



# **City of Grand Island**

**Tuesday, January 22, 2008**

**Council Session**

## **Item G17**

**#2008-29 - Approving Extension of Interlocal Agreement with Hall  
County for Keno Games**

**Staff Contact: Dale Shotkoski**

# **Council Agenda Memo**

**From:** Dale M. Shotkoski, City Attorney

**Meeting:** January 22, 2008

**Subject:** Extension of Interlocal Agreement with Hall County for Keno Games

**Item #'s:** G-17

**Presenter(s):** Dale M. Shotkoski, City Attorney

## **Background**

Fonner Keno, Inc., is the operator of the Keno lottery authorized by the City of Grand Island/Hall County Interlocal Cooperation Agreement. The Interlocal Agreement and Operator Agreement have been in place for a number of years. In 2002, the City Council extended both agreements for five years from December 31, 2003, to December 31, 2008. The action at that time included renewal provisions for an additional five years.

## **Discussion**

The existing Interlocal Cooperation Agreement and Agreement with Fonner Keno, Inc., provides that the term of the Interlocal Cooperation Agreement shall automatically renew for an additional five year term unless either party gave notice twelve months prior to the renewal to Fonner Keno. The Fonner Keno Agreement automatically renewed as of January 1, 2008, for five years from December 31, 2008 to December 13, 2013.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to ratify the extension of the Fonner Keno Agreement to December 31, 2013.
2. Refer the issue to a Committee.
3. Postpone the issue to future date.
4. Take no action on the issue.

## **Recommendation**

City Administration recommends Council adopt a resolution and ratify the five year extension of the Fonner Keno, Inc. Agreement.

## **Sample Motion**

Move to ratify the five year extension of the Fonner Keno, Inc. Agreement.

## MODIFICATION AND EXTENSION

OF

### INTER-LOCAL COOPERATION AGREEMENT COUNTY OF HALL AND CITY OF GRAND ISLAND

THIS MODIFICATION AND EXTENSION OF INTER-LOCAL COOPERATION AGREEMENT COUNTY OF HALL AND CITY OF GRAND ISLAND is made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between the County of Hall ("the County") and the City of Grand Island ("the City").

#### RECITALS

WHEREAS, the County and the City entered into a Inter-Local Cooperation Agreement dated March 23, 1993 (hereinafter referred to as "the Inter-Local Agreement") for the operation and control by the County of a lottery games or games within Hall County and the City of Grand Island, a copy of which is attached hereto as Exhibit "A" and made a part hereof by reference; and

WHEREAS, the term of the Inter-Local Agreement expires on or about December 31, 2008; and

WHEREAS, the County and the City desire to extend the term of the Inter-Local Agreement to December 31, 2013 upon the same terms and conditions except as hereinafter further amended and modified; and

WHEREAS, the County and the City desire to enter into this Modification and Extension of Inter-Local Cooperation Agreement County of Hall and City of Grand Island to provide for the extension of the term of the Inter-Local Agreement to December 31, 2013 and to further amend and modify the terms of the Inter-Local Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties do hereby agree and contract as follows:

1. EXTENSION OF INTER-LOCAL AGREEMENT. The County and the City agree that the term of the Inter-Local Agreement shall be extended to December 31, 2013.

2. MODIFICATION OF INTER-LOCAL AGREEMENT. The County and the City further agree that the Inter-Local Agreement shall be further amended and modified as of the date of this Modification and Extension of Inter-Local Cooperation Agreement County of Hall and City of Grand Island as follows:

2.1 Paragraph 1 of the Inter-Local Agreement is hereby amended to read as follows:

"1. DURATION

The term of this Agreement shall expire December 31, 2013 unless sooner terminated as hereinafter provided. Upon expiration of any term, this Agreement shall automatically renew for an additional five year term unless terminated as hereinafter provided."

3. OTHER TERMS AND PROVISIONS. Except as specifically modified by this Modification and Extension of Inter-Local Cooperation Agreement County of Hall and City of Grand Island, all other terms and provisions of the Inter-Local Agreement previously executed by and between the County and the City shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Modification and Extension of Inter-Local Cooperation Agreement County of Hall and City of Grand Island.

COUNTY OF HALL, A political  
subdivision of the State of Nebraska

By: \_\_\_\_\_  
Chairman

Attest: \_\_\_\_\_  
Clerk

"COUNTY"

CITY OF GRAND ISLAND, A municipal  
corporation of the State of Nebraska

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

"CITY"

19-1/191325

MODIFICATION AND EXTENSION  
OF  
LOTTERY OPERATOR AGREEMENT

THIS MODIFICATION AND EXTENSION OF LOTTERY OPERATOR AGREEMENT made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between Fonner Keno, Inc., a Nebraska corporation, incorporated under the Nebraska Business Corporation Act (hereinafter referred to as "Contractor"), and the County of Hall, Nebraska, a body politic and corporate, duly organized as a county within the State of Nebraska under the Constitution and laws of the State of Nebraska (hereinafter referred to as "County").

RECITALS

WHEREAS, the Contractor and the County entered into a Lottery Operator Agreement dated March 23, 1993 (hereinafter referred to as "the Lottery Operator Agreement") for the conduct by Contractor of a keno-type lottery in the County, a copy of which is attached hereto as Exhibit "A" and made a part hereof by reference; and

WHEREAS, the Lottery Operator Agreement has been amended or modified from time to time by the mutual consent of the Contractor and the County; and

WHEREAS, the term of the Lottery Operator Agreement expires on or about December 31, 2008; and

WHEREAS, the County and the Contractor desire to extend the term of the Lottery Operator Agreement, as heretofore amended, to December 31, 2013 upon the same terms and conditions except as hereinafter further amended and modified; and

WHEREAS, the County and the Contractor desire to enter into this Modification and Extension of Lottery Operator Agreement to provide for the extension of the term of the Lottery Operator Agreement, as heretofore amended, to December 31, 2013 and to further amend and modify the terms of the Lottery Operator Agreement, as heretofore amended.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties do hereby agree and contract as follows:

1. EXTENSION OF LOTTERY OPERATOR AGREEMENT. The County and the Contractor agree that the term of the Lottery Operator Agreement, as amended, shall be extended to December 31, 2013.

2. MODIFICATION OF LOTTERY OPERATOR AGREEMENT. The County and the Contractor further agree that the Lottery Operator Agreement, as amended, shall be further amended and modified as of the date of this Modification and Extension of Lottery Operator Agreement as follows:

2.1 Paragraph 6.1 of the Lottery Operator Agreement is hereby amended to read as follows:

"6.1 The term of this Agreement shall extend to December 31, 2013."

2.2 Paragraph 28.1 of the Lottery Operator Agreement is hereby amended to read as follows:

"28.1 In the event that the Interlocal Cooperation Contract dated March 23, 1993, by and between the County and the City, is renewed for a five (5) year term from and after December 31, 2013, the County shall have the right to renew this Agreement for an additional term of five (5) years from and after December 31, 2013 upon the mutual agreement of the County and the Contractor."

3. OTHER TERMS AND PROVISIONS. Except as specifically modified by this Modification and Extension of Lottery Operator Agreement, all other terms and provisions of the Lottery Operator Agreement, as heretofore amended, previously executed by and between the Contractor and the County shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Modification and Extension of Lottery Operator Agreement.

FONNER KENO, INC.,  
A Nebraska Corporation

By \_\_\_\_\_  
Its President

"CONTRACTOR"

COUNTY OF HALL, NEBRASKA, A  
Body Politic and Corporate,  
duly organized as a county  
within the State of Nebraska,  
under the Constitution and  
laws of the State of  
Nebraska

By \_\_\_\_\_  
Its Chairman

"COUNTY"

19-1/191336

RESOLUTION 2008-29

WHEREAS, the City of Grand Island entered into an Interlocal Cooperation Agreement with the County of Hall on March 23, 1993, for the operation and control by the County of a lottery game or games within Hall County; and

WHEREAS, the term of the Interlocal Agreement expires on December 31, 2008; and

WHEREAS, the County has requested that such agreement be amended and extended to December 31, 2013, with an option for an additional five year term.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the modification and extension of the Interlocal Cooperation Agreement by and between the County of Hall and the City of Grand Island to extend and amend the expiration date of the contract to December 31, 2013, with an option for an additional five year term.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 22, 2008.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk