

**CITY OF LA VISTA**  
**MAYOR AND CITY COUNCIL REPORT**  
**NOVEMBER 4, 2008 AGENDA**

<b>Subject:</b>	<b>Type:</b>	<b>Submitted By:</b>
APPROVAL - SATELLITE KENO LOCATION	◆ RESOLUTION ORDINANCE RECEIVE/FILE	PAM BUETHE CITY CLERK

**SYNOPSIS**

A resolution has been prepared to authorize a satellite keno location for La Vista, Keno, Inc. at Island Bar and Grill, 7826 South 123<sup>rd</sup> Plaza, La Vista NE effective November 1, 2008.

**FISCAL IMPACT**

It is anticipated that a satellite location could increase the handle for La Vista, Keno, Inc. which in turn could increase the City's monthly keno revenue.

**RECOMMENDATION**

Approval.

**BACKGROUND**

On August 5, 2008, the City awarded a contract to La Vista Keno, Inc. for operation of a municipal keno-type lottery commencing October 1, 2008 through September 30, 2018. The terms of this contract allowed for the establishment of satellite locations with the approval of the City of La Vista.

On September 16, 2008 the City passed ordinance 1073 which provided qualification standards for Keno lottery sales outlet locations. La Vista Keno and Fields Inc. dba Island Bar and Grill have met the standards set forth by the City of La Vista and are requesting approval of this satellite location effective November 1, 2008.

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA, AUTHORIZING A SATELLITE KENO LOCATION FOR THE CITY'S KENO LOTTERY GAME AT FIELDS, INC. D/B/A ISLAND BAR AND GRILL, 7826 SOUTH 123RD PLAZA, LA VISTA NEBRASKA EFFECTIVE NOVEMBER 1, 2008.

WHEREAS, the current Keno Lottery Operator Agreement between the City of La Vista and La Vista Keno, Inc., dated August 8, 2008, requires La Vista Keno, Inc. to obtain prior written consent of the City to establish a satellite location; and further that the satellite location shall comply with such qualification standards as adopted by the City pursuant to Nebraska Statutes, Section 9-642.01, governing lottery sales outlet locations, and such other terms and conditions determined necessary or advisable; and

WHEREAS, the City of La Vista, by Ordinance No. 1073, set forth qualification standards for Keno Lottery Sales Outlet Locations, which includes satellite locations ("Ordinance"); and

WHEREAS, La Vista Keno, Inc. has proposed a satellite location for the City's keno lottery game at Fields, Inc. d/b/a Island Bar and Grill, located at 7826 South 123<sup>rd</sup> Plaza, La Vista, Nebraska pursuant to a Satellite Agreement between said parties dated October 19, 2008, a copy of which has been presented at this meeting ("Satellite Agreement"); and

WHEREAS, the requirements of the Lottery Operator Agreement and other Keno Requirements as defined in the Ordinance are incorporated into the Satellite Agreement pursuant to said Ordinance; and

WHEREAS, the City Clerk has determined that the standards for the Keno Lottery Sales Outlet Location at Fields, Inc. d/b/a Island Bar and Grill, 7826 South 123rd Plaza, La Vista NE, have been met.

NOW, THEREFORE, BE IT RESOLVED: that the Mayor and City Council of the City of La Vista, Nebraska, hereby authorize and approve a satellite keno location for the City's keno lottery game at Fields, Inc. d/b/a Island Bar and Grill, 7826 South 123rd Plaza, La Vista NE, and further approve the owner and operator thereof, Fields, Inc., effective November 1, 2008 and subject to the following:

- a. Submittal of all Exhibits to the Satellite Agreement in form and content satisfactory to the City;
- b. Any change of ownership or control of the satellite, Fields, Inc. or any stock of Fields, Inc. shall require prior written approval of the City of La Vista;
- c. The satellite, Fields, Inc. and stockholders of Fields, Inc. shall be bound by the Lottery Operator Agreement between the City of La Vista and La Vista Keno, Inc. and owe to La Vista Keno, Inc. all responsibilities and obligations which La Vista Keno, Inc. and its owner by said Lottery Operator Agreement, as personally guaranteed, owe to the City of La Vista. The City of La Vista shall be a beneficiary entitled to enforce such responsibilities and obligations of the satellite, Fields, Inc. and its stockholders;

- d. City of La Vista shall have access at any time to the satellite location and keno-related funds, documents and records in the possession or control of the satellite owner or operator;
- e. City of La Vista shall be named as an additional named insured on any insurance required of the satellite owner or operator by the Satellite Agreement;
- f. City of La Vista, as owner of the La Vista keno game, retains authority over use of the term "La Vista keno"; and all uses of said term shall be subject to review and approval of the City and cease upon termination of the Satellite Agreement;
- g. Funds of the La Vista keno game handled by the satellite shall be the sole and exclusive property and held in trust for the benefit of the City of La Vista until properly paid in accordance with the Lottery Operator Agreement or Satellite Agreement; and
- h. Ongoing satisfaction by the satellite owner and operator of the Satellite Agreement and this Resolution, as well as the Lottery Operator Agreement, Ordinance and other Keno Requirements, as defined in said Ordinance.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to sign such documents, including, but not limited to, Nebraska Department of Revenue Form(s) 50G, and take such further actions as necessary or appropriate to carry out the actions approved herein.

PASSED AND APPROVED THIS 4TH DAY OF NOVEMBER, 2008.

CITY OF LA VISTA

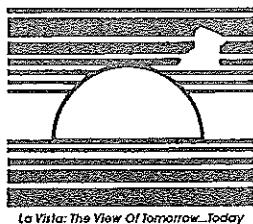
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Douglas Kindig, Mayor

ATTEST:

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Pamela A. Buethe, CMC  
City Clerk



**LA VISTA  
KENO**

**Pamela A Buethe, City Clerk  
City of La Vista  
8116 Park View Blvd  
La Vista, NE 68128-2198**

**10-21-08**

**RE: La Vista Keno Satellite Location  
Island Bar and Grill**

Dear Ms. Buethe,

I am writing to inform you of the decision to have Larry Fields of Fields, Inc., as an authorized Satellite Location of La Vista Keno. The location of this satellite is:

**Island Bar and Grill  
7826 South 123<sup>rd</sup> Plaza  
La Vista, NE 68128  
(402) 933-7330**

Also attached is the Form 50G filled out by Mr. Fields for the Satellite location and a copy of the Satellite Agreement between Island Bar and Grill and La Vista Keno, Inc.

We would like to get this application placed on the City Council Agenda as the earliest possible date. The equipment has been ordered and should arrive within the next 2 weeks.

If you should need any further information or have any questions, please feel free to contact me at the below Office phone number.

Sincerely,

**Richard T Bellino  
CEO – La Vista Keno, Inc.**

**LAVISTA KENO, INC.  
SATELLITE AGREEMENT**

This agreement ("Agreement") is made and entered into this 19<sup>th</sup> day of October, 2008, between LAVISTA KENO, INC., a Nebraska corporation (hereinafter "LaVista Keno"), and FIELDS INC., a Nebraska corporation, located at 7826 South 123<sup>rd</sup> Plaza, LaVista, Nebraska, 68128, d/b/a ISLAND BAR & GRILL (hereinafter "Island").

**R E C I T A L S**

WHEREAS, LaVista Keno recently executed a Lottery Operating Agreement with the City of LaVista, Nebraska, (hereinafter the "City"), to become effective October 1, 2008, whereby the City granted LaVista Keno the exclusive right to operate a keno-type lottery (hereinafter "keno") within the city limits of the City; and

WHEREAS, the Lottery Operating Agreement provides that the City and LaVista Keno are contemplating the establishment of a keno satellite location on Island's business premises; and

WHEREAS, LaVista Keno and Island have reached an agreement for the establishment of a keno satellite location on Island's premises and wish to memorialize said agreement below.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants set forth herein, and subject to the conditions set forth below, LaVista Keno and Island covenant and agree as follows:

1. Conditions Precedent. This Agreement shall not become effective unless and until the following events occur: (1) Island obtains all necessary permits, licenses, and approvals, including but not limited to a federal wagering stamp, appropriate licenses, and permits required by the Charitable Gaming Division of the Nebraska Department of Revenue; and (2) LaVista Keno obtains the written consent of the City approving the establishment of a satellite location on Island's premises.

2. Compliance with Governing Law. Island shall comply and conform with the Nebraska County and City Lottery Act, Neb. Rev. Stat. §§ 9-601 et seq., and all other applicable federal, state, and local laws, rules, regulations, and ordinances, as now existing or hereafter amended, adopted, or replaced, whether applicable to the operation of keno its premises or the operation of its business. If LaVista Keno determines, at its own discretion in good faith, that this agreement is affected by any subsequent action of the federal, state, or local government, LaVista Keno shall have the right to modify any of the provisions herein to such reasonable extent necessary to carry out the purposes of this Agreement.

3. Lease of Island's Premises. Island shall lease to LaVista Keno a portion of its premises (hereinafter the "leased area"), which is to be mutually agreed upon by the parties hereto and sufficient to allow the operation of keno and the placement of necessary equipment. Island shall permit LaVista Keno to enter the Island premises during Island's normal business

hours for purposes of inspecting the leased area, repairing keno-related equipment, or reviewing keno records as set forth in Paragraph 8.

4. Rent for Leased Premises. LaVista Keno shall pay rent for the leased area on a monthly basis in an amount equal to 3 % of the first \$35,000.00 wagered on keno each month at Island, plus 4 % of the next \$25,000.00 wagered on keno each month at Island, plus 6 % of any amount in excess of \$60,000.00 wagered on keno each month at Island (the amount wagered on keno at Island's premises is hereinafter referred to as the "handle"). LaVista Keno shall pay rent each month on a date to be mutually agreed upon by the parties hereto. LaVista Keno may withhold or offset rent against any amounts owed by Island under this Agreement. SEE EXAMPLE "A'X% L E F

5. Minimum Handle. Island shall maintain a minimum handle of \$35,000 per month. If the average handle is below \$25,000 for any six (6) month period, LaVista Keno may terminate this agreement upon 30 days written notice to Island.

6. Keno Staffing. LaVista Keno shall train Island's staff in accordance with federal, state, and local laws, rules, regulations, and ordinances. Only those staff members who have been trained by LaVista Keno or approved by LaVista Keno are permitted to participate in the operation of keno on Island's premises.

7. Keno Operations. Island shall make keno available to its patrons during normal business hours and prominently display all promotional or informational material provided by LaVista Keno. Island shall comply with and operate keno pursuant to LaVista Keno's Pay Book, attached hereto as Exhibit "1", and LaVista Keno's Writer's Manual, attached hereto as Exhibit "2" (hereinafter collectively the "Keno Rules"), as are in effect from time to time and which are incorporated herein by this reference. Island shall provide and maintain, at its own expense, electrical power, phone lines, or other means of communication designated by LaVista Keno. Island shall ensure, at its own expense, that keno is operated in a safe, clean, lawful, and respectable manner on its premises and that it will make no changes to its premises that adversely affect keno operations. Island shall use its best efforts to prevent cheating with respect to keno, including, but not limited, to tampering with keno equipment or supplies. Island shall immediately report any cheating or suspicion of cheating to LaVista Keno.

Island shall use reasonable efforts to ensure that all persons playing keno on Island's premises are limited to patrons physically present on its premises. Island shall redeem all winning tickets in the presence of all persons who purchased tickets for the keno game on its premises. Any winning ticket of Two Hundred Fifty Dollars (\$250) or more, or any ticket which requires the disclosure information for purposes of a W-2G tax form or any other form required by law, shall be redeemed at LaVista Keno's premises, located at 7101 South 84<sup>th</sup> Street, LaVista, NE 68128.

8. Records, Bookkeeping, Taxes, and Insurance. Island shall maintain current, complete, and accurate records pertaining to the operation of keno on its premises which are separate and apart from records pertaining to its business. All Island records shall be made available to LaVista Keno or any governmental entity upon request. LaVista Keno shall be entitled to enter onto Island's premises at any time that Keno is operated on Island's premises,

**Example A:** *2/23 L E F*

<b>Gross Keno Revenues of</b>	<b>\$35,000.00</b>
<b>Rent of 3% of \$35,000.00 =</b>	<b>\$1,050.00</b>

<b>Gross Keno Revenues of</b>	<b>\$50,000.00</b>
<b>Rent of 3% of \$35,000.00 =</b>	<b>\$1,050.00</b>
<b>Rent of 4% of <u>\$15,000.00</u> =</b>	<b><u>\$ 600.00</u></b>
<b>TOTALS \$50,000.00 =</b>	<b>\$1,650.00</b>

<b>Gross Keno Revenues of</b>	<b>\$80,000.00</b>
<b>Rent of 3% of \$35,000.00 =</b>	<b>\$1,050.00</b>
<b>Rent of 4% of \$25,000.00 =</b>	<b>\$1,000.00</b>
<b>Rent of 6% of <u>\$20,000.00</u> =</b>	<b><u>\$1,200.00</u></b>
<b>TOTALS \$80,000.00 =</b>	<b>\$3,250.00</b>

<b>Gross Keno Revenues of</b>	<b>\$100,000.00</b>
<b>Rent of 3% of \$35,000.00 =</b>	<b>\$1,050.00</b>
<b>Rent of 4% of \$25,000.00 =</b>	<b>\$1,000.00</b>
<b>Rent of 6% of <u>\$40,000.00</u> =</b>	<b><u>\$2,400.00</u></b>
<b>TOTALS \$100,000.00 =</b>	<b>\$4,450.00</b>

**Example B**

**In the event that Island Bar and Grill should exceed Gross Revenues of \$800,000.00 within a Calendar Year, Island Bar and Grill will receive an additional \$5,000.00 Bonus.**

Richard T Bellino  
**Richard T Bellino**  
**La Vista Keno, Inc.**

Larry Fields  
**Larry Fields**  
**Fields, Inc.**

without notice, for purposes of auditing, reconciling, contributing to or withdrawing Keno Funds, as defined in Paragraph 11. Island shall physically deliver to LaVista Keno all paperwork relevant to keno wagering transactions, including but not limited to pay tickets. These deliveries shall be made on a daily basis, including weekends and holidays, at the same time and in the same manner as the delivery of Keno Funds required under Paragraph 12 of this Agreement. Island shall pay all applicable taxes pertaining to the operation of keno at its premises, including, but not limited to, federal, state, and local excise and occupational taxes. Island shall maintain the confidentiality of all materials, records, and information provided by LaVista Keno and shall return the same to LaVista Keno upon request or termination of this Agreement. Island shall maintain commercially reasonable insurance, including, but not limited to, public liability insurance, which names LaVista Keno as an additional insured. Island shall also maintain an insurance policy covering theft in the amount of at least fifty thousand dollars (\$50,000). Certificates evidencing these insurance policies shall be provided to LaVista Keno upon request.

9. Equipment. LaVista Keno shall maintain any necessary central computer for keno operations on Island's premises, and shall provide Island with the equipment and supplies necessary for the operation of keno on its premises (hereinafter "equipment"). LaVista Keno shall train one or more of Island's staff in operation of the equipment. LaVista Keno shall repair and, if necessary, replace defective equipment. LaVista Keno does not guarantee that the operation of keno or the equipment will be uninterrupted or error-free, and LaVista Keno will not be in breach of this Agreement if its performance is prevented for reasons beyond its control, including, but not limited to, computer or communications failure. All equipment shall remain property of LaVista Keno, shall not be considered a fixture on Island's premises, and shall be returned to LaVista Keno upon termination or discontinuation of this Agreement. LaVista Keno may add to, remove from, or alter the equipment at any time. Island shall exercise due care to safeguard the equipment and shall notify LaVista Keno immediately upon discovery of lost, stolen, damaged, or destroyed equipment, or equipment that appears to be malfunctioning. Island shall reimburse LaVista Keno for any losses sustained as a result of Island's failure to comply with the foregoing or its intentional misconduct. If LaVista Keno determines in good faith that video surveillance is necessary, Island shall install video cameras on its premises, at its own expense, for purposes of surveillance. Island shall store and maintain any and all surveillance tapes or recordings on its premises and shall deliver any and all surveillance tapes or recordings to LaVista Keno upon request.

10. Marketing and Protection of Marks. LaVista Keno may market or promote keno on Island's premises, at its own expense, as it deems necessary (e.g., with signs and posters). Island acknowledges that the name "LaVista Keno" and any other names, marks, or slogans published or distributed by LaVista Keno is property of LaVista Keno, whether or not trademarked. Island shall take no action which impairs LaVista Keno's ownership of the property referred to in this Paragraph, and shall obtain the written consent of LaVista Keno prior to advertising or promoting keno on Island's premises.

11. Keno Funds. Island shall require all wagers on keno on its premises to be paid in cash, meaning valid U.S. Currency, to be paid at the time each wager is made. If Island chooses to cash checks for its patrons, it does so separately, at its own risk, and shall not accept checks in the name of LaVista Keno. All cash proceeds of keno wagers and any non-cash proceeds that Island accepts in violation of this Agreement (hereinafter collectively "Keno Funds") shall be the

exclusive property of LaVista Keno. Island shall hold Keno Funds in trust for LaVista Keno, keep Keno Funds separate from Island funds, and prevent Island's creditors or other third parties from obtaining any interest in Keno Funds. All Keno Funds in Island's possession shall be stored in safe on Island's premises prior to delivery of the Keno Funds pursuant to Paragraph 12 of this Agreement. Island shall reconcile the handle, payouts, and deposits on a daily basis.

Prior to commencement of keno operations on Island's premises, LaVista Keno shall provide Island One Thousand Five Hundred Dollars (\$1,500) as initial seed money. At the close of each business day, and prior to any deposits required in this Agreement, Island shall set aside One Thousand Five Hundred Dollars (\$1,500) in Keno Funds as seed money for the following day's keno operations. If at any time there is less than One Thousand Five Hundred Dollars (\$1,500) in Keno Funds on Island's premises, Island shall immediately contact LaVista Keno and LaVista Keno shall replenish the Keno Funds on Island's premises accordingly. All funds set aside as seed money, including the initial funds provided by LaVista Keno, are the sole property of LaVista Keno and shall in no way be considered funds belonging to Island. Island shall maintain records of said daily reconciliation in accordance with Paragraph 8 of this Agreement. Island shall be responsible for any handle, payout, or deposit shortage that is evident from said daily reconciliation. If shortages occur on a consistent basis, as determined in good faith by LaVista Keno, LaVista Keno may demand that Island take appropriate corrective measures.

12. Delivery of Keno Funds. Island shall physically deliver to LaVista Keno all Keno Funds, less prizes paid in accordance with the Keno Rules, on a daily basis, including weekends and holidays, no later than by 9:00 a.m. each day. These deliveries shall be made via hand delivery at LaVista Keno's premises located at located at 7101 South 84<sup>th</sup> Street, LaVista, NE 68128. Deliveries under this paragraph shall be made simultaneously with the delivery of records required under Paragraph 8 of this Agreement. LaVista Keno may demand additional deliveries if it determines in good faith that such additional deliveries are necessary as a result of the daily handle.

13. Other Gambling Operations. If gambling activities not contemplated in this Agreement are legalized in the future, and Island wishes to offer these activities, LaVista Keno and Island shall use their best efforts to make these activities available on mutually agreed-upon terms. While this Agreement is in effect, Island shall not permit anyone other than LaVista Keno to offer, supply, or install gambling activities on Island's premises, other than pickle cards as allowed by the Nebraska Pickle Card Lottery Act. As security for Island's performance under this Paragraph and payment for LaVista Keno's damages occasioned hereby, Island hereby grants LaVista Keno a security interest in and assigns to LaVista Keno any rents, payments, and other revenues to which Island may be entitled with respect to any gambling activities prohibited by this Paragraph.

14. Covenant not to Compete. For a period of ten (10) years following the final effective date of this Agreement or any successor agreement between the parties hereto, Island shall not, directly or indirectly, alone or in association with others, in its capacity as partner, shareholder or other legal or beneficial capacity, or otherwise, or through or in connection with any corporation, partnership or other form of business entity, engage or attempt to engage in any business competitive with or substantially similar to the business of LaVista Keno within the

corporate limits of the City of LaVista, Nebraska. Island acknowledges and agrees that, in the event it shall violate or breach the terms of this Paragraph, LaVista Keno will not have adequate remedy by law and shall have the right to obtain, in addition to other remedies, a temporary and/or permanent injunction to order Island to obey the terms of this Paragraph, reasonable attorney's fees and costs of court incurred in enforcing this Paragraph.

15. Term and Effective Date. Subject to the conditions contained in Paragraph 1, this Agreement shall become effective on November 1, 2008. This Agreement shall remain effective until October 31, 2009, and shall thereafter be automatically renewed for up to five (5) additional terms of one year each, unless LaVista Keno or Island has provided written notice of non-renewal at least thirty (30) days prior to commencement of the next renewal term. The last day that this Agreement may be effective is October 31, 2013.

16. Indemnification. Island shall indemnify, defend, and hold LaVista Keno harmless from and against any and all losses, costs, expenses (including reasonable attorney's fees), and damages arising out of or related to: (a) Island's breach of this Agreement, (b) a third party's claim based on the wrongful conduct of Island, Island's staff, or Island's patrons, or (c) the conduct of Island's business or the condition of Island's premises. This paragraph shall not apply to the extent that the sole proximate cause of proven damages is LaVista Keno's own negligence or willful misconduct.

17. LaVista Keno's Right to Terminate or Discontinue. LaVista Keno may terminate this Agreement early, or discontinue its responsibilities under this Agreement without causing a termination hereof, if any of the following occur: (a) LaVista Keno's rights under its Lottery Operating Agreement with the City are altered in such a way that makes performance under this Agreement unlawful, improper, impracticable, or unprofitable; (b) Island fails to maintain the licenses and permits described in Paragraph 1 of this Agreement; (c) Island fails to comply with the governing law described in Paragraph 2 of this Agreement; (d) Island fails to meet the minimum handle requirements described in Paragraph 5 of this Agreement; (e) Island discontinues staffing or keno operation for any reason, without the prior written consent of LaVista Keno; (f) Island otherwise materially defaults under this Agreement and fails to cure the default upon thirty (30) days after receipt of written notice from LaVista Keno, specifying the default to be corrected; (g) there is a change in ownership of Island's business or a materially adverse change in Island's business or financial condition, as determined in good faith by LaVista Keno; or (h) LaVista Keno determines, at its own discretion in good faith, that this agreement is affected by subsequent action of the federal, state, or local government that makes performance under this Agreement unlawful, impracticable or unprofitable.

18. Island's Right to Terminate or Discontinue. Island may terminate this Agreement early if LaVista Keno materially defaults hereunder, and fails to cure said default within thirty (30) days after receipt of written notice from Island, specifying the default to be corrected. Island may discontinue staffing keno operations on its premises under this Agreement if: (a) LaVista Keno proposes a rent reduction under Paragraphs 2 or 6 and Island provides written notice to LaVista Keno that it rejects the rent modification within thirty (30) days of receipt of such proposal; (b) Island determines, in good faith, that continued staffing would be impracticable or unprofitable, or (c) Island determines that LaVista Keno is unable to provide the additional gambling operations that Island desires pursuant to Paragraph 13 of this Agreement.

Discontinuation of keno operations under this Paragraph shall not be considered termination of this Agreement. LaVista Keno may, but is not required to, staff the keno operations on Island's premises if Island discontinues staffing, and may reduce rent under Paragraph 4 by the cost of LaVista Keno's staffing. If Island discontinues staffing, any recommencement thereof by Island will be subject to the approval of LaVista Keno and applicable governmental entities. In no event shall LaVista Keno's liability arising out of or related to this Agreement exceed two (2) months rent due to Island hereunder.

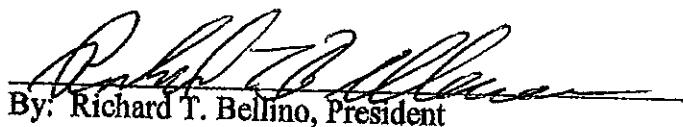
19. Remedies. If LaVista Keno terminates this Agreement early or exercises its right to discontinue in accordance with Paragraph 17, except as provided under sections (a) and (h) of Paragraph 17, LaVista Keno shall be entitled to recover damages, in addition to other rights and remedies available at law or equity. LaVista Keno's damages shall be no less than the product of Five Thousand Dollars (\$5,000) multiplied by the number of months remaining until October 31, 2013, the final effective date of this Agreement referred to in Paragraph 15. LaVista Keno shall not be entitled to damages under this Paragraph based solely on sections (d), (e), or (f) of Paragraph 17, provided that Island continues to comply with all other terms of this Agreement. LaVista Keno shall be entitled to specific performance and/or injunctive relief, to the extent available at law, to enforce the terms of this Agreement, including, but not limited to, injunctive relief against third parties in violation of Paragraph 13.

20. Transferability. Island may not transfer its rights or duties under this Agreement to any other party or any other premises, without the prior written consent of LaVista Keno. Any attempted transfer in violation of this Paragraph shall be considered a material breach of this Agreement.

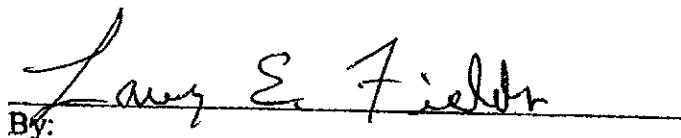
21. Miscellaneous. This Agreement shall create an independent contractor relationship between Island and LaVista Keno. In no way shall this Agreement be construed to create an employment, agency, partnership, or other type of relationship where one party can legally bind the other. All notices required in this Agreement shall be offered in writing and submitted by personal delivery or by registered or certified mail. No waiver under this Agreement shall be effective unless in writing, and no waiver shall be considered a waiver of any other default. Except as otherwise provided herein, the terms of this Agreement may be modified or amended only by a written agreement executed by all parties hereto. This Agreement supersedes in all respects all agreements, leases, arrangements or understandings, whether oral or written between Island and LaVista Keno. The captions on the paragraphs of this Agreement are for convenience or reference only and they shall not affect in any way the meaning or interpretation of this Agreement. The invalidity or enforceability of any provision, or portion thereof, of this Agreement, shall not affect the remainder of that provision or any other provision of this Agreement. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Nebraska. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties to this Agreement specifically covenant and agree that facsimile signatures on one or more of the counterparts shall be acceptable for all purposes and shall be legally binding upon the party(ies) executing the Agreement upon facsimile transmission of the Agreement to any other party to the Agreement.

DATED this 19 day of October, 2008.

LAVISTA KENO, INC.,

  
By: Richard T. Bellino, President

FIELDS, INC., d/b/a ISLAND BAR AND GRILL,

  
By: Larry E. Fields

PLEASE DO NOT WRITE IN THIS SPACE

1 Nebraska I.D. Number of County, City, or Village

521183

2 County, City, or Village Name as shown on  
Form 50G

LAVISTA

SALES OUTLET LOCATION INFORMATION (Attach additional sheet if necessary)

Your social security number and date of birth are required under the Nebraska County and City Lottery Act and will be used to request criminal history information from law enforcement agencies to determine if the legal requirements for a lottery sales outlet location's license are met.

3 Nebraska Identification Number

001-010128441

4 Federal I.D. or Social Security Number

87-0810688

5 Type of Application:

New  Renewal  Report Changes  Cancel

BUSINESS NAME AND LOCATION ADDRESS

Name

Fields, Inc.

BUSINESS NAME AND MAILING ADDRESS

Business Name

Same

Trade Name of Business (If Different Than Above)

Island Bar & Grill

Street Address

7836 S. 123rd Plz

City

State

Zip Code

City

LAVISTA

State

NE

Zip Code

68138

County

Nebraska Liquor License Number

79069

6 Type of Ownership

Sole Proprietorship  Domestic Corporation  Limited Liability Company  Nonprofit Corporation or Organization  
 Partnership  Foreign Corporation  Domesticated Corporation  Other S-Corp

7 Location Type

Keno Satellite  
 Keno Independent Game

8 List the social security number, full name, home address, date of birth, type of involvement, and percentage of ownership for each of the following persons involved with the applicant.

- If a sole proprietorship, list the individual owner.
- If a partnership, list each partner and spouse.
- If a corporation, list each officer and spouse and each person holding ten percent or more of the debt or equity of the applicant corporation. If any person holding ten percent or more of the debt or equity of the applicant corporation is a partnership, limited liability company, or corporation, list each partner of such partnership, each member of such limited liability company, or each officer of such corporation and every person holding ten percent or more of the debt or equity of any such partnership, limited liability company or corporation.
- If a limited liability company, list each member and spouse.
- If a nonprofit organization or nonprofit corporation, list each officer and the individual designated as manager.

(Attach additional sheet if necessary)

Social Security Number	Name, Address, City, State, Zip Code (See instructions)	Date of Birth	Type of Involvement and Percentage of Ownership
	William Fields, 9316 Park Dr #102 Omaha, NE 68117	1/27/56	Pres. 33%
	Barry E. Fields, 7407 S. 77th Ave LAVISTA, NE 68138	12/14/51	VP 33%
	Leette S. Fields 7407 S. 77th Ave LAVISTA, NE 68138	3/29/52	Sec/Tre 33%

9 Does any person other than those listed in line 8 above have any ownership interest in the license applicant? (See instructions)

YES  NO

If Yes, in the case of an individual, identify the social security number, full name, home address, date of birth, type of ownership interest of each such individual. In the case of a business, identify the federal employer identification number, business name, address, and type of ownership interest of each such business. (Attach additional sheet if necessary)

10a Has anyone listed in line 8 ever been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any felony or misdemeanor at any time involving any gambling activity, fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level? This includes shoplifting or issuing bad checks.

If Yes, see Instructions.

YES  NO

10b Has anyone listed in line 8 ever been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any felony other than that described in line 10a within ten years preceding the date of this application?

If Yes, see Instructions.

YES  NO

11 Has each of the individuals listed in line 8 above filed fingerprint cards and proper fees for criminal background investigation with the Nebraska State Patrol, or when applicable, attached a signed affidavit for each spouse waiver? (See Instructions)

YES  NO

12 Do any of the individuals listed in line 8 above have a financial interest, directly or indirectly, in any company licensed as a manufacturer or distributor pursuant to the Nebraska Bingo Act or the Nebraska Pickle Card Lottery Act or in any company licensed as a manufacturer-distributor pursuant to the Nebraska County and City Lottery Act?

If Yes, attach a detailed explanation of such interests.

YES  NO

13 Does any member of the governing board or any governing official of the county, city, or village named in this application have any financial interest, directly or indirectly, in the business named in this application?

If Yes, attach a detailed explanation of such interests.

YES  NO

14 Do any of the individuals listed in line 8 above currently hold or have any of the individuals previously held any other licenses issued under the Nebraska Bingo Act, the Nebraska Pickle Card Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska County and City Lottery Act? Active

YES  NO If Yes, indicate the types of licenses, and their current status (active, suspended, cancelled, revoked, or expired).

Under penalties of law, I declare that I have examined this application, and to the best of my knowledge and belief, it is correct. I will comply with the provisions of the Nebraska County and City Lottery Act and the regulations adopted under such Act.

sign  
here

Barry E. Fields

Vice President

Date

Daytime Telephone Number

10-20-08 (402) 933-7330

Signature of Sales Outlet Location Owner, Member, Partner, Officer, or Person Authorized by Attached Power of Attorney

Name of Person to Contact Regarding This Application:

Name Barry E. Fields

Title Vice President

Daytime Telephone Number

(402) 933-7330

AUTHORIZATION—Signature of Governing Official

Attach documentation indicating approval of location by governing board of the county, city or village and a copy of the site agreement.

sign  
here

Authorized Signature

Title

Date

Daytime Telephone Number

( )

Mail the original application to: NEBRASKA DEPARTMENT OF REVENUE, CHARITABLE GAMING DIVISION, P.O. BOX 94855, LINCOLN, NE 68509-4855  
Please make a copy for your records.

9-132-1993 Rev. 6-2007 Supersedes 9-132-1993 Rev. 6-2006

## INSTRUCTIONS

**WHO MUST FILE.** Any individual, business, nonprofit organization, or nonprofit corporation that has contracted with a lottery operator to conduct a lottery on behalf of a county, city, or village must apply for and obtain a lottery sales outlet location license. This includes any individual or business whose only involvement with the operation of the lottery is the provision of space to the lottery operator, even if the space is leased to and staffed by the lottery operator.

**WHEN AND WHERE TO FILE.** All licenses issued to any lottery sales outlet location expire on May 31 of every even-numbered year and may be renewed on a biennial basis. The Nebraska Schedule II - County/City Lottery Sales Outlet Location Application may be submitted with the Nebraska Application for County/City Lottery, Form 50G, and the Nebraska Schedule I - County/City Lottery Operator Application, or submitted separately if the county, city, or village and lottery operator are already licensed. Applications for license renewal must be submitted to the Nebraska Department of Revenue at least 60 days prior to the expiration date of the license.

The Nebraska Schedule II may also be utilized during the period covered by the license to report changes in the application information or to cancel the license. Any changes in the information originally submitted on the application must be provided to the Department within 30 days of such changes.

Mail the Nebraska Schedule II and attachments to the Nebraska Department of Revenue, Charitable Gaming Division, P.O. Box 94855, Lincoln, Nebraska 68509-4855. Please make a copy of this application for your records.

### SPECIFIC INSTRUCTIONS

**DEFINITION.** Sales outlet location as it applies to keno means a location other than the lottery operator location where keno wagers are placed. This includes any person whose only involvement with the operation of the lottery is the provision of space to the county, city, village, or lottery operator for a satellite location or independent location even if the space is leased to and staffed by the county, city, village, or lottery operator. Sales outlet location as it applies to a ticket drawing means a location where lottery tickets are sold.

**TYPE OF OWNERSHIP.** Enter the type of ownership under which your business is operated. Partnership includes all types of partnerships such as general, limited, and joint ventures. A domestic corporation is a corporation which is organized under the laws of Nebraska and has qualified to do business in this state. A foreign corporation is a corporation which is organized under the laws of another state. A domesticated corporation is a foreign corporation that is domesticated in Nebraska.

**LINE 7.** A keno satellite location is separate from a main keno location and electronically linked to the main location, but does not conduct its own winning number selection. An independent keno game location is not electronically linked to another location and does conduct its own winning number selection.

**LINE 8.** Identify the social security number, name, address, date of birth, type of involvement (owner, member, partner, officer, debt or equity holder, or spouse) and percentage of ownership of each person who has any interest in the entity to be licensed as a lottery sales outlet location. If a nonprofit organization or nonprofit corporation, identify each officer and the individual designated as manager.

A person is a debt holder of the corporation, partnership, or limited liability company if such person holds any mortgages, notes, bonds, convertible debentures, or other obligations, whether written or oral, issued by the corporation, partnership, or limited liability company. For purposes of this application, a debt holder does not include any financial institution organized or chartered under the laws of Nebraska, any other state, or the United States relating to banks, savings institutions, trust companies, savings and loan associations, credit unions, installment loan licensees, or similar associations organized under the laws of Nebraska and subject to supervision by the Department of Banking and Finance. A person is an equity holder of the corporation, partnership, or limited liability company if such person holds any capital stock, whether common or preferred, or any ownership interest or share issued by the corporation, partnership, or limited liability company.

**LINE 9.** Identify any person(s) who have an ownership interest in the license applicant not listed in Line 8. Owner means a person with a right to share in the profits, losses, or liabilities of an applicant or licensee. The term includes loan guarantors who make actual debt payments for or contribute capital to a license applicant or licensee with a contingent right to share in the profits, losses, or liabilities of the operation. The term ownership interest is synonymous with owner.

**LINES 10a and 10b.** If the "Yes," box is checked, provide an attachment with the following information, if known:

1. The date and place the incident occurred.
2. The court case or docket number under which it is filed.
3. The original charge and ultimate disposition of the matter.
4. A description of the events which are the subject of the incident.

**LINE 11.** Nebraska Revised Statutes, Section 9-1,104, requires all new applicants for a sales outlet location license to be fingerprinted for criminal background investigation purposes. Please refer to the **Instructions for Completing Fingerprint Application** to determine who is subject to this requirement. Fingerprinting of a spouse will be waived if an Affidavit by Spouse for Waiver of Fingerprinting and/or Personal History Record and Background Disclosure Form for Charitable Gaming Licensees accompanies the application form. Fingerprinting may be waived for those applicants who have previously filed fingerprint cards with the Nebraska Liquor Control Commission. Each individual required to be fingerprinted must submit two fingerprint cards and the proper fees directly to the Nebraska State Patrol.

**AUTHORIZED SIGNATURES.** The application must be signed by a lottery sales outlet location owner, member, partner, officer, or person authorized by an attached power of attorney.

**COUNTY/CITY AUTHORIZATION.** The application must also be signed by a member of the governing board or a governing official of the county, city, or village as an indication of county/city/village approval of the applicant to participate in the lottery on its behalf.

Any questions regarding the completion of this application should be addressed to the Nebraska Department of Revenue, Charitable Gaming Division, P.O. Box 94855, Lincoln, Nebraska 68509-4855, telephone (402) 471-5937 or toll free (877) 564-1315. Additional information and forms may be obtained from the Department's Web site at [www.revenue.ne.gov/gaming](http://www.revenue.ne.gov/gaming).



nebraska  
department  
of revenue

NEBRASKA SCHEDULE III – County/City Lottery  
Worker Application

• Incomplete applications will be returned

FORM  
50G

PLEASE DO NOT WRITE IN THIS SPACE

1 Nebraska I.D. Number of County, City, or Village

521183

2 County, City, or Village Name as Shown on  
Form 50G

LAVISTA

LOTTERY WORKER INFORMATION

Your social security number and date of birth are required under the Nebraska County and City Lottery Act and will be used to request criminal history information from law enforcement agencies to determine if the legal requirements for a lottery worker's license are met.

3 Social Security Number

4 Date of Birth

5 Type of Application

New  Inactive  Report Changes  Renewal  Cancel

Name (Last name, first name, middle name)

Fields, Harry, Eugene

Alias(es), Nicknames, Maiden Name, Other Name Changes/Legal or Otherwise

DOR USE ONLY

DOB Check

Y  N

Date

Street or Other Mailing Address

7826 S. 123<sup>rd</sup> PLZ. Suite E+F,  
City: Lavista State: Ne. Zip Code: 68128 County: Sarpy

6 Provide a brief description of your duties as a county/city lottery worker by checking those items that apply to you.

REQUIRED TO BE FINGERPRINTED (see 6a and 6b)

<input type="checkbox"/> Keno Manager	<input type="checkbox"/> Accounting	<input type="checkbox"/> Authorized Representative	<input type="checkbox"/> Keno Writer	<input type="checkbox"/> Security
<input type="checkbox"/> Individual other than keno manager who has authority over verification of winning number selection by a manual or automated ball draw device	<input checked="" type="checkbox"/> Administration	<input type="checkbox"/> Governing Official	<input type="checkbox"/> Lottery Operator Officer or Owner	<input type="checkbox"/> Other (specify) _____
	<input type="checkbox"/> Audit	<input type="checkbox"/> Keno Runner	<input type="checkbox"/> Sales Outlet Officer or Owner	

6a Have you ever been fingerprinted for a license under the Nebraska Bingo Act, the Nebraska Pickle Card Lottery Act, or the Nebraska County and City Lottery Act?

NO  YES If Yes, indicate the approximate date you were fingerprinted and the type of license involved. Date: \_\_\_\_\_ Type of License: \_\_\_\_\_

6b Have you ever been fingerprinted by the Nebraska Liquor Control Commission in conjunction with an application for a liquor license?

NO  YES If Yes, indicate the approximate date you were fingerprinted and the number of the liquor license. Date: November 2007 Liquor License Number: 19069

If you answered No to lines 6a and 6b, see the instructions on the reverse side of this application.

\* You must answer questions 7 through 9 accurately.

7 Have you been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any FELONY OR MISDEMEANOR AT ANY TIME involving fraud, theft, any gambling activity, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level? This INCLUDES shoplifting or issuing bad checks.

NO  YES If you answered Yes, see instructions.

8 Have you been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any other felony within ten years preceding the date of this application?

NO  YES If you answered Yes, see instructions.

9 Have you previously worked at any other lottery conducted by a Nebraska county, city, or village or by a lottery operator or authorized sales outlet location on behalf of a Nebraska county, city, or village?

NO  YES If Yes, indicate the name(s) of the county, city, village, lottery operator, or sales outlet location involved. \_\_\_\_\_

LOTTERY OPERATOR INFORMATION (Required unless working at county, city, or village location)

10 Nebraska Identification Number Name, Address, City, State, Zip Code

87-0810088 Island Bar & Grill 7829 S. 123<sup>rd</sup> PLZ. Suite E+F  
Lavista, Ne. 68128

LOTTERY SALES OUTLET LOCATION INFORMATION (Required if working at a sales outlet location)

11 Nebraska Identification Number Name, Address, City, State, Zip Code

Under penalties of law, I declare that I have examined this application, and to the best of my knowledge and belief, it is correct.  
I will comply with the provisions of the Nebraska County and City Lottery Act and the regulations adopted under such Act.

sign  
here

Harry E. Fields

10-20-08

402) 933-7330

Signature of Applicant

Date

Daytime Telephone Number

AUTHORIZATION – Signature of Governing Official or Authorized Representative

sign  
here

I declare that I have examined this application and authorize the applicant to submit it to the Nebraska Department of Revenue for approval.

Signature of Governing Official or Authorized Representative

Title

CEO

10-23-08

402) 339-1606

Printed Name of Official or Representative

Richard T Bell

Date

Daytime Telephone Number

Mail this application to: NEBRASKA DEPARTMENT OF REVENUE, CHARITABLE GAMING DIVISION, P.O. BOX 94855, LINCOLN, NE 68509-4855

NEBRASKA DEPARTMENT OF REVENUE — White Copy

APPLICANT — Canary Copy

COUNTY, CITY, OR VILLAGE — Pink Copy





# CITY OF LA VISTA OCCUPATIONAL LICENSE - LIQUOR

Occupation tax, power to levy, exceptions. A city of the first or second class and villages may raise revenue by levying and collecting a license tax on any occupation or business within the limits of the city or village and regulate the same by ordinance. All such taxes shall be uniform in respect to the classes upon which they are imposed: Provided, all scientific and literary lectures and entertainments shall be exempt from such taxation, as well as concerts and other musical entertainments given exclusively by citizens of the city or village. See 16-205; 17-525 Revised Statutes of Nebraska, 1943.

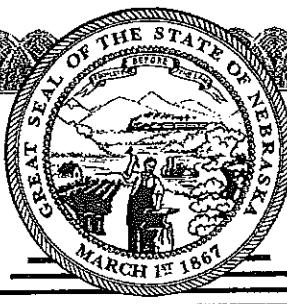
No. 2008-26L

**CITY CLERK'S OFFICE  
TO ALL WHO SHALL SEE THESE PRESENTS:**

Know Ye, that, Fields Inc dba Island Bar & Grill having paid the Treasurer the sum of Six Hundred Dollars and No Cents, is hereby licensed to OPERATE A CLASS C LIQUOR LICENSE, at 7826 S 123rd Plaza, La Vista, NE within the city limits of La Vista from November 1, 2008 through October 31, 2009.

In Testimony Whereof, I, the Deputy Clerk of the said City have hereunto set my hand and affixed the Seal of said City, October 3, 2008.

*Janet A. Froehle*  
Janet A. Froehle  
City Clerk



# STATE OF NEBRASKA

## LIQUOR LICENSE

GRANTED UNDER PROVISIONS OF NEBRASKA LIQUOR CONTROL ACT

79069

CLASS C - ALCOHOLIC LIQ. ON/OFF SALE  
(INSIDE CORPORATE LIMITS)

LICENSEE

FIELDS INC  
7826 S 123RD PLAZA

LA VISTA

NE 68128

PREMISE

ISLAND BAR & GRILL  
7826 S 123RD PLAZA

LA VISTA

NE 68128

SARPY

LEGAL DESCRIPTION:

ENTIRE ONE STORY BLDG APPROX 50' X 52'

WHEREAS, THE ABOVE HAS ON FILE WITH THE LIQUOR COMMISSION AN APPLICATION AND BOND AS REQUIRED BY LAW WHICH HAS BEEN DULY APPROVED, AND HAS PAID ALL FEES REQUIRED BY LAW, AS PROVIDED IN THE NEBRASKA LIQUOR CONTROL ACT.

LICENSE PERIOD: 11/01/2008 - 10/31/2009

UNLESS SOONER REVOKED, SUBJECT TO THE PROVISIONS OF SAID ACT AND SUCH RULES AND REGULATIONS AS MAY HAVE BEEN OR MAY HEREAFTER BE PROMULGATED OR ADOPTED.

Attest

Executive Director

NEBRASKA LIQUOR CONTROL COMMISSION

Chairman

*Bob B. Ray*

*R. C. Sogard*