

City of Scottsbluff, Nebraska

Monday, November 4, 2013

Regular Meeting

Item Reports3

Council to consider the Keno Remote Location Operating Agreements at Backaracks, 1402 East 20th Street and the Sugar Club, 705 East Overland and authorize the Mayor to execute the agreements.

Staff Contact: Rick Kuckkahn, City Manager



Scotts Bluff County

1825 10th Street Gering, NE 69341

Management Accountant
(308) 436-6726

Human Resources
(308) 436-6718

Fax
(308) 436-7163

October 22, 2013

Cindy Dickinson
City Clerk
City of Scottsbluff
2525 Circle Drive
Scottsbluff NE 69361

Re: Remote Location Operation Agreement

Dear Cindy:

Enclosed are two original Remote Location Operation Agreements that allows Scotts Bluff County to operate Keno operations within the City of Scottsbluff for the next three years. Those locations are the Main facility at 1001 Avenue, Backarack's at 1402 East 20th Street and the Sugar Club at 705 East Overland. The only change, outside of the date, is adding the Backarack's location and deleting the Valley Bowl location.

The County Board of Commissioners met last evening and signed both originals. Mayor Randy Meininger and you would need to sign both originals after the Council's approval and keep one and send one back to me please.

This has been a beneficial relationship between the City and the County for a number of years and we hope it continues for many more. If you or the Council would have any questions or concerns, please do not hesitate to contact me at 436-6726.

Sincerely,

Jerry Crable
Management Accountant/HR Director

SCOTTS BLUFF COUNTY KENO

REMOTE LOCATION OPERATION AGREEMENT

Parties:

This Agreement made and entered into this 1st day of November, 2013, by and between Scotts Bluff County, Nebraska, a political subdivision of the State of Nebraska, hereinafter referred to as OPERATOR, and the City of Scottsbluff, Nebraska, a political subdivision of the State of Nebraska, hereinafter referred to as CITY.

Term:

The term of this Agreement shall be for three (3) years from the above date.

Equipment:

OPERATOR shall provide all equipment necessary for the operation of any keno lottery game operated within the CITY corporate limits. CITY is not required to participate in any way to receive the agreed contribution of proceeds.

Proceeds:

OPERATOR agrees to contribute to CITY one percent (1%) of the gross proceeds from OPERATOR'S main facility located at 1001 Avenue I, Scottsbluff, and five percent (5%) of the gross proceeds of each of the following satellite keno operations within the city corporate limits located at Rack's Wine & Spirits , 1402 East 20th Street, Scottsbluff, Nebraska 69361 and The Sugar Club located at 705 East Overland, Scottsbluff NE 69361.

From each and every additional satellite keno location commencing operation after November 1, 2010, within the CITY corporate limits, OPERATOR agrees to contribute to CITY during the term of this agreement in connection with the operation of any such satellite location as follows:

a) If year-to-date gross proceeds are less than five hundred thousand dollars (\$500,000), OPERATOR will contribute to CITY three percent (3%) of gross proceeds;

b) If year-to-date gross proceeds equal or exceed five hundred thousand dollars (\$500,000) during any of the first three years of operation, OPERATOR will contribute to CITY five percent (5%) of gross proceeds.

After the third year of operation of any and each satellite location, OPERATOR will contribute to CITY five percent (5%) of gross proceeds.

OPERATOR will remit to CITY on a monthly basis, and agrees to make available to CITY upon request all records sufficient so CITY can verify that the dollar amount of the proceeds by CITY from OPERATOR are as contracted for.

Consideration:

In consideration of the contribution of keno proceeds by OPERATOR, CITY agrees not to operate a keno game in competition with OPERATOR during the term of this Agreement.

Community Development:

All proceeds distributed pursuant to this Agreement shall be expended by each party solely for community betterment purposes, as defined and authorized by statute.

Hold Harmless and Indemnification:

The OPERATOR agrees to hold CITY harmless and indemnify such CITY from any and all claims, liabilities, expenses and costs, including but not limited to attorney fees and court costs, by reason of their operation of this and any remote keno locations within the corporate limits of CITY.

Default:

In the event of default of any of the obligations or required performance by the parties hereto, the parties shall have their remedies at law or equity.

Miscellaneous:

This Agreement is the complete, entire and exclusive statement of the agreement between OPERATOR and CITY with respect to the matters set forth herein, and supersedes all prior agreements as to such matters. No modification of the Agreement shall be binding unless agreed to in writing and signed by both parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted transferees and assigns. All notices or other communications that are required or permitted hereunder shall be in writing and sufficient if delivered personally, by prepaid courier, or registered or certified mail, postage prepaid, return receipt requested, addressed to the attention of the parties at the addresses noted on the last page of this Agreement, or such other addresses as may hereafter be designated in writing.

Dated this ____ day of _____, 20__.

CITY OF SCOTTSBLUFF, NEBRASKA

By Mayor

ATTEST:

City Clerk

SCOTTS BLUFF COUNTY, NEBRASKA

Mark Westerman
By Chairman of the Board

Mike Mark
Member

Steve Holt
Member

Samuel D. Meyer
Member

Sherry D. Baker
Member

ATTEST:

Cera Delaney
County Clerk



