

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
JANUARY 2, 2019 AGENDA

Subject:	Type:	Submitted By:
AMEND LOTTERY OPERATOR AGREEMENT – CHANGE PAYTABLE AND ADD NEW GAME TICKET	◆ RESOLUTION ORDINANCE RECEIVE/FILE	KEVIN L. POKORNY DIRECTOR OF ADMINISTRATIVE SERVICES

SYNOPSIS

A resolution has been prepared to amend the Lottery Operator Agreement change replaces the current 190-way eight spot Penny Keno ticket for \$1.90 that can win up to \$1,100, with a \$2.10 ticket that has 210 ways to win and a top prize of \$1,250 and allow players to play other four or eight spot tickets at the Penny Keno rate.

FISCAL IMPACT

None.

RECOMMENDATION

Approval

BACKGROUND

Currently, La Vista Keno has a 190-way eight spot Penny Keno ticket for \$1.90 that can win up to \$1,100. This change would allow for 210 ways play with a \$2.10 ticket with a top prize of \$1,250.

Also the operator would like to allow players to play other four or eight spot tickets at the Penny Keno rate. For example, they would allow a player to play a straight 190-way eight spot ticket (without the fours) for \$1.90, or a single eight spot, hundred game ticket for \$1.00, on this new payable. The theoretical payouts on all such tickets are consistent with the goals of developing a more consistent hold percentage for the City.

The operator has requested this be changed to better serve their customers.

RESOLUTION NO. ____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA APPROVING AN AMENDMENT TO THE LOTTERY OPERATOR AGREEMENT.

WHEREAS, the Contractor recommends amending the Penny Keno pay table of the Lottery Operator Agreement.; and

WHEREAS, a proposed THIRD AMENDMENT to the Lottery Operator Agreement has been prepared for this purpose as presented at this meeting or on file with the City Clerk.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of La Vista, Nebraska, that the THIRD AMENDMENT to the Lottery Operator Agreement as presented at this meeting or on file with the City Clerk is hereby approved and the Mayor and City Clerk are hereby authorized to execute said amendment on behalf of the City of La Vista, subject to review and any modifications the City Administrator determines necessary or appropriate.

PASSED AND APPROVED THIS 2ND DAY OF JANUARY 2019.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

LA VISTA LOTTERY OPERATOR AGREEMENT

THIRD AMENDMENT

THIS THIRD AMENDMENT TO LOTTERY OPERATOR AGREEMENT ("Amendment") is made and entered into by and among the City of La Vista, Sarpy County, Nebraska, a municipal corporation ("City"), LVK Holdings LLC, a Nebraska limited liability company, ("Contractor"), and EHPV Lottery Services LLC, a Nebraska limited liability company and owner of a controlling interest of the membership interests of Contractor ("Holding Company"), effective as of [REDACTED] or such other date as agreed in writing by the City Administrator and LVK (the "Effective Date").

WHEREAS, a majority of the vote by the registered voters of the City of La Vista in 1989 was cast in favor of authorizing the establishment of a municipal lottery; and

WHEREAS, the Mayor and City Council established a keno-type lottery ("La Vista Keno") and awarded successive contracts to operate said lottery, the current of which is the Lottery Operator Agreement between City and Contractor, as assignee effective May 1, 2016 pursuant to the Assignment and Assumption of the Lottery Operator Agreement between City and La Vista Keno, Inc. dated August 8, 2008, as amended by Amendment Nos. 1 and 2, ("Lottery Operator Agreement" or "Agreement"); and

WHEREAS, EHPV Management Group Inc, EHPV Operating Group LLC, and EHPV Real Estate Group LLC and their respective subsidiaries are under common ownership and control with Contractor and Holding Company and together own, manage, operate, and control the Real Estate and other property, assets, rights, and activities connected with La Vista Keno and food, beverage and other operations conducted in conjunction with La Vista Keno or otherwise by Contractor and Holding Company; and

WHEREAS, the Contractor recommends, and the Mayor and City Council of the City of La Vista and Contractor desire, to amend said Lottery Operator Agreement to update the Penny Keno pay table.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge and agree, the parties hereto agree as follows:

I. The Penny Keno pay table titled "A Penny for your Thoughts," as found in "Exhibit H" of the Lottery Operator Agreement, is hereby deleted and replaced in its entirety with the Penny Keno pay table attached to this Amendment as SCHEDULE 1 and incorporated herein by this reference.

II. All references in the Lottery Operator Agreement to "A Penny for Your Thoughts" shall be deleted and replaced with "Penny Keno".

III. Terms used in this Amendment shall have the meanings provided in the Lottery Operator Agreement, unless otherwise expressly defined in this Amendment.

IV. Except as expressly modified by this Amendment, the Lottery Operator Agreement shall continue and remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the Contractor, City, and Holding Company have executed this Amendment No. 3 effective as of the date first written above.

ATTEST:

LVK Holdings LLC, a Nebraska limited liability company

Witness

By: _____

Its: _____

DATE: _____

DATE: _____

ATTEST:

City of La Vista, Nebraska, a Nebraska municipal corporation

City Clerk

By: _____
Mayor

DATE: _____

DATE: _____

ATTEST:

EHPV Lottery Services LLC, a Nebraska limited liability company

Witness

By: _____

Its: _____

DATE: _____

DATE: _____

Affiliated Entities Agreement

By signing below, (i) the undersigned each hereby represents and warrants that he or she is authorized to execute this Affiliated Entities Agreement on behalf of EHPV Management Group Inc, EHPV Operating Group LLC, or EHPV Real Estate Group LLC, as the case may be (each referred to as "company"), and (ii) the undersigned on behalf of said company hereby agrees to take any actions, including without limitation voting any membership or other interests of the company in any subsidiary, as necessary or

appropriate to carry out the terms and conditions of the Lottery Operator Agreement, as amended by Amendment No. 3, with respect to any real property or other assets, operations, activities, interests, or matters now or hereafter under the ownership, direction, or control of said company or any subsidiary of company that are connected with La Vista Keno operations or food, beverage or other operations conducted in conjunction with La Vista Keno or at or from the same premises.

EHPV Management Group Inc, a Colorado corporation authorized to do business in Nebraska

ATTEST:

Witness

By: _____

Its: _____

DATE: _____

DATE: _____

EHPV Operating Group LLC, a Nebraska limited liability company

ATTEST:

Witness

By: _____

Its: _____

DATE: _____

DATE: _____

EHPV Real Estate Group LLC, a Nebraska limited liability company

ATTEST:

Witness

By: _____

Its: _____

DATE: _____

DATE: _____

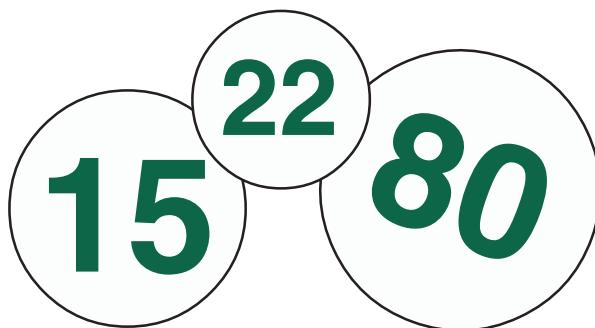
SCHEDULE 1

PENNY KENO PAY TABLE

[Attach New Penny Keno Pay Table]



Pay Book & Rules



7101 South 84th Street Plaza
La Vista, NE 68128
Keno: (402) 537-9090 Diner: (402) 537-9001

PENNY KENO

A Penny for Your Thoughts

Ticket price is \$1.90 for 190 Eight Spots.

Penny Keno does not qualify for the Progressive.

Catch
7/8
8/8

Win
\$20.00
\$1,100.00

190 Way Vertical Eight Spots

La Vista									
Keno									
NUMBER OF GAMES									
PRICE PER GAME									
TOTAL PRICE									
190									
1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
ALL SINGLE GAME TICKETS MUST BE CASHED IN PRIOR TO START OF THE NEXT GAME									
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
190/8									
1¢									

190 Way Eight Spot Boxes

La Vista									
Keno									
NUMBER OF GAMES									
PRICE PER GAME									
TOTAL PRICE									
190									
1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
ALL SINGLE GAME TICKETS MUST BE CASHED IN PRIOR TO START OF THE NEXT GAME									
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
190/8									
1¢									

Or any Quick Pick of 20 Four Spots
for \$1.90 that consists of 190 Eight Spots.



PAY BOOK & RULES

7101 South 84th Street Plaza, La Vista, NE 68128
Keno: (402) 537-9090 Diner: (402) 537-9001

PENNY KENO

20 Four Spots and 190 Eight Spots on one ticket for \$2.10

8 SPOTS **HIT 8** **WIN** \$1,250
 7 10

4 SPOTS **HIT 4** \$2.10

20 VERTICAL FOUR SPOTS
190 VERTICAL EIGHT SPOTS

La Vista Keno												
										NUMBER OF GAMES	PRICE PER GAME	TOTAL PRICE
1	2	3	4	5	6	7	8	9	10	20/4	210	
11	12	13	14	15	16	17	18	19	20	190/8		
21	22	23	24	25	26	27	28	29	30			
31	32	33	34	35	36	37	38	39	40			
										1¢		
ALL SINGLE GAME TICKETS MUST BE CASHED IN PRIOR TO START OF THE NEXT GAME												
41	42	43	44	45	46	47	48	49	50			
51	52	53	54	55	56	57	58	59	60			
61	62	63	64	65	66	67	68	69	70			
71	72	73	74	75	76	77	78	79	80			

20 FOUR SPOT BOXES
190 EIGHT SPOT BOXES

La Vista Keno												
										NUMBER OF GAMES	PRICE PER GAME	TOTAL PRICE
1	2	3	4	5	6	7	8	9	10	20/4	210	
11	12	13	14	15	16	17	18	19	20	190/8		
21	22	23	24	25	26	27	28	29	30			
31	32	33	34	35	36	37	38	39	40			
										1¢		
ALL SINGLE GAME TICKETS MUST BE CASHED IN PRIOR TO START OF THE NEXT GAME												
41	42	43	44	45	46	47	48	49	50			
51	52	53	54	55	56	57	58	59	60			
61	62	63	64	65	66	67	68	69	70			
71	72	73	74	75	76	77	78	79	80			

OR QUICK PICK 20 FOUR SPOTS THAT INCLUDES 190 EIGHT SPOTS FOR \$2.10

Any Four Spot or Eight Spot bet played at the Penny Keno rate will be paid according to the Penny Keno payable.

PENNY KENO DOES NOT QUALIFY FOR THE PROGRESSIVE