:00 p.m. on June 18, 1998, and expire one year from the date of expiration. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue a subpoena duces tecum to Norwest Bank Colorado N.A., for the production of documents, in case number VA 98 068, and to authorize the Chair to execute the same on behalf of the Commission. The Subpoena shall be returnable on or before June 23, 1998, at 9:00 a.m., at the offices of the Colorado Division of Gaming, or at such earlier time or other location as the Division and Norwest Bank may agree. 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 May 14, 1998. Ms. Wheeler 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 4:25 p.m.



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Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
May 14, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:09 a.m. on May 14, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris, and Tom Beltz. Absent and excused was Phil Walter. Also attending were: Director of the Division of Gaming, George Turner; Director of Administration, Tom Kitts; Deputy Chief of Investigations, Jim Cain; Accountant, Janet Ford; Budget Officer, Linda Petkash; Investigators Laura Manning;; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Persons making a presentation in executive session included Mark Wilson and Pete Mang, Colorado Bureau of Investigation.

Chairman Hyatt opened the rulemaking for the gaming tax and device fee.

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

Ms. Martin and Mr. Eye testified to the gaming related impacts on Gilpin County.

Ms. Haley testified to the gaming-related impacts on Black Hawk.

Ms. Ford presented the Financial Reports and Balance Sheet for the month ending March 31, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance sheet for March 1998 and authorize distribution. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Yowell, Mr. Torres and Mr. Nilemo testified about the projects that the Department of Transportation plans for the gaming areas.

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

The meeting reconvened by Chairman Hyatt at 10:22 a.m.

Mr. Peterson and Mr. Harris, testified to the gaming-related impacts on Cripple Creek. They also asked that the commission to look at the rule which requires casinos to have a minimum number of personnel on the floor at all times, regardless of patronage. Mr. Peterson noted that by allowing fewer employees during a slow business time, more casinos may be able to stay open during winter.

The Chair called for a motion to approve the Minutes of the Meeting of April 16, 1998. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented Resolution No. 98-004, authorizing the Division of Gaming to disclose to David C. Conley the Colorado Grande Casino surveillance tape of August 30, 1997 pertaining to the patron dispute arising between Amporn Gray and Rosemary Bonfiglio. The Chair called for a motion to approve Resolution No. 98-004. Ms. Wheeler made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears presented to the proposes Summary Suspension of the license of Ralph Ramstetter and asked the Commission to approve the Summary Suspension. The Chair called for a motion to approve the Summary Suspension of the license of Ralph Ramstetter. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted

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

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

The meeting reconvened into public session at 1:30 p.m. By Chairman Hyatt

The Chair called for a motion to renew the permanent operator and retailer licenses for Harvey's C.C. Management Company, Inc., dba Harvey's Wagon Wheel Hotel and Casino. 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 Chair called for a motion to renew the permanent retailer license for Richman Properties, LLC, dba The Richman Casino; and The Lay's Palace, Ltd., dba The Palace Hotel, Ltd.. 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. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer licenses for Silver Hawk Casino, Inc. dba Silver Hawk Saloon and Casino This licenses shall be issued upon expiration of the current licenses and expire six months from the date of issuance. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retailer license, and approve the change of ownership as outlined in the investigative report for Terry's Café Limited Partnership, dba Maverick's Casino and Steak House. 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 approve the change of ownership as outlined in the investigative report for Horseshoe Casino, LLC, dba Canyon Casino. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of Video Lottery Consultants Inc., dba Video Lottery Consultants. 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. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue a permanent retailer license for Black Hawk/Jacob's Entertainment LLC, dba The Lodge Casino at Black Hawk at 240 Main Street, Black Hawk, Colorado; and Pioneer Group, Inc. dba Buffalo Billy's at 239 E. Bennett Avenue, Cripple Creek, Colorado. These license shall be effective at 5:00 .m. on May 14, 1998, and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Further, with respect to Pioneer Group, LLC, dba Buffalo Billy's the following condition shall apply: The licenseec shall be prohibited from employing Calvin Kinney, and from allowing Calvin Kinney to participate in the management of Buffalo Billy's. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. McCollick, Mr. Buckman, and Mr. Cassoni discussed the completion of soil surveys in the two gaming areas and noted that they would be asking for \$600,000 from the JBC over the next five years to fund these surveys. Chairman Hyatt noted that this seemed to be a high number and asked them to take another look at the numbers and come back to the commission in June.

Mr. Winkler testified to the gaming-related impacts on Teller County.

Mr. Lawrence and Mr. Drinkhouse testified to the gaming-related impacts on the City of Central.

Ms. Petkash reviewed with the Commission the amounts that each state agencies and local government agencies were requesting from the JBC for fiscal year 2000: Department of Public Health and Enviroment \$53,044; the Judicial Department \$231,248; and the Department of Transportation \$2,252,000.

The Chair called for a motion to authorized certification in those amounts indicated to the JBC. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Page 4 of 4  
May 14, 1998

The Commission set aside June 24, 1998 for hearing rule just in case the June 18 and June 19<sup>th</sup> meeting days run out of time to hear this proposed rule.

The Chair called for a motion to go into executive session at 2:50 p.m. for the purpose of hearing the enforcement report for Colorado Bureau of Investigations. Ms. Harris 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 3:05 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
April 16, 1998

The meeting was called to order by the Chairman of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:00 a.m. on April 16, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Shirley Harris, Tom Beltz and Phil Walter. 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; Investigators Laura Manning; Phil Spencer, Huck Henderson, and Steve Barber; and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Dan Corson; Barbara Paul; Lane Ittleson; Laura Reilley, Attorney at Law; Munir Meghjee. Persons making a presentation in executive session included Mark Wilson and Bob Brown, Colorado Bureau of Investigation.

Chairman Hyatt opened the rulemaking for the gaming tax and device fee.

Mr. Turner presented the Outline of Gaming Tax Methodology and asked the Commission to admit this into the record. The Commission admitted the Gaming Tax Methodology into the record.

Mr. Corson, Ms. Paul and Mr. Ittleson discussed their concerns with respect to the historical preservations in the gaming towns. They indicated that they believed casinos were not adhering to the intent of the Constitutional Amendment. The Commission commented that the Constitutional Amendment gave historical preservation authority to the gaming cities. The Commission asked Mr. Fears to look into this. Mr. Fears agreed to do so.

The Chair called for a motion to approve the Minutes of the Meeting of March 19, 1998. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

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

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

Mr. Fears presented a Voluntary Surrender of the license of Thiu Ha Thi Wolff and asked the Commission to approve the Voluntary Surrender. The Chair called for a motion to approve the Voluntary Surrender. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

Mr. Fears presented to the Voluntary Surrender of the license of James Smith and asked the Commission to approve the Voluntary Surrender. The Chair called for a motion to approve the Voluntary Surrender. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears and Mr. Meghjee briefly presented the Petition for Declaratory Order regarding Ken Peterson Enterprises, Inc. and Tivolino Teller House, Inc. After some discussion the Chair called for a motion to have the following procedure in this matter: Briefs are due by 5:00 p.m. on May 20 and the Division's Amicus Brief due by 5:00 p.m. on June 3. Response Briefs are then due by 5:00 p.m. on June 10. Oral argument to be set for the June Commission meeting. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Reilley requested the Commission to release information on the gaming application of Golden Rose Casino and related persons, including Stuart Boulter. After discussing the issues, the Chair called for a motion to approved the Resolution No. 98-002 (Attachment 1) Mr. Walter made the motion. Mr. Beltz seconded the motion. Ms. Harris opposed the motion. The motion was adopted.

Mr. Fears presented Resolution No. 98-003 (Attachment 2), giving the Ho-Chunk Nation Department of Justice Compliance access to Division of Gaming Investigative files for visual inspection only. The Chair called for a motion to approve the Resolution No. 98-003. Mr. Beltz 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 February 28, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for February 1998 and authorize distribution. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 11:45 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Ms Harris seconded the motion. The motion was adopted.

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

The meeting reconvened at 1:30 and returned to executive session.

The meeting reconvened into public session at 2:30 p.m. by Chairman Hyatt.

The Chair called for a motion to renew the permanent operator and/or retailer licenses for WMCK Acquisition Corp., dba Womack's Saloon & Gaming Parlor; Blue Building Development, Inc., dba Gold Digger's Inc.; Casino Holdings, Inc., dba The Brass Ass; Page

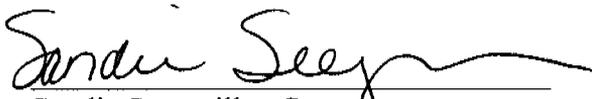
Holland Ventures, Inc., dba J.P. McGill's Hotel & Casino; DEC Inc., dba The Eureka! Ltd.; Ed & Shirley's, Inc., dba The Wild Card Saloon; Global Casinos, Inc., dba Bull Durham Saloon & Casino; Stage Stop Gaming Hall, Inc., dba Coyote Creek Casino; and Lady Luck Central City, Inc. These licenses shall 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.

The Chair called for a motion to renew the permanent manufacturer/distributor license of CDS Services Company. This licenses 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 approve the change of ownership as outlined in the investigative report for Gilpin Hotel Venture, dba The Gilpin Hotel Casino, Ltd., and to lift the condition referring to Kathy Dunlap previously imposed on the license. Mr. Walter made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator and retailer licenses, and approve the change of ownership as outlined in the investigative report for, Imperial Gaming Corp., dba Imperial Hotel & Casino Corp. This licenses shall be issued upon expiration of the current licenses and expire one year from the date of issuance. Ms. Harris 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 2:35 p.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**

**Minutes of Meeting**

**March 19, 1998**

The meeting was called to order by the Vice Chairperson of the Colorado Limited Gaming Control Commission, Marilyn Wheeler, at 9:00 a.m. on March 20, 1998, at 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Shirley Harris and Phil Walter. Due to weather conditions, Commissioner Dan Hyatt joined the meeting at 10:00 a.m. and Commissioner Tom Beltz joined the meeting telephonically for the adoption of the Division of Gaming's budget. Also attending were: 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; AIC for Central City/Black Hawk, Jim Huskey; Investigator, Will Lukela, and Assistant Attorney General, Tom Fears. Persons making presentations or giving testimony were: Jerry Smith and Jack Kirtland, Department of Local Affairs. Persons making a presentation in executive session included Pete Mang and Mark Wilson, Colorado Bureau of Investigation.

Mr. Voge presented the Financial Reports and Balance Sheet for the month ending January 31, 1998. The Vice Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for January 1998 and authorize distribution. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Vice Chair called for a motion to approve the Minutes of the Meeting of February 20, 1998. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Kirtland and Mr. Smith presented the Commission with the Department of Local Affairs budget request for FY 1999 in the amount of \$64,295. The Vice Chair called for a motion to approve the Department of Local Affairs budget request in the amount of \$64,295. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears presented a Stipulation and Agreement between the Division of Gaming and Alayna Roberson and asked the Commission to approve and sign the Stipulation and Agreement. The Vice Chair called for a motion to approve the Stipulation and Agreement between the Division of Gaming and Alayna Roberson. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears presented a proposed Order to Show Cause for Troy Moore. The Vice Chair called for a motion to issue an Order to Show Cause to Troy Moore and authorize the Vice Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears presented a proposed Summary Suspension for Thu Ha Thi Wolff. The Chair called for a motion to issue an Order to Summary Suspension to Thu Ha Thi Wolff and

authorize the Vice Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Chairman Hyatt joined the meeting at 10:00 a.m.

Mr. Fears discussed the proposed prehearing procedures rule. He asked the commissioners to review the proposed rule and to get back with him with their comments within the next few weeks.

The Chair called for a motion to go into executive session at 10:15 a.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenses and backgrounds of various applicants for gaming licenses. Mr. Walter made the motion. Ms Harris seconded the motion. The motion was adopted.

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

The Chair called for a motion to renew the permanent operator and/or retailer licenses for Cripple Creek Development Co., Inc., dba Gold Rush Hotel & Casino, Ltd.; Dedicated International, Inc., dba Black Hawk Station; Golden Rose Partnership, Ltd., dba Golden Rose Casino; Jazz Alley Casino, Inc., dba Jazz Alley Casino; and Virgin Mule Inc., dba Virgin Mule. 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.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of First Choice Coin Distributing Co., Northstar Gaming Ltd., and WMS Gaming Inc. 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. Wheeler seconded the motion.

The Chair called for a motion to approve the changes of ownership as outlined in the respective investigative reports for Gilpin Hotel Venture, dba The Gilpin Hotel Casino, Ltd.; and Richman Properties Ltd. Liability Co., dba The Richman Casino. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was recessed at 10:45 a.m. by Chairman Hyatt.

The meeting was reconvened at 11:15 a.m. and Mr. Beltz joined the meeting telephonically.

Mr. Beltz moved to adopt the Division of Gaming's budget request for FY 1999 in the amount of \$7,187,345. Mr. Walter seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:20 a.m.

  
Sandie Seegmiller, Secretary

**Colorado Limited Gaming Control Commission**  
Minutes of Meeting  
February 20, 1998

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:10 a.m. on February 20, 1998, 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 Investigations, Mel Grantham; Deputy Chief of Investigations, Jim Cain; Controller, Brent Voge; Budget Officer, Linda Petkash; Communications and Licensing Director, Don Burmania; Investigators, Laura Manning, Ken Fransk, Max Kettler, Ralph Henning, and Eric Hartsough; and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Mark Grueskin, from the Colorado Casino Owners Association, Pete Mang, Colorado Bureau of Investigation, Paul Cooke, Division of Fire Safety and Lonnie Westphal, Colorado State Patrol. 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 asked the Commission to inform the casinos on what type of information pertaining to taxes they want presented to them during the tax hearings. The Commission requested the overall growth in the industry, the viability of smaller casinos and industry's perception of the threat of competition. Mr. Grueskin also brought to their attention the Tabforce pull tab readers found in bingo halls.

Ms. Petkash present the Division of Gaming's budget request for fiscal year 1999. Mr. Beltz requested more information on the percentage of increase in the budget. The Chair called for a motion to postpone the Division of Gaming's budget request until March. Mr. Beltz made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was recessed at 10:15 a.m. by Chairman Hyatt.

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

Mr. Mang presented CBI's budget in the amount of \$611,113, noting that it was a continuation of last year's budget. The Chair called for a motion to approved Colorado Bureau of Investigation's budget request in the amount of \$611,113. 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 10:35 a.m. for the purpose of hearing reports from the Colorado Bureau of Investigations. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted

Mr. Cooke presented Division of Fire Safety's budget request in the amount of \$144,657 for fiscal year 1999. The Chair called for a motion to approve the Division of Fire Safety's budget in the amount of \$144,657. Mr. Beltz 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 December 31, 1997. The Chair called for a motion to approve and adopt the Financial Reports and Balance Sheet for December 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 January 20, 1998. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears presented a proposed Summary Suspension for Barbara Beethe. The Chair called for a motion to issue an Order to Summary Suspension on Barbara Beethe and authorize the chair to sign. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented a proposed Summary Suspension for Don Drumm. The Chair called for a motion to issue an Order to Summary Suspension on Don Drumm and authorize the chair to sign. Mr. Beltz made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Mr. Fears presented proposed Show Causes for: Joseph Nicholas, Michael Robinson, David Unrein, Cheryl Archuleta, and Ricky Lee Ball.. Mr. Fears asked the Commission to defer voting on these disciplinary actions until he had reviewed all eleven of them. The Commission agreed.

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

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

Mr. Westphal present Colorado State Patrol's budget request in the amount of \$1,120,523 for fiscal year 1999. The Chair called for a motion to approve Colorado State Patrol's budget request in the amount of \$1,120,523 for fiscal year 1999. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Fears continued to present the proposed Show Causes for, Calvin Hornsby, Bradley Downard, Paula Kittleson, Francis Napolitano, Matthew Meyer, and James Smith.

The Chair called for a motion to issue an Order to Show Cause to Joseph Nicholas and authorize the Chair to sign. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Michael Robinson and authorize the Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to David Unrein and authorize the Chair to sign. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Cheryl Archuleta and authorize the Chair to sign. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Ricky Lee Ball and authorize the Chair to sign. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Bradly Downard and authorize the Chair to sign. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Calvin Hornsby and authorize the Chair to sign. Ms. Harris made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Paula Kittelson and authorize the Chair to sign. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Francis Napolitano and authorize the Chair to sign. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to Mathew Meyer and authorize the Chair to sign. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue an Order to Show Cause to James Smith and authorize the Chair to sign. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Turner announced Mr. Grantham's pending retirement. Mr. Hyatt presented him with a plaque.

Mr. Fears reviewed with the Commission the motion to clarify fees regarding Leonard Hastings Ainsworth. The Chair called for a motion to direct Leonard Hastings Ainsworth to pay \$1,440 to the Division of Gaming, as previously billed by the Division, on or before March 23, 1998. The Division of Gaming may thereafter proceed by any lawful means to secure collection of that amount, plus costs and interest as may be provided by law for debt owed to the state of Colorado. Mr. Walter made the motion. Mr. Beltz seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 3:50 p.m. for the purpose of reviewing and considering applications for new and renewal, temporary and permanent licenser and backgrounds of various applicants for gaming licenses and reports from the Audit Section. 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 AGI Distribution, Inc. 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 renew the permanent manufacturer/distributor license of Atronic Casino Technology, Ltd. 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 condition upon the following: (1) Atronic Casino Technology, Ltd., Atronic International, and all their other related companies shall maintain internal controls which are adequate to prevent any employee from preparing any false documentation, such as "low value invoices" or similar documentation used to facilitate this scheme or any other similar unlawful scheme; and (2) Atronic Casino Technology, Ltd., Atronic International, and all their other related companies shall immediately report to the Colorado Division of Gaming any requests by its customers or any other person to participate in or facilitate "low value invoicing" or any other fraudulent scheme. Mr. Beltz 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 Video King Gaming Systems, Inc., dba Video King. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Further, the following two current conditions upon the license shall be continued: (1) Kenneth Stuart shall have no association or business relationship through Stuart Entertainment, Inc., dba Bingo King Company, Inc., directly or indirectly, with any Colorado Limited Gaming Licensee; and (2) Frank Nannicola shall have no association or business relationship through Stuart Entertainment, Inc., dba Bingo King Company, Inc., directly or indirectly, with any Colorado Limited Gaming Licensee. 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 and retailer licenses of Creeker's, Inc., dba Creeker's Casino. These licenses will 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.

The Chair calls for a motion to renew the permanent retailer license of, and approve the ownership change as outlined in the investigative report for, Red Dolly, Inc., dba Red Dolly Casino, Inc. This license will be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent manufacturer/distributor license to Novomatic Colorado, Inc. This license shall be effective at 5:00 p.m. on February 20, 1998, and expire one year from the date of issuance. Further, the license shall be conditioned upon the following: (1) Novomatic, any of its subsidiaries, or any of its employees shall be prohibited from associating with Robert Tavano; (2) Novomatic's consultant, Aubrey Zidenburg, shall not be utilized for any consulting work in the State of Colorado; (3) Novomatic and all its other related companies shall maintain internal controls which are adequate to prevent any employee from preparing any false documentation, such as "low value invoices" or similar documentation used to facilitate this scheme or any other similar unlawful scheme; and (4) Novomatic and all its other related companies shall immediately report to the Colorado Division of Gaming any requests by its customers or any other person to participate in or facilitate "low value invoicing" or any other fraudulent scheme. Mr. Walter 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 3:55 p.m.

  
Sandie Seegmiller, Secretary

## Colorado Limited Gaming Control Commission

Minutes of Meeting

January 16, 1998

The meeting was called to order by the Chairperson of the Colorado Limited Gaming Control Commission, Daniel Hyatt, at 9:05 a.m. on January 16, 1998, 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; 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, Gary Watada, Mark Hodges, and Rennea Jensen-Brown; Auditors: Jennifer Aragon, Mike Maestas and Deb Gorham; Slot Machine Technicians, Mike Lask and Ray Cherhoniak and Assistant Attorney General, Tom Fears. Person making presentations or giving testimony were: Mark Grueskin. Person making presentation in executive session included Pete Mang, Mark Wilson, Bob Brown and Larry Davel from the 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 showed the Commission brochures of video pull tab machines found in bingo halls that he argued fit under the statutory definition of a slot machine. Mr. Grueskin invited the Commission to visit one of the bingo halls that have this type of machine so they could view this machine for themselves. He also asked if the Commission would give the industry some idea of what the Commission feels is important to hear during tax hearings.

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

The Chair opened the rulemaking hearing concerning Rule 47.1- 1901, Gaming District – City of Black Hawk. Mr. Fears briefly reviewed Rule 1901 that the Commission had previously adopted on an emergency basis at its December 19, 1997, meeting. The Chair called for a motion to approve Rule 1901 as submitted on a permanent basis. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Investigators Gary Watada and Mark Hodges were sworn-in by Chairman Hyatt.

Introductions of Ray Cherhoniak, Mike Lask, Deb Gorham, Jennifer Aragon, and Mike Maestas as new Division of Gaming employees.

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

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

A presentation on a proposed imaging system for the Division of Gaming was given by Mr. Voge and Ms. Petkash.

The Chair called for a motion to approve the Minutes of the Meeting of December 16, 1997. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Grantham asked the Commission to authorize the Division to provide the New South Wales, Australia Department of Gaming and Racing with documents from the investigation file of Aristocrat Inc. The Commission asked for modifications to a resolution to provide such information and asked that the resolution be presented later during the meeting

The Chair called for a motion to go into executive session at 11:20 a.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 Audit Section. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

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

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

The hearing concerning Wolf Gaming, LLC was commenced with Sandie Seegmiller and Rennea Jensen Brown testifying. After hearing testimony, the Chair called for a motion to revoke Wolf Gaming, LLC's license effective at 3:00 p.m. on January 16, 1998, with the Commission reserving jurisdiction over Wolf Gaming, LLC and all persons approved to associate with and own Respondent to ensure the orderly windup of the gaming affairs of Wolf Gaming, LLC, and authorize the Chair to sign the order. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Fears reviewed with the Commission the request from Mr. Gordon Griener, attorney for Leonard Hastings Ainsworth, for extension of time within which to comply with the Commission's Order of December 24, 1997, directing the return of certain documents and records to the Division of Gaming. The Division of Gaming did not oppose this request. The Chair called for a motion to approve the extension of time to January 20, 1998, for the return of such documents as previously order in the Commission's Order of December 24, 1997. Ms. Wheeler 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 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. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

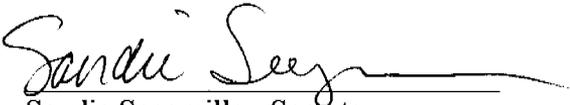
The Chair called for a motion to issue a permanent retailer license for Stage Stop Gaming Hall, Inc., dba as Gold Coin Casino, Inc. This license shall be effective at 5:00 p.m. on January 16, 1998, and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Further, the retail license shall be conditioned upon the surrender of the current license at that location. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue a permanent retailer license for Grimes Gaming Corporation, dba Lucky Strike Casino at Pete's Place. This license shall be effective at 5:00 p.m. on January 16, 1998, 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. In addition the licensee shall continue at the AGP level heretofore accrued during the current licensee at that location. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Grantham submitted the revised Resolution 98-01 to the Commission for their approval which would authorize disclosure of such records. The Chair called for a motion to adopt Resolution 98-01. Mr. Beltz made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session at 2:50 p.m. for the purpose of hearing reports from the Colorado Bureau of Investigations. 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 4:18 p.m.

  
Sandie Seegmiller, Secretary