

Colorado Limited Gaming Control Commission

Minutes of Meeting
January 20, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler, at 9:05 a.m. on January 20, 2000, at Division of Gaming, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Department of Revenue Senior Director, George Turner; Chief of Investigations, Huck Henderson; Deputy Chief, Jim Cain; Director of Administration, Linda Petkash; Public Information Specialist, Maren Rubino; Communications and Licensing Director, Don Burmania, Controller, Janet Ford; Chief Auditor Georgine Zalesky, Auditor Supervisors, Ron Kammerzell, Brenda Davis; Auditors, Flavio Quintana, Jennifer Aragon, Matt Slaney, Dan Hoppes; Investigator Supervisor, Laura Manning; Investigators, Will Lukela, Phil Dinan, Kendal Dittmer; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Cripple Creek office, Craig Bridgmon; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Mark Wilson and Bob Brown, Colorado Bureau of Investigation. Persons giving a presentation in public session were Ross Grimes and Joe Behm representing the Central City Business Improvement District.

Ms. Wheeler called for a motion to go into executive session at 9:06 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The meeting was recessed at 10:15 a.m.

The meeting was reconvened into public session at 10:28 a.m.

Mr. Grimes and Mr. Behm gave a brief speech regarding the roads to Central City and Black Hawk. Mr. Grimes requested \$10 million from the Commission to provide economic enhancement for the proposed Hidden Valley exit and four-lane road to Central City.

The Commission directed Ms. Williams to research the Commission's authority over this issue. After this is done the Commission will discuss this request.

The Chair called for a motion to issue a new permanent operator license to; Aristocrat, Inc. This license shall be effective at 5:00 p.m. on January 20, 2000 and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent retail license to; Blackhawk Brewery and Casino, LLC, dba Mardi Gras Casino. This license shall be effective at 5:00 p.m. on January 20, 2000 and expire one year from the date of issuance. Further, the standard conditions for a retail license shall apply. Ms. Harris 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 renew the permanent retail license of; Minter Holdings LLC, dba Johnny Nolon Saloon & Gambling Emporium. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of; Silicon Gaming-Colorado, 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. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to commence rulemaking hearings on proposed changes to Colorado Limited Gaming Regulations 47.1-207 and 47.1-426. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Mr. Burmania presented proposed changes to Colorado Limited Gaming Regulations 47.1-207 and 47.1-426.

The Chair opened the floor to anyone from the public who would like to testify regarding these proposed changes. No response was given from the public.

The Chair called for a motion to adopt the proposed changes to Colorado Limited Gaming Regulations 47.1-207. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the proposed changes to Colorado Limited Gaming Regulations 47.1-426. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Ford presented the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the five months ended November 30, 1999.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the five months ended November 30, 1999, and authorize its distribution. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Ford presented the fiscal year 2000 supplemental budget request for the Division of Gaming.

The Chair called for a motion to approve the fiscal year 2000 supplemental budget for the Division of Gaming in the amount of \$190,000. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Williams presented proposed Stipulation and Agreement in the matter of Tim John Erickson Case No. SA 99-024.

The Chair called for a motion to approve and authorize the Chair to sign the Order approving Stipulation and Agreement in the matter of Tim John Erickson Case No. SA 99-024 with the addendum that the Commission considers the violation to be a serious matter. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of December 16, 1999. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Mr. Kitts reviewed the proposed Commission Policy 2000-1.

The Chair called for a motion to adopt the proposed Commission Policy 2000-1. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

There being no further business to come before the Commission, the meeting was adjourned at 11:48 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting

February 17, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler, at 9:04 a.m. on February 17, 2000, at The Lodge Casino, 240 Main Street, Black Hawk Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Deputy Chief, Jim Cain; Director of Administration, Linda Petkash; Public Information Specialist, Maren Rubino; Communications and Licensing Director, Don Burmania, Controller, Janet Ford; Chief Auditor Georgine Zalesky, Investigator Supervisors, Laura Manning and Cliff Volz; Investigators, Kendal Dittmer; Karl Trump; Nick Reisdorff; Evin Kwiatkowski; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Cripple Creek office, Craig Bridgmon; Agent In Charge of the Lakewood office, Phil Wargo and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Bob Brown and Patrick Maroney, Colorado Bureau of Investigation. Persons giving a presentation in public session were Madill Barnes and Roger Baker, representing the City of Black Hawk and Ann Dodson, representing the Central City Business Improvement District.

Ms. Wheeler called for a motion to go into executive session at 9:05 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The meeting was recessed at 10:13 a.m.

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

The Chair addressed the request from the last January 20, 2000 Meeting from Mr. Grimes requesting \$10 million from the Commission to provide economic enhancement for the proposed Hidden Valley exit and four-lane road to Central City. The Chair stated that the Attorney General's opinion is the Commission may not directly fund such requests and there are other sources for the funds.

Ms. Dodson addressed the Commission telling them that they will probably come before the Commission in the future. They want the Commission to work with them regarding their request and to help facilitate this request.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses to; AGI Distribution, Inc. and Atronic Americas, 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. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail licenses of; Colorado Casino Resorts, Inc., dba Creeker's Inc.; Gold Rush I, LLC dba Gold Rush Hotel & Casino and Gold Rush I, LLC dba Gold Digger's Casino. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to approve the renewal and change of ownership of the permanent manufacturer/distributor license of; Novomatic Colorado, Inc. 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. Meyer seconded the motion. The motion was adopted.

Ms. Ford presented the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the six months ended December 31, 1999.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the six months ended December 31, 1999, and authorize its distribution. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of January 20, 2000. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented proposed Summary Suspension in the matter of Eric Jay Brink Case No. SS 00-001.

The Chair called for a motion to approve and authorize the Chair to sign the Order approving Summary Suspension in the matter of Eric Jay Brink Case No. SS 00-001. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted. This case is set for a hearing date of March 15, 2000 at 1:30 p.m.

Ms. Williams presented proposed Summary Suspension in the matter of Kory Lynn Pendergraft Case No. SS 00-002.

The Chair called for a motion to approve and authorize the Chair to sign the Order approving Summary Suspension in the matter of Kory Lynn Pendergraft Case No. SS 00-002. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted. This case is set for a hearing date of March 15, 2000 at 2:00 p.m.

Ms. Williams presented proposed Summary Suspension in the matter of Cory R. Lovingier Case No. SS 00-003.

The Chair called for a motion to approve and authorize the Chair to sign the Order approving Summary Suspension in the matter of Cory R. Lovingier Case No. SS 00-003. Ms. Meyer made the motion. Ms. Harris seconded the motion. The motion was adopted. This case is set for a hearing date of March 15, 2000 at 3:00 p.m.

There being no further business to come before the Commission, the meeting was adjourned at 11:00 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
March 16, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler, at 9:02 a.m. on March 16, 2000, at Division of Gaming, 1881 Pierce Street Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Chief of Investigations, Huck Henderson; Deputy Chief, Jim Cain; Director of Administration, Linda Petkash; Public Information Specialist, Maren Rubino; Communications and Licensing Director, Don Burmania, Controller, Janet Ford; Chief Auditor Georgine Zalesky; Auditor Rachelle Nemeck; Investigator Supervisors, Laura Manning and Steve Barber; Investigators, Will Lukela, Kendal Dittmer; Karl Trump and Evin Kwiatkowski; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Lakewood office, Phil Wargo and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were Pete Mang and Deputy Director, Robert Cantwell, Colorado Bureau of Investigation; Chief Lonnie Westphal, State Patrol; Paul Cooke, Division of Fire and Safety; Jack Kirtland, Department of Local Affairs; Ari Zavaras, Director of Public Safety and Craig Ramirez representing Red Dolly Casino.

Ms. Wheeler called for a motion to go into executive session at 9:03 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The meeting was recessed at 9:50 a.m.

The meeting was reconvened into public session at 10:05 a.m.

The Chair opened the meeting to anyone from the public who would like to address the Commission. Mr. Ramirez addressed the Commission thanking them for the tax break and complimenting the Division stating that it is a pleasure to work with the Division's Investigators and Auditors.

The Chair commenced the rulemaking hearings on proposed changes to Colorado Limited Gaming Regulation 47.1-1017.16. Mr. Wargo was sworn in and gave a presentation of the proposed changes.

The Chair asked if there was anyone from the public who would like to testify regarding these proposed changes. No one responded.

The Chair called for a motion to adopt the proposed changes to Colorado Limited Gaming Regulation 47.1-1017.16. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail licenses of; BWBP, Inc., dba Bullpen Sports Casino and Red Dolly, Inc., dba Red Dolly Casino, Inc. 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. Millman seconded the motion. The motion was adopted.

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

The Chair called for a motion to issue a new permanent operator license to; Spin For Cash Wide Area Progressive Joint Venture. This license shall be effective at 5:00 p.m. on March 16, 2000 and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent manufacturer/distributor license to; Spin For Cash Wide Area Progressive Joint Venture. This license shall be effective at 5:00 p.m. on March 16, 2000 and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Westphal presented the proposed FY 2001 budget request of State Patrol in the amount of \$1,055,184.

The Chair called for a motion to approve the FY 2001 budget request of State Patrol in the amount of \$1,055,184. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Mr. Mang presented the proposed FY 2001 budget request of the Colorado Bureau of Investigation in the amount of \$652,938.

The Chair called for a motion to approve the proposed FY 2001 budget request of the Colorado Bureau of Investigation in the amount of \$652,938.

Mr. Cooke presented the proposed FY 2001 budget request of the Division of Fire and Safety in the amount of \$143,521.

The Chair called for a motion to approve the FY 2001 budget request of the Division of Fire and Safety in the amount of \$143,521. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Petkash presented the proposed FY 2001 budget request of the Division of Gaming in the amount of \$6,625,638.

The Chair called for a motion to approve the FY 2001 budget request of the Division of Gaming in the amount of \$6,625,638. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Kirtland presented the proposed FY 2001 budget request of the Department of Local Affairs in the amount of \$68,909.

The Chair called for a motion to approve the FY 2001 budget request of the Department of Local Affairs in the amount of \$68,909. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Mr. Zavaras addressed the Commission stating that he is present to view the budget process and he is impressed with the process.

Mr. Burmania presented the Tribal Gaming Impact Study. The Chair instructed Mr. Burmania to have Deloitte and Touche at the next Commission Meeting to discuss their reports.

Ms. Ford presented the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the seven months ended January 31, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the seven months ended January 31, 2000, and authorize its distribution. Ms. Harris made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of February 17, 2000. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented proposed Summary Suspension in the matter of Stephanie Marie Duran Case No. SS 00-004.

The Chair called for a motion to approve and authorize the Chair to sign the Order approving Summary Suspension in the matter of Stephanie Marie Duran Case No. SS 00-004. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted. This case is set for a hearing date of March 30, 2000 at 8:30 a.m.

The Chair swore in new investigator Evan Kwiatkowski.

There being no further business to come before the Commission, the meeting was adjourned at 12:20 p.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting April 27, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler at 9:03 a.m. on April 27, 2000, at the Division of Gaming offices, 1881 Pierce Street Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Chief of Investigations, Huck Henderson; Deputy Chief, Jim Cain; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Controller, Janet Ford; Chief Auditor, Georgine Zalesky; Supervisory Auditors, Ron Kammerzell, Brenda Davis and Flavio Quintana; Auditors, Rachel Gregory, Jennifer Aragon, Dan Hoppes and Deb Gorham; Agent In Charge of the Lakewood office, Phil Wargo; Agent In Charge of the Central City office, Jim Huskey; Acting Agent In Charge of the Cripple Creek office, Steve Bartley; Investigator Supervisors, Laura Manning and Vic Freburg; Investigators, Will Lukela, Carl Trump, Bill Garrett and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were Jim Huyghebaert and Susan Conwell, Department of Revenue, Office of Tax Analysis; Robert Schein, Deloitte & Touche; Mac Seelig, Tom McCormick and Chris Whitney, Atlantic City Coin & Slot Service Company, Inc.; Michael Dereckson, Front Range Gaming Inc.; Pat Minnix, Lori Atencio, Rich Nathan, I.G.T.

Ms. Wheeler called for a motion to go into executive session at 9:05 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was recessed at 10:55 a.m.

The meeting was reconvened into public session at 11:10 a.m.

The Chair called for a motion to renew the permanent retail licenses of Black Hawk/Jacobs Entertainment LLC, dba The Lodge Casino at Black Hawk; DEC Inc., dba The Eureka! Ltd.; Dedicated International, Inc., dba Black Hawk Station Inc.; Ed and Shirely's Inc., dba The Wild Card Saloon; Harveys C.C. Management Co., Inc., dba Harveys Wagon Wheel Hotel and Casino; Jazz Alley Casino, Inc.; Pioneer Group Inc., dba Buffalo Billy's Casino; and Virgin Mule Inc. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent manufacturer/distributor license to Atlantic City Coin and Slot Service Co., Inc. This license shall be effective at 5:00 p.m. on April 27, 2000 and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new retail license to Front Range Gaming Inc., dba Wild West Casino and Brewery. This license shall be effective at 5:00 p.m. on April 27, 2000 and

expire one year from the date of issuance. All standard conditions for retail licenses shall apply. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Freburg introduced Mac Seelig and Tom McCormick from Atlantic City Coin and Slot Service Co., Inc. and Chris Whitney, attorney for the licensee.

Mr. Garrett introduced Michael Dereckson from Front Range Gaming Inc. Mr. Dereckson briefly stated he is looking forward to doing business in Colorado.

The Chair called for a motion to open hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Petkash and Mr. Huyghebaert gave an overview and presentation of tax methodology.

The Chair opened the meeting to anyone from the public who would like to address the Commission on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. No one from the public responded.

The Chair called for a motion to close hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401 and continue these hearings on May 18, 2000, at 9:00 a.m. at 1881 Pierce Street, Suite 110, Lakewood. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone from the public who would like to address the Commission. Mr. Nathan addressed the Commission regarding the agreement reached in December, concerning IGT's position on involvement with Internet Gaming.

Mr. Schein gave a presentation to the Commission regarding the Tribal impact studies addressing all of their questions. Mr. Walter asked that Mr. Schein get back to the Commission regarding his question of contact with the FBI and B.I.A. during data collection for the studies.

Ms. Zalesky presented the Instant Winner Statewide Area Progressive from I.G.T. Mr. Minnix, Ms. Atencio and Mr. Nathan addressed questions from the Commission.

The Chair called for a motion to approve the Instant Winner Statewide Area progressive as submitted by I.G.T. Ms. Meyer made the motion. Ms Harris seconded the motion. The motion was adopted.

Ms. Ford presented the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the eight months ended February 29, 2000 and authorize its distribution. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of March 16, 2000. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Discussion was held regarding scheduling a second day for tax hearings in June. The Commission decided to schedule an additional day on Friday, June 16, 2000 for tax hearings if a second day is needed.

Ms. Williams presented proposed Summary Suspension in the matter of Brian T. Heller Case No. SS 00-006.

The Chair called for a motion to approve and authorize the Chair to sign the Order Approving Summary Suspension in the matter of, Brian T. Heller Case No. SS 00-006. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to go into executive session to discuss findings in the case of Steven Nowak, Case No. GAD 00-010. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 12:46 p.m.

There being no further business to come before the Commission, the meeting was adjourned at 12:47 p.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting

May 18, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler at 8:34 a.m. on May 18, 2000, at the Division of Gaming offices, 1881 Pierce Street Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Chief of Investigations, Huck Henderson; Deputy Chief, Jim Cain; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Controller, Janet Ford; Chief Auditor, Georgine Zalesky; Agent In Charge of the Central City office, Jim Huskey; Investigator Supervisors, Laura Manning, Vic Freburg and Steve Barber; Investigators, Will Lukela, Carl Trump and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were Ron Cattany and Loretta Pineda, Department of Natural Resources; Ken Eye, Gilpin County; Bruce Nilemo, Brian Pinkerton, Jim Brady and Carl Watson, Department of Transportation; Roger Baker, City of Black Hawk; Don Mattivi, City of Central; Kip Peterson, City of Cripple Creek; Jack Kirtland, Department of Local Affairs; Georgiana Contigula and Mark Wolf, State Historical Society; Ross Grimes and Phil Lorenzo attorney for Leonard Hastings Ainsworth.

Ms. Wheeler called for a motion to go into executive session at 8:35 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 9:24 a.m.

The Chair called for a motion to renew the permanent retail licenses of Casino Holdings, Inc., dba Brass Ass Casino; Holland Ventures, Inc., dba J.P. McGill's Hotel & Casino; The Lay's Palace, Ltd., dba The Palace Hotel, Ltd.; WMCK Acquisition Corp., dba Womack's Saloon & Gambling Parlor. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail license and approve the change of ownership of Imperial Gaming Corporation, dba Imperial Hotel & Casino Corp. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor license of CDS Services Company; PDS Financial Corporation – Colorado and Western Money Systems, Inc. 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. Ms. Harris seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone from the public who would like to address the Commission. No one from the public responded.

The Chair called for a motion to open hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Petkash gave an overview of the various State agencies that would be providing information to the Commission. She noted specifically that these agencies were not seeking funding directly from the Commission, but would in fact, be requesting funding from the Legislature for gaming related impacts. She presented information that was provided in written form from the Judicial Department and the Department of Public Health and Environment. The Judicial Department identified \$280,377 for 7 additional court clerks and .55 FTE judgeships in Gilpin and Teller Counties. These on-going impacts have been funded by the Legislature since FY 1995. The Department of Public Health and Environment identified impacts in the amount of \$44,826 for increased workloads associated with food service inspections in the three gaming towns. This on-going impact has also been funded by the Legislature since FY 1995.

The Chair opened the meeting to anyone from the public who would like to address the Commission on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. No one from the public responded.

Mr. Cattany and Ms. Pineda of the Department of Natural Resources presented information and a short video to the Commission on abandoned mines and how to educate visitors to the gaming counties on the hazards of inactive and abandoned mines. The Department has received \$111,665 since FY 1996 to accelerate the closure of abandoned in the gaming areas. Information was also presented on the soil survey program. The Department has received \$28,000 since FY 2000 to

support the completion of the soil surveys in the two gaming areas and will be part of their FY 2002 continuation budget request to the Legislature. The Department presented to the Commission an additional gaming impact that will be part of their FY 2002 budget request for \$30,000 for a satellite-monitoring gauge above Black Hawk. This gauge would be part of a flood warning system.

Mr. Winkler, Teller County Administrator, gave an overview of the impacts gaming has had on Teller County. He noted that the passage of legislation several years ago making the host counties eligible for Local Government Limited Gaming Impact Funds benefited the County greatly by allowing them to compete for grant funds for gaming impacts. Prior to that time, their direct distribution from the Limited Gaming Fund was not sufficient to cover their impacts. In his testimony, Mr. Winkler stated he believed the tax decrease implemented in 1999 was good for the industry and good for Teller County in the long run. He urged the Commission to leave taxes and device fees at the level they are currently.

Mr. Eye, Gilpin County Commissioner, gave an overview of gaming impacts in Gilpin County. He stated the general welfare of the County is very positive. The County, Central City and Black Hawk have executed an Intergovernmental Agency Agreement regarding a 20-year growth plan. The County Justice Center was paid off early; and, new fairgrounds and a community center are future projects that will be built without additional debt being incurred. In his testimony, Mr. Eye noted the current level of funding from their Limited Gaming Fund distribution provides adequate funds to serve and address gaming-related impacts in Gilpin County.

Mr. Nilemo, Mr. Pinkerton, Mr. Brady and Mr. Watson of the Department of Transportation gave a presentation on FY 2002 highway projects in the gaming areas. The gaming fund request for construction, maintenance, and rock fall mitigation in the State Highways 6 and 119 corridors

(Black Hawk and Central City) totals \$2,957,000. Construction and maintenance projects for State Highways 24 and 67 to Cripple Creek include a request for \$5,467,000 from gaming funds. Requested projects in Southwest Colorado would be funded with \$469,000 gaming funds. The total cost of the projects identified that will be submitted to the Legislature is \$19,185,675. The gaming fund request for these projects is \$8,893,000, with the balance from matching state highway funds.

Mr. Baker, Interim City Manager, presented an annual report on the impacts gaming has had on the City of Black Hawk, including the new pipeline construction to bring water from Clear Creek, near the Hidden Valley exchange on I-70 to the city.

The Chair opened the meeting to anyone from the public who would like to address the Commission.

Mr. Grimes gave testimony regarding historical building in the gaming districts, and asked the commission to give consideration to casinos located in historic buildings.

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

The meeting was reconvened at 1:45 p.m.

Mr. Mattivi, Mayor of Central City, gave a presentation on gaming related impacts on city revenues, infrastructure, capital projects, and financial information in the City of Central. During his presentation, Mr. Mattivi requested that the Commission maintain the existing tax structure for the gaming industry.

Mr. Peterson, Cripple Creek City Administrator, gave a presentation on the City's goals and objectives for 2000. The City of Cripple Creek recommended that the current tax structure remain the same for the coming fiscal year to create a strong industry, which is the ultimate benefit for the City.

Mr. Kirtland of the Department of Natural Resources gave a summary of grant requests and awards from the Local Government Limited Gaming Impact Fund for state fiscal years 1998 and 1999. He noted that fiscal year 2000 grant requests were currently being submitted to the Department. Mr. Kirtland noted that the largest impacts have been in the areas of road and bridge projects and emergency medical services.

Ms. Ford presented the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the nine months ended March 31, 2000 and requested the Commission authorize its distribution. Ms. Meyer made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of April 27, 2000. Mr. Walter made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The meeting was recessed at 3:00 p.m.

The meeting was reconvened at 3:10 p.m.

Ms. Contigula and Mr. Wolff of the State Historical Society provided the Commission information concerning programs administered by the State Historical Society. They noted Colorado's program is a model in the United States.

The Chair called for a motion to close hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401 and continue these hearings on June 15, 2000, at 9:00 a.m. at 1881 Pierce Street, Suite 110, Lakewood. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented a proposed Show Cause in the matter of Case No. SC 00-002 Colorado Casino Resorts, Inc., dba Double Eagle Resorts, Inc., License No. L03-67370; and dba Creeker's Inc., License No. 15-08483.

The Chair called for a motion to approve and authorize the Chair to sign the Order Approving Show Cause in the matter of, Case No. SC 99-002, License No. 03-67370-0001 Colorado Resorts Inc., dba Double Eagle Resorts Inc., and License No. 15-08483-0001, Colorado Casino Resorts Inc., dba Creeker's Inc. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Lorenzo addressed the Commission regarding the Petition For An Adjudicatory Hearing And, Or In The Alternative, Request For A Declaratory Judgement.

The Commission requested Conflicts Counsel to address the issue of the Petition for an Adjudicatory Order. The Commission will decide whether or not to rule on this matter by the next Commission meeting.

Mr. Kitts announced to the Commission that Deputy Chief Jim Cain would be retiring from the Division at the end of August, but this would be his last meeting in front of the Commission. Mr. Cain addressed the Commission stating he has enjoyed his career with the state.

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

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting

June 15, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler at 9:03 a.m. on June 15, 2000, at the Division of Gaming offices, 1881 Pierce Street Suite 110, Lakewood, Colorado. Present were Commissioners Marilyn Wheeler, Natalie Meyer, Shirley Harris and Rob Millman. Absent and excused was Commissioner Phil Walter. Also in attendance were: Acting Director of the Division of Gaming, Linda Petkash; Senior Director of Enforcement, George Turner; Chief of Investigations, Huck Henderson; Communications and Licensing Director, Don Burmania; Public Information Specialist, Maren Rubino; Controller, Janet Ford; Chief Auditor, Georgine Zalesky; Supervisor Auditor, Brenda Davis; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Lakewood office, Phil Wargo; Investigator Supervisors, Laura Manning, Vic Freburg; Investigators, Carl Trump and Kendal Dittmer and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were: Jim Huyghebaert, Susan Conwell, Office of Tax Analysis; Larry Barton and Ed Meier, Duree and Company; Mark Grueskin, Counsel for the Casino Owners Association of Colorado; Ross Grimes and Ann Dodson, Famous Bonanza Casino, Easy Street Casino and Pete's Place Casino; Scott Rhoda and Don Rosen, Cripple Creek Owners Association.

The Chair called for a motion to go into executive session at 9:03 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:52 a.m.

The Chair called for a motion to excuse the absence of Commissioner Walter. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of Freomara L.L.C. and VLC Inc. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator license of John A. Schaffer. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail license of Concorde Cripple Creek Inc.; Grimes Gaming Corporation, dba Easy Street Casino and Richman Properties, L.L.C. dba The Richman Casino. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

For the purposes of Section 24-4-104(7) of the Administrative Procedures Act, the Chair called for a motion to deem the renewal applications of Global Central Corp and Global Casinos Inc. to be timely filed. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Petkash addressed the Commission regarding the request from CBI to transfer monies from their personal services line of its FY2000 budget to the operating line of its budget to pay the expense of moving the gaming unit.

The Chair called for a motion to approve the Colorado Bureau of Investigation's request to transfer \$19,500 from the personal services line of its FY2000 budget to the operating line of its budget. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission on any items that were not on the agenda. No one from the public responded.

The Chair called for a motion to open hearings on proposed amendments to Colorado Gaming Regulations 47.1-303 and 47.1-305. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Mr. Burmania gave a presentation on proposed license fee changes. Mr. Burmania stated based upon the fee analysis conducted by the Division and upon requests from the industry to lower fees to attract more workers in a tight market, the Division recommended the Commission use an alternative method of allocating overhead costs and adopt the following two-year license fees for fiscal year 2001:

Support – New	\$100.00
Support – Renewal	\$ 60.00
Key – New	\$150.00
Key – Renewal	\$100.00

Mr. Burmania stated that reducing the fees to these levels would result in \$305,600 (out of an estimated \$94.3 million in projected revenues) in reduced revenues for the Limited Gaming Fund in FY2001, compared to maintaining the current fees and based upon the projected number of licenses we anticipate receiving during the year.

Mr. Grueskin addressed the Commission stating the industry would support the reduction in the licensing fees.

Ms. Dodson addressed the Commission in support of the reduction in the licensing fees.

Ms. Petkash gave testimony on the current \$53.00 hourly rate charged for background investigations. Based on the Divisions review, the Division is requesting the Commission to decrease the fees charged for background investigations from \$53.00 an hour to \$51.00 an hour.

The Chair opened the meeting to anyone else from the public who wanted to address the Commission on proposed amendments to Colorado Gaming Regulations 47.1-303 and 47.1-305. No one from the public responded.

The Chair called for a motion to close hearings on proposed amendments to Colorado Gaming Regulations 47.1-303 and 47.1-305 and continue until the afternoon. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to open and continue hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Mr. Huyghebaert, Ms. Conwell and Mr. Barton presented information on the analysis of standard financial statements data and exhibits for the calendar year ended December 31, 1999 on casinos in the industry. Gaming tax and AGP comparisons were presented for the fiscal years 1998, 1999 and 2000.

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

The meeting was reconvened at 1:36 p.m.

The Chair called for a motion to go into executive session to receive confidential financial information on individual casinos. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 2:43 p.m.

The Chair opened the meeting to anyone from the public who wanted to address the Commission on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes.

Mr. Grueskin addressed the Commission giving a brief presentation of current salaries in the gaming towns and addressing the decrease in the taxes for the last fiscal year. Mr. Grueskin extended a thank you to the Commission for lowering the tax rates last year. He stated that the industry is in support of leaving the tax rate the same for the next fiscal year.

Mr. Rhoda and Mr. Rosen gave a presentation in support of leaving the tax rate the same. They stated that the money retained by the casinos over the last year as a result of lower tax rates, has benefited the industry, City of Cripple Creek and Teller County. The City of Cripple Creek is taking 10% of the local device fees collected and putting this money towards bringing in non-gaming businesses such as a grocery store and dry cleaners. This is a three year plan. Mr. Rosen gave a brief overview of all of the new projects in Cripple Creek.

The meeting was recessed at 3:20 p.m.

The meeting was reconvened at 3:33 p.m.

Mr. Burmania presented proposed amendments to Colorado Gaming Regulation 47.1-1401, changing the reference to the Contiguous County program to the Local Government impact program. The amendment would strike “in those counties statutorily defined as contiguous in the limited gaming act of 1991” and replace it with “FOR STATUTORILY DEFINED ENTITIES ELIGIBLE FOR THE LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND”.

Mr. Grimes and Ms. Dodson gave testimony in support of the lower tax rate established last year. They proposed the following amendment to rule 47.1-1401 “All casinos operating in structures which have maintained a frontal façade relatively unchanged from it’s original form and material as constructed previous to WWI shall pay a maximum gaming tax of .25%”.

The Chair gave anyone from the public the opportunity to address the Commission on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming and Device Taxes. No one responded.

The Commission commenced deliberation on the gaming tax rates.

The Chair called for a motion to amend Colorado Gaming Regulation 47.1-1401 striking “in those counties statutorily defined as contiguous in the limited gaming act of 1991” and replace it with “for statutorily defined entities eligible for the local government limited gaming impact fund.” Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The Chair called for a motion to close hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to open and continue hearings on proposed amendments to Colorado Gaming Regulation 47.1-303 and 47.1-305. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Commission commenced deliberation on the licensing fees.

The Chair called for a motion to change the hourly investigation fee to the rate of \$51.00 and amend Colorado Limited Gaming Regulation 47.1-305 to reflect the \$51.00 per hour rate in place of the current \$53.00 per hour rate effective July 1, 2000. Ms. Meyer made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to amend the license fees as follows and amend Colorado Limited Gaming Regulation 47.1-303 to reflect the amended fees. The fee for original Key employee license and the fee for renewal of Key employee license shall be unchanged. The fee for an original support employee license shall be \$100.00 and the fee for the renewal of a support employee license shall be \$60.00. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion passed three to one with Ms. Harris voting no.

The Chair called for a motion to adopt and authorize the Chair to sign the resolution concerning emergency amendments to Colorado Gaming Regulation 47.1-303 and 47.1-305. Mr. Millman made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Meyer requested Mr. Grueskin and the Cripple Creek Owners Association to track the impact of the new support fees over the next year. Ms. Meyer would like to know how many of the casinos are paying the fees for support employees and whether or not this is less of an impediment for employees. The information will be considered next year when looking at the fees.

The Chair called for a motion to close hearings on proposed amendments to Colorado Gaming Regulation 47.1-303 and 47.1-305. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Ford presented the Division Financial Statements for the ten months ended April 30, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the ten months ended April 30, 2000 and authorize its distribution. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Petkash acknowledged that Commissioner Harris was re-appointed for another four-year term.

Ms. Petkash asked that the Commission approve the FY2001 Memoranda of Understanding between the Commission and the Department of Local Affairs, Colorado Bureau of Investigation, Division of Fire Safety and Colorado State Patrol.

The Chair called for a motion to approve the Fiscal Year 2001 MOUs between the Commission and the Department of Local Affairs, Colorado Bureau of Investigation, Division of Fire Safety and Colorado State Patrol, and authorize the Chair to sign on behalf of the Commission. Ms. Meyer made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to certify that the requests to the Joint Budget Committee for fiscal year 2002 were considered by the Commission when setting the gaming tax rate starting July 1, 2000, and were deemed to be gaming-related: Judicial Department \$280,377; Natural Resources, \$169,665; Public Health & Environment, \$44,826; and Department of Transportation, \$8,893,000. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of May 18, 2000. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented Stipulation and Agreement SA 00-001 in the matter of Colorado Casino Resorts, Inc. dba Double Eagle Resorts, Inc. license number L03-67370-0000 and license number L15-08483-0000 Creeker's Inc.

The Chair called for a motion to approve and authorize the Chair to sign the Stipulation and Agreement in the matter of Colorado Casino Resorts, Inc. dba Double Eagle Resorts, Inc. license number L03-67370-0000 and license number L15-08483-0000 Creeker's Inc. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented Order to Show Cause Case No. SC 00-001 in the matter of Erik Jorgenson.

The Chair called for a motion to approve and authorize the Chair to sign the Order to Show Cause Case No. SC 00-001 in the matter of Erik Jorgenson, license number 22296. Ms. Harris made the motion. Ms. Meyer seconded the motion. The motion was adopted.

Ms. Williams presented Order to Show Cause Case No. SC 00-003 in the matter of Global Casinos, Inc. dba Bull Durham Saloon & Casino, license number L15-07977.

The Chair called for a motion to approve and authorize the Chair to sign the Order to Show Cause Case No. SC 00-003 in the matter of Global Casinos, Inc. dba Bull Durham Saloon & Casino, license number L15-07977. Ms. Meyer made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented Order to Show Cause Case No. SC 00-004 in the matter of Global Central Corp. dba Tollgate Casino, license number L14-38749.

The Chair called for a motion to approve and authorize the Chair to sign the Order to Show Cause Case No. SC 00-004 in the matter of Global Central Corp. dba Tollgate Casino, license number L14-38749. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams informed the Commission that Brian Heller has appealed Hearing Officer Meyers decision to suspend his gaming license. He is requesting a hearing before the whole Commission some time after June 19, 2000.

Ms. Petkash informed the Commission that SB122 was vetoed by the Governor. The Commission was also informed the GOCO initiative had been withdrawn as of June 14, 2000.

The Chair called for a motion to go into executive session for the purpose of meeting with the Commissions conflicts counsel to discuss the Petition for Adjudicatory hearing in the matter of Leonard Hastings Ainsworth. Ms. Harris made the motion. Ms. Meyer seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 5:37 p.m.

In consideration of the Petition for Adjudicatory Hearing in the matter of Leonard Hastings Ainsworth, Mr. Millman moved to treat this petition as one for declaratory judgment pursuant to Colorado Gaming Regulation 47.1-601 and 47.1-602. Ms. Meyer seconded the motion. The motion was adopted.

Mr. Millman moved that as a request for declaratory hearing, the Commission dismiss it on the grounds that it fails to state a claim upon which relief can be granted pursuant to Colorado Gaming Regulation 47.1-601 or 47.1-602. Ms. Harris seconded the motion. The motion was adopted.

The Chair stated that a written order would be issued and mailed out to Mr. Lorenzo.

The meeting was adjourned at 5:38 p.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting July 21, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Marilyn Wheeler at 9:07 a.m. on July 21, 2000, at the Division of Gaming offices, 142 Lawrence Street, Central City, Colorado. Present were Commissioners Marilyn Wheeler, Phil Walter, Natalie Meyer, Shirley Harris and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Executive Director of the Department of Revenue, Fred Fisher; Communications and Licensing Director, Don Burmania; Controller, Janet Ford; Chief Auditor, Georgine Zalesky; Supervisor Auditors, Ron Kammerzell and Flavio Quintana; Auditors, Dan Hoppes, Jennifer Aragon, Rachel Gregory, Mike Maestas, Matt Slaney and Michael Duren; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Lakewood office, Phil Wargo; Investigator Supervisors, Laura Manning, Vic Freburg, Phil Dinan and Steve Bartley; Investigators, Kendal Dittmer and Mike Lask; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang, Colorado Bureau of Investigation. Persons giving a presentation in public session were: Linda Wright and Ron Hinton, Colorado State Patrol.

The Chair called for a motion to go into executive session at 9:07 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 11:13 a.m.

The Chair relinquished its position to Ms. Williams to open the voting on the Chair and the Vice Chair for the Colorado Limited Gaming Control Commission for Fiscal year 2001.

Ms. Williams opened nominations for the Chair for fiscal year 2001. Mr. Walter nominated Ms. Meyer. Ms. Harris seconded the nomination. Hearing no other nominations, Ms. Williams called for a motion to close the nominations. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted. After hearing no debate on the nomination, Ms. Williams called for a vote on the nomination. Ms. Meyer was unanimously elected Chair.

Ms. Meyer commended Ms. Wheeler on a very successful year and a job well done as the Chair.

Ms. Williams opened nominations for the Vice Chair for fiscal year 2001. Ms. Meyer nominated Mr. Walter. Ms. Harris seconded the nomination. Hearing no other nominations, Ms. Williams called for a motion to close the nominations. Ms. Meyer made the motion. Mr. Millman seconded the motion. The motion was adopted. After hearing no debate on the nomination, Ms. Williams called for a vote on the nomination. Mr. Walter was unanimously elected Vice Chair.

The Chair called for a motion to renew the permanent manufacturer/distributor licenses of Aristocrat Technologies, Inc.; Bally Gaming, Inc., dba Bally Gaming and Systems; IGT; IGT-Colorado Corporation; Royal Bell, LTD., dba Mills Bell-O-Matic Sales Company; Sigma Game Inc.; and Universal Distributing of Nevada, Inc. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent retail license of 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 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 renew the permanent retail licenses of Global Central Corporation, dba Tollgate Casino, and Global Casinos, Inc., dba Bull Durham Saloon & Casino and issue a conditional renewed license for the term of one year from the date of expiration of the current license, conditioned upon the following:

That these licensees assure the Division they will affirmatively and actively, at all times hereafter, exercise best efforts to comply with the Colorado Limited Gaming Act and the Colorado Limited Gaming Regulations. Specifically, these licensees agree to be proactive in providing documentary evidence to the Division of its compliance with all tax and tax filing obligations, state or federal, for each and every federal employer identification number (FEIN) related directly or indirectly to this licensee, and for any outstanding or disputed obligation to any governmental entity of whatever type for whatever reason.

Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership and renew the manufacturer/distributor license of Video King Gaming Systems Inc. as a conditional renewed license for the term of twelve months from the date of expiration of the current license, conditioned upon the following:

1. Kenneth Stuart shall have no association or business relationship through Stuart Entertainment, Inc., doing business as Bingo King Company, Inc., directly or indirectly, with any Colorado Limited Gaming License.
2. Frank Nannicola shall have no association or business relationship through Stuart Entertainment, Inc. doing business as Bingo King Company, Inc. directly or indirectly, with any Colorado Limited Gaming License. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent retail license to Creeker's Inc., dba Creeker's Casino. This license shall be issued for a term of one year conditioned upon the surrender of the current retail license at the location. In addition, the license shall continue at the AGP level heretofore accrued during the current fiscal year by the current licensee at the

location. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent retail license to Double Eagle Resort, Inc., dba Double Eagle Hotel & Casino. This license shall be issued for the term of one year conditioned upon the surrender of the current retail license at the location. In addition, the licensee shall continue at the AGP level heretofore accrued during the current fiscal year by the current licensee at the location. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new permanent operator license to Colorado Casino Resorts, Inc. This license shall be issued for the term of one year and all standard conditions shall apply. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission. No one from the public responded.

Ms. Ford presented the Division Financial Statements for the eleven months ended May 31, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the eleven months ended May 31, 2000 and authorize its distribution. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Ford presented the Division of Gaming FY2001 Supplemental Request. This is a negative supplemental budget request for the personal services appropriation for the Division of Gaming due to a decrease in the State's PERA contribution rate as a result of the Governor signing the legislation making this change effective July 1, 2000.

The Chair called for a motion to approve the negative supplemental budget request as presented by the Division in the amount of \$3,487.00. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of June 15, 2000. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented Stipulation and Agreement SA 00-002 in the matter of Ed & Shirley's, Inc., dba The Wild Card Saloon, license number L23-31014-0001.

The Chair called for a motion to approve and authorize the Chair to sign the Stipulation and Agreement in the matter of Ed & Shirley's, Inc., dba The Wild Card Saloon, license number L23-31014-0001. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Williams presented Stipulation and Agreement SA 00-003 in the matter of Gilpin Hotel Ventures, dba The Gilpin Hotel Casino, Ltd., license number L15-06111-0001 and SA 00-004 in

the matter of Black Hawk/Jacobs Entertainment LLC, dba The Lodge Casino at Black Hawk, license number L14-33682-0001.

The Chair called for a motion to approve and authorize the Chair to sign the Stipulation and Agreement Case No. SA 00-003 in the matter of Gilpin Hotel Venture, dba The Gilpin Hotel Casino, Ltd., license number L15-06111-0001 and Case No. SA 00-004 in the matter of Black Hawk/Jacobs Entertainment LLC, dba The Lodge Casino at Black Hawk, license number L14-33682-0001. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented Stipulation and Agreement SA 00-005 in the matter of Global Casinos, Inc., dba Bull Durham Saloon & Casino, license number L15-07977 and SA 00-006 in the matter of Global Central Corporation, dba Tollgate Casino, license number L14-38749.

The Chair called for a motion to approve and authorize the Chair to sign the Stipulation and Agreement Case No. SA 00-005 in the matter of Global Casinos, Inc., dba Bull Durham Saloon & Casino, license number L15-07977 and Case No. SA 00-006 in the matter of Global Central Corporation, dba Tollgate Casino, license number L14-38749. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented Summary Suspension SS 00-007 in the matter of Jeffrey P. Norlander, license number L30-08476.

The Chair called for a motion to approve and authorize the Chair to sign the Summary Suspension in the matter of Jeffrey P. Norlander, license number L30-08476.

The Chair acknowledged that Mr. Millman would like to be the hearing officer for a hearing to be scheduled for Mr. Norlander within thirty days. Mr. Millman will notify the Division of his calendar and a hearing will be scheduled.

Ms. Williams presented Notice of Denial GAD 00-019 in the matter of Earl W. Neudecker, license number L15-09741-0001.

The Chair called for a motion to approve and authorize the Chair to sign the Notice of Denial in the matter of Earl W. Neudecker, license number L15-09741-0001. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams updated the Commission on the Order to Show Cause Case No. SC 00-001 in the matter of Erik Jorgenson, license number 22296, stating time to request a hearing on this matter has expired. Ms. Williams asked the Commission to delegate authority to Mr. Kitts to issue a notice of default and sign on behalf of the Commission. Ms. Williams requested a motion to delegate the authority. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Proposed Commission meeting date for next year were approved by the Commission.

Mr. Bartley introduced Mr. Cherhoniak and gave a brief background of his experience.

The Chair swore in new Investigator Ray Cherhoniak.

Ms. Wright and Mr. Hinton presented a budget adjustment to the Colorado State Patrol's Gaming budget for Fiscal Year 2000. The adjustment of \$89,798 is an increased need in the Personal Services and Operating lines and a decreased need in the Vehicle Lease and Indirect Cost lines.

The Chair called for a motion to approve the Colorado State Patrol's request to transfer \$89,798 from the vehicle lease and indirect cost lines of its FY2000 budget to the personal services and operating lines of its budget. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Kitts informed the Commission of a request from Teller County Assessor, Alan Jordan to obtain annual financial reports on all casinos in a standardized format from the Division of Gaming. Mr. Kitts stated he would like to have a formal opinion from the Attorney General's Office and address this issue at the next meeting.

Mr. Kitts commended Mr. Huskey and his staff for the excellent job they have done in arranging and organizing everything for the open house and the Commission Meeting in the new building.

The meeting was adjourned at 12:02 p.m.

The Chair called for a brief executive session.

The meeting was adjourned at 12:10 p.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 14, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 10:15 a.m. on August 14, 2000, at the Division of Gaming offices, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Natalie Meyer and Rob Millman. Telephonically present were Commissioners Marilyn Wheeler; Phil Walter and Shirley Harris. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Director of Administration, Linda Petkash; Chief of Investigations, Huck Henderson; Colorado Bureau of Investigation, Bob Brown and Mark Wilson; Deputy District Attorney, Dennis Hall; and Assistant Attorney General Ceri Williams.

The Chair called for a motion to go into executive session at 10:16 a.m. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to adjourn the executive session. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The meeting was adjourned at 11:07 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
August 17, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 9:00 a.m. on August 17, 2000, at the Centennial Building, 112 North A Street, Cripple Creek, Colorado. Present were Commissioners Marilyn Wheeler, Phil Walter, Natalie Meyer, Shirley Harris and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Affairs Specialists, Maren Rubino; Controller, Janet Ford; Chief Auditor, Georgine Zalesky; Supervisor Auditor, Brenda Davis; Auditors, Matt Slaney, Laurie Scott, and Deb Gorham; Agent In Charge of the Central City office, Jim Huskey; Agent In Charge of the Lakewood office, Phil Wargo; Agent In Charge of the Cripple Creek office, Steve Barber; Investigator Supervisors, Laura Manning, and Vic Freburg; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were: Lucille Fehn, Teller County Commissioner; Jim Druck.

The Chair called for a motion to go into executive session at 9:01 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:15 a.m.

The Chair called for a motion to renew the permanent retail licenses of Gold Vein Limited Liability Company, dba Black Diamond Casino; Pioneer Group Inc., dba Bronco Billy's Sports Bar & Casino; Colorado Grande Enterprises, Inc., dba Colorado Grande Gaming Parlor; and Gilpin Hotel Venture, dba The Gilpin Hotel Casino Ltd. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to renew the permanent operator licenses of IGT; IGT-Colorado Corporation; Johnny Nolon's Saloon and Gambling Emporium; and Rocky Mountain Gaming Equipment, L.L.C. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

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

The Chair called for a motion to approve the change of ownership of the manufacturer/distributor license of Video King Gaming Systems, Inc. as outlined in the investigative report. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to issue a new retail license to Hoehne Slot Company Inc. This license shall be effective at 5:00 p.m. on August 17, 2000 and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission.

Ms. Fehn addressed the Commission regarding the distribution of funds, stating that there is a need to fund more for emergency districts and fire districts. Ms. Fehn thanked the Commission for the distribution the County would be receiving today.

Mr. Kitts addressed the Commission regarding a request from the Teller County Assessors office to have access to annual casino financial statements. Mr. Kitts requested the Commission to continue this matter to the next Commission meeting in September. This item will be on the agenda for September.

Mr. Kitts addressed the Commission regarding the Proposed Tax Position Paper requesting that the Commission formalize and adopt the paper.

The Chair called for a motion to adopt the tax position paper. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Mr. Kitts informed the Commission a hearing has been requested on the Notice of Denial of Earl Neudecker. Mr. Kitts requested the Commission to have the hearing on September 21, 2000 at 1:30 p.m.

The Chair called for a motion to have this hearing on the Notice of Denial of Earl Neudecker on September 21, 2000 at 1:30 p.m. at the Division of Gaming office, 1881 Pierce Street, Suite 110. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Mr. Kitts addressed the Commission regarding the scheduled meeting in October. The Commission meeting for October will be changed to October 26, 2000 at the Division of Gaming office, 1881 Pierce Street, Suite 110, Lakewood.

Mr. Barber introduced Michael Hartley as a new Slot Specialist for the Cripple Creek Office.

Ms. Ford presented the Division Financial Statements for the twelve months ended June 30, 2000 and the FY2000 distribution.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the twelve months ended June 30, 2000 and authorize its distribution. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to certify the distribution of the Gaming funds as presented by the Division. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair presented Ms. Fehn and Mr. Jerry Bergeman, Teller County Commissioners, with a check.

The Chair opened rulemaking hearings on proposed changes to Colorado Limited Gaming Regulation 47.1-414, 47.1-428, Rule 4, Rule 8, Rule 10, 47.1-1206, Rule 12, 47.1-1301, Rule 13 and 47.1-1805.

Mr. Wargo presented proposed amendments to Regulation 47.1-414, establishing rules that must be posted on license premises; 47.1-428, establishing rules for the acceptance of tips; Rule 4, Rights and Duties of Licensees; Rule 8, Rules of Blackjack; Rule 10, Rules of Poker; Regulation 47.1-1206, redefining rules for the inspection of cards; Rule 12, Gaming Devices and Equipment; Regulation 47.1-1301, redefining rules for the use of chips and tokens; Rule 13, Purchase and Redemption of Coins, Chips and Tokens; and Regulation 47.1-1805, correcting references to statutory references.

The Chair opened the meeting to anyone from the public who wanted to testify regarding the proposed rule changes.

Mr. Jim Druck from Southwest Casinos addressed the Commission with a question regarding Regulation 47.1-428. Mr. Druck asked if it is appropriate for the Commission to regulate the tips of non licensed employees?

The Commission requested Ms. Williams to prepare an opinion for the next meeting.

The Chair called for a motion to continue hearings on Regulation 47.1-428 to next Commission meeting on September 21, 2000. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to close rulemaking hearings on proposed changes to Colorado Limited Gaming Regulation 47.1-414, Rule 4, Rule 8, Rule 10, 47.1-1206, Rule 12, 47.1-1301, Rule 13, 47.1-1805, 47.1-1309 and 47.1-411. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the changes to Colorado Limited Gaming Regulation 47.1-414, Rule 4, Rule 8, Rule 10, 47.1-1206, Rule 12, 47.1-1301, Rule 13, 47.1-1805, 47.1-1309 and 47.1-411. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of July 21, 2000. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented Order to Show Cause SC 00-005 in the matter of Andy Pierre Wray, license number 23308.

The Chair called for a motion to approve and authorize the Chair to sign the Order to Show Cause in the matter of Andy Pierre Wray, license number 23308. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Williams requested the Commission to revoke the license on the Order to Show Cause Case No. SC 00-001 in the matter of Erik Jorgenson, license number 22296, stating time to request a hearing on this matter has expired. Ms. Williams asked the Commission revoke the license and authorize the Chair to approve and sign the order. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair thanked the industry for the hospitality extended to the Commission.

The meeting was adjourned at 11:40 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
September 21, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 9:03 a.m. on September 21, 2000, at the Division of Gaming, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Natalie Meyer, Marilyn Wheeler, Shirley Harris and Rob Millman. Absent and excused was Commissioner Phil Walter. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Affairs Specialist, Maren Rubino; Controller, Janet Ford; Chief of Investigations, Huck Henderson; Chief Auditor, Georgine Zalesky; Supervisor Auditors, Brenda Davis, Flavio Quintana and Jennifer Aragon; Auditors, Matt Slaney, Laurie Scott, and Melissa Holmes; Field Operations Supervisor, Phil Wargo; Agent In Charge of the Central City office, Jim Huskey; Senior Supervisor, Laura Manning; Agent In Charge of the Cripple Creek office, Steve Barber; Investigator Supervisors, Phil Dinan and Vic Freburg; Investigators, Karl Trump, Kendal Dittmer, Will Lukela, Ron Kammerzell, Tom Fears, Sean Ballain and Jim Wattles; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons giving a presentation in public session were: Al Jordan, Teller County Assessor and Glenda Allen, Gilpin County Assessor; and Chris Whitney.

The Chair called for a motion to go into executive session at 9:04 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Millman made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:08 a.m.

The Chair called for a motion to renew the permanent retail licenses of Century Casinos Cripple Creek Inc., dba Legends Casino; Dostal Alley, Inc.; Isle of Capri Black Hawk, LLC; Midnight Rose Hotel & Casino, Inc., dba Midnight Rose Hotel & Casino. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman 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 Innovative Gaming Inc. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Mr. Jordan and Ms. Allen requested the Commission to authorize the release of the annual standard financial statements for each casino to Gilpin and Teller Counties to facilitate assessments of casino properties.

Ms. Williams stated the release of the requested records would be contrary to the statutory intent of the Colorado General Assembly in enacting the Colorado Limited Gaming Act, specifically 12-47.1-527.

Mr. Millman moved to respectfully deny the request to release the standard income statements from individual casinos filed with the Division. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission. No one from the public responded.

The Chair called for a motion to commence rulemaking hearings on proposed changes to Colorado Limited Gaming Regulation 47.1-428.

Mr. Wargo presented proposed amendments to Colorado Limited Gaming Regulation 47.1-428.

Mr. Whitney thanked the Commission for allowing him to give input to Regulation 47.1-428. Mr. Whitney stated that he approves of the rule as it is drafted by the Division.

The Chair called for a motion to approve the proposed amendments as presented by the Division to Regulation 47.1-428, Acceptance of Tips. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair commended and congratulated the Accounting Section on a clean financial audit for the Division.

Ms. Ford presented the Division Financial Statements for the month ended July 31, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the month ended July 31, 2000 and authorize its distribution. Ms. Wheeler made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair swore in three new investigators; two will be working in the Central City office – James Wattles and Sean Ballain; the third, Ron Kammerzell, has transferred from the audit section to investigations.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of August 14, 2000. Ms. Wheeler made the motion. Ms. Harris seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of August 17, 2000. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Williams presented Summary Suspension SS 00-009 in the matter of James Stoneking, license number 15351.

The Chair called for a motion to approve and authorize the Chair to sign the Order of Summary Suspension in the matter of James Stoneking, license number 15351. Mr. Millman made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Williams presented Summary Suspension SS 00-010 in the matter of Tamara Lynn Ponischil, license number 00207.

The Chair called for a motion to approve and authorize the Chair to sign the Order of Summary Suspension Case No. 00-010 in the matter of Tamara Lynn Ponischil, license number 00207. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams requested the Commission to delegate the authority to the Director to issue Notices of Default in any case in which a respondent has failed to file a timely answer.

The Chair called for a motion to delegate to the Director the authority to issue Notices of Default in any case in which a respondent has failed to file a timely answer. Mr. Millman made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Williams requested the Commission to deem the May 18, 2000 initial decision in case number SS 00-006 in the matter of Brian Thomas Heller to be the final decision of the Commission.

The Chair asked Ms. Williams if she could vote on the matter since she was the hearing officer who made the initial decision. Ms. Williams advised the Chair could vote on the matter.

The Chair called for a motion to deem the May 18, 2000 initial decision in case number SS 00-006 in the matter of Brian Thomas Heller to be the final decision of the Commission. Ms. Harris made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

Ms. Williams informed the Commission that a motion to continue the Notice of Denial hearing in the matter of Earl W. Neudecker case number GAD 00-019 has been received and there are no objections to continuing the hearing.

The Chair called for a motion to continue the hearing on the Notice of Denial in the matter of Earl W. Neudecker case number GAD 00-019, license number 15-09741-0001 to December 14, 2000 at 1:30 p.m. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Mr. Kitts requested the Commission to set a hearing date for two summary suspensions and a denial.

A hearing date of October 4, 2000 at 9:00 a.m. was set to hear Summary Suspensions SS 00-009 in the matter of James Stoneking, SS 00-010 in the matter of Tamara Lynn Ponischil, and Notice of Denial GAD 00-027 in the matter of Anthony Fontaine. Ms. Harris will be the hearing officer for these hearings.

The Chair called for a motion to adjourn the meeting. Ms. Wheeler made the motion. Mr. Millman seconded the motion. The motion was adopted.

The meeting was adjourned at 11:00 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
October 26, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 9:03 a.m. on October 26, 2000, at the Division of Gaming, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Natalie Meyer, Shirley Harris, Phil Walter and Rob Millman. Absent and excused was Commissioner Marilyn Wheeler. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Affairs Specialist, Maren Rubino; Controller, Janet Ford; Chief of Investigations, Huck Henderson; Chief Auditor, Georgine Zalesky; Supervisor Auditor, Brenda Davis; Field Operations Supervisor, Phil Wargo; Senior Supervisor, Laura Manning; Agent In Charge of the Cripple Creek office, Steve Barber; Investigator Supervisors, Cliff Volz, Gary Watada and Vic Freburg; Investigators, Karl Trump and Ron Kammerzell; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Bob Cantwell, Pete Mang and Mark Wilson, Colorado Bureau of Investigation.

The Chair called for a motion to excuse Commissioner Wheeler's absence. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair announced Ms. Harris would be late to the meeting.

The Chair called for a motion to go into executive session at 9:04 a.m. to review reports from the Division of Gaming, and the Colorado Bureau of Investigation. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:12 a.m.

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

The Chair called for a motion to renew the permanent retail license of 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. 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 presented in the investigative report, of the retail licenses of Pioneer Group Inc., dba Bronco Billy's Sports Bar & Casino and Pioneer Group Inc., dba Buffalo Billy's Casino. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission. No one from the public responded.

The Chair called for a motion to approve and authorize the Chair to sign the interagency agreement amendment number one to the agreement dated June 15, 2000 between the Colorado Limited Gaming Control Commission and Colorado Bureau of Investigation. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair opened rulemaking hearings on proposed changes to Colorado Limited Gaming Rule 11.

Mr. Wargo presented proposed changes to Colorado Limited Gaming Rule 11.

The Chair opened the meeting to anyone who wanted to address the Commission on Colorado Limited Gaming Rule 11. No one from the public responded.

The Chair called for a motion to close rulemaking hearings on proposed changes to Colorado Limited Gaming Rule 11. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to approve the proposed amendments as presented by the Division to Rule 11, Minimum Procedures for Drop, Count, and Purchasing for Poker. Mr. Millman made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Ford presented the Division Financial Statements for the two months ended August 31, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the two months ended August 31, 2000 and authorize its distribution. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of September 21, 2000. Ms. Harris made the motion. Mr. Millman seconded the motion. The motion was adopted.

Ms. Williams presented Order of Summary Suspension Case No. 00-011 in the matter of Keith R. Hoffman, license number 20131.

The Chair called for a motion to approve and authorize the Chair to sign the Order of Summary Suspension Case No. 00-011 in the matter of Keith R. Hoffman, license number 20131. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted. A hearing in the matter was scheduled for November 16, 2000 at 1:30 p.m.

Mr. Kitts updated the Commission on the recent Governor's Productivity Award, which the Division had recently won. The Governor's 2000 STAR Award for Group Productivity was awarded to the Division of Gaming for implementation of an integrated licensing and imaging system.

The meeting was adjourned at 10:34 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
November 16, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 9:04 a.m. on November 16, 2000, at the Division of Gaming, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Natalie Meyer, Shirley Harris, Marilyn Wheeler, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Controller, Janet Ford; Chief of Investigations, Huck Henderson; Chief Auditor, Georgine Zalesky; Supervisor Auditors, Flavio Quintana and Jennifer Aragon; Auditors, Deb Gorham, Mike Maestas and Rachel Gregory; Field Operations Supervisor, Phil Wargo; Senior Supervisor, Laura Manning; Investigative Supervisor, Vic Freburg; Investigators, Will Lukela, Karl Trump and Ron Kammerzell; Systems Machine Specialists, Paul Hogan; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Bob Cantwell, Pete Mang and Mark Wilson, Colorado Bureau of Investigation.

The Chair called for a motion to go into executive session at 9:04 a.m. to review reports from the Division of Gaming and the Colorado Bureau of Investigation. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The meeting was reconvened into public session at 10:20 a.m.

The Chair called for a motion to renew the permanent retail licenses of BWBH, Inc., dba Bullwhackers Black Hawk, Inc.; G.F. Gaming Corporation, dba (The) Famous Bonanza Casino Corporation; Riviera Black Hawk, Inc., dba Riviera Black Hawk Casino; and Silver Hawk Casino, Inc. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman 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 Vista Gaming Corporation. This license shall be issued upon expiration of the current license and expire one year from the date of issuance. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

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

The Chair called for a motion to issue a new retail license to G.F. Gaming Corporation, dba Easy Street Casino, 120 Main Street, Central City. This license shall be effective at 5:00 p.m. today and expire one year from the date of issuance. The standard conditions for a retail license shall apply. Further, the license shall be conditioned upon the surrender of the retail license for

Grimes Gaming Corporation, dba Easy Street Casino, 121 Main Street, Central City. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission. No one from the public responded.

The Chair called for a motion to approve the FY 01 Supplemental Budget request from the Colorado Bureau of Investigation in the amount of \$29,333.32. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair swore in a new investigator who will be working in the Central City office – Dale Orłowski.

Ms. Ford presented the Division Financial Statements for the three months ended September 30, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the three months ended September 30, 2000 and authorize its distribution. Ms. Wheeler made the motion. Mr. Walter seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of October 26, 2000. Mr. Walter made the motion. Ms. Harris seconded the motion. The motion was adopted.

Ms. Williams presented Notice of Default Order Case No. SC 00-005 in the matter of Andy Pierre Wray, license number 23308.

The Chair called for a motion to revoke the support license of Andy Pierre Wray Case No. SC 00-005 and authorize the Chair to sign the Order of Revocation. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Williams presented Order of Summary Suspension Case No. 00-012 in the matter of Jennifer Shawn Farber, license number 17973.

The Chair called for a motion to approve and authorize the Chair to sign the Order of Summary Suspension Case No. 00-012 in the matter of Jennifer Shawn Farber, license number 17973. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

A hearing in the matter of Summary Suspension Case No. 00-12 in the matter of Jennifer Shawn Farber was set for December 11, 2000 at 11:00 a.m.

Ms. Williams presented Order To Show Cause Case No. SC 00-007 in the matter of Jazz Alley Casino, Inc., license number L15-06039.

The Chair called for a motion to approve and authorize the Chair to sign the Order To Show Cause Case No. SC 00-007 in the matter of Jazz Alley Casino, Inc., license number L15-06039. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Harris publicly acknowledged the passing of Judge Aurel Kelly, the Commission's first Chairperson.

Mr. Kitts updated the Commission on the Commission Retreat scheduled for November 27 & 28, 2000, handing out the proposed agenda.

The meeting was adjourned at 10:45 a.m.

Cindy Raiolo

Colorado Limited Gaming Control Commission

Minutes of Meeting
December 14, 2000

The meeting was called to order by the Chair of the Colorado Limited Gaming Control Commission, Natalie Meyer at 9:05 a.m. on December 14, 2000, at the Division of Gaming, 1881 Pierce Street, Suite 110, Lakewood, Colorado. Present were Commissioners Natalie Meyer, Shirley Harris, Marilyn Wheeler, Phil Walter and Rob Millman. Also in attendance were: Director of the Division of Gaming, Tom Kitts; Senior Director of Enforcement, George Turner; Director of Administration, Linda Petkash; Communications and Licensing Director, Don Burmania; Public Affairs Specialists, Maren Rubino; Controller, Janet Ford; Chief of Investigations, Huck Henderson; Chief Auditor, Georgine Zalesky; Field Operations Supervisor, Phil Wargo; Senior Supervisor, Laura Manning; Investigative Supervisor, Vic Freburg, Mark Hodges, Gary Watada; Investigators, Will Lukela, Karl Trump, Kendal Dittmer, Tom Fears and Ron Kammerzell; Systems Machine Specialists, Paul Hogan; and Assistant Attorney General, Ceri Williams. Persons making a presentation in executive session were: Pete Mang and Mark Wilson, Colorado Bureau of Investigation. Persons making a presentation in public session were: Guerrin Green; IGT, Susan Abernathy.

The Chair called for a motion to go into executive session at 9:05 a.m. to review reports from the Division of Gaming and the Colorado Bureau of Investigation. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

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

The Chair called for a motion to renew the permanent retail licenses of Anchor Coin, Inc., dba Colorado Central Station Casino, Inc.; Blackhawk Brewery and Casino, LLC, dba Mardi Gras Casino; Horseshoe Casino L.L.C., dba Canyon Casino; and Southwest Casino and Hotel Corp. dba Uncle Sam's Casino. These licenses shall be issued upon expiration of the current license and expire one year from the date of issuance. Mr. Millman made the motion. Ms. Wheeler seconded the motion. The motion was adopted.

The Chair called for a motion to approve the change of ownership and issue a renewed retail license to Horseshoe Casino L.L.C., dba Canyon Casino. This license shall be issued upon expiration of the current license and expire one year from the date of issuance.

The Chair called for a motion to renew the permanent manufacturer/distributor license of MGC, 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. Mr. Millman seconded the motion. The motion was adopted.

The Chair opened the meeting to anyone who wanted to address the Commission.

Mr. Green addressed the Commission regarding C.R.S. 12-47.1-804(C), concerning elected municipal officials and their families holding a gaming license.

Ms. Zalesky presented the Addams Family – State Wide Multi-link Progressive System.

The Chair called for a motion to approve the Addams Family Statewide Multi-link Progressive as submitted by I.G.T. Mr. Millman made the motion. Mr. Walter seconded the motion. The motion was adopted.

Ms. Ford presented the Division Financial Statements for the three months ended October 31, 2000.

The Chair called for a motion to approve the Statement of Gaming Revenues, Gaming Taxes and Expenditures for the four months ended October 31, 2000 and authorize its distribution. Mr. Walter made the motion. Mr. Millman seconded the motion. The motion was adopted.

The Chair called for a motion to adopt the minutes of the Gaming Commission meeting of November 16, 2000. Ms. Harris made the motion. Mr. Walter seconded the motion. The motion was adopted.

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

Cindy Raiolo