



REGULAR MEETING AGENDA

City of Black Hawk City Council
211 Church Street, Black Hawk, CO

February 24, 2016
3:00 p.m.

RINGING OF THE BELL:

1. CALL TO ORDER
2. ROLL CALL & PLEDGE OF ALLEGIANCE:
3. ADENDA CHANGES:
4. CONFLICTS OF INTEREST: (Council disclosures are on file w/City Clerk & Sec. of State)
5. EXECUTIVE SESSION

The City Council will be meeting in executive session to determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations, and/or instruct negotiators, pursuant to C.R.S. § 24-6-402(4)(e). This meeting is not open to the public. Closed meetings of this nature for this reason are permitted pursuant to C.R.S. § 24-6-402(4).

6. PUBLIC COMMENT: *Please limit comments to 5 minutes*
7. APPROVAL OF MINUTES: February 10, 2016
8. PUBLIC HEARINGS
 - A. CB 4, An Ordinance Repealing and Reenacting Article I of Chapter 18 of the City of Black Hawk Municipal Code to Adopt by Reference the International Building Code, 2015 Edition; The International Fire Code, 2015 Edition; The International Residential Code for One and Two Family Dwellings, 2015 Edition; The International Mechanical Code, 2015 Edition; The International Plumbing Code, 2015 Edition; The International Energy Conservation Code, 2015 Edition; The International Existing Building Code, 2015 Edition; The International Fuel Gas Code, 2015 Edition; The International Swimming Pool and Spa Code, 2015 Edition, ICC/ANSI A117.1 American National Standard – Accessible and Usable Buildings and Facilities, Most Current Edition; The American National Standards Safety Code for Elevators and Escalators, ASME A17.1/CSA B44 Most Current Edition Adopted by the State of Colorado; The National Electrical Code, Most Current Edition Adopted by the State of Colorado; and Making Specific Amendments to the Above Referenced Codes and Providing Penalties for Violations of the Ordinance (Ordinance for the Adoption of the 2015 International and Model Code Series)
 - B. CB5, An Ordinance Approving an Intergovernmental Agreement Regarding Snow Removal Services Between the City of Black Hawk and the City of Central
 - C. Local Liquor Licensing Authority Consideration of a New Tavern License for Jan's Tavern, LLC dba Jan's Tavern, 101 Gregory Street, Unit #1
9. ACTION ITEMS:
 - A. Local Liquor Licensing Authority Consideration of the Certification of a Promotional Association and Common Consumption Area for Z's Promotional Association, LLC
 - B. Resolution 9-2016, A Resolution Approving a License Agreement Between the City of Black Hawk and Josh Smith
 - C. Resolution 10-2016, A Resolution Amending the City of Black Hawk Fee Schedule Regarding Fees for Structural Engineering Review
 - D. Resolution 11-2016, A Resolution Reappointing Ronald W. Carlson to be the City of Black Hawk Municipal Court Judge

- E. Resolution 12-2016, A Resolution Reappointing Thad Renaud to be the City of Black Hawk Assistant Municipal Court Judge
 - F. Resolution 13-2016, A Resolution Temporarily Rebating City Sales Tax on Retail Items Delivered to City Residential Properties for Personal Consumption and Use
 - G. Resolution 14-2016, A Resolution Temporarily Rebating City Use Tax on Construction and Building Materials for Residential Projects within the City's National Historic Landmark District
 - H. Resolution 15-2016, A Resolution to Encourage Diversification of the City's Local Economy by Extending the Waiver of Taxes and Impact Fees for the Development of Hotels and Other Amenities, and Extending the Waiver of Use Tax on other Renovation Projects
 - I. Resolution 16-2016, A Resolution Temporarily Rebating Parking Impact Fees for the Development of Hotels and Other Amenities
- 10. CITY MANAGER REPORTS:
 - 11. CITY ATTORNEY:
 - 12. EXECUTIVE SESSION:
 - 13. ADJOURNMENT:

MISSION STATEMENT

The mission of the City of Black Hawk is to progressively provide cost effective programs and services of the highest quality to the community.



**City of Black Hawk
City Council**

February 10, 2016

MEETING MINUTES

New CP&D Permit Technician Janice Beecher rang the bell.

1. **CALL TO ORDER:** The regular meeting of the City Council was called to order on Wednesday, February 10, 2016, at 3:00 p.m. by Mayor Spellman.

2. **ROLL CALL:** Present were: Mayor Spellman, Aldermen Armbright, Bennett, Johnson, Midcap, Moates, and Torres.

Staff present: City Attorney Hoffmann, City Manager Lewis, Police Chief Cole, City Clerk/Administrative Services Director Greiner, Finance Director Hillis, Community Planning and Development Administrator Linker, Public Works Director Isbester, Senior Civil Engineer Ford, Fire Chief Taylor, and Deputy City Clerk Martin.

PLEDGE OF ALLEGIANCE: Mayor Spellman led the meeting in the recitation of the Pledge of Allegiance.

3. **AGENDA CHANGES:** Deputy City Clerk Martin confirmed there were no agenda changes.

4. **CONFLICTS OF INTEREST:** City Attorney Hoffmann asked Council to declare any Conflicts of Interest on any issue appearing on the agenda this afternoon other than those previous disclosures and conflicts that have already been disclosed and are on file with the City Clerk and Secretary of State. There were no conflicts noted from City Council.

City Attorney Hoffmann asked the audience if there were any objections to any member of Council voting on any issue on the agenda this afternoon. The audience had no objections.

5. **INTRODUCTION OF NEW EMPLOYEES:** Janice Beecher, CP&D Permit Technician

Community Planning and Development Administrator Linker introduced Janice Beecher. She said Ms. Beecher first came to the City

through a temporary agency back in August of 2014 to help Community Planning and Development with their records management project and, once completed, moved on to other various tasks for the Department. Linker said when the new Permit Technician position became available Ms. Beecher applied and ultimately got the job. Ms. Beecher was welcomed into the Black Hawk family as a permanent employee.

6. PUBLIC COMMENTS: Deputy City Clerk Martin confirmed that no one had signed up to speak.

7. PRESENTATION: Mary Boardman – North Clear Creek Water Treatment Plant

Mary Boardman, project manager for Colorado Department of Public Health and Environment (CDPHE) presented a slide show of the construction project located at the south end of the City. She provided a background on the history of the Superfund sites, the impacts to wildlife, and the cost and goals of remediation. She said the construction schedule is 14 months, with the full operation up and running by the first quarter of 2017. Council had a few questions and thanked Ms. Boardman for her time. Mayor Spellman wanted to specifically thank CDPHE on the record for working with the City, and when the City is ready to do some sort of a Gateway; they would appreciate their cooperation on that as well.

8. APPROVAL OF MINUTES January 27, 2016.

MOTION TO APPROVE Alderman Armbright **MOVED** and was **SECONDED** by Alderman Torres to approve the Minutes as presented.

MOTION PASSED There was no discussion and the motion passed unanimously.

9. PUBLIC HEARINGS:

A. CB2-2016, An Ordinance Amending Section 10-222, Subsection (e) of the Black Hawk Municipal Code Regarding False Alarms is Repealed and Reenacted

Mayor Spellman read the title and opened the public hearing.

Fire Chief Taylor introduced this item. He said after reinstating False Alarm fees in 2013 and 2014 as an incentive for businesses to maintain or upgrade their systems and to recoup expenses from responding to these alarms, he reviewed the data in early 2015 and it showed there

was no impact to the reduction in false alarms. He is now recommending a modification to the fee schedule.

PUBLIC HEARING:

Mayor Spellman declared a Public Hearing on CB2, An Ordinance Amending Section 10-222, Subsection (e) of the Black Hawk Municipal Code Regarding False Alarms is Repealed and Reenacted open and invited anyone wanting to address the Board either “for” or “against” the proposed ordinance to come forward.

No one came forward to speak and Mayor Spellman declared the Public Hearing closed.

MOTION TO APPROVE

Alderman Johnson **MOVED** and was **SECONDED** by Alderman Bennett to Approve CB2, An Ordinance Amending Section 10-222, Subsection (e) of the Black Hawk Municipal Code Regarding False Alarms is Repealed and Reenacted.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

B. CB3-2016, An Ordinance Amending Section 6-536 of the Black Hawk Municipal Code Regarding Administrative Approvals of the Recertification of Promotional Associations

Mayor Spellman read the title and opened the public hearing.

City Attorney Hoffmann introduced this item. He said this Ordinance would give administrative approval to the City Clerk to recertify Promotional Associations, similar to Liquor License renewals, as long as there was no negative information received against the Association or their establishments.

PUBLIC HEARING:

Mayor Spellman declared a Public Hearing on CB3, An Ordinance Amending Section 6-536 of the Black Hawk Municipal Code Regarding Administrative Approvals of the Recertification of Promotional Associations open and invited anyone wanting to address the Board either “for” or “against” the proposed ordinance to come forward.

No one came forward to speak and Mayor Spellman declared the Public Hearing closed.

MOTION TO APPROVE

Alderman Armbright **MOVED** and was **SECONDED** by Alderman Torres to Approve CB3, An Ordinance Amending Section 6-536 of the Black Hawk Municipal Code Regarding Administrative Approvals of the Recertification of Promotional Associations.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

10. ACTION ITEMS:

A. Resolution 6-2016, A Resolution Cancelling the April 5, 2016 Election and Declaring Candidates Elected

Mayor Spellman read the title.

City Attorney Hoffmann said the City is authorized under Colorado Law to cancel an election 63 days prior to an election if the same number of candidate petitions received is equal to the number of offices to be filled.

The four candidates are deemed elected, but since their terms don't expire until April, they won't be sworn in until the first meeting in April.

MOTION TO APPROVE

Alderman Armbright **MOVED** and was **SECONDED** by Alderman Johnson to approve Resolution 6-2016, Resolution Cancelling the April 5, 2016 Election and Declaring Candidates Elected.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

B. Resolution 7-2016, A Resolution Approving a Contract to Exchange Real Estate Between the City of Black Hawk and Sandy Hoffman

Mayor Spellman read the title.

City Attorney Hoffmann said this approval would authorize the exchange of real estate to Mr. Sandy Hoffman from the recently acquired Blake transactions. He confirmed there was no dollar amount exchanged; it was simply a property for property exchange.

MOTION TO APPROVE

Alderman Moates **MOVED** and was **SECONDED** by Alderman Torres to approve Resolution 7-2016, A Resolution Approving a Contract to Exchange Real Estate Between the City of Black Hawk and Sandy Hoffman.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

C. Resolution 8-2016, A Resolution Approving a Contract to Buy and Sell Real Estate Between the City of Black Hawk and AA&S, Inc.

Mayor Spellman read the title.

City Manager Lewis introduced this item and said it is a transaction of very small claims on Maryland Mountain close to the tramway, which would help to clean up ownership for the City.

MOTION TO APPROVE

Alderman Midcap **MOVED** and was **SECONDED** by Alderman Armbright to approve Resolution 8-2016, A Resolution Approving a Contract to Buy and Sell Real Estate Between the City of Black Hawk and AA&S, Inc.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

11. CITY MANAGER REPORTS:

City Manager Lewis and Public Works Director Isbester provided an update on the undergrounding project on Selak Street and the plan to manage traffic for the next couple of weeks. Gregory Street is included in the project because the primary electric lines run from the gazebo to underneath Z's Casino to Selak Street and Xcel wants it moved out from underneath. Isbester said they will use the WB lane of Gregory Street and there will be various message boards out in both directions. Estimated time-frame is three weeks.

12. CITY ATTORNEY:

City Attorney Hoffmann had nothing to report.

13. EXECUTIVE SESSION:

City Attorney Hoffmann recommended item number 2 and 5 for Executive Session regarding potential legislation.

MOTION TO ADJOURN INTO EXECUTIVE SESSION

Alderman Bennett **MOVED** and was **SECONDED** by Alderman Johnson to adjourn into Executive Session at 3:35 p.m. to hold a conference with the City's attorney to receive legal advice on specific legal questions, pursuant to C.R.S. § 24-6-402(4)(b) and to determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations, and/or instruct negotiators, pursuant to C.R.S. § 24-6-402(4)(e).

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

MOTION TO ADJOURN

Alderman Bennett **MOVED** and was **SECONDED** by Alderman Johnson to adjourn the Executive Session at 4:45 p.m.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

14. ADJOURNMENT: Mayor Spellman declared the Regular Meeting of the City Council closed at 4:45 p.m.

Melissa A. Greiner
City Clerk

David D. Spellman
Mayor

DRAFT

COUNCIL BILL 4
AN ORDINANCE FOR THE
ADOPTION OF THE 2015
INTERNATIONAL AND
MODEL CODE SERIES

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

COUNCIL BILL NUMBER: CB4

ORDINANCE NUMBER: 2016-4

TITLE: AN ORDINANCE REPEALING AND REENACTING ARTICLE I OF CHAPTER 18 OF THE CITY OF BLACK HAWK MUNICIPAL CODE TO ADOPT BY REFERENCE THE INTERNATIONAL BUILDING CODE, 2015 EDITION; THE INTERNATIONAL FIRE CODE, 2015 EDITION; THE INTERNATIONAL RESIDENTIAL CODE FOR ONE AND TWO FAMILY DWELLINGS, 2015 EDITION; THE INTERNATIONAL MECHANICAL CODE, 2015 EDITION; THE INTERNATIONAL PLUMBING CODE, 2015 EDITION; THE INTERNATIONAL ENERGY CONSERVATION CODE, 2015 EDITION; THE INTERNATIONAL EXISTING BUILDING CODE, 2015 EDITION; THE INTERNATIONAL FUEL GAS CODE, 2015 EDITION; THE INTERNATIONAL SWIMMING POOL AND SPA CODE, 2015 EDITION, ICC/ANSI A117.1 AMERICAN NATIONAL STANDARD – ACCESSIBLE AND USABLE BUILDINGS AND FACILITIES, MOST CURRENT EDITION; THE AMERICAN NATIONAL STANDARDS SAFETY CODE FOR ELEVATORS AND ESCALATORS, ASME A17.1/CSA B44 MOST CURRENT EDITION ADOPTED BY THE STATE OF COLORADO; THE NATIONAL ELECTRICAL CODE, MOST CURRENT EDITION ADOPTED BY THE STATE OF COLORADO; AND MAKING SPECIFIC AMENDMENTS TO THE ABOVE REFERENCED CODES AND PROVIDING PENALTIES FOR VIOLATIONS OF THE ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, GILPIN COUNTY:

Section 1. Chapter 18, Article I of the City of Black Hawk Municipal Code is hereby repealed and reenacted to read as follows:

ARTICLE I

International Building Code

Sec. 18-1. Title.

The provisions of the ordinance codified herein shall be known and cited as the "City of Black Hawk Building Ordinance."

Sec. 18-2. Adopted.

(a) The City adopts by reference the following as a primary code: *International Building Code*, 2015 Edition, with certain appendices as hereafter set out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795).

(b) The City adopts by reference the following as secondary codes:

(1) *International Fire Code*, 2015 Edition (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(2) *International Residential Code for One- and Two-Family Dwellings*, 2015 Edition, with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(3) *International Mechanical Code*, 2015 Edition, with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(4) *International Plumbing Code*, 2015 Edition, with certain appendices as hereafter set out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(5) *International Energy Conservation Code*, 2015 Edition, with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(6) *International Existing Building Code*, 2015 Edition, with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(7) *International Fuel Gas Code*, 2015 Edition, with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795);

(8) *Uniform Code for the Abatement of Dangerous Buildings*, (published by the International Code Council, Inc., 5360 Workman Mill Road, Whittier, CA 90601-2298);

(9) *ICC/ANSI A117.1 - American National Standard – Accessible And Usable Buildings And Facilities*, Most Current Edition; (published by the International Code Council, 500 New Jersey Avenue, NW, 6th Floor, Washington, DC 20001);

(10) *ASME A17.1-2013/CSA B44-13 American National Standard - Safety Code For Elevators And Escalators*, Most Current Edition Adopted by the State of Colorado; (published by The American Society of Mechanical Engineers, Two Park Avenue, New York, NY 10016-5990);

(11) *The National Electrical Code*, Most Current Edition Adopted by the State of Colorado; (published by National Fire Protection Association, One Batterymarch Park, Quincy, MA 02169-7471);

(c) The subject matter of the primary code and the secondary codes contained therein concerns regulations to provide minimum standards to safeguard life or limb, property and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings, structures, plumbing systems and mechanical systems in the City. Unless otherwise noted, the adoption includes all supplements to the codes.

(d) Any land use applications submitted after the effective date of this ordinance shall conform to the model codes adopted herein.

Sec. 18-3. Jurisdiction defined.

(a) Whenever the word *jurisdiction* is used in the *International Building Code*, it shall be held to mean that area included within the corporate limits of the City or any area hereafter annexed to the City.

(b) The Board of Appeals provided for in the *International Building Code* shall be the board established by the Board of Aldermen to hear appeals relating to the International Building Code.

Sec. 18-4. Penalty.

Failure to comply with the terms of the *International Building Code* or with this Article shall constitute a civil infraction. Any person who is found guilty of, or pleads guilty or nolo contendere to the commission of, the civil infraction shall be subject to a civil penalty as set forth in this Code. For each day, or portion thereof during which any violation continues, a person may be cited for a separate civil infraction.

Sec. 18-5. Additions and modifications to adopted codes.

(a) Amendments to the International Building Code

(1) Section 101.1 of the *International Building Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the *Building Code of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section 101.2.1 of the *International Building Code* is amended to read as follows:

101.2.1 Appendices. Provisions in the appendices shall not apply unless specifically adopted. The following appendices published by the International Code Council (ICC) are specifically adopted and made part of the *Black Hawk Building Code*:

1. Appendix Chapter I, Patio Covers
2. Appendix Chapter J, Grading

(3) Section 101.4.4 of the *International Building Code* is deleted in its entirety.

(4) Section 101.4 of the *International Building Code* is amended by adding a new Subsection 101.4.7 to read as follows:

101.4.7 Electrical. The provisions of the most current edition of the *National Electrical Code* enforced by the Colorado State Electrical Board shall apply to the installation of electrical systems, including alterations, repairs, replacements, equipment, appliances, fixtures, fittings and appurtenances thereto.

NOTE: For clarification, when any of the International Codes that are adopted by the City refer to the ICC Electrical Code, the reference shall apply to the “*National Electrical Code*.”

(5) Section 103.2 Appointment. The Building Official shall be appointed by the City Manager of the City of Black Hawk.

(6) Section 105.1.1 Annual Permits of the *International Building Code* is deleted in its entirety.

(7) Section 105.1.2 Annual Permit Records of the *International Building Code* regarding is deleted in its entirety.

(8) Section 105.1 Required Permits of the *International Building Code* is amended by adding Subsections 105.1.3 through 105.1.6:

105.1.3 Building:

1. Any re-roofing project or any roof repair that requires more than 25% of the roof to be replaced.
2. Drywall repairs 4 feet x 8 feet or larger.
3. New ceiling tile system.

105.1.4 Electrical:

1. Any new outlet required for slot machines, wall signs, kitchen or buffet line equipment, or similar.
2. New light fixture.
3. New or rewiring of any circuits; i.e. heating loop pumps, air handler units, power strips or similar.
4. New circuits for elevator cooling fan.
5. Elevator conduit for door access and badge readers.

105.1.5 Mechanical:

1. Removing or installing duct work, exhaust fans damper.
2. Any new gas line.
3. Relocating supply air registers.

105.1.6 Plumbing:

1. New water lines for water coolers, kitchen equipment, or similar.

(9) Section 105.2 Work Exempt from permit of the *International Building Code* is amended by deleting:

Building:

6. Sidewalks and driveways not more than 30 inches (762 mm) above adjacent grade, and not over any basement or *story* below and are not part of an *accessible route*.

(10) Section 105.2 Work Exempt from permit of the *International Building Code* is amended by adding:

Building:

14. Replacement of flooring or wall paneling.
15. Gardening or stone replacement.
16. Drywall repairs under 4 feet x 8 feet.
17. Commercial kitchen equipment rebuilt or repair.

Plumbing:

- 3, Plumbing fixture replacement; toilets, faucets, sinks, etc.

(11) Section 109.2 of the *International Building Code* is amended to read as follows:

109.2 Schedule of permit fees. On buildings, structures, gas, mechanical, plumbing systems or alterations requiring a permit, a fee for each permit shall be paid as required, in accordance with the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen. All permit applications are reviewed by the Building Official.

Exception: Permits for new buildings and structures; fuel gas, mechanical and plumbing systems shall be paid as part of the new construction general permit. All permit applications are reviewed by the Building Official.

(12) Section 109.2 of the *International Building Code* is amended by adding Subsections 109.2.1 through 109.2.3 to read as follows:

109.2.1 Residential Permit Fees. A permit shall be issued by the Building Official for new construction, rehabilitation, remodeling, additions, accessory buildings or alterations to all residential structures including relocated residential structures; however, no fees for building permit, plan review or use tax shall be required if the residence was constructed prior to 1991 or is located within the Historic Residential (HR) Zoning District, and new construction, rehabilitation, remodeling, relocation, addition or accessory building improvements are made in accordance with the Design Standards of the City of Black Hawk, as adopted by the Board of Aldermen. All permit applications are reviewed by the Building Official.

109.2.2 Restoration and Community Preservation Fund Grant Program Fees. A permit shall be issued by the Building Official for all renovations that are approved by the Board of Aldermen and funded by a Historic Restoration and Community Preservation Fund Grant; however, no permit fees, plan review fees or use tax shall be required regardless of the valuation of the project.

109.2.3 Plan Review Fees. When submittal documents are required by Section 107.1, a nonrefundable plan review fee deposit shall be paid at the time of submitting the submittal documents for plan review. Said plan review fee shall be 65 percent (65%) of the building permit fee per the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen.

The plan review fees specified in this section are separate fees from the permit fees specified in Section 109.2 and are in addition to the permit fees. When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items as defined in Section 107.3.4.1, an additional plan review fee shall be charged at the rate shown in the

Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen.

(13) Section 109.4 of the *International Building Code* is amended by adding Subsections 109.4.1 and 109.4.1.1 to read as follows:

109.4.1. Investigation. Whenever any work for which a permit is required by this code has been commenced without first obtaining a permit, a special investigation shall be made by the Building Official, into why a permit was not obtained before a permit may be issued for such work.

109.4.1.1 Investigation Fee. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be charged at the rate shown in the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen. The minimum investigation fee shall be the same as the minimum fee set forth in the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen. The payment of such investigation fee shall not exempt any person from compliance with all other provisions of this code nor from any penalty prescribed by law.

(14) Section 109.6 of the *International Building Code* is amended to read as follows:

109.6 Fee Refunds. The Building Official may authorize refunding of any fee paid hereunder which was erroneously paid or collected if an audit of the project has been performed and the audit shows that the fees were paid incorrectly. If an owner or owner's representative feels that a fee is erroneously paid or collected, an audit may be required by the Building Official. The audit shall be performed by an auditor selected by the City. The project owner or owner's representative shall pay the cost of the audit.

The Building Official may authorize refunding of not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.

The Building Official may authorize refunding of not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done.

The Building Official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than 180 days after the date of fee payment.

(15) Chapter 1 of the *International Building Code* is amended to read as follows:

Building permit fees shall be as established by the City Council by Resolution.

(16) Section 1608.2 of the *International Building Code* is amended to read as follows:

1608.2 Ground Snow Loads. The design ground snow load the City of Black Hawk is 55 pounds per square foot.

(17) Section 1609.3 of the *International Building Code* is amended to read as follows:

1609.3 Ultimate Design Wind Speed. The ultimate design wind speed, V_{ult} , for the determination of wind loads for any site within the limits of the City of Black Hawk shall be 155 miles per hour, 3-second gust wind speed.

(18) Section 1612.3 of the *International Building Code* is amended to read as follows:

1612.3 Establishment of Flood Hazard Areas. Flood hazard areas in the City of Black Hawk are as established by the Floodplain Information report for North-Clear Creek, Gregory Gulch, Chase Gulch and Four Mile Gulch in the City of Black Hawk prepared for the City of Black Hawk and the Colorado Water Conservation Board by Owen Ayres and Associates Inc., the Flood Insurance Study for the City of Black Hawk dated June of 1980 as amended or revised with the accompanying Flood Insurance Rate Map FIRM Panel Number 080076 001 dated, October 16, 1984, and related supporting data along with any revisions thereto. The adopted flood hazard map and supporting data are hereby adopted by reference and declared to be part of this section.

(19) Section 1612.4 of the *International Building Code* is amended to read as follows:

1612.4 Design and construction. The design and construction of buildings and structures located in flood hazard areas, including flood hazard areas subject to high-velocity wave action, shall be in accordance with Chapter 5 of ASCE 7 and with ASCE 24.

New construction and substantial improvements, with fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access, or storage in an area other than a basement and which are subject to flooding shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters.

Designs for meeting this requirement must either be certified by a registered Colorado Professional Engineer or architect or meet or exceed the following minimum criteria:

- a. A minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided.
- b. The bottom of all openings shall be no higher than one foot above grade.
- c. Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.

(20) Section 1809.5, Item 1 of the *International Building Code* is amended to read as follows:

1. Extending below the frost line of 48 inches;

(21) Section 3001.1 of the *International Building Code* is amended to read as follows:
3001.1 Scope. This chapter governs the design, construction, installation, alteration, maintenance, and repair of elevators, escalators, dumbwaiters, wheelchair lifts, and other regulated conveying systems; requires permits therefor; and provides procedures for the inspection and maintenance of such conveyances.

(22) Section 3001.2 of the *International Building Code* is amended to read as follows:
3001.2 Referenced standards. Except as otherwise provided for in this code, the design, construction, installation, alteration, repair and maintenance of elevators, escalators, dumbwaiters, wheelchair lifts and other regulated conveying systems and their components shall conform to ASME A17.1/CSA B44, ASME A17.3, ASME A90.1, ASME B20.1, ASME A18.1-2008, ASME A17.2-2005, ASME A17.3-2005, ALI ALCTV, ASCE 21 Parts 1, 2, 3, and 4, and ASCE 24 for construction in flood hazard areas established in Section 1612.3. The provisions of the most current editions of these standards as enforced by the Colorado State Department of Labor and Employment Elevator Section shall apply to these regulated conveyances.

(b) Amendments to the International Fire Code

(1) Section 101.1 of the *International Fire Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the Fire Code of the City of Black Hawk, hereinafter referred to as “this code”.

(2) Section 101.2.1 of the *International Fire Code* is amended to read as follows:

101.2.1 Appendices. Provisions in the appendices shall not apply unless specifically adopted. The following appendices published by the International Code Council (ICC) and NFPA standards published by the National Fire Protection Association are specifically adopted and made part of the Black Hawk Fire Code:

Appendix B - Fire Flow Requirements for Buildings

Appendix C - Fire Hydrant Locations and Distribution

Appendix D - Fire Department Access Roads

Appendix I - Fire Protection Systems – Noncompliant Conditions

National Fire Protection Association (*NFPA*) - most current standards

(3) Section 103.2 Division of Fire Prevention, of the *International Fire Code* is amended to read as follows:

103.2 Appointment. The fire code official shall be appointed by the Black Hawk Fire Chief.

(4) Section 403.12.1 of the *International Fire Code* is amended by deleting in its entirety subsections 403.12.1.1 and 403.12.1.2.

(5) Section 403.12.1 of the *International Fire Code* is amended by adding new subsections Sections 403.12.1.3 through 403.12.1.7 Required Fire Watch Permit as follows:

403.12.1.3 When required. A fire watch permit shall be required:

1. When required by other sections of this code.
2. When the Fire Code Official deems a condition essential for public safety.
3. When the Fire Code Official determines that conditions may result in a rekindle.
4. When the fire alarm system is off-line or out of service for repairs or maintenance.
5. When the fire suppression system is off-line or out of service for repairs or maintenance.
6. Fire Watch Permits shall be valid for a period not to exceed 24 hours unless otherwise authorized by the fire chief or the fire code official.

403.12.1.4 Financial responsibility. The property owner, the tenant or occupant in control of the premises shall be responsible for the cost of providing a fire watch.

403.12.1.5 Qualifications. Personnel assigned to fire watch duties shall possess the following minimum qualifications:

1. Shall be at least 18 years of age.
2. Shall be able to speak, read, and understand English.
3. Shall be capable of executing the duties and responsibilities as specified in Section 403.1.7.
4. Shall be capable of operating a mobile telephone and/or portable radio.
5. Shall be capable of walking the assigned watch area.

403.12.1.6 Number and hours. The Fire Code Official shall specify the number of fire watch personnel required and the hours during which they must be present based on the conditions and size of the facility.

403.12.1.7 Duties and responsibilities. Fire watch duties and responsibilities include, but are not limited to the following:

1. Know the address of the facility being watched.
2. Shall be equipped with a mobile telephone that can be used to contact 9-1-1 or a portable radio that can be used to communicate with a constantly attended security/communications center.
3. Continuously make rounds and monitor all assigned areas.
4. Immediately report any sign of smoke, fire or other emergency to 9-1-1 or to the security/communications center.
5. In the event of any sign of fire or smoke shall activate the fire alarm system when the building is equipped with such a system or notify those present to evacuate the building or area.
6. Shall assist with the evacuation of people present in the area.
7. Keep a fire watch log that includes the following information:
 - Identifies the building or area by name and address that is under watch.
 - The date and time each round or tour is completed, plus comments on what was observed.
 - Each entry shall contain the name and signature of the person conducting the watch.
 - Fire watch logs shall be immediately accessible for review by the Fire Code Official. A copy of the fire watch log shall be submitted to the Black Hawk Fire Department, Fire Prevention Division when the watch is concluded.

Fire watch personnel shall not be assigned additional duties during their fire watch tour.

(6) Section 507.5.3 of the *International Fire Code* is amended by adding new subsections 507.5.3.1 and 507.5.3.2 Fire Protection Water Supplies as follows:

507.5.3.1 Fire mains. Fire mains and appurtenances shall be sized to accommodate the calculated fire flow but shall not be less than 6 inches (152 mm) in diameter.

507.5.3.2 Dead-end fire mains. Dead-end fire mains shall not be less than 8 inches (203 mm) in diameter unless calculations determine otherwise and authorized by the authority having jurisdiction.

(7) Section 607 Elevator Operation, Maintenance, and Fire Service Keys of the *International Fire Code* is amended to add subsection 607.8.1.1 Elevator Switch Keys.

607.8.1.1 Elevator Switch Keys. The key switches required for all elevators in a building shall be operable by the same key. The keys shall comply with the requirements determined by the authority having jurisdiction. There shall be a key for each switch provided. All elevator switch keys shall be kept on the premises in a location specified by the authority having jurisdiction. The keys shall not be accessible to the public.

(8) Section 901.4 of the *International Fire Code* is amended by adding subsection 901.4.7 Modifications to read as follows:

Section 901.4.7 Modifications. No person shall remove or modify any fire protection system installed or maintained under the provisions of this code without approval by the Fire Chief or the Fire Code Official.

(9) Section 903.2 of the *International Fire Code* is amended to read as follows:

Section 903.2 Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in this section. Automatic sprinkler systems shall be provided throughout buildings and structures of the following building groups. Group A-1, Group A-2, Group A-3, Group A-4, Group B, Group E, Group F-1, F-2, Group H, Group I, Group M, Group R-1, Group R-2, Group R-3, Group R-4, Group S-1, and Group S-2 where one of the following conditions exist.

1. The fire area exceeds 2500 square feet.
2. The fire area has an occupant load of 100 or more.
3. The fire area is located on a floor area other than the level of exit discharge.

All Group H and I occupancies shall be provided with an approved automatic sprinkler system regardless of size.

Fire sprinkler systems shall meet the requirements of the most current edition of NFPA 13, 13D, or 13R and the requirements of this code.

(10) Section 903.2.1 thru Section 903.2.10.1 of the *International Fire Code* is deleted in its entirety.

(11) Section 903.2.1 of the *International Fire Code* is added and reads as follows:

903.2.1 Group A-2 Casino. An automatic sprinkler system shall be provided throughout every building containing Group A-2 Casino occupancy regardless of size. Such sprinkler system shall be provided throughout the entire building including the casino, offices, multipurpose areas, storage areas, parking garages, hotels and other spaces contiguous and accessory to the building.

(12) Section 905.3 of the *International Fire Code* is amended and reads as follows:

Section 905.3 Required Installations. Standpipe systems shall be installed where required by Sections 905.3.1 through 905.3.6 and in the locations indicated in Sections 905.4, 905.5 and 905.6, Only Class I Standpipe systems with 1 ½” x 2 ½” National Hose adaptors as determined by the Authority Having Jurisdiction shall be installed. Standpipe systems are permitted to be combined with automatic sprinkler systems.

(13) Section 905 of the *International Fire Code* is amended by adding subsection 905.3.9 to read as follows:

Section 905.3.9 Locking Caps. New standpipes and fire department connections (FDC's) shall be equipped with locking caps approved by the Authority Having Jurisdiction.

(14) Section 907 of the *International Fire Code* is amended by adding 907.2.1.3 Group A-2 Casino to read as follows:

Section 907.2.1.3 Group A-2 Casino. An automatic and manual fire alarm system shall be installed in accordance with the most current edition of NFPA 72 and the provisions of this code throughout every building containing a casino regardless of size. Such fire alarm systems shall be provided throughout the casino and in offices, stages, storage areas, parking garages and on each elevator floor landing of a parking garage, hotels and other accessory spaces contiguous and accessory to such casino.

Exception: New parking garages that are protected throughout by an automatic sprinkler system.

(15) Section 907 is amended by deleting subsection 907.2.1, Exception.

(c) Amendments to the International Residential Code

(1) Section R101.1 of the *International Residential Code* is amended to read as follows:

R101.1 Title. These regulations shall be known as the *Residential Code for One- and Two-family Dwellings of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section R105.1 Required Permits of the *International Residential Code* is amended by adding Subsections 105.1.1 through 105.1.4:

R105.1.1 Building:

1. Any re-roofing project or any roof repair that requires more than 25% of the roof to be replaced.
2. Drywall repairs 4 feet x 8 feet or larger.

R105.1.2 Electrical:

1. Any new outlet.
2. Any light fixture in a new location.
3. New or rewiring of any circuits.

R105.1.3 Mechanical:

1. Any new gas line.

R105.1.4 Plumbing:

1. Any new interior/exterior water lines.

(3) Section R105.2 Work Exempt from Permit of the *International Residential Code* is amended by deleting:

Building:

5. Sidewalks and driveways.

(4) Section R105.2 Work Exempt from Permit of the *International Residential Code* is amended by adding the following:

Building:

11. Gardening or stone replacement.
12. Drywall repairs under 4 feet x 8 feet.
13. Kitchen equipment rebuilt or repair.

Plumbing:

3. Plumbing fixture replacement; toilets, faucets, sinks, etc.

(5) Section R202 Definitions of the International Residential Code is amended as follows:

The definition for Bedroom is added to read as:

Bedroom is defined as a habitable space in a building used for sleeping, is directly or indirectly heated and cooled, includes an egress window and closet for storage.

(6) Table R301.2(1) of the *International Residential Code* is amended by adding design criteria to read as follows:

**Table R301.2(1)
Climatic and Geographic Design Criteria**

Roof Snow Load	38
Ground Snow Load	55 PSF
Wind Speed	120 MPH (3-second gust velocity)
Wind Exposure	B
Wind Topographical Effects	No reported history
Special Wind Region	No reported history
Wind-borne Debris Zone	No
Seismic Design Category	B
Weathering Damage	Severe
Frost Line depth	48"
Termite Damage	Slight to Moderate
Decay	None to Slight
Winter Design Temp	0°F
Ice Barrier Underlayment Required	Yes
Flood Hazards	The flood hazard map shall include, at a minimum, areas of special flood hazard as identified by the Federal Emergency Management Agency in an engineering report entitled, "The Flood Insurance Study for the City of Central," dated October 1991, as amended or revised with the accompanying Flood Insurance Rate Map (FIRM) Panel Number – 080077 0001 C dated February 16, 1994, and Flood Boundary and Floodway Map (FBFM) and related supporting data, along with any revisions thereto. The adopted flood hazard map and supporting data are hereby adopted by reference and declared to be a part of this Section."
Air Freezing Index	2000

Mean Annual Temp	40°
Zone	5
Codes	2015
Electrical for Jurisdiction	Yes

(7) Section R313 Automatic Fire Sprinkler Systems of the *International Residential Code* is deleted in its entirety.

(8) Section R321.1 of the *International Residential Code* is amended to read as follows:

R321.1 Elevators. Where provided, passenger elevators, limited-use/limited-application elevators or private residence elevators shall comply with ASME A17.1. The provisions of the most current editions of this standard as enforced by the Colorado State Department of Labor and Employment Elevator Section shall apply to this regulated conveyance.

(9) Section 321.2 of the *International Residential Code* is amended to read as follows:

R321.2 Platform lifts. Where provided, platform lifts shall comply with ASME A18.1. The provisions of the most current editions of this standard as enforced by the Colorado State Department of Labor and Employment Elevator Section shall apply to this regulated conveyance.

(10) Section R326 of the *International Residential Code* is deleted in its entirety.

(11) Section N1102.4.1.2 of the *International Residential Code* is deleted in its entirety.

(12) Section N1103.3.3 of the *International Residential Code* is deleted in its entirety.

(13) Section G2445 of the *International Residential Code* is deleted in its entirety.

(14) Section P2603.5.1 of the *International Residential Code* is amended to read as follows:

P2603.5.1 Sewer Depth. Building sewers shall be not less than 48 inches (1219 mm) below grade.

(d) Amendments to the International Mechanical Code

(1) Section 101.1 of the *International Mechanical Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the *Mechanical Code of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section 106.5.2 of the *International Mechanical Code* is amended to read as follows:

106.5.2 Fee schedule. The fees for mechanical work shall be as shown in the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen.

(3) Section 106.5.3 of the *International Mechanical Code* is amended to read as follows:

106.5.3 Fee refunds. The code official shall authorize the refunding of fees as follows.

1. The full amount of any fee paid hereunder which was erroneously paid or collected.
2. Not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.
3. Not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan review effort has been expended.

The code official shall not authorize the refunding of any fee paid, except upon written application filed by the original permittee not later than 180 days after the date of fee payment.

(4) Section 108.4 of the *International Mechanical Code* is deleted in its entirety.

(5) Section 108.5 of the *International Mechanical Code* is amended to read as follows:

108.5 Stop work orders. Upon notice from the code official that mechanical work is being done contrary to the provisions of this code or in a dangerous or unsafe manner, such work shall immediately cease. Such notice shall be in writing and shall be given to the owner of the property, or to the owner's agent, or to the person doing the work. The notice shall state the conditions under which work is authorized to resume. Where an emergency exists, the code official shall not be required to give a written notice prior to stopping the work. Any person who shall continue any work on the system after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be in violation of this code.

(6) Section 903.3 of the *International Mechanical Code* is amended to read as follows:

903.3 Unvented gas log heaters. An unvented gas log heater shall not be installed in a factory-built fireplace.

(e) **Amendments to the International Plumbing Code**

(1) Section 101.1 of the *International Plumbing Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the *Plumbing Code of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section 106.6.2 of the *International Plumbing Code* is amended to read as follows:

106.6.2 Fee schedule. The fees for plumbing work shall be as shown in the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen.

(3) Section 106.6.3 of the *International Plumbing Code* is amended to read as follows:

106.6.3 Fee refunds. The code official shall authorize the refunding of fees as follows:

1. The full amount of any fee paid hereunder which was erroneously paid or collected.
2. Not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.
3. Not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan review effort has been expended.

The code official shall not authorize the refunding of any fee paid, except upon written application filed by the original permittee not later than 180 days after the date of fee payment.

(4) Section 108.4 of the *International Plumbing Code* is deleted in its entirety.

(5) Section 108.5 of the *International Plumbing Code* is amended to read as follows:

108.5 Stop work orders. Upon notice from the code official that mechanical work is being done contrary to the provisions of this code or in a dangerous or unsafe manner, such work shall immediately cease. Such notice shall be in writing and shall be given to the owner of the property, or to the owner’s agent, or to the person doing the work. The notice shall state the conditions under which work is

authorized to resume. Where an emergency exists, the code official shall not be required to give a written notice prior to stopping the work. Any person who shall continue any work on the system after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be in violation of this code.

(6) Section 305.4.1 of the *International Plumbing Code* is amended to read as follows:

305.4.1 Sewer Depth. Building sewers shall be not less than 48 inches (1219 mm) below grade.

(7) Section 903.1 of the *International Plumbing Code* is amended to read as follows:

903.1 Roof extension. Open vent pipes that extend through a roof shall be terminated not less than 12 inches (305 mm) above the roof. Where a roof is to be used for assembly or as a promenade, observation deck, sunbathing deck or similar purposes, open vent pipes shall terminate not less than 7 feet (21345 mm) above the roof.

(f) Amendments to the International Energy Conservation Code

(1) Section C101.1 of the *International Energy Conservation Code* is amended to read as follows:

C101.1 Title. The regulations shall be known as the *Energy Conservation Code of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section C107 of the *International Energy Conservation Code* is deleted in its entirety.

(3) Section C501.6 of the *International Energy Conservation Code* is amended to read as follows:

C501.6 Historic Building. No provisions of this code relating to the construction, repair, alteration, restoration and movement of structures, and change of occupancy shall be mandatory for historic buildings.

(4) Section R101.1 of the *International Energy Conservation Code* is amended to read as follows:

R101.1 Title. This code shall be known as the *International Energy Conservation Code of the City of Black Hawk* and shall be cited as such. It is referred to herein as “this code.”

(5) Section R107 of the *International Energy Conservation Code* is deleted in its entirety.

(6) Section R501.6 of the *International Energy Conservation Code* is amended to read as follows:

C501.6 Historic Building. No provisions of this code relating to the construction, repair, alteration, restoration and movement of structures, and change of occupancy shall be mandatory for historic buildings.

(g) Amendments to the International Existing Building Code

(1) Section 101.1 of the *International Existing Building Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the *Existing Building Code of the City of Black Hawk*, hereinafter referred to as “this code.”

(2) Section 1401.2 of the *International Existing Building Code* is amended to read as follows:

1401.2 Applicability. These provisions shall not apply to buildings with occupancies in Group H or I-1, I-3 or I-4.

(h) Amendments to the International Fuel Gas Code

(1) Section 101.1 of the *International Fuel Gas Code* is amended to read as follows:

101.1 Title. These regulations shall be known as the *Fuel Gas Code of the City of Black Hawk* hereinafter referred to as “this code.”

(2) Section 106.6.2 of the *International Fuel Gas Code* is amended to read as follows:

106.6.2 Fee schedule. The fees for mechanical work shall be as shown in the Schedule of Fees of the City of Black Hawk, as adopted by the Board of Aldermen.

(3) Section 106.6.3 of the *International Fuel Gas Code* is amended to read as follows:

106.5.3 Fee refunds. The code official shall authorize the refunding of fees as follows.

1. The full amount of any fee paid hereunder which was erroneously paid or collected.
2. Not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.
3. Not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan review effort has been expended.

The code official shall not authorize the refunding of any fee paid, except upon written application filed by the original permittee not later than 180 days after the date of fee payment.

(4) Section 108.4 of the *International Fuel Gas Code* is deleted in its entirety.

(5) Section 108.5 of the *International Fuel Gas Code* is amended to read as follows:

108.5 Stop work orders. Upon notice from the code official that mechanical work is being done contrary to the provisions of this code or in a dangerous or unsafe manner, such work shall immediately cease. Such notice shall be in writing and shall be given to the owner of the property, or to the owner’s agent, or to the person doing the work. The notice shall state the conditions under which work is authorized to resume. Where an emergency exists, the code official shall not be required to give a written notice prior to stopping the work. Any person who shall

continue any work on the system after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be in violation of this code.

(6) Section 621 of the *International Fuel Gas Code* is deleted in its entirety.

(g) 1997 Uniform Code for the Abatement of Dangerous Buildings

The *1997 Uniform Code for the Abatement of Dangerous Buildings* is adopted in its entirety.

Section 2. Safety Clause. The Board of Aldermen hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the City of Black Hawk, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Board of Aldermen further determines that the Ordinance bears a rational relation to the proper legislative object sought to be attained.

Section 3. Severability. If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 4. Effective Date. The City Clerk is directed to post the Ordinance as required by the Charter. This Ordinance shall become effective upon posting by the City Clerk.

READ, PASSED AND ORDERED POSTED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance repealing and reenacting Article 1 of Chapter 18 of the Black Hawk Municipal Code to adopt by reference the 2015 International and Model Code series.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen: a ***MOTION TO APPROVE*** Ordinance No. 2016-4 repealing and reenacting Article 1 of Chapter 18 of the Black Hawk Municipal Code to adopt by reference the 2015 International and Model Code series.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The State (Colorado Division of Fire Prevention and Control) recently adopted the 2015 International Fire Code. In accordance with the Colorado Gaming Statutes, and due to the Fire Department performing inspections on gaming areas, the City is required to maintain the current or newer State adopted code. This action by the State of Colorado persuaded the City of Black Hawk to follow suit and adopt the 2015 International and Model Code series.

These publications are the most comprehensive and up-to-date codes available for use by the City of Black Hawk and are proposed for adoption for the purpose of establishing and regulating the building standards within Black Hawk.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: January 27, 2016

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: [X]Yes []No

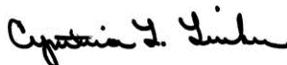
STAFF PERSON RESPONSIBLE: Cynthia Linker, CP&D
Chief Donald Taylor, Fire Department

DOCUMENTS ATTACHED: Ordinance No. 2016-4, Public Hearing Notice

RECORD: []Yes [X]No

CITY ATTORNEY REVIEW: [X]Yes []N/A

SUBMITTED BY:



Cynthia Linker, CP&D

REVIEWED BY:



Jack D. Lewis, City Manager

NOTICE OF PUBLIC HEARING

NOTICE is hereby given of a public hearing before the Board of Aldermen of the City of Black Hawk, at 3:00 P.M. on Wednesday, February 24, 2016, at 211 Church Street, Black Hawk, Colorado, for the purpose of considering the proposed adoption of the following "International Codes", 2015 Edition, as adopted by reference as the building code of the City of Black Hawk.

The *International Building Code*, 2015 Edition, *International Fire Code*, 2015 Edition, *International Residential Code for One- and Two-Family Dwellings*, 2015 Edition, *International Mechanical Code*, 2015 Edition, *International Plumbing Code*, 2015 Edition, *International Energy Conservation Code*, 2015 Edition, *International Existing Building Code*, 2015 Edition, *International Fuel Gas Code*, 2015 Edition; with certain appendices as hereafter sent out (published by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795)

Uniform Code for the Abatement of Dangerous Buildings, (published by the International Code Council, Inc., 5360 Workman Mill Road, Whittier, CA 90601-2298);

ICC/ANSI A117.1 - American National Standard – Accessible And Usable Buildings And Facilities, Most Current Edition; (published by the International Code Council, 500 New Jersey Avenue, NW, 6th Floor, Washington, DC 20001);

ASME A17.1-2013/CSA B44-13 American National Standard - Safety Code For Elevators And Escalators, Most Current Edition Adopted by the State of Colorado; (published by The American Society of Mechanical Engineers, Two Park Avenue, New York, NY 10016-5990);

The National Electrical Code, Most Current Edition Adopted by the State of Colorado; (published by National Fire Protection Association, One Batterymarch Park, Quincy, MA 02169-7471);

The subject matter of these codes relate primarily to the building regulations for the City. The purpose of the Ordinance and the Codes adopted therein is to provide a system of building regulations consistent with state law and generally conforming to similar regulations throughout the state and nation. The above-referenced publications are being adopted for the purpose of establishing and regulating building standards within the City of Black Hawk.

Copies of the above referenced code are on file at the office of the City Clerk and may be inspected during regular business hours. If enacted as an ordinance of this City, this code as amended will not be published in full, but in accordance with state law, copies will be kept on file.

This notice is given and published by the order of the Board of Aldermen.
DATED this 28th day of January, 2016.

ALL INTERESTED PARTIES MAY ATTEND

CITY OF BLACK HAWK
Melissa A. Greiner
City Clerk

First Notice of hearing published on January 28, 2016.
Second notice of hearing published on February 4, 2016.

COUNCIL BILL 5
AN ORDINANCE
APPROVING AN
INTERGOVERNMENTAL
AGREEMENT REGARDING
SNOW REMOVAL SERVICES
BETWEEN THE CITY OF
BLACK HAWK AND THE CITY
OF CENTRAL

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

COUNCIL BILL NUMBER: CB5

ORDINANCE NUMBER: 2016-5

TITLE: AN ORDINANCE APPROVING AN INTERGOVERNMENTAL AGREEMENT REGARDING SNOW REMOVAL SERVICES BETWEEN THE CITY OF BLACK HAWK AND THE CITY OF CENTRAL

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, GILPIN COUNTY:

Section 1. The City of Black Hawk hereby approves the Intergovernmental Agreement Regarding Snow Removal Services between the City of Black Hawk and the City of Central, as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference, and authorizes the Mayor to execute the same on behalf of the City.

Section 2. Safety Clause. The Board of Aldermen hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the City of Black Hawk, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Board of Aldermen further determines that the Ordinance bears a rational relation to the proper legislative object sought to be attained.

Section 3. Severability. If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 4. Effective Date. The City Clerk is directed to post the Ordinance as required by the Charter. This Ordinance shall become effective upon posting by the City Clerk.

READ, PASSED AND ORDERED POSTED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk



CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Approve Council Bill 5, an Ordinance Authorizing the execution of the Intergovernmental Agreement between the City of Black Hawk and the City of Central regarding limited snowplowing services.

RECOMMENDATION:

If City Council chooses to approve Council Bill 5, an Ordinance authorizing the execution of the Intergovernmental Agreement between the City of Black Hawk and the City of Central, the recommended motion is as follows: “Approve Council Bill 5, an Ordinance Authorizing the execution of the Intergovernmental Agreement between the City of Black Hawk and the City of Central regarding limited snowplowing services”

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The City of Black Hawk proposes to provide limited snow plowing services along Gregory and Lawrence Streets, east of D Street, in Central City on an as needed basis. The City of Central requested that an IGA be executed to allow our plow trucks to drop their plows. This also provides a cleaner turn around location for our City plow trucks rather than turning around in private parking lots. This plowing will only be done on a limited, as needed, basis and will be supplemental to the City of Centrals regular snow control efforts. Any work performed under this agreement should assist the shuttle and all the other traffic descending the grade from Central.

FUNDING SOURCE: N/A

WORKSHOP DATE: February 24, 2016

ORIGINATED BY: Tom Isbester

STAFF PERSON RESPONSIBLE: Tom Isbester

PROJECT COMPLETION DATE: N/A

DOCUMENTS ATTACHED: IGA

CITY ATTORNEY REVIEW: []Yes []No []N/A INITIALS _____

SUBMITTED BY:

Thomas Isbester, Public Works Director

REVIEWED BY:

Jack D. Lewis, City Manager

**CITY OF CENTRAL, COLORADO
RESOLUTION NO. 16-07**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CENTRAL,
COLORADO, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH
BLACK HAWK, COLORADO, FOR LIMITED SNOW REMOVAL SERVICES**

WHEREAS, the City of Central ("City") is authorized to enter into contracts for lawful purposes for the protection of the health, safety, and welfare; and

WHEREAS, Section 29-1-203, C.R.S., authorizes the City to cooperate and contract with other governmental entities regarding functions, services and facilities each is authorized to provide; and

WHEREAS, the City has contracted with the City of Black Hawk to provide the Black Hawk and Central City Tramway shuttle service and the shuttle service is currently operating and providing service to both cities; and

WHEREAS, Black Hawk desires to cooperate and contract with the City for Black Hawk to provide limited snow removal services upon certain Central City roadways, subject to the terms and conditions set forth in that certain Intergovernmental Agreement for Snow Removal Services, a copy of which is attached hereto as **Exhibit 1**.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CENTRAL, COLORADO, THAT:

Section 1. The City Council hereby approves the Intergovernmental Agreement attached to this Resolution as **Exhibit 1**, authorizes the City Manager, in consultation with the City Attorney, to make such changes as may be needed to correct any nonmaterial errors or language that do not increase the obligations of the City, and authorizes the Mayor to execute the Agreement on behalf of the City.

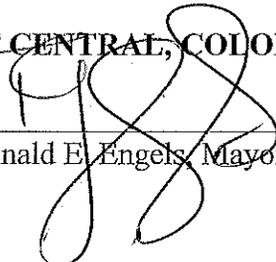
Section 2. **Effective Date.** This Resolution shall take effect upon its approval by the City Council.

ADOPTED THIS 16th DAY OF FEBRUARY, 2016.

CITY OF CENTRAL, COLORADO

By: _____

Ronald E. Engels, Mayor



ATTEST:

By: Reba Bechtel
Reba Bechtel City Clerk

APPROVED TO FORM:

By: Marcus A. McAskin
Marcus A. McAskin, City Attorney

Resolution Exhibits:

Exhibit 1 – Intergovernmental Agreement for Snow Removal Services
(Black Hawk)

**INTERGOVERNMENTAL AGREEMENT REGARDING SNOW REMOVAL
SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT REGARDING SNOW REMOVAL SERVICES ("Agreement") is made and entered into this ___ day of _____, 2016, (the "Effective Date") by and between THE CITY OF BLACK HAWK, a home rule municipal corporation ("Black Hawk") and THE CITY OF CENTRAL, a home rule municipal corporation ("Central City"), each a "Party" and collectively referred to herein as the "Parties."

W I T N E S S E T H

WHEREAS, C.R.S. § 29-1-203 authorizes Black Hawk and Central City to cooperate and contract with one another regarding functions, services and facilities each is authorized to provide;

WHEREAS, the newly created Black Hawk and Central City Tramway shuttle service is operating and providing service to both cities; and

WHEREAS, Black Hawk and Central City desire to cooperate and contract for Black Hawk to provide limited snow removal services upon certain Central City roadways, subject to the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the parties hereto agree as follows:

1. Snow Removal Services. Black Hawk agrees to provide limited snow removal services on Gregory Street and Lawrence Streets within Central City from and between D Street in Central City to the municipal boundary between Black Hawk and Central City ("Gregory and Lawrence Streets within Central City"). Black Hawk shall provide such limited snow removal service as part of Black Hawk's providing such regular snow removal services within Black Hawk on that portion of Gregory Street at the western boundary of Black Hawk. This limited service will be considered secondary and supplementary to Central City, and the primary responsibility for any and all maintenance of these roadways within Central City shall remain with Central City. Black Hawk shall have no obligation to provide such limited snow removal services if it is unable to do so for any reason, and such inability shall not be deemed a breach of this Agreement.

2. Term.

- a. The initial term of this Agreement shall commence on the Effective Date and shall continue until December 31, 2016.
- b. This Agreement shall automatically renew for subsequent one (1) year terms commencing on January 1, 2017, and shall remain in full force and effect unless and until terminated in accordance with Section 2.c. below.

- c. Either Party shall have the right to terminate this Agreement, without cause, provided that the Party desiring to terminate this Agreement has provided a minimum of ninety (90) days advance written notice to the other Party. Any such written notice of termination given under this Agreement shall clearly set forth the date of termination of this Agreement.

3. Payment. No payment shall be required for the providing of such snow removal services, as the Parties jointly determine such limited snow removal services are in the best interests of both Parties in assisting the provision by Black Hawk to Central City of transportation services.

4. Insurance. Both Parties are afforded certain governmental immunity pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes, are members of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA"), and agree to keep such CIRSA insurance coverage in place throughout the term of this Agreement so as to cover the risks of any liabilities for damages or otherwise which may arise by operation of this Agreement. In addition, Black Hawk and Central City agree to use their reasonable best efforts to communicate regarding the accumulation of snow and/or ice on Gregory and Lawrence Streets within Central City as required by and consistent with C.R.S. § 24-10-106(1)(d)(I).

5. No Waiver of Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to Black Hawk or Central City, its officials, employees, contractors or agents, or any other person acting on behalf of Black Hawk or Central City and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

6. Assignment. Neither this Agreement, nor any of a Party's rights, obligations, duties or authority hereunder, may be assigned in whole or in part.

7. Relationship of Parties. This Agreement does not and shall not be construed as creating a relationship of joint venturers, partners, or employer-employee between the Parties.

8. Modification. This Agreement may be modified, amended, changed or terminated, in whole or in part, only by an agreement in writing duly authorized and executed by the Parties. No consent of any third party shall be required for the negotiation and execution of any such agreement.

9. Severability. In the event any provision of this Agreement is declared or determined to be unlawful, invalid or unconstitutional, such declaration shall not affect in any manner, the legality of the remaining provisions of this Agreement, and each provision of the Agreement will be and is deemed to be separate and severable from each other provision.

10. Jurisdiction. This Agreement is made in and subject to the laws of the State of Colorado. Any disputes shall be brought in the District Court in and for the County of Gilpin,

State of Colorado.

11. No Third Party Beneficiaries. The benefits and burdens of the Agreement shall inure solely to the Parties. There are no third-party beneficiaries of this Agreement.

12. Subject to Annual Appropriation. Consistent with Article X, Section 20 of the Colorado Constitution, any financial obligations of either party not to be performed during the current fiscal year are subject to annual appropriation.

13. Notice. Any notice or demand under which the terms of this Agreement and under any statute must or may be given or made by Black Hawk or Central City shall be in writing and shall be given or made by personal service, first class mail, or by certified or registered mail to the parties:

City of Black Hawk
Attn: City Manager
P.O. Box 68
201 Selak
Black Hawk, CO 80422

City of Central
Attn: City Manager
P.O. Box 249
141 Nevada Street
Central City, CO 80427

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received one (1) day after hand delivery or three (3) days after mailing. Either Party, by written notice so provided, may change the address to which future notices shall be sent.

14. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

15. No Personal or Contractual Liability. No elected official, director, officer, agent or employee of Black Hawk or Central City shall be charged personally or held contractually liable under any term or provision of this Agreement, or because of any breach thereof, or because of his or her execution or approval of this Agreement.

16. Counterpart Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Intergovernmental Agreement Regarding Snow Removal Services, to be effective as of the Effective Date set forth above. By the signature of its representatives below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

[SIGNATURE PAGE FOLLOWS]

CITY OF CENTRAL

By: _____

Ron Engels, Mayor

ATTEST:

Reba Bechtel

Reba Bechtel, CMC, City Clerk

CITY OF BLACK HAWK

By: David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

**LOCAL LIQUOR
LICENSING AUTHORITY
CONSIDERATION OF A
NEW TAVERN LICENSE
FOR JAN'S TAVERN,
LLC DBA JAN'S
TAVERN, 101 GREGORY
STREET, UNIT #1**

CITY OF BLACK HAWK

REQUEST FOR COUNCIL ACTION

SUBJECT: Local Liquor Licensing Authority Consideration of a New Tavern License for Jan's Tavern, LLC dba Jan's Tavern located at 101 Gregory Street, Unit #1.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE the request for a new Tavern Liquor License for Jan's Tavern, LLC dba Jan's Tavern located at 101 Gregory Street, Unit #1.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

On December 14, 2015, the City Clerk's office received an application for a new Tavern Liquor License for Jan's Tavern, LLC dba Jan's Tavern and a Report of Changes application for a modification of premises at Z Casino.

On December 15, 2015, the application was deemed complete by City Clerk staff.

On January 13, 2016, the Local Liquor Authority reviewed the application and set the boundaries of the neighborhood and set the date of February 24, 2016 for the public hearing providing the applicant enough time to prove the reasonable requirements of the neighborhood needs and desires and cause the public notice to be posted and published.

On February 11, 2016, a Notice of Public Hearing was posted on the property and published in the *Weekly Register Call*.

On February 8, 2016, Z Casino received approval from the Liquor Enforcement Division for a permanent modification to remove 42 square feet from the second level of their Hotel & Restaurant Liquor License. This is where Jan's Tavern will be located.

On February 9, 2016, the applicant's attorney submitted documentation supporting the facts and evidence required for the Public Hearing.

Per Ordinance 2015-6, Sec. 6-24, as amended, the Local Liquor Authority shall consider the following:

- The facts and evidence of the investigation;
- The reasonable requirements of the neighborhood for the type of liquor license for which application has been made, including reference to the number, type and availability of liquor outlets in or near the neighborhood under consideration;
- The desires of the adult inhabitants of the neighborhood as evidenced by petitions, remonstrances or otherwise;
- The use of additional law enforcement resources; and
- Other pertinent facts and evidence affecting the qualification of the applicant.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Melissa A. Greiner, City Clerk

DOCUMENTS ATTACHED: Redacted Application and Needs and Desires

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

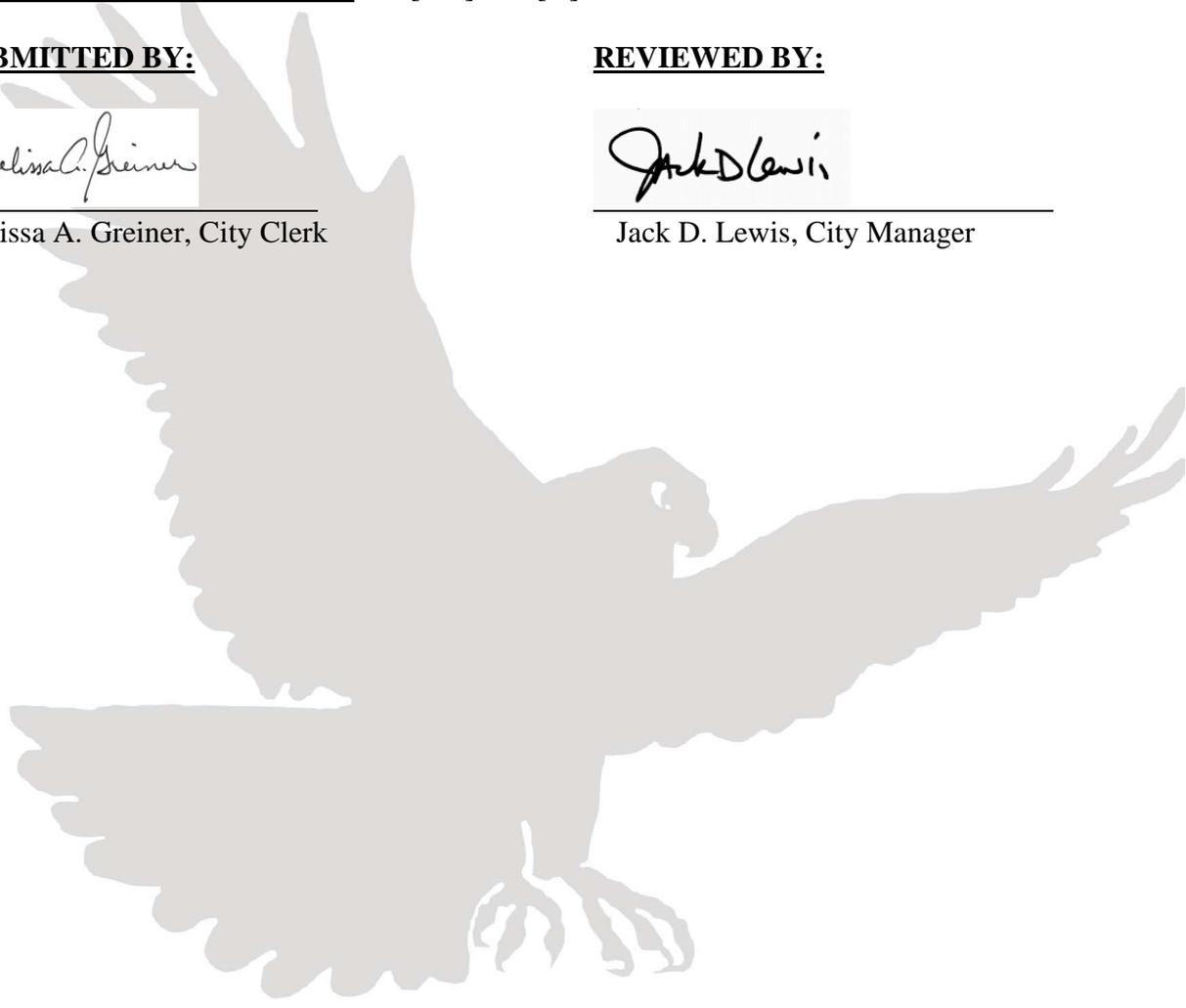


Melissa A. Greiner, City Clerk

REVIEWED BY:



Jack D. Lewis, City Manager



NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of Black Hawk, acting as the Black Hawk Local Liquor Licensing Authority, shall hold a public hearing concerning a new Tavern Liquor License for Jan's Tavern, LLC dba Jan's Tavern located at 101 Gregory Street, Unit #1, Black Hawk, CO 80422. The date the completed application was received by the City Clerk's office was December 15, 2015. Elizabeth Zimpel is the Managing Member of Jan's Tavern, LLC, located at 101 Gregory Street, Unit #1, Black Hawk, CO 80422.

The public hearing is to be held before the City Council of the City of Black Hawk on Wednesday, February 24, 2016 at 3:00 p.m. or as soon as possible thereafter. The public hearing shall be held in the City of Black Hawk Council Chambers located at 211 Church Street, Black Hawk, Colorado, 80422, or at such other time or place in the event these hearings are adjourned.

ALL INTERESTED PARTIES
MAY ATTEND

Melissa A. Greiner
City Clerk

RECEIVED

DEC 14 2015

City of Black Hawk
Clerk's Office

DR 8404 (04/27/15)
COLORADO DEPARTMENT OF REVENUE
Liquor Enforcement Division
(303) 205-2300

Colorado Liquor Retail License Application

New License New-Concurrent Transfer of Ownership

- All answers must be printed in black ink or typewritten
- Applicant must check the appropriate box(es)
- Applicant should obtain a copy of the Colorado Liquor and Beer Code: www.colorado.gov/enforcement/liquor
- Local License Fee \$ _____

1. Applicant is applying as a/an
 Corporation Individual
 Partnership (includes Limited Liability and Husband and Wife Partnerships) Limited Liability Company
 Association or Other

2. Applicant If an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation
Jan's Tavern, LLC FEIN Number 47-5439329

2a. Trade Name of Establishment (DBA) State Sales Tax Number Business Telephone
Jan's Tavern 30250978 303-582-5623

3. Address of Premises (specify exact location of premises, include suite/unit numbers)
101 Gregory street unit #1

City County State ZIP Code
Black Hawk Gilpin CO 80422

4. Mailing Address (Number and Street) City or Town State ZIP Code
PO Box 49 Black Hawk CO 80422

5. Email Address
 [REDACTED]

6. If the premises currently has a liquor or beer license, you must answer the following questions

Present Trade Name of Establishment (DBA)	Present State License Number	Present Class of License	Present Expiration Date

Section A	Nonrefundable Application Fees	Section B (Cont.)	Liquor License Fees
<input type="checkbox"/> Application Fee for New License.....	\$ 600.00	<input type="checkbox"/> Liquor Licensed Drugstore (City).....	\$227.50
<input checked="" type="checkbox"/> Application Fee for New License w/Concurrent Review....	\$ 700.00	<input type="checkbox"/> Liquor Licensed Drugstore (County).....	\$312.50
<input type="checkbox"/> Application Fee for Transfer.....	\$ 600.00	<input type="checkbox"/> Manager Registration - H & R.....	\$ 75.00
Section B		<input type="checkbox"/> Manager Registration - Tavern.....	\$ 75.00
Liquor License Fees		<input type="checkbox"/> Master File Location Fee.....	\$ 25.00 X Total _____
<input type="checkbox"/> Add Optional Premises to H & R.....	\$100.00 X Total _____	<input type="checkbox"/> Master File Background.....	\$250.00 X Total _____
<input type="checkbox"/> Add Related Facility to Resort Complex.....	\$ 75.00 X Total _____	<input type="checkbox"/> Optional Premises License (City).....	\$500.00
<input type="checkbox"/> Arts License (City).....	\$308.75	<input type="checkbox"/> Optional Premises License (County).....	\$500.00
<input type="checkbox"/> Arts License (County).....	\$308.75	<input type="checkbox"/> Racetrack License (City).....	\$500.00
<input type="checkbox"/> Beer and Wine License (City).....	\$351.25	<input type="checkbox"/> Racetrack License (County).....	\$500.00
<input type="checkbox"/> Beer and Wine License (County).....	\$436.25	<input type="checkbox"/> Resort Complex License (City).....	\$500.00
<input type="checkbox"/> Brew Pub License (City).....	\$750.00	<input type="checkbox"/> Resort Complex License (County).....	\$500.00
<input type="checkbox"/> Brew Pub License (County).....	\$750.00	<input type="checkbox"/> Retail Gaming Tavern License (City).....	\$500.00
<input type="checkbox"/> Club License (City).....	\$308.75	<input type="checkbox"/> Retail Gaming Tavern License (County).....	\$500.00
<input type="checkbox"/> Club License (County).....	\$308.75	<input type="checkbox"/> Retail Liquor Store License (City).....	\$227.50
<input type="checkbox"/> Distillery Pub License (City).....	\$750.00	<input type="checkbox"/> Retail Liquor Store License (County).....	\$312.50
<input type="checkbox"/> Distillery Pub License (County).....	\$750.00	<input checked="" type="checkbox"/> Tavern License (City).....	\$500.00
<input type="checkbox"/> Hotel and Restaurant License (City).....	\$500.00	<input type="checkbox"/> Tavern License (County).....	\$500.00
<input type="checkbox"/> Hotel and Restaurant License (County).....	\$500.00	<input type="checkbox"/> Vintners Restaurant License (City).....	\$750.00
<input type="checkbox"/> Hotel and Restaurant License w/one opt premises (City).....	\$600.00	<input type="checkbox"/> Vintners Restaurant License (County).....	\$750.00
<input type="checkbox"/> Hotel and Restaurant License w/one opt premises(County).....	\$600.00		

Questions? Visit: www.colorado.gov/enforcement/liquor for more information

Do not write in this space - For Department of Revenue use only

Liability Information

License Account Number	Liability Date	License Issued Through (Expiration Date)	Total
			\$

Application Documents Checklist and Worksheet

Instructions: This checklist should be utilized to assist applicants with filing all required documents for licensure. **All** documents must be properly signed and correspond with the name of the applicant exactly. **All** documents must be typed or legibly printed. Upon final State approval the license will be mailed to the local licensing authority. Application fees are nonrefundable.

Questions? Visit: www.colorado.gov/enforcement/liquor for more information

Items submitted, please check all appropriate boxes completed or documents submitted	
I.	<p>Applicant information</p> <p><input checked="" type="checkbox"/> A. Applicant/Licensee identified</p> <p><input checked="" type="checkbox"/> B. State sales tax license number listed or applied for at time of application</p> <p><input checked="" type="checkbox"/> C. License type or other transaction identified</p> <p><input checked="" type="checkbox"/> D. Return originals to local authority</p> <p><input type="checkbox"/> E. Additional information may be required by the local licensing authority</p>
II.	<p>Diagram of the premises</p> <p><input checked="" type="checkbox"/> A. No larger than 8 1/2" X 11"</p> <p><input checked="" type="checkbox"/> B. Dimensions included (does not have to be to scale). Exterior areas should show type of control (fences, walls, entry/exit points, etc.)</p> <p><input type="checkbox"/> C. Separate diagram for each floor (if multiple levels)</p> <p><input type="checkbox"/> D. Kitchen - identified if Hotel and Restaurant</p> <p><input checked="" type="checkbox"/> E. Bold/Outlined Licensed Premises</p>
III.	<p>Proof of property possession (One Year Needed)</p> <p><input type="checkbox"/> A. Deed in name of the Applicant (or) (matching question #2) date stamped / filed with County Clerk</p> <p><input checked="" type="checkbox"/> B. Lease in the name of the Applicant (or) (matching question #2)</p> <p><input type="checkbox"/> C. Lease Assignment in the name of the Applicant with proper consent from the Landlord and acceptance by the Applicant</p> <p><input type="checkbox"/> D. Other Agreement if not deed or lease. (matching question #2) (Attach prior lease to show right to assumption)</p>
IV.	<p>Background information and financial documents</p> <p><input checked="" type="checkbox"/> A. Individual History Records(s) (Form DR 8404-I)</p> <p><input checked="" type="checkbox"/> B. Fingerprints taken and submitted to local authority (State Authority for Master File applicants)</p> <p><input type="checkbox"/> C. Purchase agreement, stock transfer agreement, and or authorization to transfer license</p> <p><input type="checkbox"/> D. List of all notes and loans (Copies to also be attached)</p>
V.	<p>Sole proprietor / husband and wife partnership</p> <p><input type="checkbox"/> A. Form DR4679</p> <p><input type="checkbox"/> B. Copy of State issued Driver's License or Colorado Identification Card for each applicant</p>
VI.	<p>Corporate applicant information (if applicable)</p> <p><input type="checkbox"/> A. Certificate of Incorporation dated stamped by the Secretary of State</p> <p><input type="checkbox"/> B. Certificate of Good Standing</p> <p><input type="checkbox"/> C. Certificate of Authorization if foreign corporation</p> <p><input type="checkbox"/> D. List of officers, directors and stockholders of Applying Corporation (If wholly owned, designate a minimum of one person as Principal Officer of Parent)</p>
VII.	<p>Partnership applicant information (if applicable)</p> <p><input type="checkbox"/> A. Partnership Agreement (general or limited). Not needed if husband and wife</p> <p><input type="checkbox"/> B. Certificate of Good Standing (If formed after 2009)</p>
VIII.	<p>Limited Liability Company applicant information (if applicable)</p> <p><input checked="" type="checkbox"/> A. Copy of articles of organization (date stamped by Colorado Secretary of State's Office)</p> <p><input checked="" type="checkbox"/> B. Certificate of Good Standing</p> <p><input checked="" type="checkbox"/> C. Copy of operating agreement</p> <p><input type="checkbox"/> D. Certificate of Authority if foreign company</p>
IX.	<p>Manager registration for hotel and restaurant, tavern licenses when included with this application</p> <p><input type="checkbox"/> A. \$75.00 fee</p> <p><input type="checkbox"/> B. Individual History Record (DR 8404-I)</p> <p><input type="checkbox"/> C. If owner is managing, no fee required</p>

7. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years? Yes No

8. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state):

(a) Been denied an alcohol beverage license?

(b) Had an alcohol beverage license suspended or revoked?

(c) Had interest in another entity that had an alcohol beverage license suspended or revoked?

If you answered yes to 8a, b or c, explain in detail on a separate sheet.

9. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years? If "yes", explain in detail.

10. Are the premises to be licensed within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?

Waiver by local ordinance? or
Other:

11. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a Limited Liability Company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current financial interest in said business including any loans to or from a licensee. Please see attached

12. Does the Applicant, as listed on line 2 of this application, have legal possession of the premises by virtue of ownership, lease or other arrangement?

Ownership Lease Other (Explain in Detail) _____

a. If leased, list name of landlord and tenant, and date of expiration, exactly as they appear on the lease:

Landlord	Tenant	Expires
JZ Gaming, LLC	Jan's Tavern, LLC	12/31/25

b. Is a percentage of alcohol sales included as compensation to the landlord? If yes complete question 13.

c. Attach a diagram and outline or designate the area to be licensed (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8 1/2" X 11".

13. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business. Attach a separate sheet if necessary.

Last Name	First Name	Date of Birth	FEIN or SSN	Interest/Percentage
None				

Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.

14. Optional Premises or Hotel and Restaurant Licenses with Optional Premises:

Has a local ordinance or resolution authorizing optional premises been adopted?

Number of additional Optional Premise areas requested. (See license fee chart) _____

15. Liquor Licensed Drug Store applicants, answer the following:

(a) Does the applicant for a Liquor Licensed Drug Store have a license issued by the Colorado Board of Pharmacy? If "yes" a copy of license must be attached.

16. Club Liquor License applicants answer the following: Attach a copy of applicable documentation

(a) Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain?

(b) Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?

(c) How long has the club been incorporated? _____

(d) Has applicant occupied an establishment for three years (three years required) that was operated solely for the reasons stated above?

17. Brew-Pub License or Vintner Restaurant Applicants answer the following:

(a) Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)

18a. For all on-premises applicants.
(If this is an application for a Hotel, Restaurant or Tavern License, the manager must also submit an individual History Record - DR 8404-1)

Last Name of Manager	First Name of Manager	Date of Birth
Zimpel	Elizabeth	

18b. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number.

Name	Type of License (Hotel + Rest.)	Account Number
JZ Gaming, LLC Bullwhackers Casino, Inc	Hotel + Restaurant	14-67790-0000 14-46003-0000

19. Tax Distraint Information. Does the applicant or any other person listed on this application and including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other persons with a 10% or greater financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue?

If yes, provide an explanation and include copies of any payment agreements.

20. If applicant is a corporation, partnership, association or limited liability company, applicant must list all **Officers, Directors, General Partners, and Managing Members**. In addition, applicant must list any stockholders, partners, or members with ownership of 10% or more in the Applicant. All persons listed below must also attach form DR 8404-I (Individual History Record), and submit fingerprint cards to the local licensing authority.

Name	Home Address, City & State	DOB	Position	% Owned
Elizabeth Zempel	[REDACTED]	[REDACTED]	Managing member	100
Name	Home Address, City & State	DOB	Position	% Owned
Name	Home Address, City & State	DOB	Position	% Owned
Name	Home Address, City & State	DOB	Position	% Owned
Name	Home Address, City & State	DOB	Position	% Owned

** If Applicant is owned 100% by a parent company, please list the designated principal officer on question #20
 ** Corporations - The President, Vice-President, Secretary and Treasurer must be accounted for on question #20 (Include ownership percentage if applicable)
 ** If total ownership percentage disclosed here does not total 100%, applicant must check this box:

Applicant affirms that no individual other than these disclosed herein, owns 10% or more of the applicant, and does not have ownership in a prohibited liquor license pursuant to Title 47 or 48, C.R.S.

Oath Of Applicant

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer Code which affect my license.

Authorized Signature <i>Elizabeth Zempel</i>	Printed Name and Title Elizabeth Zempel, Managing Member	Date 11/1/15
---	---	-----------------

Report and Approval of Local Licensing Authority (City/County)

Date application filed with local authority	Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application 12-47-311 (1) C.R.S.)
---	---

The Local Licensing Authority Hereby Affirms that each person required to file DR 8404-I (Individual History Record) has:

- Been fingerprinted
- Been subject to background investigation, including NCIC/CCIC check for outstanding warrants

That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with, and aware of, liquor code provisions affecting their class of license

(Check One)

- Date of inspection or anticipated date _____
- Will conduct inspection upon approval of state licensing authority

The foregoing application has been examined; and the premises, business to be conducted, and character of the applicant are satisfactory. We do report that such license, if granted, will meet the reasonable requirements of the neighborhood and the desires of the adult inhabitants, and will comply with the provisions of Title 12, Article 46 or 47, C.R.S.

Therefore, this application is approved.

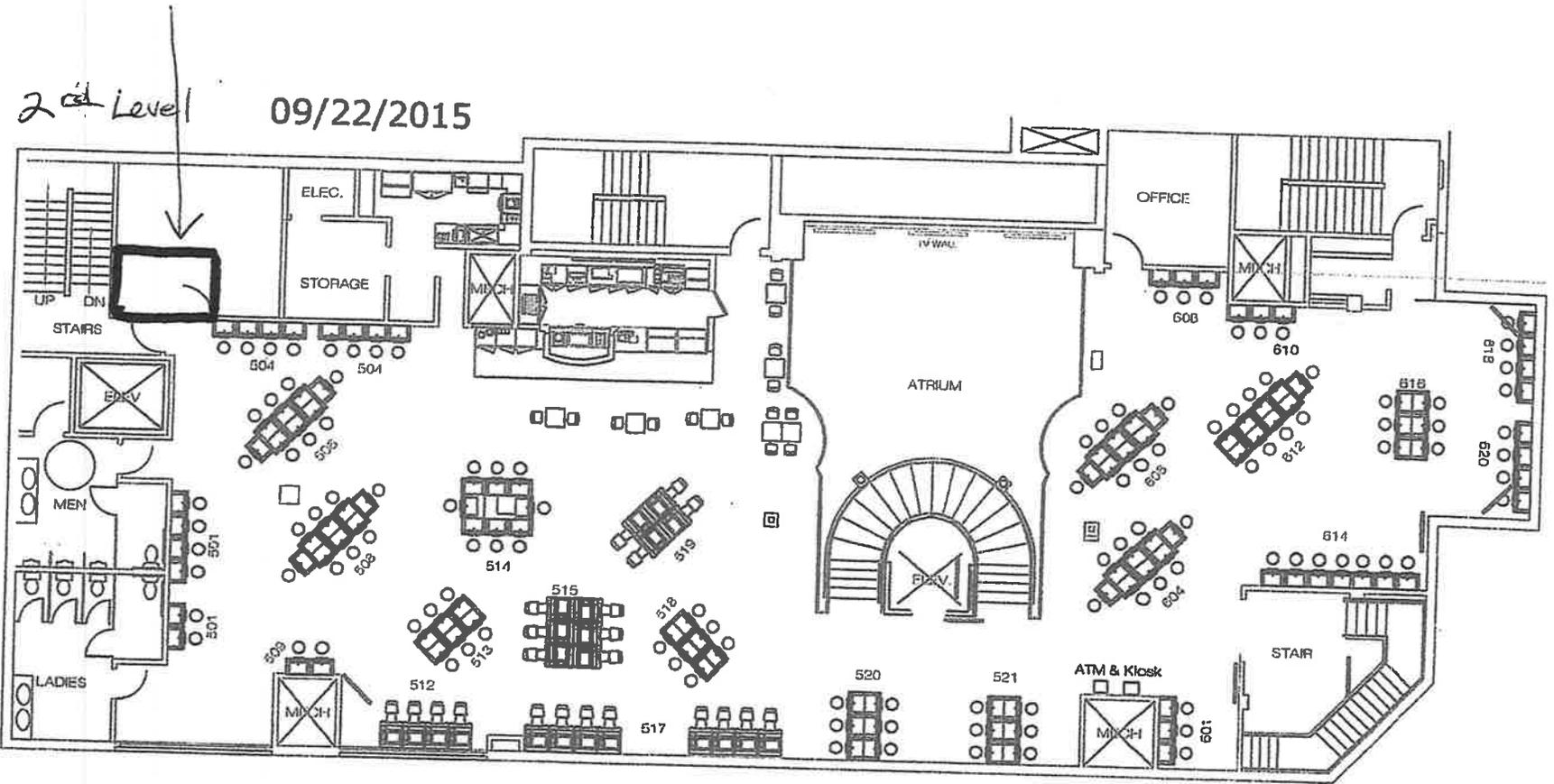
Local Licensing Authority for	Telephone Number	<input type="checkbox"/> Town, City <input type="checkbox"/> County	
Signature	Print	Title	Date
Signature (attest)	Print	Title	Date

List of associated liquor licenses:

CC Gaming, LLC dba Johnny Z's Casino, 131 Lawrence Street, Central City, CO 80427. License #14-67790-0000. My interest in the license began on 6/2010 and continues to present. My involvement with the license is a 40% ownership of CC Gaming, LLC.

Bullwhackers Casino, Inc. dba Z's Casino, 101 Gregory Street, Black Hawk, CO 80422. License # 14-46003-0000. My interest in the license began on 7/1/2013 and continues to present. My involvement with the license is a 40% ownership.

Jan's Tavern liquor license
Premises -
Walls with door access



101 Gregory street
Black Hawk

LEASE
between
JZ Gaming, LLC and Jan's Tavern, LLC

THIS Lease is made this 10th day of December, 2015, by and between
JZ Gaming, LLC (the "Lessor") and Jan's Tavern, LLC (the "Lessee").

In consideration of the payment of rent and the performance of promises by the Lessee set forth below, the Lessor does hereby lease to the Lessee the following described premises situated in Gilpin County, State of Colorado, and known as 101 Gregory, Unit 1, Black Hawk, Colorado, as follows: 77 square feet of leased space.

TO HAVE AND TO HOLD the same with all the appurtenances unto the said Lessee from 12 o'clock noon on the 1st day of January, 2016, until the 31st day of December, 2025 at 12 o'clock noon at and for a rental of One Hundred Dollars (\$100) per month payable without notice and in advance on the first day of each calendar month during the term of this Lease at the office of the Lessor at 151 Selak Street, Black Hawk, CO 80422.

The Lessee, in consideration of the leasing of the premises, agrees as follows.

1. To pay the rent for the premises above-described;
2. Lessee agrees to keep the premises in good repair. The Lessor will be solely responsible for the cost of any repairs for the upkeep and maintenance of the premises.
3. To sublet no part of the premises and not to assign the Lease or any interest therein without the written consent of the Lessor, which shall not be unreasonably withheld;
4. To use the premises exclusively as space for a tavern and to use the premise for no purposes prohibited by the laws of the United States or the State of Colorado or the ordinances of Gilpin County, and for no improper or questionable purpose whatsoever, and to neither permit nor suffer any disorderly conduct, noise or nuisance having a tendency to annoy or disturb any persons occupying adjacent premises.

5. To allow the Lessor to enter upon the premises at any reasonable hour.

IT IS EXPRESSLY UNDERSTOOD AND AGREED BETWEEN LESSOR AND LESSEE AS FOLLOWS:

6. No assent, express or implied, to any breach of any one or more of the agreements shall be deemed or taken to be a waiver of any succeeding or other breach.

7. If, after the expiration of this Lease the Lessee shall remain in possession of the premises and continue to pay the rent without a written agreement as to such possession, then such tenancy shall be regarded as a month to month tenancy at a monthly rental payable in advance equivalent to the last month's rent paid under this Lease and subject to all the terms and conditions of this Lease.

8. If the premises are left vacant and any part of the rent reserved hereunder is not paid, then the Lessor may, without being obliged to do so and without terminating this Lease, retake possession of said premises and rent the same for such rent and upon such conditions as the Lessor may think best, making such change and repairs as may be required, giving credit for the amount of rent so received less all expenses of such changes and repairs, and the Lessee shall be liable for the balance of rent herein reserved until the expiration of the term of this Lease.

9. If any part of the rent provided to be paid hereunder is not paid when due, or if any default is made in any of the agreements by the Lessor or the Lessee contained herein, it shall be lawful for the Lessor to declare the term ended and to enter the premises with legal process to remove the Lessee or any other person occupying the premises, and to repossess the premises free and clear of any rights of the Lessee. If at any time this Lease is terminated under this paragraph, the Lessee agrees to peacefully surrender the premises to the Lessor immediately upon termination, and if the Lessee remains in possession of the premises, the Lessee shall be deemed guilty of forcible entry and detainer of the premises and waiving notice shall be subject to forcible entry and detainer of the premises, and waiving notice shall be subject to forcible eviction with or without process of law.

10. In the event of any dispute arising under the terms of this Lease or in the event of nonpayment of any sums arising under this Lease, and in the event the matter is turned over to an attorney, the party prevailing in such dispute shall be entitled, in addition to other damages or costs, to receive reasonable attorney's fees from the other party.

11. This Lease is made with the express understanding and agreement that in the event the Lessee becomes insolvent or files a petition in bankruptcy, whether it be in Chapter 7 or Chapter 11 under the Federal Bankruptcy Code, in either event the Lessee may declare this Lease ended and all rights of the Lessee shall terminate and cease.

12. In the event any payment required hereunder is not made within ten (10) days after the payment is due, a late charge in the amount of ten percent (10%) of the payment will be paid by the Lessee.

13. **Additional Provisions.**

- a. Lessee will cause to be placed on the interior of the space of Lessee a placard which states: Jan's Tavern.
- b. Lessor shall pay all costs of insurance required by Colorado liquor laws.
- c. Lessor shall pay all operating costs associated with Jan's Tavern.

This Lease shall be binding on the parties, their personal representatives, successors and assigns.

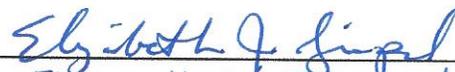
LESSOR:

LESSEE:

JZ GAMING, LLC

JAN'S TAVERN, LLC

By: 
Name: John Zimpel
Title: Managing Member
Date: 12/30/15

By: 
Name: Elizabeth J. Zimpel
Title: Managing Member
Date: 12/30/15

Individual History Record

To be completed by the following persons, as applicable: sole proprietors; general partners regardless of percentage ownership, and limited partners owning 10% or more of the partnership; all principal officers of a corporation, all directors of a corporation, and any stockholder of a corporation owning 10% or more of the outstanding stock; managing members or officers of a limited liability company, and members owning 10% or more of the company; and any intended registered manager of Hotel and Restaurant or Tavern class of retail license

Notice: This individual history record requires information that is necessary for the licensing investigation or inquiry. All questions must be answered in their entirety or the license application may be delayed or denied. If a question is not applicable, please indicate so by "N/A". **Any deliberate misrepresentation or material omission may jeopardize the license application.** (Please attach a separate sheet if necessary to enable you to answer questions completely)

1. Name of Business <i>Jan's Tavern, LLC</i>	Cellular Number [REDACTED]
2. Your Full Name (last, first, middle) <i>Zimpel, Elizabeth, Janvier</i>	3. List any other names you have used <i>Henderson, Elizabeth, Janvier</i>
4. Mailing address (if different from residence) <i>PO Box 49, Black Hawk, CO 80422</i>	Email Address [REDACTED]

5. List current residence address. Include any previous addresses within the last five years. (Attach separate sheet if necessary)

Street and Number	City, State, Zip	From	To
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

6. List all employment within the last five years. Include any self-employment. (Attach separate sheet if necessary)

Name of Employer or Business	Address (Street, Number, City, State, Zip)	Position Held	From	To
<i>CC Gaming, LLC</i>	<i>PO Box 49, Black Hawk CO 80422</i>	<i>Owner</i>	<i>6/2010</i>	<i>present</i>

7. List the name(s) of relatives working in or holding a financial interest in the Colorado alcohol beverage industry.

Name of Relative	Relationship to You	Position Held	Name of Licensee
<i>John S Zimpel</i>	<i>spouse</i>	<i>40% owner</i>	<i>CC Gaming, LLC Bullwhackers Casino, Inc.</i>
<i>Charles Henderson</i>	<i>brother</i>	<i>77% owner</i>	<i>CC Gaming, LLC Bullwhackers Casino, Inc.</i>

8. Have you ever applied for, held, or had an interest in a Colorado Liquor or Beer License, or loaned money, furniture, fixtures, equipment or inventory to any licensee? (If yes, answer in detail.) Yes No

CC Gaming, LLC liquor license # 14-67790-0000
Bullwhackers Casino Inc. liquor license # 14-46003-0000

9. Have you ever received a violation notice, suspension, or revocation for a liquor law violation, or have you applied for or been denied a liquor or beer license anywhere in the United States? (If yes, explain in detail.) Yes No

10. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending? (If yes, explain in detail.) Yes No

11. Are you currently under probation (supervised or unsupervised), parole, or completing the requirements of a deferred sentence? (If yes, explain in detail.) Yes No

12. Have you ever had any professional license suspended, revoked, or denied? (If yes, explain in detail.) Yes No

Personal and Financial Information

Unless otherwise provided by law, the personal information required in question #13 will be treated as confidential. The personal information required in question #13 is solely for identification purposes.

13a. Date of Birth [redacted] c. Place of Birth [redacted] d. U.S. Citizen Yes No

e. If Naturalized, state where [redacted] f. When [redacted] g. Name of District Court [redacted]

h. Naturalization Certificate Number [redacted] i. Date of Certification [redacted] j. If an Alien, Give Alien's Registration Card Number [redacted] k. Permanent Residence Card Number [redacted]

[redacted] State Colorado

14. Financial Information.
 a. Total purchase price or investment being made by the applying entity, corporation, partnership, limited liability company, other. \$ _____

b. List the total amount of the **personal** investment, made by the person listed on question #2, in this business including any notes, loans, cash, services or equipment, operating capital, stock purchases or fees paid. \$ 4,000.00

* If corporate investment only please skip to and complete section (d)
 ** Section b should reflect the total of sections c and e

c. Provide details of the personal investment described in 14b. You must account for all of the sources of this investment. (Attach a separate sheet if needed)

Type: Cash, Services or Equipment	Account Type	Bank Name	Amount
Cash	[redacted]	Chase	\$1,000.00

d. Provide details of the corporate investment described in 14 b. You must account for all of the sources of this investment. (Attach a separate sheet if needed)

Type: Cash, Services or Equipment	Loans	Account Type	Bank Name	Amount

e. Loan Information (Attach copies of all notes or loans)

Name of Lender	Address	Term	Security	Amount
none				

Oath of Applicant

I declare under penalty of perjury that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature Elizabeth J. Zimpel Print Signature Elizabeth J. Zimpel Title Managing Member Date 10/30/15

APPLICANT

See Privacy Act Notice on Back

LEAVE BLANK

TYPE OR PRINT ALL INFORMATION IN BLACK
LAST NAME **NAM** FIRST NAME **ZIMPEL, ELIZABETH** MIDDLE NAME **JANVIER**

FBI LEAVE BLANK

FD-258 (REV.3-1-10) 1110-0046

SIGNATURE OF PERSON FINGERPRINTED

X Elizabeth J. Zimpel

ALIASES AKA

HENDERSON,
ELIZABETH

O
R
I

CO0240200
PD BLACK HAWK

RESIDENCE OF PERSON FINGERPRINTED



DATE OF BIRTH DOB



DATE SIGNATURE OF OFFICIAL TAKING FINGERPRINTS

12-10-2015 RMORRIS - MORIS, ROXIE

CITIZENSHIP CTZ
US

SEX
F

RACE
W

HGT
[REDACTED]

WGT
[REDACTED]

EYES
GRN

HAIR
BRN

PLACE OF BIRTH POB
US

EMPLOYER AND ADDRESS

City of Black Hawk - City Clerk
PO Box 68
Black Hawk, CO 80422

YOUR NO. OCA

CONCJ 5296

PCN: 240010002086

LEAVE BLANK

FBI NO. FBI

ARMED FORCES NO. MNU

CLASS

REASON FINGERPRINTED

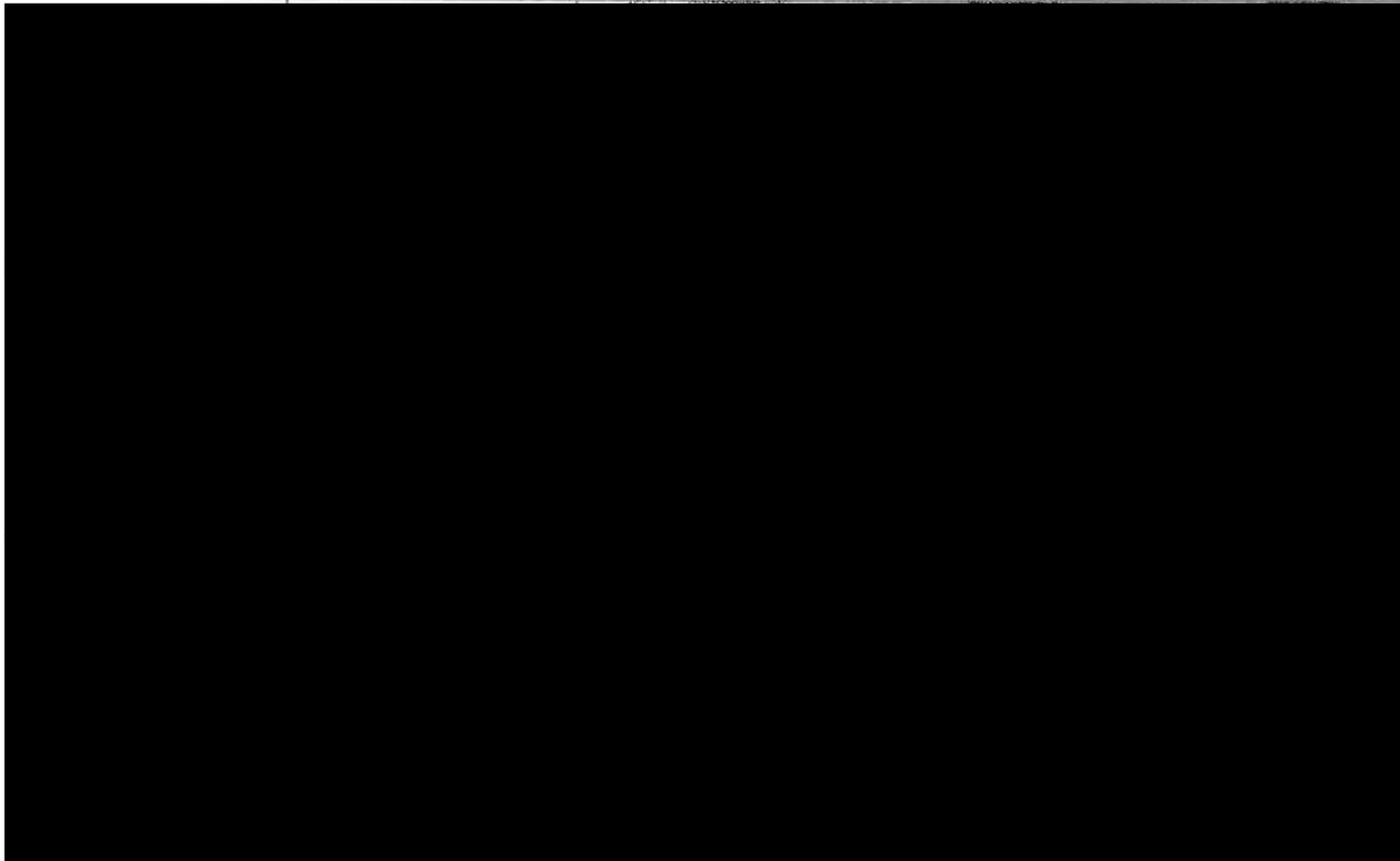
LIQUOR LIC - LOCAL PD\SO
CBI\FBI 003850
12-47-307 LLQ

SOCIAL SECURITY NO. SOC



REF

MISCELLANEOUS NO. MNU





Colorado Secretary of State
 Date and Time: 10/26/2015 12:12 PM
 ID Number: 20151690874

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

Document number: 20151690874
 Amount Paid: \$50.00

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Jan's Tavern, LLC

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "ltd. liability company", "limited liability co.", "ltd. liability co.", "limited", "l.l.c.", "llc", or "ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

151 Selak Street

(Street number and name)

Black Hawk

(City)

CO

(State)

80422

(ZIP/Postal Code)

United States

(Country)

(Province – if applicable)

Mailing address

(leave blank if same as street address)

PO Box 49

(Street number and name or Post Office Box information)

Black Hawk

(City)

CO

(State)

80422

(ZIP/Postal Code)

United States

(Country)

(Province – if applicable)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Zimpel

(Last)

Elizabeth

(First)

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

PO Box 49

(Street number and name)

Black Hawk

(City)

CO

(State)

80422

(ZIP Code)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Zimpel Elizabeth
(Last) (First) (Middle) (Suffix)

or

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 49
(Street number and name or Post Office Box information)

Black Hawk CO 80422
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

or

the members.

6. *(The following statement is adopted by marking the box.)*

There is at least one member of the limited liability company.

7. *(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

This document contains additional information as provided by law.

8. *(Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)*

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

Jester	Jay		
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
████	████		
<small>(Street number and name or Post Office Box information)</small>			
████	████		
Denver	CO	80202	
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
	United States		
<small>(Province – if applicable)</small>	<small>(Country)</small>		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Jan's Tavern, LLC

is a

Limited Liability Company

formed or registered on 10/26/2015 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20151690874 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 11/02/2015 that have been posted, and by documents delivered to this office electronically through 11/03/2015 @ 10:12:20 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 11/03/2015 @ 10:12:20 in accordance with applicable law. This certificate is assigned Confirmation Number 9358495 .



A handwritten signature in blue ink that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

OPERATING AGREEMENT
OF
JAN'S TAVERN, LLC,
A COLORADO LIMITED LIABILITY COMPANY

THIS OPERATING AGREEMENT ("Agreement") is made among the Members of Jan's Tavern, LLC, a Colorado limited liability company (the "Company"), who have signed this Agreement. In consideration of the premises and the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 "Economic Interest" shall mean a Member's or Economic Interest Owner's share of one or more of the Company's net profits, net losses and distributions of the Company's assets pursuant to this Agreement and the Colorado Limited Liability Company Act, but shall not include any right to participate in the management or affairs of the Company, including, the right to vote on, consent to or otherwise participate in any decision of the Members.

1.2 "Economic Interest Owner" shall mean the owner of an Economic Interest who is not a Member.

1.3 "Member" shall mean each person executing Agreement, and any other person or entity who may subsequently be designated as a Member of this Company pursuant to the terms of this Agreement.

1.4 "Membership Interest" shall mean the share of profits and losses, gains, deductions, credits, cash, assets, and other distributions of a Member.

1.5 "Membership Rights" shall mean the rights of the Member, which are comprised of the Member's Membership Interest and his or her rights to participate in the management of the Company.

1.6 "Unit" shall mean a share of outstanding Membership Interests of the Company.

ARTICLE 2 – GENERAL

2.1 Articles of Organization. The Articles of Organization of the Company filed with the Secretary of State of the State of Colorado are hereby adopted and incorporated by reference in this Agreement. In the event of any inconsistency between the Articles of Organization and this Agreement, the terms of the Articles of Organization shall govern and control.

2.2 **Term.** The term of this Operating Agreement shall be co-terminus with the period of duration of the Company. This Operating Agreement shall terminate upon the voluntary or involuntary dissolution of the Company or the expiration of its term as provided in the Articles of Organization.

2.3 **Principal Office.** The principal office of the Company in the State of Colorado shall be designated by the officers from time to time. The Company may have such other offices, either within or without the State of Colorado, as the Members may designate or as the business of the Company may from time to time require.

ARTICLE 3 – CONTRIBUTIONS AND UNITS

3.1 **Form of Contribution.** The contribution of a Member may be in cash, property or services rendered or a promissory note or other obligation to contribute cash or property or to perform services.

3.2 **Initial Contributions and Units.** Each initial Member shall make an initial contribution ("Initial Contribution") to the Company as set forth in **Exhibit A** attached hereto and incorporated herein by this reference and be issued the number of Units specified in said **Exhibit A**.

3.3 **Liability for Contributions.** Each Member is obligated to the Company to contribute cash or property or to perform services, even if he or she is unable to perform because of death, disability, or any other reason, pursuant to the Members' promises contained in this Operating Agreement. If a Member fails to make the Initial Contribution required by his or her Subscription Agreement and this Operating Agreement, the Member is obligated, at the option of the Company, to contribute cash equal to that portion of the value of such contribution that has not been made.

3.4 **Certificates.** The Company may issue Units with or without certificates. The fact that the Units are not represented by certificates shall have no effect on the rights and obligations of Members. If the Units are represented by certificates, such Units shall be represented by consecutively numbered certificates signed, either manually or by facsimile, in the name of the Company by one or more persons designated by the Members.

ARTICLE 4 – PROFITS, LOSSES AND DISTRIBUTIONS

4.1 **Allocation of Profits and Losses.** The percentages of Membership Rights and Membership Interest of each of the Members in the Company shall be proportionate to the number of Units then owned by each Member, as further set forth on **Exhibit A** attached hereto and incorporated herein by this reference.

4.2 **Allocation of Taxable Items.** Except as otherwise provided herein, for purposes of Sections 702 and 704 of the Internal Revenue Code, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, the determination of

each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance of the Company for any period or a year shall be made in accordance with, and in proportion to, such Member's percentage of Membership Interest in the Company as it may then exist.

4.3 Cash. The net cash from operations of the Company shall be distributed at such times as may be determined by the Member(s) in accordance with this Agreement among the Members in proportion to their then respective percentages of Units.

4.4 Other Assets. In addition to distributions made pursuant to this Article, upon any sale, transfer or disposition of any capital assets of the Company (hereinafter, "disposition"), the proceeds of such disposition shall first be applied to the payment or repayment of any sale or other expenses incurred in connection with the disposition immediately prior thereto. All proceeds remaining thereafter (the "Net Proceeds") shall be retained by the Company or shall be distributed to the Members in proportion to their respective percentages of Units; provided, however, that for purposes of Sections 702 and 704 of the Internal Revenue Code of 1986 or the corresponding provisions of any future federal internal revenue law, or any similar state law, each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance in respect to any such disposition shall be made and based upon such Member's basis in such capital asset.

4.5 Distributions in Kind. A Member, regardless of the nature of his or her contribution, has no right to demand and receive any distribution from the Company in any form other than cash. However, a Member shall be required and compelled to accept the distribution of any asset in kind from the Company, as determined from time to time by the Member(s) in accordance with this Agreement based upon the Member's percentage of Membership Interest.

4.6 Right to Distributions. At the time a Member becomes entitled to receive a distribution as provided in this Operating Agreement, he or she has the status of and is entitled to all remedies available to a creditor of the Company with respect to such distribution.

4.7 Limitations on Distributions. A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liabilities to Members on account of their Membership Interests, would exceed the fair value of the Company's assets.

ARTICLE 5 – MEMBERS AND VOTING

5.1 Original Members. The original Members of the Company shall be those persons who are signatories to this Operating Agreement.

5.2 Admission of New Members. Upon the filing of the Company's Articles of Organization, a person may be admitted as an additional Member only upon the written consent of all Members. No transferee of any Units shall be entitled to vote at any meeting of Members or otherwise participate in the management of the Company unless such transferee and transfer obtained the unanimous written consent of all the Members.

5.3 Annual Meeting. There shall not be any scheduled annual meetings of the Members.

5.4 Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by any Member.

5.5 Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of any Member(s) or any person calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the books of the Company, with postage thereon prepaid.

5.6 Waiver of Notice. When any notice is required to be given to any Member of the Company under the provisions of this Operating Agreement or Articles of Organization, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

5.7 Quorum. At any meeting of the Members, a majority of the Members entitled to vote shall constitute a quorum. If a quorum is not represented at any meeting of the Members, such meeting may be adjourned without further notice for a period not to exceed sixty (60) days at any one adjournment; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting.

5.8 Proxies. At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Member(s) of the Company before or at the time of the meeting. No proxy shall be valid after three (3) months from date of execution, unless otherwise provided in the proxy.

5.9 Manner of Acting.

5.9.1 Procedure. If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting and entitled to vote on the subject matter shall be the act of the Members, unless a higher percentage is otherwise required under applicable law, pursuant to the Articles of Organization, or pursuant to any other provision of these Bylaws. Each Member entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Members.

5.9.2 Presumption of Assent. A Member of the Company who is present at a meeting of the Members at which action on any matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the meeting

immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Member who voted in favor of such action.

5.9.3 Informal Action of Members. Any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each member entitled to vote. Such action shall be effective when all Members entitled to vote have signed the consent.

5.10 Telephonic Meeting. Members of the Company may participate in any meeting of the Members by means of conference telephone, computer or similar communication if all persons participating can hear one another for the discussion of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE 6 - MANAGEMENT

6.1 General Powers/Number. The business and affairs of the Company shall be managed by the Members.

6.2 Duties of Members. A Member of the Company shall perform his or her duties as a Member, including his or her duties as a member of any committee upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. The Member(s) shall be responsible for the general overall supervision of the business and affairs of the Company. The Member(s) (or any one of them) may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments on behalf of the Company, except in cases where the signing or execution thereof shall be expressly delegated by the Members or by this Operating Agreement or by statute to some other officer or agent of the Company; and, in general, he or she (they) shall perform all duties as may be prescribed by the Members from time to time. The specific authority and responsibility of the Member(s) shall also include the following:

- (a) The Member(s) shall effectuate this Agreement and the resolutions and decisions of the Members.
- (b) The Member(s) shall direct and supervise the operations of the Company.
- (c) The Member(s), within such parameters as may be set by the Members, shall establish such charges for services and products of the Company as may be necessary to provide adequate income for the efficient operation of the Company.
- (d) The Member(s), within the budget established by the Members, shall set and adjust wages and rates of pay for all personnel of the Company and shall appoint, hire and dismiss all personnel and regulate their hours of work.

- (e) The Member(s) shall keep records of all matters pertaining to the operation of the Company, services rendered, operating income and expense, financial position, and, to this end, shall prepare and submit a report to the Members at each regular meeting and at other times as may be directed by the Members.

In performing his or her duties, a Member shall be entitled to rely on information, opinions, reports or statements of the following persons or groups unless he has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

- (a) One or more employees or other agents of the Company whom the Member(s) reasonably believes to be reliable and competent in the matter presented;
- (b) Any attorneys, public accountants, or other person as to matters which the Member(s) reasonably believes in such person's professional or expert competence; or
- (c) A committee upon which he does not serve, duly designated in accordance with a provision of the Articles of Organization or the Operating Agreement, as to matters within its designated authority, which committee the Member(s) reasonably believes to be competent.

6.3 Authority of Members. Each Member is an agent of the Company for the purpose of its business, and the act of every Member, including the execution in the Company name of any instrument for apparently carrying on, in the usual way, the business of the Company binds the Company unless such act is in contravention of the Articles of Organization or the Operating Agreement or unless the Member(s) so acting otherwise lacks the ability to act for the Company and the person with whom he is dealing has knowledge of the fact that he has no such authority. A Member shall have no authority to do any act in contravention of either the Articles of Organization or the Operating Agreement.

6.4 Delegation of Duties to Officers. The Members delegate any management duties to officers or other employees, subject to the supervision of the Members. The Members may designate additional officers, including, without limitation, President, Vice President, Secretary, Treasurer, Director of Marketing, and/or Director of Operations. One person may hold two or more offices.

6.5 Election and Tenure. Officers of the Company shall be elected annually by the Members at the annual meeting. Each Member or officer shall hold office from the date of his or her election until the next annual meeting and until his or her successor shall have been elected, unless he or she shall sooner resign or be removed.

6.6 Resignations and Removal. Any officer may resign at any time by giving written notice to the Members, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed at any time by the unanimous consent of the Members with or without cause.

ARTICLE 7 - FISCAL MATTERS BOOKS AND RECORDS

7.1 **Fiscal Year.** The fiscal year of the Company shall begin on the first day of January and end on the last day of December of each year, unless otherwise determined by the Members.

7.2 **Deposits.** All funds of the Company shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the Members may select.

7.3 **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company shall be signed by the Member(s).

7.4 **Loans.** No loans shall be contracted on behalf of the Company or no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Members. Such authority may be general or confined to specific instances.

7.5 **Contracts.** The Members may authorize any Member or agent of the Company, in addition to the Member(s), to enter into any contract or execute any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

7.6 **Books and Records.** The books and records of the Company as specified in Section 7-80-411 of the Colorado Limited Liability Company Act (the "Act"), shall be kept at the principal office of the Company or at such other places, within or without the State of Colorado, as the Members shall from time to time determine.

7.7 **Right of Inspection.** Upon reasonable request, any Member of record shall have the right to examine during ordinary business hours the books and records of account and minutes and records of the Company, and to make copies thereof. Such inspection may be made by any agent or attorney of the Member. Upon the written request of any Member, the Company shall mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

7.8 **Financial Records.** All financial records shall be maintained open to reasonable inspection by Members and their advisors.

ARTICLE 8 – TRANSFER OF UNITS AND RIGHT OF REFUSAL

Except as otherwise specifically provided in this Agreement, no Member shall sell, hypothecate, pledge, assign, or otherwise transfer, with or without consideration, any part or all of his or her Units to any other person or entity.

ARTICLE 9 - MISCELLANEOUS

9.1 Amendment. This Agreement may only be altered, amended, restated, or repealed, and a new Agreement may be adopted, by unanimous action of all of the Members, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

9.2 Confidentiality. The conduct and operation of the Company, as well as the relationship of the Company (including management) to its Members and the relationship between the Members involved in the matters are private and confidential. Under no circumstances are Company matters and Members' involvement therein to be disclosed to any non-management third parties.

9.3 Notice. Any notice required or permitted to be given pursuant to the provisions of the Act, the Articles of Organization of the Company or this Operating Agreement shall be effective as of the date personally delivered, or if sent by mail, on the date deposited in the United States mail, prepaid and addressed to the intended receiver at his or her last known address as shown in the records of the Company.

9.4 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the Act, the Articles of Organization of the Company or this Operating Agreement, a waiver thereof, in writing, signed by the persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

9.5 Indemnification By Company. Upon approval of a majority of the Members, the Company may indemnify against liability incurred in any proceeding an individual made a party to the proceeding because he or she is or was a Member, or is or was an employee or agent of the Company, to the full extent provided in the Act.

9.6 Indemnification Funding. The Company shall fund the indemnification obligations in such manner and to such extent as the Members may from time to time deem proper and in accordance with the Act.

9.7 Duality of Interest Transactions. Members of the Company have a duty of undivided loyalty to this Company in all matters affecting the Company's interests. Notwithstanding the foregoing, it is anticipated that the Members and officers will have other legal and financial relationships. Representatives of this Company, along with representatives of other entities, may from time to time participate in the joint development of contracts and transactions designed to be fair and reasonable to each participant and to afford an aggregate benefit to all participants. Therefore, it is anticipated that this Company will desire to participate in such contracts and transactions and, after ordinary review for reasonableness, that the participation of the Company in such contracts and transactions may be authorized by the Members.

9.8 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.

9.9 Articles and Other Headings. All headings contained in this Operating Agreement are for reference purposes only and shall not affect the meaning or interpretation of its provisions.

9.10 Attorneys' Fees. If any legal action, arbitration or other proceeding is commenced in connection with this Agreement, the prevailing party shall be entitled to an award of its attorneys' fees and expenses.

9.11 Choice of Law. This Agreement shall be construed, interpreted and applied in accordance with, and shall be governed by, the laws of the State of Colorado.

CERTIFICATION

THE UNDERSIGNED, being the sole member of Jan's Tavern, LLC, a Colorado limited liability company, hereby evidence his adoption and ratification of the foregoing Agreement of the Company effective as of the 26th day of October, 2015.

By: 
Elizabeth Zimpel, Member

SCHEDULE 5.2
(Initial Capital Contributions)

<u>Member</u>	<u>Contribution</u>
Elizabeth Zimpel	\$1000.00

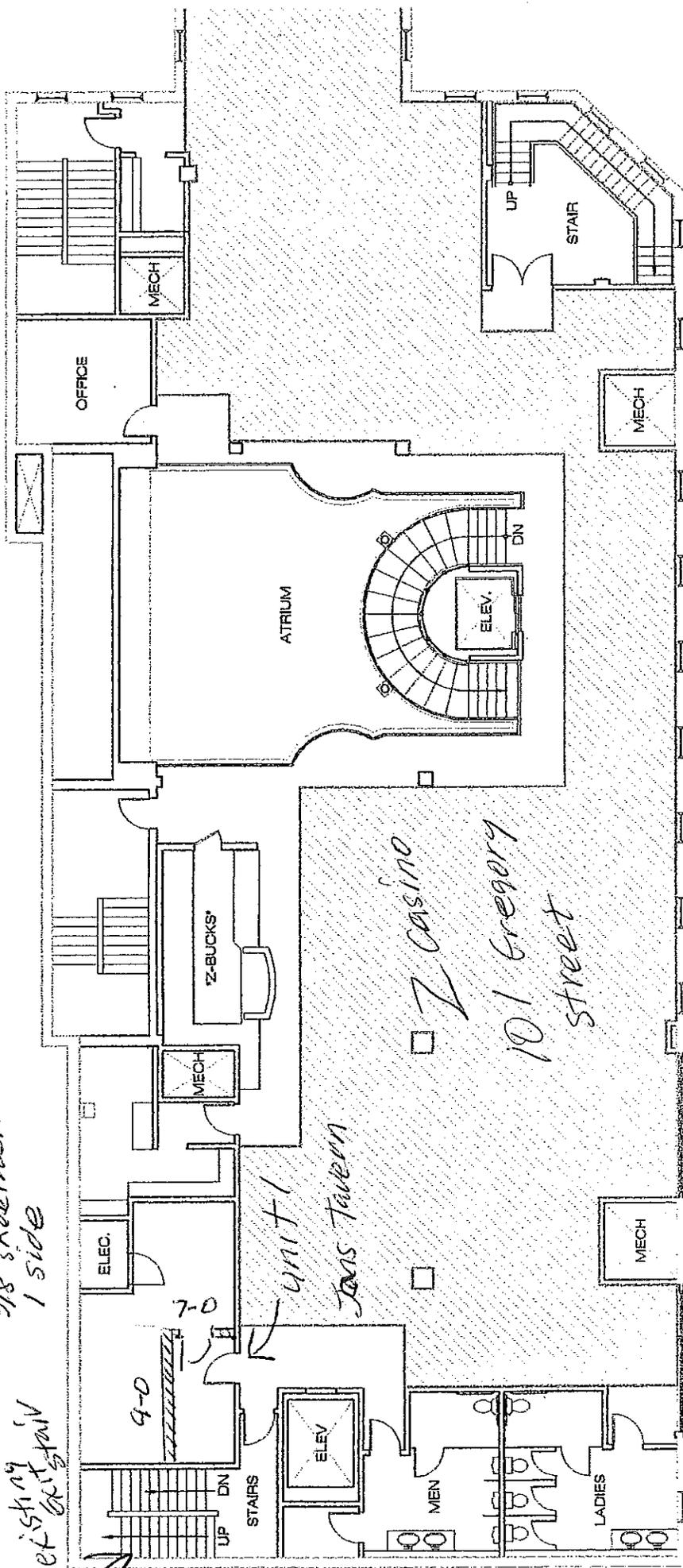
SCHEDULE 6.1

<u>Name</u>	<u>Percentage</u>
Elizabeth Zimpel	100%

proposed new
3/8 stud wall
5/8 sheetrock
1 side

existing
exit path

Selak Street



Gregory Street

1 SECOND FLOOR PLAN
1/8" = 1'-0"

North



DILL DILL CARR STONBRAKER & HUTCHINGS, P.C.
ATTORNEYS AT LAW

455 Sherman Street, Suite 300
Denver, Colorado 80203
Phone: 303-777-3737
Fax: 303-777-3823
www.dillanddill.com

RECEIVED

FEB 09 2016

City of Black Hawk
Clerk's Office

Christopher W. Carr*
Daniel W. Carr
John J. Coates
Kevin M. Coates
H. Alan Dill
Robert A. Dill
Thomas M. Dunn
John A. Hutchings
Stephen M. Lee
Fay M. Matsukage**
Adam P. Stapen
Jon Stonbraker
Craig Stoner
Frank W. Suyat
Patrick D. Tooley

* Also licensed in Washington

**Also licensed in Nevada

Of Counsel:
Arthur H. Bosworth, II

February 8, 2016

Via email: mgreiner@cityofblackhawk.org and Mmartin@cityofblackhawk.org

City of Black Hawk
ATTN: Board of Aldermen
c/o Michele Martin, Office of the City Clerk

RE: *Needs and Desires for Jan's Tavern, LLC d/b/a Jan's Tavern
101 Gregory Street, Unit 1*

Dear Board:

The needs and desires of Black Hawk residents and business owners and managers indicate that there is a need and a desire for this tavern license. The license would be used to facilitate additional business by expanding the business hours of the liquor license once it is issued by the city and serve the community as it relates to flexible hours of operation of the liquor licensed entity. Many other casinos have elected to apply for and obtain a new liquor license in conjunction with a promotional association to allow its patrons to use the facilities at hours which previously were prohibited. It is not anticipated that there will be any objections whatsoever from surrounding business owners, managers or residents for this plan and the city will benefit by the payment of additional tax revenues associated with the operation of the licensed entity.

Sincerely yours,

/s/ Robert A. Dill, electronically signed.

Robert A. Dill
RAD/mo

Attach.

Statement
of
Jan's Tavern LLC

Z's Casino has a significant reduction in its casino play after 2 a.m. when liquor can no longer be served. The majority of our guests that play at our casino in the late night hours request that we increase our liquor service hours. If we are able to do this, we should be able to extend the visit of our guests that re present at 2 a.m. Currently, other casinos in the area are able to serve liquor after 2 a.m. which puts Z's Casino at a disadvantage. The promotional association and Jan's Tavern, LLC intend to market this guest benefit aggressively in the general market which should lend itself to more traffic from new and returning guests.

Dodd Hanneman

From: Garcia, JJ <jgarcia@bhwk.com>
Sent: Thursday, January 28, 2016 3:16 PM
To: Dodd Hanneman
Subject: FW: Petition/Jan's Tavern

Importance: High

I wish to express my support for the issuance of a tavern liquor license to Jan's Tavern, located at 101 Gregory Street, Unit 1, in the City of Black Hawk. I certify that I am at least 21 years old and live or work in the City of Black Hawk.

JJ Garcia
General Manager
Lodge Casino
303-582-6391
www.thelodgecasino.com

Dodd Hanneman

From: Joseph DeRosa <jderosa@affinitygaming.com>
Sent: Wednesday, January 27, 2016 4:04 PM
To: Dodd Hanneman
Subject: RE: Petition/Jan's Tavern

I wish to express my support for the issuance of a tavern liquor license to Jan's Tavern, located at 101 Gregory Street, Unit 1, in the City of Black Hawk. I certify that I am at least 21 years old and live or work in the City of Black Hawk.

Joseph DeRosa
Interim General Manager
Mardi Gras / Golden Gates Casino
702-374-6818

Dodd Hanneman

From: Roberts, T Alan <talan@bhwk.com>
Sent: Wednesday, January 27, 2016 4:44 PM
To: Dodd Hanneman
Subject: RE: Petition/Jan's Tavern

I, T. Alan Roberts, General Manager of the Gilpin Casino Black Hawk, am in favor of and support the issuance of a tavern liquor license to Jan's Tavern located at 101 Gregory St, Black Hawk Colorado.

Thank You.....

T. Alan

From: Dodd Hanneman [<mailto:dhanneman@jzscasino.com>]
Sent: Wednesday, January 27, 2016 3:17 PM
To: Garcia, JJ; 'sharris@saratogacasinobh.com'; 'bcloud@canyoncasino.com'; Roberts, T Alan; 'jderosa@affinitygaming.com'
Subject: Petition/Jan's Tavern
Importance: High

Dear Colleague:

Z Casino is requesting your support for an additional liquor license adjacent to our existing licensed premise. Jan's Tavern would serve as the second license in order for Z Casino to establish a Promotional Association. If you would do me a personal favor, please either cut and paste the following statement of support and email it to back to me, I would greatly appreciate it. Please include your name, date, title and casino of employment in your reply. Thanks and if you have any questions, please do not hesitate to call me. 303-859-7700

I wish to express my support for the issuance of a tavern liquor license to Jan's Tavern, located at 101 Gregory Street, Unit 1, in the City of Black Hawk. I certify that I am at least 21 years old and live or work in the City of Black Hawk.

Dodd Hanneman | General Manager | Johnny Z's and Z Casino | PO BOX 49 | Black Hawk, CO 80422
(Direct: (303) 582-5623 ext 102 | *E-mail:dhanneman@jzscasino.com



Dodd Hanneman

From: Shawn Harris <SHarris@SaratogaCasinobh.com>
Sent: Wednesday, January 27, 2016 6:23 PM
To: Dodd Hanneman
Subject: Request

I wish to express my support for the issuance of a tavern liquor license to Jan's Tavern, located at 101 Gregory Street, Unit 1, in the City of Black Hawk. I certify that I am at least 21 years old and live or work in the City of Black Hawk.

Shawn Harris
General Manager
Saratoga Casino Black Hawk
303-582-6101
518-605-0264

Dodd Hanneman

From: Brian Cloud <bcloud@canyoncasino.com>
Sent: Wednesday, January 27, 2016 3:40 PM
To: Dodd Hanneman
Subject: Support of Liquor License

I wish to express my support for the issuance of a tavern liquor license to Jan's Tavern, located at 101 Gregory Street, Unit 1, in the City of Black Hawk. I certify that I am at least 21 years old and live or work in the City of Black Hawk.

Sincerely,

Brian Cloud

General Manager

Canyon / Grand Plateau Casinos

bcloud@canyoncasino.com

1/27/2016

**LOCAL LIQUOR
LICENSING AUTHORITY
CONSIDERATION OF
THE CERTIFICATION
OF A PROMOTIONAL
ASSOCIATION AND
COMMON
CONSUMPTION AREA
FOR Z'S PROMOTIONAL
ASSOCIATION, LLC**

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Local Liquor Licensing Authority Consideration of the Certification of a Promotional Association and Common Consumption Area for Z's Promotional Association, LLC.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE Certification of a Promotional Association and Common Consumption Area for Z's Promotional Association, LLC.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The Promotional Association/Common Consumption Area Certification application was received by the Clerk's office on December 14, 2015. The application has been found complete and is included in the packet. At its May 27, 2015 meeting, Council approved changes to Article XVII of Chapter 6 regarding Entertainment Districts to allow extended hours for a Promotional Association to serve alcohol between 2:00 a.m. and 7:00 a.m., if requested through application. The Monarch Promotional Association has met all the requirements for a Promotional Association and is requesting extended hours. Staff has reviewed this application, and Chief Cole offers the attached recommendations. Per C.R.S. § 12-47-301(11)(c) a Local Licensing Authority must properly certify a Promotional Association to operate a Common Consumption Area.

If approved, staff is required to submit DR 8482 to the State Licensing Authority within fifteen (15) days of any changes to the existing Entertainment District, including a list of the licensed premises attached to the Common Consumption Area, map of the area, and the hours of operation and consumption for the licensed premises and Common Consumption Area.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Melissa Greiner, City Clerk

DOCUMENTS ATTACHED: Application Packet and Staff Recommendations

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

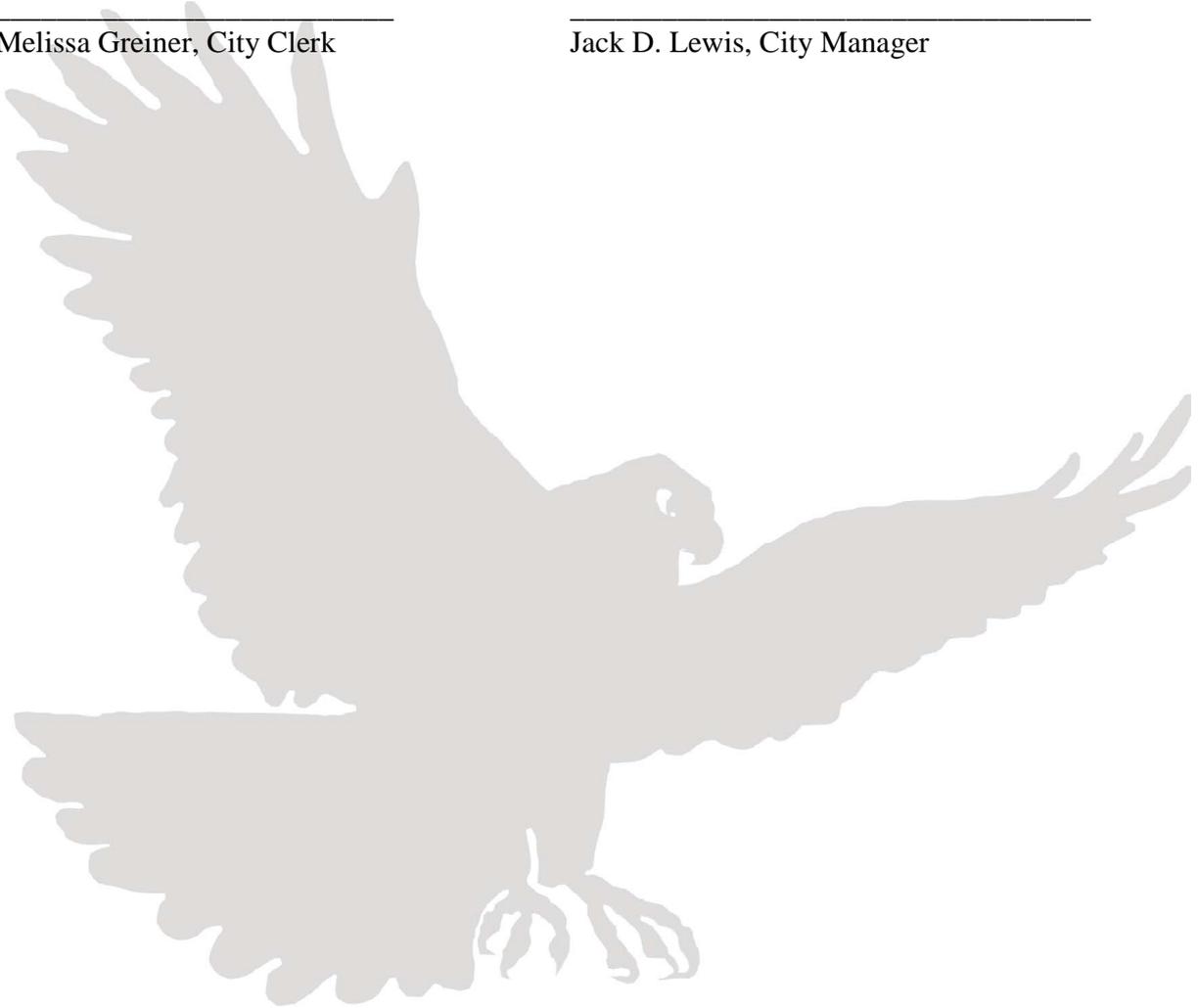
Melissa Greiner

Melissa Greiner, City Clerk

REVIEWED BY:

Jack D Lewis

Jack D. Lewis, City Manager



RECEIVED

DEC 14 2015

City of Black Hawk
Clerk's Office



BLACK HAWK®

CITY OF BLACK HAWK
Po Box 68
201 Selak Street
Black Hawk, CO 80422
(303)582-2221

Date Submitted 12/14/15

PROMOTIONAL ASSOCIATION/Common Consumption Area Certification Request

Promotional Association Name (exactly as it appears on incorporation documentation): <u>Z's Promotional Association, LLC</u>	
Description of Common Consumption Area Boundaries: (attach map) <u>34 square feet of space on 2nd floor of 101 Gregory St. Black Hawk UNIT #</u>	
Mailing Address of Promotional Association: <u>PO Box 49, Black Hawk, CO 80422</u>	
President of the Promotional Association: <u>Elizabeth Zimpel</u>	
Phone Number: <u>[REDACTED]</u>	E-mail Address: <u>[REDACTED]</u>

The following must accompany this Promotional Association/Common Consumption Area Certification Request:

- \$100 for Initial Application Fee
- \$100 for attachment of a Licensed Premises by a Certified Promotional Association
- Exhibit A Copy of the Articles of Incorporation and ~~Bylaws~~ Operating Agreement
- Exhibit B List of all Directors and Officers of the Promotional Association
- Exhibit C Written Security Plan
 - A security plan, including evidence of training (including, but not limited to, TIPS certification) and approval of personnel, a detailed description of security arrangements and the approximate location of security personnel within the Common Consumption Area during operating hours.
- Exhibit D Map drawn to scale
 - A detailed map of the proposed Common Consumption Area, including location of physical barriers, entrances and exits, location of attached licensed premises and identification of licensed premises that are adjacent but not to be attached to the Common Consumption Area.
- List of dates and hours of operation of the Common Consumption Area
- Exhibit E Documentation showing possession of the Common Consumption Area by the Promotional Association

Exhibit F List of the attached licensees, of which there will be a minimum of two (2), and list the following information:

- Liquor License number
- List of any past liquor violations
- Copy of any operational agreements

Exhibit G Insurance Certificate of General Liability and Liquor Liability naming the City as an additional insured in a minimum amount of one million dollars (\$1,000,000)

Exhibit H Documentation of how the application addresses the reasonable requirements of the neighborhood and the desires of the adult inhabitants as evidenced by petitions, written testimony or otherwise

Promotional Association/ Common Consumption Area General Guidelines:

- The size of the Common Consumption Area shall not exceed the area approved as the Entertainment District within which the Common Consumption Area is located, but may be a smaller area within the Entertainment District at any time, provided that the new area is clearly delineated using physical barriers to close the area to motor vehicle traffic and to limit pedestrian access;
- Alcohol beverages sold or served within the Common Consumption Area shall be served in a container that is no larger than 16 ounces, is disposable and contains the name of the licensed vendor in at least 24 point font type;
- The Promotional Association or attached licensed premises shall employ only persons to serve alcohol beverages or provide security within the Common Consumption Area who have completed the server and seller training program established by the Director of the Liquor Enforcement Division of the Department of Revenue;
- Revisions and amendments to the original application for Common Consumption Area Designation shall be submitted to the City of Black Hawk Liquor Licensing Authority and approved using the same procedures under which this original request for certification was made;
- Application for attachment of a licensed establishment to an already certified Common Consumption Area shall include an authorization from the Certified Promotional Association; the name of the representative from the licensed establishment who would serve on the Board of Directors of the Promotional Association; an amended map depicting the licensed establishment being added, physical barriers, entrances, exits, currently attached licensed establishments, location of security personnel, and licensed establishments that are adjacent to but not attached to the Common Consumption Area; and an application fee;
- The City of Black Hawk Liquor Licensing Authority (the "Authority") shall consider the merits of the application for a Promotional Association or a Common Consumption Area. If approved, the terms and conditions of the approval remain in effect until the Authority approves a revised or amended application by the Promotional Association.
- The Authority may refuse to certify or may decertify a Promotional Association, if the Association: 1) Fails to submit the annual report as required by January 31st of each year; 2) Fails to establish that the licensed premises and Common Consumption Area can be operated without violating the State or Local Liquor Codes or creating a safety risk to the neighborhood; 3) Fails to have at least two licensed establishments attached to the Common Consumption Area; 4) Fails to obtain or maintain a properly endorsed general liability and liquor liability insurance policy that names the City as an additional insured; 5) Fails to demonstrate that the use is compatible with the reasonable requirements of the

neighborhood or the desires of the adult inhabitants; or 6) Is in violation of 12-47-909, Colorado Revised Statutes, as may be amended from time to time, related to Common Consumption Area operations; and

- Application for Recertification of a Promotional Association must be made by **January 31st** of each year

Please mark below which days and hours the Common Consumption Area will be open and operational:

The Common Consumption Area will be open every day of the year with the following hours:

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
January	2 AM- 8 AM						
February	2 AM- 8 AM						
March	2 AM- 8 AM						
April	2 AM- 8 AM						
May	2 AM- 8 AM						
June	2 AM- 8 AM						
July	2 AM- 8 AM						
August	2 AM- 8 AM						
September	2 AM- 8 AM						
October	2 AM- 8 AM						
November	2 AM- 8 AM						
December	2 AM- 8 AM						

Any deviation from this schedule shall be reported to the City Clerk's Office at least fifteen (15) days prior to the proposed new date and time.

Certification of Applicant

I hereby certify that the information contained in this certification request and all attachments is true, correct, and complete to the best of my knowledge and that it is my responsibility and the responsibility of my agents/employees and Board of Directors to comply with all applicable Local and State laws, rules, and regulations as they relate to the serving, selling and distribution of alcohol beverages. I also declare that I have read and understand C.R.S. § 12-47-301(11) and Chapter 6, Article XVII of the Black Hawk Municipal Code pertaining to Entertainment Districts.

Elizabeth J. J. J.
Authorized Signature

Managing Member
Title

12/10/15
Date

Report and Approval of the Local Liquor Licensing Authority

Chairman of Liquor Licensing Authority

City Clerk

Date

Date



Colorado Secretary of State
Date and Time: 12/09/2015 02:00 PM
ID Number: 20151787961
Document number: 20151787961
Amount Paid: \$50.00

Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Z's Promotional Association, LLC

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "ltd. liability company", "limited liability co.", "ltd. liability co.", "limited", "l.l.c.", "llc", or "ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

111 Gregory Street

(Street number and name)

Black Hawk

(City)

CO

(State)

80422

(ZIP/Postal Code)

United States

(Province – if applicable)

(Country)

Mailing address

(leave blank if same as street address)

PO Box 49

(Street number and name or Post Office Box information)

Black Hawk

(City)

CO

(State)

80422

(ZIP/Postal Code)

United States

(Province – if applicable)

(Country)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Dill

(Last)

Robert

(First)

A.

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

Dill Dill Carr Stonbraker&Hutchings

(Street number and name)

455 Sherman St Ste 300

Denver

(City)

CO

(State)

80203

(ZIP Code)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Zimpel Jan
(Last) (First) (Middle) (Suffix)

or

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 49
(Street number and name or Post Office Box information)

BLACK HAWK CO 80422
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

or

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

Overton	Michele		
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
<hr/>			
Dill Dill Carr Stonbraker&Hutchings			
<small>(Street number and name or Post Office Box information)</small>			
<hr/>			
455 Sherman St, Ste 300			
<hr/>			
Denver	CO	80203	
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
<hr/>			
	United States		
<small>(Province – if applicable)</small>	<small>(Country)</small>		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

Exhibit A

OPERATING AGREEMENT

Z's PROMOTIONAL ASSOCIATION, LLC
A COLORADO LIMITED LIABILITY COMPANY
(A Promotional Association Formed Pursuant to 12-47-301 C.R.S. and Black Hawk Ordinance No. §6-531 et seq)

Dated: December 10, 2015
Effective: December 10, 2015

TABLE OF CONTENTS

OPERATING AGREEMENT

Z's PROMOTIONAL ASSOCIATION, LLC
A COLORADO LIMITED LIABILITY COMPANY
(A Promotional Association Formed Pursuant to 12-47-301 C.R.S. and Black Hawk Ordinance No. §6-531 et seq)

I. FORMATION OF COMPANY

- 1.1. Articles of Organization.
- 1.2. Conflict Between Articles of Organization and this Agreement.
- 1.3. Purpose.

II. CAPITAL CONTRIBUTIONS

- 2.1. Contributions.
- 2.2. Additional Capital Contributions.
- 2.3. Loans.

III. MEMBERS' ACCOUNTS; ALLOCATION OF PROFIT AND LOSS; DISTRIBUTIONS

- 3.1. Capital Accounts.
- 3.2. Income Accounts.
- 3.3. Allocations Among Members.
- 3.4. Disproportionate Capital Accounts.
- 3.5. Distribution of Assets.

IV. RULES RELATING TO THE MEMBERS AND MAJOR DECISIONS OF THE COMPANY

- 4.1. Admission of New Members.
- 4.2. Voting of Members.
- 4.3. Meetings of Members.
- 4.4. Quorum and Adjournment.

V. RULES RELATING TO MANAGERS

- 5.1. General Powers.
- 5.2. Qualifications of Managers.
- 5.3. Number, Election, and Term.
- 5.4. Meeting and Voting.
- 5.5. Duties of Managers.
- 5.6. Devotion to Duty.
- 5.7. Indemnification.

VI. BOOKS

- 6.1. Location of Records.
- 6.2. Access to Records and Accounting.
- 6.3. Accounting Rules.

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- 7.1. Causes of Dissolution.
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OPERATING AGREEMENT

**Z's PROMOTIONAL ASSOCIATION, LLC,
A COLORADO LIMITED LIABILITY COMPANY
(A Promotional Association Formed Pursuant to 12-47-301 C.R.S. and Black
Hawk Ordinance No. §6-531 et seq)**

THIS AGREEMENT is made and entered into this 10th day of December, 2015, by and between Z's PROMOTIONAL ASSOCIATION, LLC, a Colorado limited liability company (the "Company") and those persons listed in Article II below, hereinafter referred to as "Members."

WITNESSETH:

IT IS AGREED, in consideration of the promises, covenants, performance and mutual consideration herein as follows:

I.

FORMATION OF COMPANY

1.1. Articles of Organization. This Company is organized pursuant to the provisions of the Limited liability company Laws of the State of Colorado and pursuant to Articles of Organization filed with the Secretary of State on December 10, 2015. The rights and obligations of the Company and the Members shall be provided in the Articles of Organization and this Operating Agreement.

1.2. Conflict Between Articles of Organization And This Agreement. If there is any conflict between the provisions of the Articles of Organization and this Operating Agreement, the terms of this Operating Agreement shall control.

1.3. Purpose. The Purpose of this Promotional Association is to promote entertainment activities in a Common Consumption Area in the City of Black Hawk and within the Entertainment District as defined by the City of Black Hawk in §6-531. The Promotional Association will provide, in addition to articles of organization and an operating agreement identifying the Members of the Promotional Association, the following information: a) A detailed map of the proposed Common Consumption Area including the size of the Common Consumption Area as defined by §6-535 of the Ordinances of the City of Black Hawk; b) A Security Plan identifying the location of various security personnel; c) The dates and hours of operation of the Common Consumption Area; d) Documentation showing possession of the area to be used for common consumption by the Promotional

Association; e) A list of attached liquor licensees forming the Promotional Association; f) Proof of general and liquor liability insurance, naming the City of Black Hawk as an additional insured; and g) Documentation concerning the reasonable requirements of the neighborhood and desires of the inhabitants for the Promotional Association Common Consumption Area. The Promotional Association will operate the Premises known as Common Consumption Areas in conformance with Ordinance §6-538 of the Black Hawk City Code.

II.

CAPITAL CONTRIBUTIONS

2.1. Contributions. The capital contributions to be made by the Members and with which the Company shall begin business, and the membership certificates to be issued are as follows:

<u>MEMBER NAME</u>	<u>CONTRIBUTION</u>	<u>UNIT OR PERCENTAGE</u>
Elizabeth Zimpel	\$50.00	50%
John Zimpel	\$50.00	50%

2.2. Additional Capital Contributions. In the event that the cash funds of the Company are insufficient to meet its operating expenses or to finance new investments deemed appropriate to the scope and purpose of the Company as determined by the Manager, the Members may make additional capital contributions, in the proportion of their capital contributions. The amount of the additional capital required by the Company and the period during which such additional capital shall be retained by the Company shall be determined by the Manager.

2.3. Loans. In lieu of voting an additional assessment of capital to meet operating expenses or to finance new investments, the Company may, as determined by the Manager, borrow money from one or any of the Managers, Members, or third persons. In the event that a loan agreement is negotiated with a Manager or Member, he or she shall be entitled to receive interest at a rate and upon such terms to be determined by the Manager, including the Manager making said loan, if applicable, and said loan shall be repaid to the Manager or Member, with all accrued interest, if any, as soon as the affairs of the Company will permit. The loan shall be evidenced by a promissory note of the Company. Such

interest and repayment of the amounts so loaned are to be entitled to priority of payment over the division and distribution of capital contributions and profit among Members.

III.

MEMBERS' ACCOUNTS; ALLOCATION OF PROFIT AND LOSS; DISTRIBUTIONS

3.1. Capital Accounts. A separate capital account shall be maintained for each Member. The capital accounts of each Member shall initially reflect the amounts specified in Section 2.1., and, if a Member has merely promised to contribute the amount specified in Section 2.1., the Company shall maintain a corresponding subscription receivable on behalf of that Member. No Member shall withdraw any part of his or her capital account, except upon the approval of all of the Members. If the capital account of a Member becomes impaired, or if he or she withdraws said capital account with approval of all of the Members, his or her share of subsequent Company profits shall be credited first to his or her capital account until that account has been restored, before such profits are credited to his or her income account. If, during the period when a Member's capital account is impaired or he or she has withdrawn funds therefrom as hereinbefore provided, an additional contribution is required of the Members for the purposes specified in Section 2.2., then the Member with such withdrawn or impaired capital account shall be required to contribute his or her proportionate share of the additional capital contribution and the deficiency then existing in his or her capital account, so as to return the capital account to the same proportion existing as of the date of the additional contribution. No interest shall be paid on any capital contributions to the Company.

3.2. Income Accounts. A separate income account shall be maintained for each Member. Company profits, losses, gains, deductions, and credits shall be charged or credited to the separate income accounts annually unless a Member has no credit balance in his or her income account, in which event losses shall be charged to his or her capital account, except as provided in Section 3.1. The profits, losses, gains, deductions, and credits of the Company shall be distributed or charged to the Members as provided in Section 3.3. No interest shall be paid on any credit balance in an income account.

3.3. Allocations Among Members. The profits and gains of the Company shall be divided and the losses, deductions, and credits of the Company shall be borne in the following proportions:

<u>MEMBER</u>	<u>PROFIT AND LOSS PERCENTAGE</u>
Elizabeth Zimpel	50%
John Zimpel	50%

3.4. Disproportionate Capital Accounts. No interest or allocation profits, losses, gains, deductions, or credits shall inure to any Member by reason of his or her capital account being proportionately in excess of the capital accounts of the other Members.

3.5. Distribution of Assets.

A. All distributions of assets of the Company, including cash, shall be made in the same allocations among Members as described in Section 3.3.

B. The Manager shall determine, in his discretion, whether distributions of assets of the Company should be made to the Members; provided, however, that no distribution of assets may be made to a Member if, after giving effect to the distribution, all liabilities of the Company, other than liabilities to Members on account of their capital and income accounts, would exceed the fair value of the Company assets.

C. A Member has no right to demand or receive any distribution from the Company in any form other than cash.

IV.

RULES RELATING TO THE MEMBERS

4.1. Admission Of New Members. Additional Members may be admitted only upon the unanimous written consent of all Members.

4.2. Voting Of Members. Members shall have the number of votes based on their relative ownership in the Company. By way of illustration, if a Member owns 33% of the outstanding membership interest, he shall be entitled to 33% of the votes on any issue. A Member may vote in person or by proxy at any meeting of Members. All decisions of the Members shall be made by a majority vote of the Members at a properly called meeting of the Members at which a quorum is present, or by unanimous written consent of the Members.

4.3. Meetings Of Members.

A. Meetings of Members may be held at such time and place, either within or without the State of Colorado, as may be determined by the Manager or the person or persons calling the meeting.

B. An annual meeting of the Members shall be held at such time and place as shall be determined by a resolution of the Managers during each fiscal year of the Company.

C. A special meeting of the Members may be called by the Managers and by at least one-third (1/3) of all the Members entitled to vote at the meeting.

D. Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose for which the meeting is called, shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the Managers or any other person calling the meeting, to each Member of record entitled to vote at such meeting. A waiver of notice in writing, signed by the Member before, at, or after the time of the meeting stated in the notice shall be equivalent to the giving of such notice.

E. By attending a meeting, a Member waives objection to the lack of notice or defective notice unless the Member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting. A Member who attends a meeting also waives objection to consideration at such meeting of a particular matter not within the purpose described in the notice unless the Member objects to considering the matter when it is presented.

4.4. Quorum And Adjournment. A majority of the Members entitled to vote shall constitute a quorum at a meeting of Members. If a quorum is not represented at any meeting of the Members, such meeting may be adjourned for a period not to exceed sixty (60) days at any one adjournment; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting.

V.

RULES RELATING TO MANAGERS

5.1. General Powers. Management and the conduct of the business of the Company shall be vested in the Manager. The Manager may adopt resolutions to govern his activities and the manner in which they shall perform his duties to the Company.

5.2. Qualifications of Managers. Managers shall be natural persons twenty-one (21) years of age or older.

5.3. Number, Election, And Term.

A. The number of Managers shall be one (1). The number of Managers shall be increased or decreased by the vote or consent of the Members.

B. The initial Manager shall hold office until the first annual meeting of Members or until his successors have been elected and qualified. Thereafter, each Manager elected by the Members shall hold office for a one (1) year term or until his or her successor has been elected and qualified.

C. Manager shall be elected by a vote or consent of the Members at an annual meeting or at a special meeting called for that purpose.

5.4. Meetings And Voting.

A. Meetings of the Manager may be held at such time and place as the Managers by resolution shall determine.

B. Written notice of meetings of the Manager shall be delivered at least twenty-four (24) hours before the meeting personally, by telecopier, or by mail actually delivered to the Manager within the twenty-four (24) hour period. A waiver of notice in writing, signed by the Manager before, at, or after the time of the meeting stated in the notice, shall be equivalent to the giving of such notice.

C. By attending a meeting, a Manager waives objection to the lack of notice or defective notice unless, at the beginning of the meeting, the Manager objects to the holding of the meeting or the transacting of business at the meeting.

5.5. Duties of Manager.

A. The Manager shall have the duties and responsibilities as described in the Colorado Limited Liability Company Act, as amended from time to time.

B. The Manager shall execute any instruments or documents providing for the acquisition, mortgage, or disposition of the property of the Company.

C. Any debt contracted for or liability incurred by the Company shall be authorized only by a resolution or consent of the Members, and any instruments or

documents, required to be executed by the Company shall be signed by the Manager as designated by resolution of the Members.

D. The Manager may delegate an employee or agent to be responsible for the daily and continuing operations of the business affairs of the Company. All decisions affecting the policy and management of the Company, including the control, employment, compensation, and discharge of employees; the employment of contractors and subcontractors; and the control and operation of the premises and property, including the improvement, rental, lease, maintenance, and all other matters pertaining to the operation of the property of the business shall be made by the Manager.

E. Any Manager may draw checks upon the bank accounts of the Company and may make, deliver, accept, or endorse any commercial paper in connection with the business affairs of the Company.

5.6. Devotion To Duty. At all times during the term of a Manager, the Manager shall give reasonable time, attention, and attendance to, and use reasonable efforts in the business of the said Company; and shall, with reasonable skill and power, exert himself or herself for the joint interest, benefit, and advantage of said Company; and shall truly and diligently pursue the Company objectives.

5.7. Indemnification. Managers, employees, and agents of the Company shall be entitled to be indemnified by the Company to the extent provided in the Colorado Limited Liability Company Act, as amended from time to time, and shall be entitled to the advance of expenses, including attorneys' fees, in the defense or prosecution of a claim against him or her in the capacity of Manager, employee, or agent.

VI.

BOOKS

6.1. Location Of Records. The books of the Company shall be maintained at the principal office of the Company or at such other place as the Managers by vote or consent shall designate.

6.2. Access To Records And Accounting. Each Member shall at all times have access to the books and records of the Company for inspection and copying. Each Member shall also be entitled:

A. To obtain from the Managers upon reasonable demand for any purpose such information reasonably related to any Member's membership interest in the Company;

B. To have true and full information regarding the state of the business and financial condition and any other information regarding the affairs of the Company;

C. To have a copy of the Company's federal, state, and local income tax returns for each year promptly after they are available to the Company; and

D. To have a formal accounting of the Company's affairs whenever circumstances render an accounting just and reasonable.

6.3. Accounting Rules. The books shall be maintained on a cash basis. The fiscal year of the Company shall be the calendar year. Distributions to income accounts shall be made annually. The books shall be closed and balanced at the end of each calendar year and, if an audit is determined to be necessary by vote or consent of the Managers, it shall be made as of the closing date. The Managers may authorize the preparation of year-end profit-and-loss statements, balance sheet, and tax returns by a public accountant.

VII.

DISSOLUTION

7.1. Causes Of Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

- A. At any time by unanimous agreement of the Members; or
- B. Upon the occurrence of events or time specified for dissolution in the Articles of Organization, if any.

7.2. Continuation Of Business. Notwithstanding a dissolution of the Company under Section 7.1., the Members may elect to continue the business of the Company, so long as there are at least two (2) Members remaining who then consent to do so, by purchasing the Member's ("Withdrawn Member") membership interest, who will not continue in business.

7.3 Events Relating to Members. The withdrawal, death, expulsion, bankruptcy, retirement or resignation of a Member shall not cause a dissolution of the Company, and notwithstanding any such event, the remaining Members may purchase the deceased, retired, resigned, expelled or bankrupt Members' membership interest pursuant to the terms of this Agreement.

VIII.

WITHDRAWAL OR EXPULSION OF A MEMBER

8.1. Purchase Of Withdrawn or Expelled Member's membership interest.

A. The purchase price of the Withdrawn Member's membership interest shall be equal to the Withdrawn Member's capital account as of the Effective Date as otherwise defined herein, plus his or her income account as of the end of the prior fiscal year, decreased by his or her share of the Company losses, deductions, and credits computed to the Effective Date, and decreased by withdrawals such as would have been charged to his or her income account during the present year to the Effective Date. The purchase price is subject to setoff for any damages incurred as the result of the Withdrawn Member's actions.

B. The purchase price determined under Article VIII shall be paid to the Withdrawn Member by a down payment of twenty percent (20%) of the price, the remaining eighty (80%) to be amortized over four (4) years at ten percent (10%) simple interest, with equal quarterly payments throughout the term thereof.

8.2. Distribution Of Assets If Business Is Not Continued. In the event of dissolution of the Company and if the Members do not elect to or are unable to continue the business of the Company, the Managers shall proceed with reasonable promptness to sell the real and personal property owned by the Company and to liquidate the business of the Company. Upon dissolution, the assets of the Company business shall be used and distributed in the following order:

A. Any liabilities and liquidating expenses of the Company will first be paid, including loans from Members;

B. The reasonable compensation and expenses of the Managers in liquidation shall be paid; and

C. The amount then remaining shall be paid to and divided among the Members in accordance with the statutory scheme for distribution and liquidation of the Company under the Colorado Limited Liability Company Act, as amended from time to time.

8.3. Causes Of Expulsion. A Member shall be expelled from the Company upon the occurrence of any of the following events:

A. If a Member shall violate any of the provisions of this Agreement; or

B. If a Member's membership interest shall be subject to a charging order or tax lien, which is not dismissed or resolved to the satisfaction of the Manager of the Company within (30) days after assessment or attachment

8.4. Notice Of Expulsion. Upon the occurrence of an event described above, written notice of expulsion shall be given to the violating Member either by serving the same by personal delivery or by mailing the same by certified mail to his or her last known place of residence, as shown on the books of said Company. Upon the receipt of personal notice, or the date of the postmark for certified mail, the violating Member shall be considered expelled, and shall have no further rights as a Member of the Company, except to receive the amounts to which he or she is entitled as otherwise set forth herein.

IX.

BANKRUPTCY OF A MEMBER

9.1. Bankruptcy Defined. A Member shall be considered bankrupt if the Member files a petition in bankruptcy (or an involuntary petition in bankruptcy is filed against the Member and the petition is not dismissed within ninety [90] days) or makes an assignment for the benefit of creditors or otherwise takes any proceeding or enters into any agreement for compounding his or her debts other than by the payment of them in full amount thereof, or is otherwise regarded as insolvent under any Colorado insolvency act.

9.2. Effective Date For Bankruptcy. The Effective Date of a Member's bankruptcy shall be the date that a Manager, having learned of the Member's bankruptcy, gives notice in writing stating that the Member is regarded as bankrupt under this Agreement, such notice to be served personally or by leaving the same at the place of business of the Company. As of the Effective Date, the bankrupt Member shall be subject to expulsion as set forth herein above.

X.

RETIREMENT OR RESIGNATION OF A MEMBER

10.1. Right To Retire Or Resign. A Member shall have the right, at any time, to retire or resign as a Member of the Company by giving three (3) month's written notice to the Company at the Company's place of business.

10.2. Consequences Of Retirement Or Resignation If The Business Is Continued. Upon giving notice of any intention to retire or resign, the Withdrawn Member shall be entitled to have his or her membership interest purchased as provided in Article VIII. if the remaining Members elect to continue the business of the Company under Article VIII. Upon

the receipt of notice of the remaining Members' election to continue the business, the membership interest of the Withdrawn Member in the Company shall cease and terminate, and the Withdrawn Member shall only be entitled to the payments provided in Section 8.1., but only to the extent the Company has such funds available.

10.3. Consequences Of Retirement Or Resignation If The Business Is Not Continued. If the remaining Members elect not to continue the business upon retirement or resignation of a Member, or are unable to do so by law, the Withdrawn Member shall only be entitled to his or her interest in liquidation, as stated in this Agreement, subject to any setoff for damages caused by the Member's retirement or resignation.

XI.

DEATH OF A MEMBER

11.1. Death of A Member. Upon the death of a Member, the deceased Member's rights as Member of the Company shall cease and terminate except as provided in this Article XI.

11.2. Consequences of Death if Business is Continued. If the surviving Members elect to continue the business, the Manager shall serve notice in writing of such election, within three (3) months after the death of the deceased Member, upon the executor or administrator of the deceased Member, or, if at the time of such election no legal representative has been appointed, upon any one of the known legal heirs of the deceased Member at the last known address of such heir. The Company shall purchase the membership interest of the deceased Member as provided in Article VIII, and the closing of such purchase shall be within thirty (30) days of the notice of such election, except in the event the Company has life insurance on the deceased Member, in which event the amount and method of payment for the membership interest of the deceased Member will be as provided in Section 11.3.

11.3. Insurance. The Company may contract for life insurance on the lives of each of the Members, in any amount not disproportionate to the value of each Member's membership interest. In the event of death of a Member, insurance proceeds paid to the Company will be used to purchase the membership interest of the deceased Member. The purchase price shall be the greater of the amount determined under Article VIII or the amount of insurance proceeds received by the Company. The payment of the purchase price to the decedent's representatives or heirs shall be made within thirty (30) days following receipt of the insurance proceeds by the Company. If the surviving Members do not elect to continue the business of the Company, or are unable to do so by law, the proceeds of any life insurance shall be treated as an asset of the Company for liquidation.

11.4. Consequences Of Death If The Business Is Not Continued. If the surviving Members do not elect to continue the business, or are unable to do so by law, the deceased Member shall only be entitled to his or her interest in liquidation as stated in hereinabove.

XII.

SALE OF A MEMBER'S INTEREST

12.1. Provisions Restricting Sale of Membership Interests. In the event that a Member desires to sell, assign, or otherwise transfer his or her membership interest in the Company and has obtained a bona fide offer for the sale thereof made by some person not a member of this Company, he or she shall first offer to sell, assign, or otherwise transfer the membership interest to the other Members at the price and on the same terms as previously offered him or her, and each of the other Members shall have the right to purchase his or her proportionate share of the selling Member's membership interest. If any Member does not desire to purchase the membership interest on such terms or at such price and the entire membership interest is not purchased by the other Members, any other Member may purchase all or any part of the membership interest, and the selling Member may only then sell, assign, or otherwise transfer his or her entire membership interest in the Company to the person making the said offer at the price offered. The intent of this provision is to require that the entire membership interest of a Member to be held by original Members, to the extent possible. A purchaser of a membership interest of the Company shall not become a Member without the unanimous consent of the non-selling Members, but shall be entitled only to receive the share of profits, gains, losses, deductions, credits, and distributions to which the Selling Member would be entitled. In this event, the purchaser of the membership interest shall not be entitled to participate in voting or any other management function reserved to the Members of the Company.

XIII.

MEMBERS' COVENANTS

13.1. Member's Personal Debts. In order to protect the property and assets of the Company from any claim against any Member for personal debts owed by such Member, each Member shall promptly pay all debts owing by him or her and shall indemnify the Company from any claim that might be made to the detriment of the Company by any personal creditor of such Member.

13.2. Alienation Of Membership Interest. No Member shall, except as provided in Article XII, sell, assign, mortgage, or otherwise encumber his or her membership interest in the Company or in its capital assets or property; or enter into any agreement of any kind that

will result in any person, firm, or other organization becoming interested with him or her in the Company; or do any act detrimental to the best interests of the Company.

XIV.

ARBITRATION

14.1. Arbitration. Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration in accordance with the rules then in effect of the American Arbitration Association. Judgment upon the award rendered by said arbitration may be entered in any court having jurisdiction thereof. Costs of arbitration, including attorneys' fees, shall be paid by the loser. If one Member notifies the other Member in writing of a dispute, claim, or controversy and requests that the same be arbitrated, no legal action may then be commenced thereon, except to obtain judgment on the arbitration award.

XV.

MISCELLANEOUS PROVISIONS

15.1. Inurement. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors, and assigns, and each person entering into this Agreement acknowledges that this Agreement constitutes the sole and complete representation made to him or her regarding the Company, its purpose and business, and that no oral or written representations or warranties of any kind or nature have been made regarding the proposed investments, nor any promises, guarantees, or representations regarding income or profit to be derived from any future investment.

15.2. Modification. This Agreement may be modified from time to time as necessary only by the written agreement of the Company, acting through the unanimous vote or consent of its Managers, and the Members.

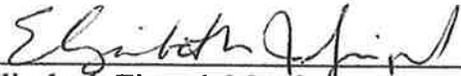
15.3. Severability. The provisions of this Agreement are severable and separate, and if one or more is voidable or void by statute or rule of law, the remaining provisions shall be severed therefrom and shall remain in full force and effect.

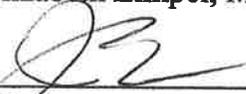
15.4. Governing Law. This Agreement and its terms are to be construed according to the laws of the State of Colorado.

15.5. Counterparts. This Agreement may be executed in counterparts and each such counterpart shall be deemed an original of the Agreement for all purposes.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on the day first written above.

MEMBERS:


Elizabeth Zimpel, Member


John Zimpel, Member

**Z's PROMOTIONAL ASSOCIATION,
LLC,**
A Colorado Limited Liability Company

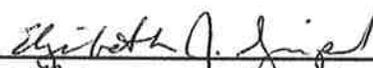
By: 
Title: Managing Member
Date: 12/10/13

EXHIBIT B

Z's Promotional Association, LLC Members

Elizabeth Zimpel, Managing Member of Z's Promotional Association, LLC. Elizabeth Zimpel represents Jan's Tavern.

John Zimpel, Member of Z's Promotional Association, LLC. John Zimpel represents Bullwhackers Casino Inc.

EXHIBIT C

Z Casino and Jan's Tavern Security Plan

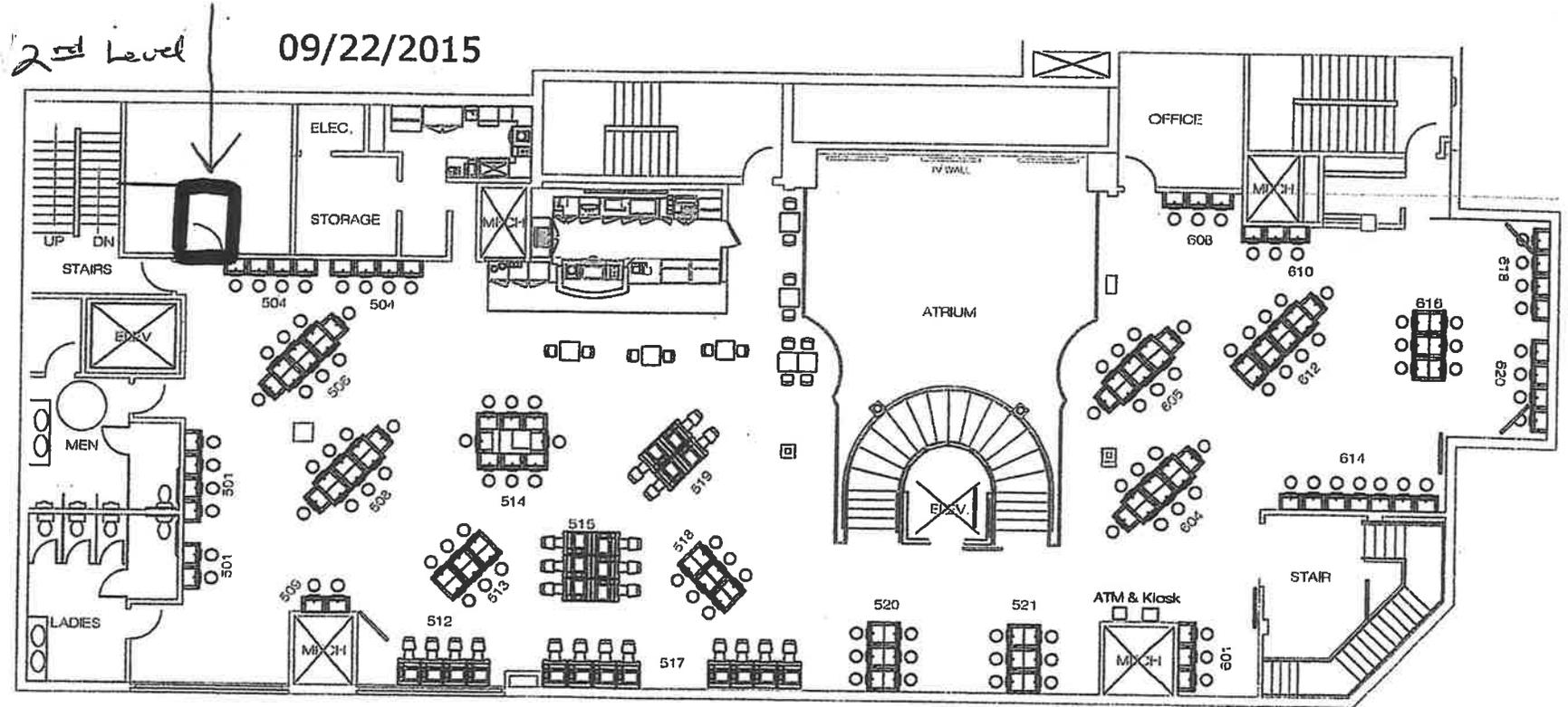
Pending approval, Z's Promotional Association will open a common consumption area between the hours of 2 am and 8 am, seven days a week.

During the hours of 2 am – 8 am, the following additional security measures will be in effect:

1. Additional cameras will be installed to monitor common consumption area.
2. Additional signage will be added to doors to ensure alcohol does not leave licensed premises.
3. Security staff will incorporate the Common Consumption area into their floor sweeps at least 2 times per hour.
 - While there is no security personnel stationed in the common consumption area, surveillance will be monitoring for any guest activity.
 - All casino employees will monitor that any alcohol served from one licensee is not brought on to the other property.
4. All liquor from each establishment in the common consumption area will be in clearly identifiable plastic cups with licensee logo.

Exhibit D

Proposed Common Consumption Area



101 Gregory Street, Black Hawk

Exhibit D

Exhibit E

As of December 10th, 2015, Bullwhackers Casino, Inc., liquor license #14-46003-0000, and Jan's Tavern, liquor license number pending, agree to allow Z's Promotional Association, LLC to use 34 square feet of their premises to use as a common consumption area. This agreement will stand until revoked by either party.

Bullwhackers Casino, Inc.


Signature

John Zimpel
Name

President
Title

12/10/15
Date

Jan's Tavern, LLC


Signature

Elizabeth Zimpel
Printed Name

Managing Member
Title

12/10/15
Date

Exhibit F

The two liquor licenses associated with Z's Promotional Association, LLC are:

1. Bullwhackers Casino, Inc., license number 14-46003-0000. There have been no liquor violations associated with this license.
2. Jan's Tavern, LLC. This license is pending approval and will be provided if and when that approval is granted. This application in its entirety is based upon the approval of Jan's Tavern application.
3. Attached are the operating agreements for the two entities.

Exhibit F

OPERATING AGREEMENT

OF

JZ GAMING, LLC

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OPERATING AGREEMENT

OF

JZ GAMING, LLC

THIS OPERATING AGREEMENT ("Agreement") is made effective January 23, 2013 among the Manager and Members of JZ Gaming, LLC, a Colorado limited liability company (the "Company"), who have signed this Agreement agreeing to be obligated by the terms of this Agreement.

This Agreement governs the relationship among the Manager and Members of Company and between Company and the Manager and Members, pursuant to the Colorado Limited Liability Company Act, as amended from time to time (the "Act").

In consideration of their mutual promises, covenants, and agreement, the parties hereto do hereby promise, covenant, and agree as follows:

ARTICLE I **DEFINITIONS**

Throughout this Agreement, and unless the context otherwise requires, the word or words set forth below within the quotation marks shall be deemed to mean the words that follow them:

1.1 "Agreement" shall mean this Operating Agreement.

1.2 "Appraised Value" shall mean the value of Company's assets, reduced by Company's total liabilities, as determined pursuant to Article XVII herein.

1.3 "Bankruptcy" shall mean the filing by a Member of a petition commencing a voluntary case under the Bankruptcy Code; a general assignment by a Member for the benefit of creditors; an admission in writing by a Member of their inability to pay their debts as they become due; the filing by a Member of any petition or answer in any proceeding seeking for themselves, or consenting to, or acquiescing in, any insolvency, receivership, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or the filing by a Member of an answer or other pleading admitting or failing to deny, or to contest, the material allegations of the petition filed against them in any such proceeding; the seeking or consenting to, or acquiescence by a Member in, the appointment of any trustee, receiver, or liquidator of their, or any part of their property; and the commencement against a Member of an involuntary case under the Bankruptcy Code, or a proceeding under any receivership, composition, readjustment, liquidation, insolvency, dissolution, or like law or statute, which case or proceeding is not dismissed or vacated within 60 days.

1.4 "Capital Account" shall mean the capital account maintained for a Member or Assignee determined in accordance with Article V.

1.5 "Capital Contribution" shall mean any contribution of the Members' respective Membership and Profits Interests in CC Gaming, LLC to the Company.

1.6 "Capital Interest" shall mean with respect to each Member the Capital Interest percentage shown on Exhibit A attached hereto, as may be adjusted from time to time.

1.6(a) "CC Gaming, LLC" shall mean CC Gaming, LLC.

1.7 "Company" shall mean JZ Gaming, LLC, a Colorado limited liability company.

1.8 "Contributing Members" shall mean those Members making contributions as a result of the failure of a Delinquent Member to make the contributions required by the commitment described in Article VIII.

1.9 "Default Interest Rate" shall mean the higher of (i) eighteen percent per annum or; (ii) the then-current prime rate quoted by Wells Fargo Bank West, N.A. (or its successor) plus three percent.

1.10 "Delinquent Member" shall mean a Member or Assignee who has failed to meet the commitment of that Member or Assignee to make an Additional Capital Contribution required hereunder.

1.11 "Disposition" shall mean any sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as security (including dispositions by operation of law).

1.12 "Dissolution" shall mean (1) in the case of a Member who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee); (2) in the case of a Member that is a partnership, the dissolution and commencement of winding up of the partnership; (3) in the case of a Member that is a corporation, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; (4) in the case of a limited liability company, the filing of articles of dissolution, or its equivalent, for the limited liability company, or the involuntary dissolution by a non-appealable order of the district court; or (5) in the case of an estate, the distribution by the fiduciary of the estate's entire Membership Interest.

1.14 "Distribution" shall mean a transfer of Property to a Member on account of a Membership Interest or Profits Interest as described in Article IX.

1.15 "Effective Date" shall mean January 23, 2013.

1.16 "Expulsion" shall mean the final decision of expulsion of a Member as provided in this Agreement.

1.17 "Economic Interest" shall mean a Member's or Economic Interest Owner's share of one or more of Company's net profits, net losses and distributions of Company's assets pursuant to this Agreement and the Colorado Limited Liability Company Act, but shall not include any right to participate in the management or affairs of Company, including, the right to vote on, consent to or otherwise participate in any decision of Members or Managers.

1.18 "Economic Interest Owner" shall mean the owner of an Economic Interest who shall not have the rights of a Member regarding such Economic Interests.

1.19 "Immediate Family" shall mean a Member's Immediate Family includes the Member's spouse, children (including natural, adopted and stepchildren), grandchildren, and parents.

1.20 "Initial Capital Contribution" shall mean the Capital Contribution agreed to be made by the Initial Members as described in Article V.

1.21 "Initial Members" shall mean those persons identified on Exhibit A attached hereto and made a part hereof by this reference who have executed the Operating Agreement.

1.22 "Majority" shall mean the affirmative vote or consent of more than fifty percent (50%) of the respective Sharing Ratios of the Members, eligible to vote on any particular matter.

1.23 "Manager" shall mean any Person selected to manage the affairs of the Company under Article hereof. The initial Manager is John Zimpel.

1.24 "Member" shall mean each person signatory hereto either by signing this Agreement or a Subscription Agreement agreeing to be obligated by the terms of this Agreement, and any other person or persons who may subsequently be designated as a Member of this Company pursuant to the terms of this Agreement.

1.25 "Membership Interest" shall mean the ownership interest owned by a Member pursuant to this Agreement.

1.26 "Membership Rights" shall mean the rights of the Member, which are comprised of the Member's Membership Interest and their rights to participate in the management of Company.

1.27 "Membership Unit" shall mean an item of intangible personal property that gives the holder certain rights and subjects the holder to certain restrictions and obligations, as set forth in this Agreement.

1.28 "Minority Members" shall mean all the Members excluding John Zimpel and Elizabeth Zimpel.

1.29 "Net Losses" shall mean the losses and deductions of the Company determined in accordance with accounting principles consistently applied from year to year employed under the

method of accounting adopted by the Company and as reported separately or in the aggregate, as appropriate, on the tax return of the Company filed for federal income tax purposes.

1.30 "Net Profits" shall mean the income and gains of the Company determined in accordance with accounting principles consistently applied from year to year employed under the method of accounting adopted by the Company and as reported separately or in the aggregate, as appropriate, on the tax return of the Company filed for federal income tax purposes.

1.31 "Persons" shall mean individuals, partnerships, corporations, limited liability companies, unincorporated associations, trusts, estates, and any other type of entity.

1.32 "Profits Interest" shall mean the right of Members to receive distributions from the Company in accordance with their Profits Interest Percentages under Article IX and in the percentages set forth on **Exhibit A**.

1.33 "Profits Interest Percentage" shall mean a specified percentage share of the Company's Profits and distributions under Article IX, held by those Persons and in such amounts identified in **Exhibit A**.

1.34 "Properties" or "Property" shall mean those certain real properties known as 101 Chase Street, Black Hawk, Colorado, 101 Gregory Street, Black Hawk, Colorado and 1351 Highway 119, Gilpin County, Golden, Colorado.

1.35 "Purchase Price" shall mean the price at which either Company or its Members are permitted to purchase the Membership Interest of an Offering Member, the personal representatives of the Decedent or Heir, or the Withdrawing Member. For purposes of this Agreement, the Purchase Price shall be the Appraised Value reduced by a fifteen (15%) adjustment, which represents discounts for marketability and minority ownership.

1.36 "Substitute Member" shall mean an Assignee who has been admitted to all of the rights of membership pursuant to the Operating Agreement.

1.37 "Taxable or Fiscal Year" shall mean the taxable year and fiscal year of the Company shall be the calendar year, as determined pursuant to §706 of the Code.

1.38 "Voting Percentages" shall mean a specified percentage share of Voting Members' rights to vote on Company matters, held by those Voting Members and in such amounts identified opposite such Voting Members' names in Exhibit A, as may be adjusted under Article VII.

ARTICLE II
ARTICLES OF ORGANIZATION AND PURPOSE

The Articles of Organization of Company filed with the Secretary of State of the State of Colorado are hereby adopted and incorporated by reference in this Agreement. In the event of any inconsistency between the Articles of Organization and this Agreement, the terms of the Articles of Organization shall govern and control. Company is being formed for the sole purpose of developing and operating gaming and entertainment related venues within Colorado and conducting all lawful business within the states in which it is or may become licensed to conduct such business.

ARTICLE III
TERM

The term of this Agreement shall be co-terminus with the period of duration of Company. This Agreement shall terminate upon the voluntary or involuntary dissolution of Company or the expiration of its term as provided in the Articles of Organization.

ARTICLE IV
OFFICES

4.1 **Principal Office.** The principal office of Company in the State of Colorado shall be located at, 132 Lawrence Street, Central City, Colorado 80427. Company may have such other offices, either within or without the State of Colorado, as the Members may designate or as the business of Company may from time to time require.

4.2 **Registered Office; Registered Agent.** The address of the initial registered office of Company is P.O. Box 636, Central City, Colorado 80427, and the initial Registered Agent at such address is John Zimpel. The registered office and registered agent may be changed from time to time by action of Members and by filing the prescribed form with the Colorado Secretary of State.

ARTICLE V
CONTRIBUTIONS

5.1 **Form of Contribution.** The contribution of a Member, at the election of Manager, may be in cash, membership interests in CC Gaming, property or services rendered or a promissory note or other obligation to contribute cash or real property.

5.2 **Initial Contributions.** Each Member shall make an initial contribution ("Initial Contribution") to Company as set forth in **Exhibit A** attached hereto and incorporated herein by this reference or, in the case of any future Member, in accordance with their respective Subscription Agreement, and concurrently with their respective execution and delivery of this Agreement or said subscription Agreement.

5.3 Additional Contributions. Each Member shall be required to make such additional capital contributions as shall be determined by Manager from time to time to be reasonably necessary to meet the expenses of Company. Upon the making of any such determination, Manager shall give written notice to each Member of the amount of the required additional contribution, and each Member shall deliver to Company their pro rata share thereof (in proportion to the respective Membership Interest of Member on the date such notice is given) no later than thirty (30) days following the date such notice is given. None of the terms, covenants, obligations or rights contained in this Section 5.2 is or shall be deemed to be for the benefit of any person or entity other than Members and Company, and no such third person shall under any circumstances have any right to compel any actions or payments by Manager and/or Members.

In the event any Member is either unable or unwilling to make any required, additional capital contribution, as set forth above, then Manager shall be authorized to provide the other, nondefaulting Members written notice of their obligation to deliver to Company their pro rata share of the additional capital contribution owed by the defaulting Member no later than thirty (30) days following the date such additional notice is given. Further, in such event, the Membership Interest, voting rights and Economic Interest of each Member shall be changed to be based on a fraction, the numerator of which is the total amount then contained in such Member's capital account, which includes both their Initial Contribution and any additional Capital Contributions, and the denominator of which shall be the total amount then contained in all Members' Capital Accounts. In addition, the Profits Interest Percentage shall be changed to be based on the number of Membership Units owned by a Member. Presently, each 500 Membership Units owned by a Member represents a Profits Interest equal to a one percent (1%) Profits Interest in the Company's Net Profits. Notwithstanding the foregoing to the contrary, no Member possessing a Limited Gaming License (as defined in Article IX) shall be required or permitted to make an additional capital contribution on behalf of a Delinquent Member if making such an additional capital contribution would result in the Member's Profits Interest Percentage equaling or exceeding five percent (5%), unless such Member has previously applied for and been issued a Key Gaming License by the State of Colorado ("Key License").

5.4 Capital Accounts. An individual capital account ("Capital Account") shall be maintained for each Member. The Capital Account of each Member shall consist of their Initial Contribution and shall be adjusted as follows:

- (i) By an increase for their additional capital contributions and their share of Company gains and profits based upon their Profits Interest Percentages, if any; and
- (ii) By a decrease for distributions of such profits and capital to them and their share of Company losses based upon their respective Profits Interest Percentages.

5.5 Liability for Contributions. Each Member is obligated to Company to contribute their Membership Interest in CC Gaming at the request of the Manager, even if they are unable to perform

because of death, disability, or any other reason, pursuant to Members' promises contained in this Agreement. If a Member fails to make such contribution as required by this Agreement, Member is obligated, at the option of Company, to contribute cash equal to that portion of the value of such contribution that has not been made.

5.6 Withdrawal or Reduction of Members' Contributions to Capital. A Member shall not receive out of Company's property any part of their capital account until all liabilities of Company have been paid or there remains property of Company sufficient to pay them.

ARTICLE VI

ALLOCATIONS, INCOME TAX, ELECTIONS AND REPORTS

6.1 Allocations of Profits and Losses from Operations. The Net Profits and Net Losses of Company for each fiscal year will be allocated in accordance with the Members' Profits Interest Percentages set forth in Exhibit A, attached hereto and incorporated herein by this reference, and Article IX below.

6.2 Allocation of Taxable Items. Except as otherwise provided herein, for purposes of Sections 702 and 704 of the Internal Revenue Code, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, the determination of each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance of Company for any period or a year shall be made in accordance with, and in proportion to, such Member's percentage of Membership Interest in Company as it may then exist.

6.3 Loans to Company. Nothing in this Agreement shall prevent any Member from making secured or unsecured loans to Company by agreement with the Manager.

6.4 Accounting Period. Company's accounting period shall be the calendar year.

6.5 Records, Audits and Reports. At Company's expense, Manager shall maintain records and accounts of all operations and expenditures of Company. At a minimum, Company shall keep at its principal place of business the following records:

- (a) A current list of the full name and last known business, residence, or mailing address of each Member, Economic Interest Owner and Manager, both past and present;
- (b) A copy of the Articles of Organization of Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;
- (c) Copies of Company's federal, state, and local income tax returns and reports, if any, for the four most recent years;

(d) Copies of Company's currently effective written Agreement, copies of any writings permitted or required with respect to a Member's obligation to contribute cash, property or services, and copies of any financial statements of Company for the three most recent years;

(e) Minutes of every annual, special and court-ordered meeting, if any; and

(f) Any written consents obtained from Members for actions taken by Members without a meeting.

6.6 IRC 704(c) Election. The Members agree to use the "traditional method with curative allocations" for allocations under IRC Section 704(c) as follows:

Any elections or other decisions relating to such allocations shall be made by the Manager in any manner that reasonably reflects the purpose and intention of this Agreement, provided that the Company shall elect to apply the traditional method with curative allocations permitted by the Regulations under IRC Code Section 704(c). Allocations pursuant to this Section 6.6 regarding tax allocations are solely for purposes of federal, state, and local taxes and shall not affect, or in any way are taken into account in computing, any Member's Capital Account or share of profits, losses, other items, or distributions pursuant to any provision of this Operating Agreement.

ARTICLE VII

MEMBERS

7.1 Initial Members. The original Members of Company shall be those persons who are signatories to this Agreement.

7.2 Admission of New Members. Upon the filing of Company's Articles of Organization, a person may be admitted as an additional Member only upon the written consent of the Manager.

7.3 Annual Meeting. The annual meeting of Members shall be held in the month of January in each year, beginning with the year 2014, at a place and time to be designated by Manager for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election shall not be held on the day designated herein for the annual meeting of Members, or at any adjournment thereof, Members shall cause the election to be held at a special meeting of Members as soon thereafter as it may conveniently be held.

7.4 Special Meetings. Special meetings of Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by Manager, or by any Member or group of Members who own at least a ten percent (10%) of the total outstanding and issued Membership Units of the Company.

7.5 Notice of Meeting. Written notice stating the place, day and hour of the special meeting and, in the case of a special meeting, the purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of Manager or any person calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to Member at their address as it appears on the books of Company, with postage thereon prepaid.

7.6 Waiver of Notice. When any notice is required to be given to any Member of Company under the provisions of this Agreement, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

7.7 Quorum. At any meeting of Members, the presence of a majority of all Membership Units issued by the Company. If a quorum is not represented at any meeting of Members, such meeting may be adjourned without further notice for a period not to exceed sixty (60) days at any one adjournment; provided, however, if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting.

7.8 Proxies. At all meetings of Members, a Member may vote by proxy executed in writing by Member or by their duly authorized attorney-in-fact. Such proxy shall be filed with Manager of Company before or at the time of the meeting. No proxy shall be valid after three (3) months from date of execution, unless otherwise provided in the proxy.

7.9 Manner of Acting.

7.9.1 Procedure. If a quorum is present, an affirmative vote of the majority of Membership Units represented at the meeting and entitled to vote on the subject matter shall be the act of Members.

7.9.2 Presumption of Assent. A Member of Company who is present at a meeting of Members at which action on any matter is taken shall be presumed to have assented to the action taken, unless their dissent shall be entered in the minutes of the meeting or unless they shall file their written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the meeting immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Member who voted in favor of such action.

7.9.3 Informal Action of Members. Pursuant to the Act, any action required to be taken or approved by the Members, may be voted upon by the Members at a regularly scheduled or special meeting, or may be taken or approved by the written consent of those Members owning a Majority of the Membership Units.

7.10 Telephonic Meeting. Members of the Company may participate in any meeting of Members by means of conference telephone or similar communication if all persons participating in such meeting can hear one another for the entire discussion of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE VIII **MANAGEMENT**

8.1 General Powers/Number. The business and affairs of Company shall be managed exclusively by its designated Manager. Initially, there shall be a one (1) Manager. The initial sole Manager is John Zimpel. In the event of John Zimpel's death or incompetency, as defined in Article XV herein, the sole Manager shall be Elizabeth Zimpel and, further, upon such event, all of John Zimpel's ownership interest in Company, along with his rights and obligations hereunder, shall transfer immediately to Elizabeth Zimpel. Approval of the Members shall not be required to affect such transfer. This Section 8.1 shall control over any provision to the contrary herein, and may only be amended by the unanimous vote of the Members.

8.2 Term of Office. The initial Manager shall hold office until a successor has been duly elected and qualified. At the annual meeting of Members held in 2020, and at each annual meeting held in years divisible by five (5) thereafter, the Members shall elect Manager by majority vote of the issued Membership Units.

8.3 Duties of Manager. Manager of Company shall perform his duties as a Manager, including their duties as a member of any committee upon which they may serve, in good faith, in a manner he reasonably believes to be in the best interests of Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. Manager shall be responsible for the general overall supervision of the business and affairs of Company. They shall, when present, preside at all meetings of Members. Manager may sign, on behalf of Company, deeds, mortgages, bonds, loan documents, contracts or other instruments on behalf of Company, except in cases where the signing or execution thereof shall be expressly delegated by Members or by this Agreement or by statute to some other officer or agent of Company; and, in general, they shall have full control over and responsibility for the business and affairs of Company.

The specific authority and responsibility of Manager shall also include the following:

- (a) Manager shall effectuate this Agreement and the resolutions and decisions of Members.
- (b) Manager shall direct and supervise the operations of Company.
- (c) Manager shall establish such charges for services and products of Company as may be necessary to provide adequate income for the efficient operation of Company.

- (d) Manager shall set and adjust wages and rates of pay for all personnel of Company and shall appoint, hire and dismiss all personnel and regulate their hours of work.
- (e) Manager shall keep Members advised in matters pertaining to the operation of Company, operating income and expense, financial position, and, to this end, shall prepare and submit a report to Members quarterly.
- (f) Manager shall have the authority to purchase, sell and manage the assets of the Company.
- (g) Manager shall have the authority to enter into contracts or borrow money on behalf of the Company.
- (h) Manager shall have the authority to determine in what amounts quarterly distributions of profits from operations shall be made to the Members.
- (i) Perform any other act that furthers the business and affairs of the Company in the ordinary course of business.

8.3.1 Limitation on Loans. Notwithstanding the foregoing to the contrary, the Manager is not entitled to borrow money on behalf of the Company in excess of the appraised value of the Property and the Company's personal property, including gaming equipment, less the value of the Minority Members' Capital Accounts, without the prior approval of a majority of the Minority Members. For example, if the Property and Company personal property is appraised at \$10,000,000 and the Minority Members' Capital Accounts total \$1,500,000, the Manager's authority to borrow money on behalf of the Company without the prior approval of a majority of the Minority Members is limited to \$8,500,000 (\$10,000,000 - \$1,500,000). Notwithstanding the foregoing to the contrary, the above referenced limitation on loans does not restrict the Manager's right to finance the purchase of gaming machines and other equipment so long as such financing is not secured by the Property without the approval of the Members.

8.4 Performance of Manager. Manager shall perform his duties as Manager in good faith and in a manner reasonably believed to be in the best interest of Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. Any Person who so performs these duties shall not have any liability by reason of being or having been a Manager of Company.

In performing his duties, Manager shall be entitled to rely on information, opinions, reports or statements of the following persons or groups unless they have knowledge concerning the matter in question that would cause such reliance to be unwarranted:

- (a) One or more employees or other agents of Company whom Manager reasonably believes to be reliable and competent in the matter presented;
- (b) Any attorneys, public accountants, or other person as to matters which Manager reasonably believes in such person's professional or expert competence; or
- (c) A committee upon which they not serve, duly designated in accordance with a provision of the Articles of Organization or the Agreement, as to matters within its designated authority, which committee Manager reasonably believes to be competent.

8.5 Authority of Manager. Manager is an agent of Company for the purpose of its business, and the act of Manager, including the execution in Company's name of any instrument for apparently carrying on, in the usual way, the business of Company, binds Company unless such act is in contravention of the Articles of Organization or the Agreement or unless Manager so acting otherwise lacks the ability to act for Company and the person with whom they are dealing has knowledge of the fact they have no such authority. Manager shall have no authority to do any act in contravention of either the Articles of Organization or the Agreement. Manager is expressly authorized, without the prior consent of the Membership, to sell the Company's assets, incur long-term debt, materially expand Company's operations, prepay long term debt, or incur capital expenditures.

8.6 Resignation and Removal. Manager may resign at any time by giving written notice to all Members, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. In the event John Zimpel resigns as Manager, Elizabeth Zimpel shall immediately be appointed sole Manager. The Manager may only be involuntarily removed as Manager by the unanimous vote or consent of the Members, including the Manager or his successor.

8.7 Management Fee and Reimbursement of Expenses. The Manager shall receive compensation for his services to Company in the amount of 3% of the Company's gross gaming revenue. Manager shall be entitled to receive reimbursement for expenses reasonably incurred in the performance of his duties.

8.8 Transaction with Company and Otherwise. Manager may engage in and possess any interest in other businesses or ventures of every nature and description, independently or with other persons, whether or not directly or indirectly in competition with the business or purpose of Company, and neither Company nor any Members shall have any rights, by virtue of this Agreement or otherwise, in and to such independent ventures or the income or profits derived therefrom, or any rights, duties, or obligations in respect thereof. Manager may lend money to, act as a surety for, and transact other business with Company and shall have the same rights and obligations with respect thereto as a person who is not a Manager of Company, except that nothing contained in this section shall be construed to relieve Manager from and of their duties to Company.

8.9 Indemnity of Manager. The Manager shall be indemnified by the Company under the following circumstances and in the manner and to the extent indicated:

8.9.1 In any threatened, pending or completed action, suit or proceeding to which a Manager was or is a party or is threatened to be made a party by reason of the fact that he is or was a Manager of the Company (other than an action by or in the right of the Company) involving an alleged cause of action for damages arising from the performance of his activities on behalf of the Company, the Company shall indemnify and hold harmless such Manager against expenses, including attorney's fees, judgments and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding if the Manager acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and provided that his conduct has not been found by a non-appealable court judgment, order, decree or decision to constitute fraud, deceit, gross negligence, willful misconduct, or a breach of his fiduciary obligations to the Members. The termination of any action, suit or proceeding by judgment, order, or settlement shall not, of itself, create a presumption that the Manager did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company.

8.9.2 To the extent the Manager has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 8.9.1 above, or in defense of any claim, issue or matter therein, the Company shall indemnify and hold harmless the Manager against the expenses, including attorney's fees, actually and reasonably incurred by them in connection therewith.

8.9.3 The indemnification set forth in this section shall in no event cause the Members to incur any liability beyond their total Capital Contributions plus their share of any undistributed profits of the Company, nor shall it result in any liability of the Members to any third party.

8.10 Loan Guarantees. The Company intends to borrow funds in the approximate principal sum of Six Million Five Hundred Thousand and 00/100ths Dollars (\$6,500,000.00) for the acquisition of all of the shares of stock in CRC Holdings, Inc. and intends to borrow additional funds in the future for the development and operation of the Properties as a casino and gas station. Any such loans shall be personally guaranteed by John and Elizabeth Zimpel.

ARTICLE IX ALLOCATIONS AND DISTRIBUTIONS

9.1 Allocations of Net Profits and Net Losses. Except as may be required by this Agreement, Net Profits and Net Losses of the Company shall be allocated among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made to such Member pursuant to Sections 9.2 and 9.3, as applicable, if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their fair market values, all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the fair market value of the assets securing such liability), and the net assets of the Company were distributed in accordance with Sections 9.2 and 9.3, as applicable, to the Members immediately after making such allocation, minus (ii) such Member's share of Company Minimum Gain computed immediately prior to the hypothetical sale of assets. Notwithstanding the foregoing, the Manager may make such allocations as he deems reasonably necessary to give economic effect to the provisions of this Agreement taking

into account such facts and circumstances as the Manager deems reasonably necessary for this purpose.

9.2 Distributions. At least quarterly, the Manager shall determine in his reasonable judgment to what extent, if any, the Company's money on hand exceeds the current and anticipated needs, including, without limitation, needs for operating expenses, debt service, acquisitions and reserves, if any. To the extent such excess funds exist, the Manager may distribute all of such excess funds from operations to the Members, on a *pari passu* basis, based upon the Members' respective Profits Interest Percentages, which are set forth on **Exhibit A** hereto.

9.3 Sale of Company Propert(ies). Any proceeds realized by the Company from a sale of any or all of the Properties, within ten (10) days after receipt of such proceeds (other than such proceeds necessary to retain on hand for the current and anticipated needs of the Company, as determined by the Manager (in his discretion), shall be distributed as follows:

9.3.1 First, to the payment of costs and expenses associated with the sale of Property, including, but not limited to, real estate commissions, title insurance fees, loan prepayment penalties, taxes and other costs of sale and prorated expenses;

9.3.2 Second, to the extent required by any lender of the Company or deemed appropriate by the Manager, to the payment of any outstanding debt of the Company;

9.3.3 Third, to the Members in the following order:

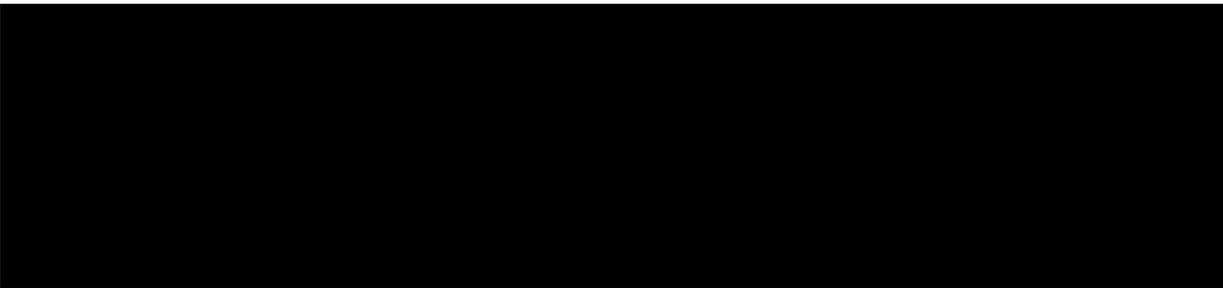
i. To the Members in the amount of their initial Capital Contributions, then

ii. To the Members in accordance with their Profits Interest Percentages, until there has been distributed under this Section 9.2.3 (i) an amount equal to such Members' undistributed Capital Accounts, then

iii. To the Members in accordance with the Profits Interest Percentages, on a *pari passu* basis, until all such monies are distributed.

9.3.4 Notwithstanding Section 9.3.3 to the contrary, in the event that the proceeds from the sale of the Property are not sufficient to repay all of the Members the amount of their initial Capital Contributions, then:

[REDACTED]



9.4 Special Allocations. The following special allocations shall be made in the following order:

9.4.1 Company Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain for a Taxable Year, each Member must be allocated items of income and gain for that Taxable Year equal to that Member's share of the net decrease in Company Minimum Gain in the amount of the total net decrease multiplied by the Member's percentage share of the Company Minimum Gain at the end of the immediately preceding Taxable Year. A Member's share of any decrease in Company Minimum Gain resulting from a revaluation of Company Property equals the increase in the Member's Capital Account attributable to the revaluation to the extent the reduction in minimum gain is caused by the revaluation. A Member is not subject to the Company Minimum Gain chargeback requirement to the extent the Member's share of the net decrease in Company Minimum Gain is caused by a guarantee, refinancing, or other change in the debt instrument causing it to become partially or wholly a recourse liability or a Member Nonrecourse Liability, and the Member bears the economic risk of loss (within the meaning of §1.752-2 of the Regulations) for the newly guaranteed, refinanced, or otherwise changed liability.

9.4.2 Member Minimum Gain Chargeback. If during a Taxable Year there is a net decrease in Member Minimum Gain, any Member with a share of that Member Minimum Gain (as determined under §1.704-2(i)(5) of the Regulations) as of the beginning of that Taxable Year must be allocated items of income and gain for that Taxable Year (and, if necessary, for succeeding Taxable Years) equal to that Member's share of the net decrease in the Company Minimum Gain. A Member's share of the net decrease in Company Minimum Gain is determined in a manner consistent with the provisions of this section. A Member is not subject to this Member Minimum Gain chargeback, however, to the extent the net decrease in Member Minimum Gain arises because the liability ceases to be Member Nonrecourse Liability due to a conversion, refinancing, or other change in the debt instrument that causes it to become partially or wholly a Company Nonrecourse Liability. The amount that would otherwise be subject to the Member Minimum Gain chargeback is added to the Member's share of Company Minimum Gain. In addition, rules consistent with those applicable to Company Minimum Gain shall be applied to determine the shares of Member Minimum Gain and Member Minimum Gain chargeback to the extent provided under the Regulations issued pursuant to §704(b) of the Code.

9.4.3 Qualified Income Offset. In the event any Member, in such capacity, unexpectedly receives an Offsettable Decrease, such Member will be allocated items of income and gain (consisting of a pro rata portion of each item of partnership income and gain for such year) in an amount and manner sufficient to offset such Offsettable Decrease as quickly as possible.

9.4.4 Section 754 Adjustments. To the extent an adjustment to the adjusted federal income tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts consistent with Code Section 754 and the Regulations.

9.5 Losses. After giving effect to the special allocations set forth in this Article IX, Losses for any fiscal year shall be allocated in the following order of priority:

9.5.1 First, 100% to the Members in proportion to and to the extent of the excess, if any, of (i) the cumulative Profits allocated to each Member pursuant to Section 9.2 hereof for all prior fiscal years, over (ii) cumulative Losses allocated to such Member pursuant to this Section 9.5; for all prior fiscal years; and

9.5.2 The balance, if any, to the Members in accordance with their Profits Interest Percentages.

9.6 Disproportionate Capital Accounts. No interest or additional allocation of Profits, Losses, gains deductions, and credits shall inure to any Member by reason of his Capital Account being proportionately in excess of the Capital Accounts of the other Members.

9.7 Limitations on Distributions. No Distribution shall be declared and paid unless, after the Distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Accounts.

9.8 Distributions in Kind. Member, regardless of the nature of their contribution, has no right to demand and receive any distribution from Company in any form other than cash. However, Member shall be required and compelled to accept the distribution of any asset in kind from Company, as determined from time to time by Managers in accordance with this Agreement, based upon Member's Profits Interest Percentage.

9.9 Right to Distributions. At the time Member becomes entitled to receive a distribution as provided in this Agreement, they have the status of and is entitled to all remedies available to a creditor of Company with respect to such distribution.

9.10 Liability upon Return of Contribution. If Member receives a return of any part of their contribution without violation of this Agreement, they are liable to Company for a period of six (6) years thereafter for the amount of the returned contribution, but only to the extent necessary to discharge Company's liability to creditors who extended credit to Company during the period the

contribution was held by Company. If Member receives any part of their contribution in violation of this Agreement, they are also liable to Company for a period of six (6) years thereafter for the amount of the contribution wrongfully returned.

ARTICLE X **FISCAL MATTERS**

10.1 Fiscal Year. Company's fiscal year shall begin on the first day of January and end on the last day of December of each year, unless otherwise determined by resolution of Members.

10.2 Deposits. All funds of Company shall be deposited from time to time to the credit of Company in such banks, trust companies or other depositories as Members may select.

10.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in Company's name shall be signed by Manager or any person authorized by Manager.

10.4 Intentionally Omitted.

10.5 Contracts. Members may authorize any Member or agent of Company, in addition to Manager, to enter into any contract or execute any instrument in the name of and on behalf of Company, and such authority may be general or confined to specific instances.

10.6 Accountant. An accountant may be selected from time to time by Members to perform such tax and accounting services as may be required at any time. The accountant may be removed by a vote of Members with or without cause.

10.7 Legal Counsel. One or more attorneys at law may be selected from time to time by Members to review the legal affairs of Company and to perform such other services as may be required and to report to Members with respect thereto. Such legal counsel may be removed by Members with or without assigning any cause.

10.8 Tax Matters Partners. John Zimpel, as the Manager, shall act as the tax matters partner of the Company.

ARTICLE XI **BOOKS AND RECORDS**

11.1 Books and Records. The books and records of Company as specified in Section 7-80-411 of the Colorado Limited Liability Company Act (the "Act"), shall be kept at the principal office of Company or at such other places, within or without the State of Colorado, as Members shall from time to time determine.

11.2 Right of Inspection. Upon reasonable request, any Member of record shall have the right to examine during ordinary business hours the books and records of account and minutes and

records of Company, and to make copies thereof. Such inspection may be made by any agent or attorney of Member. Upon the written request of any Member, Company shall mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

11.3 Financial Records. All financial records shall be maintained and reported based Generally Accepted Accounting Principles (“GAAP”).

ARTICLE XII
MEMBERSHIP INTEREST AND MEMBERSHIP RIGHTS OF AN
INCOMPETENT, DISSOLVED, OR EXPELLED MEMBER

12.1 Deceased, Incompetent or Dissolved Member. If a Member who is an individual dies or if a court of competent jurisdiction adjudges them to be incompetent to manage their person or their property, then Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of Member's rights and receive the benefits of Member's Membership Interest for the purpose of settling Member's estate or administering Member's property. If Member is a corporation, trust, partnership, limited liability company or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or its successor in interest.

12.2 Expelled Member. A Member may be expelled from the Company based upon the Manager's determination that such Member's continued membership is not in the best interests of the Company, including, without limitation, in the event that a Member either loses or has his or her Gaming License withdrawn or suspended. In the event that the Manager determines that it is in the best interest of the Company to expel a Member, the Member shall have his or her membership interest redeemed by the Company and the purchase price shall be the Transfer Purchase Price as determined pursuant to Article XVII below. In the event of such an expulsion, the expelled Member shall receive payment of the Transfer Purchase Price pursuant to the terms set forth in Section 14.1.3 below.

ARTICLE XIII
PERMISSIBLE TRANSFERS

13. The following transfers may be permitted without complying with the terms and conditions of ARTICLE XIV:

13.1.1 Notwithstanding Article IX, and subject to the prior written consent of Manager, which may be granted or denied within Manager's sole discretion, Members may transfer their Membership Interest in Company without consideration either during their life or upon their death to such Member's spouse (whether incident to a dissolution of marriage or not), children or other descendants, or to a trust for their benefit or for the benefit of Member; provided, however, that if the recipient of such Membership Interest transferred pursuant to this Section 13 is not: (i) able to obtain a Colorado Limited Ownership Gaming License (“Limited Gaming License”); or (ii)

approved by Manager; or (iii) does not agree in writing prior to the transfer to be bound by the terms and conditions of this Agreement, the transfer under this Section 13 shall be immediately subject to the terms and conditions of ARTICLE XIV of this Agreement, and any Membership Interest transferred pursuant to this Section 13.1.1 shall be treated as if Member had not transferred such Membership Interest for purposes of Articles XIII, XIV, XV, XVI and XVII. For example, in the event Manager permits a Member to transfer their Membership Interest to Member's spouse, Company shall have the right to purchase the spouse's Membership Interest in the event the spouse is unable to obtain a Limited Gaming License. This provision does not apply, however, to any transfer of John Zimpel's Membership Interest to Elizabeth Zimpel pursuant to Section 9.1 herein.

13.1.2 No Member shall, without the prior, written consent of Manager, pledge, hypothecate, offer as security or otherwise encumber any Membership Interest owned by Member, whether now owned or hereafter acquired, or contract to do any of such things. Any transaction in violation of this paragraph shall be null and void ab initio.

ARTICLE XIV

TRANSFER OF MEMBERSHIP INTEREST, MEMBERSHIP RIGHTS OR PROFITS INTEREST

14.1 Transfer. Except as otherwise provided in Articles IX, XIII, XIV, XV and XVI hereof, no Member (the "Offering Member") shall sell, hypothecate, pledge, offer as security, assign, or otherwise transfer, with or without consideration ("Transfer"), any part or all of his Membership Interest, Membership Rights or Profits Interest in Company to any other person (a "Transferee"), without first offering (the "Offer") that portion of such Membership Interest or Membership Rights in Company subject to the contemplated transfer (the "Offered Interest") first, to Company, and second, to the other Members, at a purchase price (hereinafter referred to as the "Transfer Purchase Price") and in a manner as follows:

14.1.1 Transfer Purchase Price. The Transfer Purchase Price shall be the Purchase Price (as determined in Article XVII below) or as otherwise specified in this Article XIV.

14.1.2 Offer.

(a) The Offer shall be made by Offering Member first to Company by written notice (hereinafter referred to as the "Offering Notice."). Within thirty (30) days (the "Company Offer Period") after receipt by Company of Offering Notice, Company shall notify Offering Member in writing (the "Company Notice"), whether the Company shall accept the Offer and shall purchase all but not less than all of the Offered Interest. If Company accepts the Offer to purchase the Offered Interest, the Company Notice shall fix a closing date not more than ninety (90) days (the "Company Closing Date") after the expiration of the Company Offer Period. Upon the purchase by Company of any Offered Interest under this Article XIV, or under Articles XV or XVI, the remaining Membership Interests and Profits Interests will be allocated proportionately, based upon each such Member's percentage interest of ownership and the percentage interest of ownership acquired by Company. Notwithstanding the foregoing to the contrary, the Company may not accept

the Offer to purchase the Offered Interest if the affect of such an acceptance will cause any Member holding a Limited Gaming License to possess a Profits Interest Percentage equal to or greater than five percent (5%) of the total Profits Interest Percentages unless any such Members possess a Key Gaming License from the State of Colorado. In the event that a Member's Profits Interest Percentage would equal to or exceed five percent (5%), the Offered Interest shall be offered to those individual Members (pro rata) based upon their Profits Interest Percentages whose Profits Interest Percentage will not equal or exceed 5% of the total Profits Interests and those Members possessing a Key Gaming License.

(b) In the event Company decides not to accept the Offer, Offering Member shall, by written notice (the "Remaining Member Notice") given within that period (the "Member Offer Period") terminating ten (10) days after the expiration of the Company Offer Period, make the Offer of the Offered Interest to the other Members, each of whom shall then have a period of thirty (30) days (the "Member Acceptance Period") after the expiration of the Member Offer Period within which to notify in writing Offering Member whether they intend to purchase all but not less than all of the Offered Interest. If two (2) or more Members of Company that either possess a Key Gaming License or whose Profits Interest Percentages will not equal or exceed five percent (5%) as a result of the transaction, desire to accept the Offer to purchase the Offered Interest, then, in the absence of an agreement between them, such Members shall have the right to purchase the Offered Interest in the proportion to which their respective percentage of Profits Interests in Company bears to the percentage of Profits Interest of all of the Members who desire to accept the Offer. If the other Members intend to accept the Offer and to purchase the Offered Interest, the written notice required to be given by them shall fix a closing date not more than ninety (90) days after the expiration of the Member Acceptance Period (hereinafter referred to as the "Member Closing Date"). Nothing in this paragraph will be construed to prohibit a Member and an Offering Member from agreeing upon a sale at a price less than the Transfer Purchase Price that would otherwise be determined under Article XVII, provided that if Offering Member agrees to sell to any Member at a lower price, Offering Member must agree to sell all of the Offered Interest to all Members who desire to accept the Offer, at that lower price. If Members do not agree to purchase all of the Offered Interest within the Member Acceptance Period, the portion, if any, agreed to be purchased by Members will be purchased and the balance of the Offered Interest may be transferred to a transferee for the Transfer Purchase Price determined under Article XVII (or appropriate portion thereof) but only if: (i) the Purchaser obtains a Limited Gaming License or a Key Gaming License; and (ii) the closing of that purchase occurs within sixty (60) days after the Member Acceptance Period expires. After such sixty (60) day period, no transfer may occur unless the provisions of this Article are again followed. In no event may any Member sell a portion of their Membership Interest to a transferee who is not Company or another Member on more than one occasion, excluding a transfer under subsection 14.1.2(c).

(c) Notwithstanding any other provision of this Article XIV, prior to making the Offer to Company and then to Members under the foregoing provisions of this Section 14.1.2, Offering Member may seek to obtain, on one occasion only, an offer from a third party to acquire the Offered Interest on any price and terms (the "Third Party Price") that may be agreed upon between the third party and Offering Member. In the event Offering Member approves a Third Party

Price, Offering Member must offer the Offered Interest to Company under subsection 14.1.2(a) and then to Members under subsection 14.1.2(b), following the process described in those subsections, except that the Purchase Price to be paid by Company or Members will be the lower of either (i) the Third Party Price as disclosed by Offering Member in the Offering Notice; or (ii) the Purchase Price set forth in XVIII herein. If Company or Members do not agree to purchase the entire Offered Interest for the Third Party Price, then Offering Member may proceed to transfer the Offered Interest to the third party at a price and upon terms not materially different from the Third Party Price. However, if the purchaser fails to obtain either a Key Gaming License or a Limited Gaming License and the closing of the transfer is not completed within 60 days after Company and Members do not agree to purchase the Offered Interest, then no transfer may occur unless the provisions of this Article are again followed.

14.1.3 Payment. Unless the transfer of the Offered Interest is to a third party as described in subsection 14.1.2(c), the aggregate dollar amount of the Purchase Price shall be paid by making an initial payment on or before the closing date in an amount equal to twenty (20%) percent of the Purchase Price and then the balance of the Purchase Price shall be paid in one hundred twenty (120) consecutive equal monthly installments of principal and interest, the first installment to be due three (3) months after the closing date, with interest accruing on unpaid principal at the prevailing prime rate of Wells Fargo Bank, or any successor or assignee of Wells Fargo Bank, as of the date Company or Member(s) accept the Offered Interest. Under no circumstances, however, shall the annual rate of interest accruing on the unpaid principal be less than five (5%) percent or more than nine (9%) percent per annum. This obligation shall be evidenced by a separate promissory note, executed by Company or any Member (in either case, the "Purchaser") purchasing the interest for the balance of the Purchase Price, payable to the order of Offering Member and such promissory note shall be substantially in accordance with the form of promissory note attached hereto as **Exhibit B** and incorporated herein by this reference. There shall be no prepayment penalty in the event Company or Member(s) elect to prepay the note, in whole or in part. Nothing in this paragraph will preclude an Offering Member and a purchasing Member from agreeing upon payment terms that are different than those provided in this paragraph, except in that circumstance, Offering Member will give Company and all other purchasing Members the right to purchase on such other terms.

14.1.4 Transferee Not Member in Absence of Consent.

(a) Notwithstanding anything contained herein to the contrary, if the Manager does not approve the proposed sale or gift of the Offering Member's Offered Interest to a transferee or donee who is not a Member immediately prior to the sale or gift, then the proposed transferee or donee shall have no right to participate in the management of the business and affairs of Company or to become a Member. Such transferee or donee shall be merely an Economic Interest Owner, with no voting rights. No transfer of a Member's interest in Company shall be effective unless and until written notice (including the name and address of the proposed transferee or donee and the date of such transfer) has been provided to Company and the non-transferring Member(s).

(b) Upon and contemporaneous with any sale or gift of a transferring Member's Economic Interest in Company that does not at the same time transfer the balance of the

rights associated with the Economic Interest transferred by the transferring Member (including, without limitation, the rights of the transferring Member to vote and participate in the management of the business and affairs of Company), Company shall purchase from Transferring Member, and Transferring Member shall sell to Company for a purchase price of \$100.00, all remaining rights and interests retained by Transferring Member, which immediately prior to such sale or gift were associated with the transferred Economic Interest.

14.2 No Dissolution. No transfer made pursuant to Articles IX, XIII and XIV herein shall dissolve or terminate Company or cause Company to be dissolved, but, instead, the business of Company shall be continued as if such transfer had not occurred.

14.3 Purchase Upon Gaming Disqualification. If any Member or Economic Interest Owner becomes or is notified by gaming authorities that he, she or it is or may become a Disqualified Holder, as defined below, such Member or Economic Interest Owner shall immediately take such actions including without limitation, resignation of officers, directors or employees giving rise to the disqualification, or sale or transfer of his, her or its Membership Interest or Economic Interest, as applicable, in order to cure becoming a Disqualified Holder. Each Member and Economic Interest Owner shall promptly provide the Manager with any information (written or oral) he, she or it receives regarding potentially becoming a Disqualified Holder. If such Member or Economic Interest Owner is unable to timely undertake such actions necessary or appropriate for him, her or it to maintain a Key Gaming License or a Limited Gaming License, the Company or, at the Manager's option, the other Members, shall purchase the Disqualified Holder's Membership Interest or Economic Interest, as applicable, based on the condition that no Member holding a Limited Gaming License shall acquire five percent (5%) or more of the total Profits Interest Percentages as a result of such event Unless otherwise specified by the gaming authorities, the purchase price for such interest shall be at a price equal to the balance in the Disqualified Members Capital Account as of the date of the Closing, which is defined below. If the Members make such purchase, they shall purchase the Membership Interest or Economic Interest in proportion to their Membership Interests and purchase the Disqualified Member's Profits Interest; provided that the Members may agree to a different allocation, and if one or more Members do not elect to make such purchase the other Members may, but shall not be required to, purchase such Membership Interest or Economic Interest in proportion to their respective Membership Interests or as they otherwise may agree. Closing of the purchase shall occur not later than the date required by the gaming authorities but in any event within 30 days after notice from the Manager to the Disqualified Holder. Unless otherwise specified by the gaming authorities, payment of the purchase price for the Membership Interest or Economic Interest shall be in the form of an unsecured promissory note bearing interest at the prime rate as reported by *The Wall Street Journal* as of the date of purchase adjusted annually as of December 31 of each year, payable annually in five equal installments of principal, plus accrued interest to the payment date. For purpose of this Section 14.3, a "Disqualified Holder" means any Member or Economic Interest Owner whose holding of a Membership Interest or Economic Interest, respectively, either individually or when taken together with the holding of Membership Interests or Economic Interests by any other holders, may result in the loss of, or the failure to secure a gaming license or the reinstatement of, any gaming license from the gaming authorities held by the Company or any affiliate to conduct any portion of the business of the Company.

ARTICLE XV
DEATH OF A MEMBER

15.1 Decedent's Membership Interest. Upon the death of any Member ("Decedent"), Company shall neither be dissolved nor wound up, but instead, the business of Company shall be continued as if such death had not occurred. Subject to Company's right to redeem Decedent's Membership Interest pursuant to Section 15.2 below, each Member shall have the right by testamentary disposition to bequeath all or any portion of their Membership Interest and Profits Interest in Company to a member of their immediate family or to any trust in which one or more member(s) of their immediate family retains the full beneficial interest on the condition that the heir that receives right and title to the decedent's Membership and Profits Interest timely obtain a Limited Gaming License. Any such devisee or transferee shall be deemed to be an Economic Interest Owner only and shall not have any voting rights or rights to participate in the management of Company. Further, in the case of any such bequest, the legatee or legatees shall otherwise hold such interests pursuant to the terms and conditions of this Agreement and, if the other Members unanimously consent in writing, shall be required to join in and execute, acknowledge, seal, and deliver a copy of this Agreement as a substituted Member. In the event that (a) all or any portion of the percentage of Membership Interest, Membership Rights and Profits Interest owned by a Decedent at the time of their death shall not be bequeathed by testamentary disposition or shall be bequeathed to one or more person(s) other than those persons to whom such a bequest is permitted under the foregoing provisions of this Section 15.1; or (b) all or any portion of the percentage of Membership Interest and Membership Rights owned by a Decedent at the time of their death shall be bequeathed by testamentary disposition to one or more persons (collectively, the "Heir") to whom such a bequest is permitted under the foregoing provisions of this Section 15.1.

15.2 Company's Purchase of Decedent's Membership Interest. Company shall be entitled to purchase Decedent's Membership Interest for a period of eighteen (18) months following its receipt of notice of Decedent's death. In the event Company desires to exercise its right to purchase Decedent's Membership Interest, Company shall, by written notice addressed to Decedent's personal representatives, Heir, or personal representatives of Heir, as the case may be, fix a closing date for such purchase; the closing date shall be ninety (90) days after Company's written notice, but in no event longer than twenty-one (21) months after the date of death of Decedent. Company shall purchase Decedent's Membership Interest on the closing date for the Purchase Price determined pursuant to Article XVII as of the date the Company first provided written notice that it intended to purchase Decedent's Membership Interest. Notwithstanding the foregoing to the contrary, the Company may not exercise its right to purchase the Decedent's Membership Interest if the affect of such an acceptance will cause any Member holding a Limited Gaming License to possess a Profits Interest equal to or greater than five percent (5%) of the total Profits Interest Percentages. Presently, only John Zimpel and Elizabeth Zimpel hold a Key Gaming License. In the event that a Member's Profits Interest Percentage would equal to or exceed five percent (5%), the Offered Interest shall be offered to those individual Members (pro rata) based upon their Profits Interest Percentages whose Profits Interest Percentage will remain below 5% of the total Profits Interests and those Members possessing a Key Gaming License.

Membership Interest on the closing date and at a price (the "Bankrupt Purchase Price"), which shall be the Purchase Price (as determined in Article XVII of this Agreement), less a discount of twenty (20%) percent for the detriment to Company the Bankruptcy may cause. Notwithstanding the foregoing to the contrary, the Company may not exercise its right to purchase the Bankrupt Member's Membership Interest and Profits Interest if the affect of such an acceptance will cause any Member holding a Limited Gaming License to possess a Profits Interest equal to or greater than five percent (5%) of the total Profits Interest Percentages. In the event that a Member's Profits Interest Percentage would equal to or exceed five percent (5%), the Offered Interest shall be offered to those individual Members (pro rata) based upon their Profits Interest Percentages whose Profits Interest Percentage will remain below 5% of the total Profits Interests and those Members possessing a Key Gaming License.

16.3 Payment to Bankrupt Member. The aggregate dollar amount of the Bankrupt Purchase Price shall be paid by making an initial payment on or before the closing date in an amount equal to twenty (20%) percent of the Bankrupt Purchase Price, and then the balance of the Bankrupt Purchase Price shall be paid in one hundred twenty (120) consecutive equal monthly installments of principal and interest, the first installment to be due three (3) months after the closing date, with interest accruing on unpaid principal at the prevailing prime rate of Wells Fargo Bank, or any successor or assignee of Wells Fargo Bank, as of the date Company provides written notice of its intention to purchase Bankrupt Member's Membership Interest. Under no circumstances, however, shall the annual rate of interest accruing on the unpaid principal be less than five (5%) percent or more than nine (9%) percent per annum. This obligation shall be evidenced by a separate promissory note, executed by Company for the balance of the Bankrupt Purchase Price, permitting prepayment of the promissory note without penalty, payable to the order of Bankrupt Member and such promissory note shall be substantially in accordance with the form of promissory note attached hereto as **Exhibit B** and incorporated herein by this reference and made payable to Bankrupt Member or their legal representative.

16.4 Consequences of Bankruptcy. Bankruptcy of a Member shall be regarded as a breach and default of this Agreement, and Company may withhold and set-off from the Bankrupt Purchase Price any damages incurred by Company including, but not limited to, the costs of complying with the provisions of this Agreement to determine and fix the Bankrupt Purchase Price from the amount paid to Bankrupt Member.

16.5 Payment. The aggregate dollar amount of the Purchase Price shall be paid by making an initial payment to Separated Member on or before the closing date in an amount equal to twenty (20%) percent of the Purchase Price and then the balance of the Purchase Price shall be paid in one hundred twenty (120) consecutive equal monthly installments of principal and interest, the first installment to be due three (3) months after the closing date, with interest accruing on unpaid principal at the prevailing prime rate of Wells Fargo Bank, or any successor or assignee of Wells Fargo Bank, as of the date Company provides written notice of its intention to purchase Separated Member's Membership Interest. Under no circumstances, however, shall the annual rate of interest accruing on the unpaid principal be less than five (5%) percent or more than nine (9%) percent per annum. This obligation shall be evidenced by a separate promissory note, executed by Company for

the balance of the Purchase Price, permitting prepayment of the promissory note without penalty, payable to the order of Separated Member and such promissory note shall be substantially in accordance with the form of promissory note attached hereto as **Exhibit B** and incorporated herein by this reference and made payable to Separated Member.

ARTICLE XVII **PURCHASE PRICE**

The Transfer Purchase Price, Decedent Purchase Price and Withdrawing Purchase Price under this Agreement shall be determined first by Manager and the affected Member, or their representative, attempting to agree upon a purchase price for the Membership Interest or Decedent Membership Interest at issue. In the event a Purchase Price cannot be agreed upon, the purchase price shall be the Appraised Value as determined pursuant to Section 17.1 below, divided by the total units of ownership.

17.1 Appraised Value. The term "appraised value" as used in this Agreement shall be the dollar amount equal to the product obtained by multiplying the percentage of Membership Interests owned by a Member by the Appraisal Value of Company's assets, reduced by the total liabilities of Company, as determined in accordance with Section 17.2 below.

17.2 Determination of Appraised Value. The Appraised Value Company's assets shall be determined in the following manner:

17.2.1 Within thirty (30) days of the event necessitating an appraisal, Manager shall select an appraiser (the "Company Appraiser") to determine the fair market value of Company's assets, and Company Appraiser shall submit his or their determination thereof within thirty (30) days after the date of his or their selection (the "Appraisal Due Date"). The appraisal of Company shall be made based upon its present "as is" condition, and not on its future value.

17.2.2 If the appraisal made by Company Appraiser is unsatisfactory to Offering Member, the personal representatives of Decedent or Heir, or Withdrawing Member, as the case may be, then, within fifteen (15) days after the date of the Appraisal Due Date, Offering Member, the personal representatives of Decedent or Heir, or Withdrawing Member, as the case may be, shall select an appraiser (the "Member's Appraiser") to determine the fair market value of Company's assets, and such appraiser shall submit his or their determination thereof within thirty (30) days after the date of his or their selection.

17.2.3 If the appraisal made by Member's Appraiser is unsatisfactory to Manager, then Company Appraiser and Member's Appraiser shall select a third appraiser (the "Neutral Appraiser") to determine the fair market value of Company's assets, and such appraiser shall submit his or her determination thereof within thirty (30) days after the date of his or her selection. The Neutral Appraiser's determination thereof shall be binding upon Company and remaining Members as the case may be.

17.3 Qualifications of Appraiser. Any and all appraisers selected in accordance with the provisions of this Article XVII shall be appraisers experienced in appraising or valuing similar companies, and who shall conduct appraisals or values provided for in this Article XVII in accordance with generally accepted appraising standards. Any and all costs incurred in connection with any of the appraisals provided for in this Article XVII shall be borne equally by Company and Offering Member, the personal representative of Decedent or Heir, or Withdrawing Member, as the case may be.

17.4 Purchase Price. The Purchase Price shall be the shall be the lower of either (i) the Purchase Price mutually agreed upon between Manager and affected Member; or (ii) the Appraised Value of the affected Member's Membership Interest, reduced by a fifteen (15%) adjustment, which represents discounts for marketability and minority ownership.

ARTICLE XVIII

PRIVACY, CONFIDENTIALITY AND NON-USE

Section 18.1 Restrictions on Disclosure. Each of the Members covenants and agrees for itself and its respective Affiliates and its and their respective successors and assigns that it shall not, unless authorized in writing by the Manager, disclose to any Person and shall hold in the strictest of confidence any confidential or proprietary information, whether of a technical, commercial, financial or other nature, received directly or indirectly from the Company or any other Member, except:

(a) to the members, managers (and the authorized representatives of any such member or manager), employees, attorneys, accountants, and other professional of such Member to whom, and only to the extent that, such disclosure is necessary in furtherance of the purposes of this Agreement; provided, however, that the disclosing party shall be responsible for ensuring that such Persons comply with the confidentiality and non-use undertakings in this Article XVIII and shall take reasonable precautions to ensure such compliance whether by agreement, establishment of internal regulations, or otherwise;

(b) to the extent required by Applicable Law; and

(c) to the extent that the disclosing party can establish that the information: (A) was generally available in the public domain, provided such availability was not the result of a violation of this Agreement; (B) was lawfully obtained from a source under no obligation of confidentiality, directly or indirectly, to the Member opposing the disclosure; (C) was disclosed to the general public with the written approval of the Member opposing the disclosure; (D) was in the files, records or knowledge of the Member proposing disclosure immediately prior to the initial disclosure to such Member by the Company or any other Member; or (E) is developed independently by the Member proposing disclosure.

Section 18.2 Restrictions on Use. Each of the Members covenants and agrees for itself and its respective Affiliates and its and their respective successors and assigns that it shall not use any proprietary or confidential information received from the Company or the other Members, except for the business of the Company or as specifically provided in this Agreement or as otherwise expressly authorized in writing by the

Manager.

Section 18.3 Violations. The Members agree that any violation of the obligations of confidentiality and non-use set forth herein would be likely to be highly injurious to the Company. The Members consent and agree that if a Member violates any of the provisions of this Article XIII, the Company shall be entitled, in addition to any other rights and remedies that they may have, including money damages, to apply to any court of law or equity of competent jurisdiction for specific performance and for injunctive or other relief in order to enforce or prevent any continuing violation of the provisions hereof.

ARTICLE XIX **AMENDMENTS**

This Agreement may be altered, amended, restated, or repealed, and a new operating agreement may be adopted, with the approval of John Zimpel, Elizabeth Zimpel and a majority of the Minority Members, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal, as stated in a writing executed by all Members.

ARTICLE XX **DISSOLUTION**

20. Company shall be dissolved upon the occurrence of any of the following events:

- (a) By unanimous written consent of all Members;
- (b) Upon the death, retirement, resignation, expulsion, bankruptcy, or dissolution of a Member or the occurrence of any other event which terminates the continued membership of a Member in Company, unless there are at least one remaining Member(s) and the business of Company is continued by the consent of all remaining Member(s) within ninety (90) days after the termination under a right to do so stated in the Articles of Organization of Company; Or
- (c) Upon the sale of all or substantially all of the assets of the Company.

ARTICLE XXI **MISCELLANEOUS**

21.1 Notice. Any notice required or permitted to be given pursuant to the provisions of the Act, the Articles of Organization of Company or this Agreement shall be effective as of the date personally delivered, or if sent by mail, on the date deposited in the United States mail, prepaid and addressed to the intended receiver at their last known address as shown in the records of Company.

21.2 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the Act, the Articles of Organization of Company or this Agreement, a waiver thereof,

in writing, signed by the persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

21.3 Indemnification by Company. Upon approval of a majority of Members, Company shall indemnify against liability incurred in any proceeding an individual made a party to the proceeding because they are a Member of Company, to the full extent provided in Section 7-80-410 of the Act. Notwithstanding anything to the contrary in the foregoing, this Section 21.3 is valid so long as Member does not violate any provision of this Agreement.

21.4 Indemnification Funding. Company shall fund the indemnification obligations in such manner and to such extent as Members may from time to time deem proper and in accordance with the Act.

21.5 Duality of Interest Transactions. Members of Company have a duty of undivided loyalty to Company in all matters affecting Company's interests.

21.6 Anticipated Transactions. Notwithstanding the provisions of Section 21.5 above, it is anticipated that Members and officers will have other legal and financial relationships. Representatives of this Company, along with representatives of other entities, may from time to time, participate in the joint development of contracts and transactions designed to be fair and reasonable to each participant and to afford an aggregate benefit to all participants. Therefore, it is anticipated that Company will desire to participate in such contracts and transactions and, after ordinary review for reasonableness, the participation of Company in such contracts and transactions may be authorized by Members.

21.7 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.

21.8 Articles and Other Headings. All headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of its provisions.

21.9 Choice of Law. This Agreement shall be construed and interpreted in accordance with the laws of the state of Colorado.

21.10 Arbitration. Any dispute claim, or controversy arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration. The arbitration shall be conducted by the Judicial Arbitrator Group, 1601 Blake Street, Denver, CO 80202, and shall be governed by the commercial arbitration rules of the American Arbitration Association. The decision of the arbitrator shall be supported by written findings of fact and conclusions of law, and shall be final and binding. Judgment upon the award rendered by said arbitration may be entered in any court having jurisdiction thereof. Costs of arbitration shall be paid by the non-prevailing party.

21.11 Representations. Each Member warrants and represents to the other Members that he,

she or it has received any and all required approvals and consents from the applicable gaming authority to own a Membership Interest. Each Member warrants and represents to the other Members that he, she or it has had the full and ample time and opportunity to review this Agreement, and the Exhibits and Schedules (collectively the "Exhibits") hereto with an independent lawyer and accountant of his, her or its choice, that such Member has the experience and sophistication necessary to evaluate the matters set forth in this Agreement, and that such Member fully understands the terms and provisions of this Agreement and the Exhibits hereto, and that such Member is voluntarily entering into this Agreement and the Exhibits hereto.

21.12 Entire Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement and understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms thereof and supersedes any and all prior and contemporary agreements and understandings.

CERTIFICATION

THE UNDERSIGNED, being the Manager and all the Members of JZ Gaming, LLC, a Colorado limited liability company, hereby evidence their adoption and ratification of the foregoing Agreement of Company.

EXECUTED by each Member on the date indicated.

Date: 1-23-13



John Zimpel, Manager and Member

Date: 1-23-2013



Elizabeth Zimpel, Member

EXHIBIT A

Member Name	Member Address	Capital Contribution	Membership Interest Percentage	Total Membership Units	Profits Interest Percentage
John Zimpel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Elizabeth Zimpel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

EXHIBIT B
PROMISSORY NOTE

(Date)

(Principal Amount)

FOR VALUE RECEIVED, _____, (the "Maker") promises to pay to the order of _____ (the "Holder") the sum of \$ _____, with interest at the rate of ___ percent per annum as follows: The Maker shall tender to Holder, at whatever address the Holder may reasonably direct, one hundred twenty (120) equal monthly installments of principal together with accrued interest in accordance with the schedule attached hereto as Exhibit 1 and incorporated herein on the first day of each month so that by the end of the one hundred twentieth month after the date of this Promissory Note, all principal and accrued interest shall have been paid in full.

This Promissory Note is delivered pursuant to the provisions of that Operating Agreement dated the ___ day of January, 2013, of JZ Gaming, LLC, a Colorado limited liability company. The terms of payment and other terms and conditions of this Promissory Note shall be governed by such Operating Agreement. This Promissory Note may be prepaid at any time without penalty.

Failure to make any monthly payment of principal and interest when due shall be deemed to be a default under this Promissory Note. Upon the existence of any default hereunder, the Holder of this Promissory Note, after having first given not less than ten days' written notice to the Maker, shall have the right to accelerate all principal and interest due hereunder and to declare all amounts hereunder due and payable. All such amounts shall thereafter accrue interest at the rate of _____, and the Holder shall be entitled to any reasonable expenses of collection, including reasonable attorneys' fees, incurred in enforcing the Holder's rights hereunder.

Dated this ___ day of _____, 20__.

Exhibit 1 to Promissory Note

Payment Schedule

Exhibit F

OPERATING AGREEMENT OF JAN'S TAVERN, LLC, A COLORADO LIMITED LIABILITY COMPANY

THIS OPERATING AGREEMENT ("Agreement") is made among the Members of Jan's Tavern, LLC, a Colorado limited liability company (the "Company"), who have signed this Agreement. In consideration of the premises and the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 "Economic Interest" shall mean a Member's or Economic Interest Owner's share of one or more of the Company's net profits, net losses and distributions of the Company's assets pursuant to this Agreement and the Colorado Limited Liability Company Act, but shall not include any right to participate in the management or affairs of the Company, including, the right to vote on, consent to or otherwise participate in any decision of the Members.

1.2 "Economic Interest Owner" shall mean the owner of an Economic Interest who is not a Member.

1.3 "Member" shall mean each person executing Agreement, and any other person or entity who may subsequently be designated as a Member of this Company pursuant to the terms of this Agreement.

1.4 "Membership Interest" shall mean the share of profits and losses, gains, deductions, credits, cash, assets, and other distributions of a Member.

1.5 "Membership Rights" shall mean the rights of the Member, which are comprised of the Member's Membership Interest and his or her rights to participate in the management of the Company.

1.6 "Unit" shall mean a share of outstanding Membership Interests of the Company.

ARTICLE 2 - GENERAL

2.1 Articles of Organization. The Articles of Organization of the Company filed with the Secretary of State of the State of Colorado are hereby adopted and incorporated by reference in this Agreement. In the event of any inconsistency between the Articles of Organization and this Agreement, the terms of the Articles of Organization shall govern and control.

2.2 Term. The term of this Operating Agreement shall be co-terminus with the period of duration of the Company. This Operating Agreement shall terminate upon the voluntary or involuntary dissolution of the Company or the expiration of its term as provided in the Articles of Organization.

2.3 Principal Office. The principal office of the Company in the State of Colorado shall be designated by the officers from time to time. The Company may have such other offices, either within or without the State of Colorado, as the Members may designate or as the business of the Company may from time to time require.

ARTICLE 3 – CONTRIBUTIONS AND UNITS

3.1 Form of Contribution. The contribution of a Member may be in cash, property or services rendered or a promissory note or other obligation to contribute cash or property or to perform services.

3.2 Initial Contributions and Units. Each initial Member shall make an initial contribution ("Initial Contribution") to the Company as set forth in Exhibit A attached hereto and incorporated herein by this reference and be issued the number of Units specified in said Exhibit A.

3.3 Liability for Contributions. Each Member is obligated to the Company to contribute cash or property or to perform services, even if he or she is unable to perform because of death, disability, or any other reason, pursuant to the Members' promises contained in this Operating Agreement. If a Member fails to make the Initial Contribution required by his or her Subscription Agreement and this Operating Agreement, the Member is obligated, at the option of the Company, to contribute cash equal to that portion of the value of such contribution that has not been made.

3.4 Certificates. The Company may issue Units with or without certificates. The fact that the Units are not represented by certificates shall have no effect on the rights and obligations of Members. If the Units are represented by certificates, such Units shall be represented by consecutively numbered certificates signed, either manually or by facsimile, in the name of the Company by one or more persons designated by the Members.

ARTICLE 4 – PROFITS, LOSSES AND DISTRIBUTIONS

4.1 Allocation of Profits and Losses. The percentages of Membership Rights and Membership Interest of each of the Members in the Company shall be proportionate to the number of Units then owned by each Member, as further set forth on Exhibit A attached hereto and incorporated herein by this reference.

4.2 Allocation of Taxable Items. Except as otherwise provided herein, for purposes of Sections 702 and 704 of the Internal Revenue Code, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, the determination of

each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance of the Company for any period or a year shall be made in accordance with, and in proportion to, such Member's percentage of Membership Interest in the Company as it may then exist.

4.3 Cash. The net cash from operations of the Company shall be distributed at such times as may be determined by the Member(s) in accordance with this Agreement among the Members in proportion to their then respective percentages of Units.

4.4 Other Assets. In addition to distributions made pursuant to this Article, upon any sale, transfer or disposition of any capital assets of the Company (hereinafter, "disposition"), the proceeds of such disposition shall first be applied to the payment or repayment of any sale or other expenses incurred in connection with the disposition immediately prior thereto. All proceeds remaining thereafter (the "Net Proceeds") shall be retained by the Company or shall be distributed to the Members in proportion to their respective percentages of Units; provided, however, that for purposes of Sections 702 and 704 of the Internal Revenue Code of 1986 or the corresponding provisions of any future federal internal revenue law, or any similar state law, each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance in respect to any such disposition shall be made and based upon such Member's basis in such capital asset.

4.5 Distributions in Kind. A Member, regardless of the nature of his or her contribution, has no right to demand and receive any distribution from the Company in any form other than cash. However, a Member shall be required and compelled to accept the distribution of any asset in kind from the Company, as determined from time to time by the Member(s) in accordance with this Agreement based upon the Member's percentage of Membership Interest.

4.6 Right to Distributions. At the time a Member becomes entitled to receive a distribution as provided in this Operating Agreement, he or she has the status of and is entitled to all remedies available to a creditor of the Company with respect to such distribution.

4.7 Limitations on Distributions. A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liabilities to Members on account of their Membership Interests, would exceed the fair value of the Company's assets.

ARTICLE 5 – MEMBERS AND VOTING

5.1 Original Members. The original Members of the Company shall be those persons who are signatories to this Operating Agreement.

5.2 Admission of New Members. Upon the filing of the Company's Articles of Organization, a person may be admitted as an additional Member only upon the written consent of all Members. No transferee of any Units shall be entitled to vote at any meeting of Members or otherwise participate in the management of the Company unless such transferee and transfer obtained the unanimous written consent of all the Members.

5.3 Annual Meeting. There shall not be any scheduled annual meetings of the Members.

5.4 Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by any Member.

5.5 Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of any Member(s) or any person calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the books of the Company, with postage thereon prepaid.

5.6 Waiver of Notice. When any notice is required to be given to any Member of the Company under the provisions of this Operating Agreement or Articles of Organization, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

5.7 Quorum. At any meeting of the Members, a majority of the Members entitled to vote shall constitute a quorum. If a quorum is not represented at any meeting of the Members, such meeting may be adjourned without further notice for a period not to exceed sixty (60) days at any one adjournment; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting.

5.8 Proxies. At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Member(s) of the Company before or at the time of the meeting. No proxy shall be valid after three (3) months from date of execution, unless otherwise provided in the proxy.

5.9 Manner of Acting.

5.9.1 Procedure. If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting and entitled to vote on the subject matter shall be the act of the Members, unless a higher percentage is otherwise required under applicable law, pursuant to the Articles of Organization, or pursuant to any other provision of these Bylaws. Each Member entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Members.

5.9.2 Presumption of Assent. A Member of the Company who is present at a meeting of the Members at which action on any matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the meeting

immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Member who voted in favor of such action.

5.9.3 Informal Action of Members. Any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each member entitled to vote. Such action shall be effective when all Members entitled to vote have signed the consent.

5.10 Telephonic Meeting. Members of the Company may participate in any meeting of the Members by means of conference telephone, computer or similar communication if all persons participating can hear one another for the discussion of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE 6 - MANAGEMENT

6.1 General Powers/Number. The business and affairs of the Company shall be managed by the Members.

6.2 Duties of Members. A Member of the Company shall perform his or her duties as a Member, including his or her duties as a member of any committee upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. The Member(s) shall be responsible for the general overall supervision of the business and affairs of the Company. The Member(s) (or any one of them) may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments on behalf of the Company, except in cases where the signing or execution thereof shall be expressly delegated by the Members or by this Operating Agreement or by statute to some other officer or agent of the Company; and, in general, he or she (they) shall perform all duties as may be prescribed by the Members from time to time. The specific authority and responsibility of the Member(s) shall also include the following:

- (a) The Member(s) shall effectuate this Agreement and the resolutions and decisions of the Members.
- (b) The Member(s) shall direct and supervise the operations of the Company.
- (c) The Member(s), within such parameters as may be set by the Members, shall establish such charges for services and products of the Company as may be necessary to provide adequate income for the efficient operation of the Company.
- (d) The Member(s), within the budget established by the Members, shall set and adjust wages and rates of pay for all personnel of the Company and shall appoint, hire and dismiss all personnel and regulate their hours of work.

(e) The Member(s) shall keep records of all matters pertaining to the operation of the Company, services rendered, operating income and expense, financial position, and, to this end, shall prepare and submit a report to the Members at each regular meeting and at other times as may be directed by the Members.

In performing his or her duties, a Member shall be entitled to rely on information, opinions, reports or statements of the following persons or groups unless he has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

(a) One or more employees or other agents of the Company whom the Member(s) reasonably believes to be reliable and competent in the matter presented;

(b) Any attorneys, public accountants, or other person as to matters which the Member(s) reasonably believes in such person's professional or expert competence; or

(c) A committee upon which he does not serve, duly designated in accordance with a provision of the Articles of Organization or the Operating Agreement, as to matters within its designated authority, which committee the Member(s) reasonably believes to be competent.

6.3 Authority of Members. Each Member is an agent of the Company for the purpose of its business, and the act of every Member, including the execution in the Company name of any instrument for apparently carrying on, in the usual way, the business of the Company binds the Company unless such act is in contravention of the Articles of Organization or the Operating Agreement or unless the Member(s) so acting otherwise lacks the ability to act for the Company and the person with whom he is dealing has knowledge of the fact that he has no such authority. A Member shall have no authority to do any act in contravention of either the Articles of Organization or the Operating Agreement.

6.4 Delegation of Duties to Officers. The Members delegate any management duties to officers or other employees, subject to the supervision of the Members. The Members may designate additional officers, including, without limitation, President, Vice President, Secretary, Treasurer, Director of Marketing, and/or Director of Operations. One person may hold two or more offices.

6.5 Election and Tenure. Officers of the Company shall be elected annually by the Members at the annual meeting. Each Member or officer shall hold office from the date of his or her election until the next annual meeting and until his or her successor shall have been elected, unless he or she shall sooner resign or be removed.

6.6 Resignations and Removal. Any officer may resign at any time by giving written notice to the Members, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed at any time by the unanimous consent of the Members with or without cause.

ARTICLE 7 - FISCAL MATTERS BOOKS AND RECORDS

7.1 **Fiscal Year.** The fiscal year of the Company shall begin on the first day of January and end on the last day of December of each year, unless otherwise determined by the Members.

7.2 **Deposits.** All funds of the Company shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the Members may select.

7.3 **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company shall be signed by the Member(s).

7.4 **Loans.** No loans shall be contracted on behalf of the Company or no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Members. Such authority may be general or confined to specific instances.

7.5 **Contracts.** The Members may authorize any Member or agent of the Company, in addition to the Member(s), to enter into any contract or execute any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

7.6 **Books and Records.** The books and records of the Company as specified in Section 7-80-411 of the Colorado Limited Liability Company Act (the "Act"), shall be kept at the principal office of the Company or at such other places, within or without the State of Colorado, as the Members shall from time to time determine.

7.7 **Right of Inspection.** Upon reasonable request, any Member of record shall have the right to examine during ordinary business hours the books and records of account and minutes and records of the Company, and to make copies thereof. Such inspection may be made by any agent or attorney of the Member. Upon the written request of any Member, the Company shall mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

7.8 **Financial Records.** All financial records shall be maintained open to reasonable inspection by Members and their advisors.

ARTICLE 8 - TRANSFER OF UNITS AND RIGHT OF REFUSAL

Except as otherwise specifically provided in this Agreement, no Member shall sell, hypothecate, pledge, assign, or otherwise transfer, with or without consideration, any part or all of his or her Units to any other person or entity.

ARTICLE 9 - MISCELLANEOUS

9.1 Amendment. This Agreement may only be altered, amended, restated, or repealed, and a new Agreement may be adopted, by unanimous action of all of the Members, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

9.2 Confidentiality. The conduct and operation of the Company, as well as the relationship of the Company (including management) to its Members and the relationship between the Members involved in the matters are private and confidential. Under no circumstances are Company matters and Members' involvement therein to be disclosed to any non-management third parties.

9.3 Notice. Any notice required or permitted to be given pursuant to the provisions of the Act, the Articles of Organization of the Company or this Operating Agreement shall be effective as of the date personally delivered, or if sent by mail, on the date deposited in the United States mail, prepaid and addressed to the intended receiver at his or her last known address as shown in the records of the Company.

9.4 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the Act, the Articles of Organization of the Company or this Operating Agreement, a waiver thereof, in writing, signed by the persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

9.5 Indemnification By Company. Upon approval of a majority of the Members, the Company may indemnify against liability incurred in any proceeding an individual made a party to the proceeding because he or she is or was a Member, or is or was an employee or agent of the Company, to the full extent provided in the Act.

9.6 Indemnification Funding. The Company shall fund the indemnification obligations in such manner and to such extent as the Members may from time to time deem proper and in accordance with the Act.

9.7 Duality of Interest Transactions. Members of the Company have a duty of undivided loyalty to this Company in all matters affecting the Company's interests. Notwithstanding the foregoing, it is anticipated that the Members and officers will have other legal and financial relationships. Representatives of this Company, along with representatives of other entities, may from time to time participate in the joint development of contracts and transactions designed to be fair and reasonable to each participant and to afford an aggregate benefit to all participants. Therefore, it is anticipated that this Company will desire to participate in such contracts and transactions and, after ordinary review for reasonableness, that the participation of the Company in such contracts and transactions may be authorized by the Members.

9.8 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.

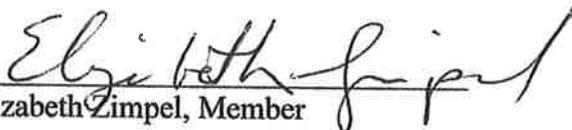
9.9 Articles and Other Headings. All headings contained in this Operating Agreement are for reference purposes only and shall not affect the meaning or interpretation of its provisions.

9.10 Attorneys' Fees. If any legal action, arbitration or other proceeding is commenced in connection with this Agreement, the prevailing party shall be entitled to an award of its attorneys' fees and expenses.

9.11 Choice of Law. This Agreement shall be construed, interpreted and applied in accordance with, and shall be governed by, the laws of the State of Colorado.

CERTIFICATION

THE UNDERSIGNED, being the sole member of Jan's Tavern, LLC, a Colorado limited liability company, hereby evidence his adoption and ratification of the foregoing Agreement of the Company effective as of the 26th day of October, 2015.

By: 
Elizabeth Zimpel, Member

SCHEDULE 5.2
(Initial Capital Contributions)

<u>Member</u>	<u>Contribution</u>
Elizabeth Zimpel	\$1000.00

SCHEDULE 6.1

Name

Percentage

Elizabeth Zimpel

100%

Exhibit G

Client#: 24540

CCGAM

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/08/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Moreton & Company, 4600 South Ulster Street, Suite 380, Denver, CO 80237. CONTACT NAME: Natalie Schlup, PHONE: 303-385-2154, FAX: 303-385-2199, E-MAIL ADDRESS: nschlup@moreton.com. INSURER(S) AFFORDING COVERAGE: Charter Oak Fire Insurance Co. (25615), Travelers Property Casualty Co. (25674), Pinnacol Assurance (41190).

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATION MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL SUBR INSR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include General Liability (A), Automobile Liability (A), Umbrella Liability (B), and Workers Compensation and Employers' Liability (C).

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Named Insured includes: Jan's Tavern, LLC and Z's Promotional Association

CERTIFICATE HOLDER

CANCELLATION

City of Black Hawk, PO Box 68, Black Hawk, CO 80422

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Ames Butler



DILL DILL CARR STONBRAKER & HUTCHINGS, P.C.
ATTORNEYS AT LAW

Exhibit H

455 Sherman Street, Suite 300
Denver, Colorado 80203
Phone: 303-777-3737
Fax: 303-777-3823
www.dillanddill.com

Christopher W. Carr*
Daniel W. Carr
John J. Coates
Kevin M. Coates
H. Alan Dill
Robert A. Dill
Thomas M. Dunn
John A. Hutchings
Stephen M. Lee
Fay M. Matsukage**
Adam P. Stapen
Jon Stonbraker
Craig Stoner
Frank W. Suyat
Patrick D. Tooley
* Also licensed in Washington
**Also licensed in Nevada

Of Counsel:
Arthur H. Bosworth, II

December 11, 2015

Via email: mgreiner@cityofblackhawk.org

City of Black Hawk
ATTN: Board of Aldermen
c/o Office of the City Clerk

RE: *Needs and Desires for a Promotional Association Including a Common Consumption Area with Respect to Johnny Z's Promotional Association, LLC and Z's Promotional Association, LLC*

Dear Board:

The needs and desires of Black Hawk residents and business owners and managers indicate that there is a need and a desire for this type of license. The license would be used to facilitate additional business by expanding the business hours of the liquor license once it is issued by the city and serve the community as it relates to flexible hours of operation of the liquor licensed entity. Many other casinos have elected to apply for and obtain a new liquor license in conjunction with a promotional association to allow its patrons to use the facilities at hours which previously were prohibited. It is not anticipated that there will be any objections whatsoever from surrounding business owners, managers or residents for this plan and the city will benefit by the payment of additional tax revenues associated with the operation of the licensed entity.

Sincerely yours,

/s/ Robert A. Dill, electronically signed.

Robert A. Dill
RAD/mo

EXHIBIT H

Z's Promotional Association Reasonable Requirements and Needs Assessment

Z's Casino has a significant reduction in its casino play after 2 am when liquor can no longer be served. The majority of our guests that play at our casino in the late night hours request that we increase our liquor service hours. If we are able to do this, we should be able to extend the visit of our guests that are present at 2 AM. Currently, other casinos in the area are able to serve liquor after 2 AM which puts Z's Casino at a disadvantage. Our promotional association participants intend to market this guest benefit aggressively in the general market which should lend itself to more traffic from new and returning guests.

Memo

To: Jack Lewis, City Manager
From: Stephen Cole, Chief of Police
Date: January 22, 2016
Re: Z's Promotional Association LLC,
Promotional Association/Common Consumption Area Certification Request

The purpose of this memorandum is to provide recommendations on Z's Promotional Association LLC Common Consumption Area Certification Request. As the Chief of the Black Hawk Police Department I am supportive of the application, but recommend the following:

Recommendation: Require signage identifying areas where common consumption is allowed.

Reason: There will be a need to educate guests about common consumption areas. The applicant included a reference to security, but signage would help educate guests about "allowed" and "prohibited" conduct. We would suggest the applicant provide signage with sufficient information about common consumption areas.

Recommendation: Recommend the approval of a 24 hour common consumption area as opposed to the 2:00 a.m. to 6:00 a.m. time period identified in the application.

Reason: The change would make approvals consistent with other applications.

Recommendation: Encourage casino staff to be vigilant in preventing the "over service" of alcohol.

Reason: Although all the casinos in Black Hawk do a good job preventing the "over service" of alcohol to guests, we would suggested they become especially vigilant in their effort as this new service becomes available.

In past recommendations I have indicated we would evaluate the impact of alcohol distribution after 2:00 a.m. after 90 days of operation at each location. However, data obtained from our RMS system shows it's difficult to evaluate the impact of 24 hour alcohol service without considering police calls throughout the City. The gradual addition of common consumption areas within Black Hawk over the past six months and the transient nature of guests moving between casinos made it difficult to specifically identify issues associated with common consumption areas at specific locations. We will review City-wide call load numbers when we have confidence in the results.

In previous reports I also informed the Board of Aldermen that police officer work schedules were changed to keep additional personnel on duty until 3:30 a.m. However, an early review of our work load between 2:00 a.m. and 3:30 a.m. does not support

extended work schedules. As a result, officers returned to their normal work schedules in November 2015. We will evaluate our call load over the next year to fully understand the impact of common consumption areas on police service once we have more data.

RESOLUTION 9-2016
A RESOLUTION
APPROVING A LICENSE
AGREEMENT BETWEEN
THE CITY OF BLACK
HAWK AND JOSH
SMITH

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 9-2016

**TITLE: A RESOLUTION APPROVING A LICENSE AGREEMENT BETWEEN
THE CITY AND JOSH SMITH**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF BLACK HAWK, COLORADO, THAT:

Section 1. The City Council hereby approves the License Agreement between the City
and Josh Smith, and authorizes the Mayor to execute the same on behalf of the City.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: A Resolution approving the License Agreement between Josh Smith and the City of Black Hawk for encroachment of bridges and property into the Chase Street right-of-way.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen: a ***MOTION TO APPROVE*** Resolution No. 9-2016 approving the License Agreement between Josh Smith and the City of Black Hawk addressing bridge and property encroachment into the Chase Street right-of-way.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Josh Smith, property owner, is participating in the Historic Restoration and Community Preservation program. It was identified in the design phase of the project that three (3) bridges crossing Chase Gulch and the area between the south edge of Chase Gulch and the 400 Chase Street property line encroach into the Chase Street right-of-way. Josh Smith has agreed to a License Agreement from the City of Black Hawk to recognize and address the encroachment.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

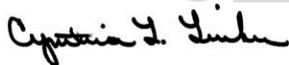
STAFF PERSON RESPONSIBLE: Cynthia Linker, CP&D

DOCUMENTS ATTACHED: Resolution No. 9-2016, License Agreement

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:



Cynthia Linker, CP&D

REVIEWED BY:



Jack D. Lewis, City Manager

LICENSE

THIS LICENSE, is made and entered into this ___ day of _____, 2016, by and between the CITY OF BLACK HAWK, Colorado whose address is 201 Selak Street, Black Hawk, CO 80422 (the "City") and Josh Smith, owner of the real property whose address is 200 Sleepy Horse Lane, Kalispell, MT 59901, ("Licensee").

1. PROPERTY LICENSED. The property that is licensed for the use and the term provided for in this license is described in Exhibit A, which is attached hereto and incorporated by this reference ("Property Licensed"). The Property Licensed for the three bridges crossing Chase Gulch onto the 400 Chase Street property and the area between the south edge of Chase Gulch and the 400 Chase Street property line, described herein, is subject to all easements and rights-of-way of record.

2. RELOCATION. In the event the construction or reconstruction of any roadways, or the construction, reconstruction or repair of any of the City's property necessitates the relocation or removal of the structure(s) or fixtures(s) described in paragraph 5 herein, then Licensee shall, at its sole cost and expense, timely perform or cause the performance of such relocation or removal of the structures(s) or fixture(s).

3. INSURANCE. Licensee shall obtain for itself, its agents, successors, assigns, lessees, licensees and agents, necessary and adequate workman's compensation insurance, personal injury insurance, and property damage insurance, with limits commensurate with the hazards and risks associated with the use of the Property Licensed, but in no event less than the liability limits established by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as now in effect or as hereinafter amended, and a deductible of not less than one hundred thousand dollars (\$100,000.00). Neither Licensee nor its agents, successors and assigns shall commence any construction, placement, operation or maintenance of the fixture or structure on the Property Licensed until it has obtained all insurance required under this section and shall have filed a certificate of insurance or a certified copy of the insurance policy with the City. Each insurance policy shall list the City as an additional named insured and shall contain a clause providing that coverage shall not be cancelled by the insurance company without thirty (30) days written notice to the City of intention to cancel.

4. UTILITIES. Licensee covenants and agrees to pay all charges for electric power and other utilities assessed, levied or incurred on the Property Licensed by reason of the operation of the placement blade signs and awning signs during the term of this license or any renewal thereof.

5. INSTALLATION, MAINTENANCE, REPAIR AND ALTERATIONS. Licensee shall initially install the pedestrian bridge and leave as is the wooden vehicle bridge and the RCP vehicle bridge on the Property Licensed in the manner specified by the Public Works Director. After initial installation, Licensee covenants and agrees not to make or permit to be made any alterations in, or additions to, the Property Licensed without the prior written consent of the Public Works Director and to keep the

improvements thereon including wiring, if appropriate, in good repair and in a condition that will not interfere with the proper functioning of the Property Licensed, at the expense of Licensee; ordinary wear and tear and loss by fire, flood, or act of God excepted.

6. USE. Licensee covenants and agrees that it shall utilize the Property Licensed to Licensee and for no other purpose and not to use the Property Licensed or permit it to be used for purposes prohibited by the laws of the applicable United States, State of Colorado, or any political subdivision thereof.

7. RE-ENTRY. Licensee covenants and agrees to permit the City or its duly authorized representatives to inspect the Property Licensed and to do such other acts and things, as it deems necessary for the protection of its interests therein.

8. NOTICE. Any notice required under this License shall be in writing and mailed by certified mail to the respective parties at the address hereinabove given. The Public Works Director shall be the representative of the City to accept or give any approval, notice or the like provided hereunder. In the event Licensee should change the address hereinabove given during the term of this License, Licensee shall notify the City in writing of such change of address:

The City: Tom Isbester
 Director of Public Works
 City of Black Hawk
 P.O. Box 68
 Black Hawk, CO 80422

Licensee: Josh Smith
 200 Sleepy Horse Lane
 Kalispell, MT 59901

9. NO COVENANT OF TITLE OR QUIET POSSESSION. The rights granted herein are without covenant of title or warranty of quiet possession of the Property Licensed and no water or water rights are granted by this License.

10. SUCCESSORS AND ASSIGNS. This License shall insure to the benefit of, and be binding upon, the successors and assigns of the parties.

11. ASSIGNMENT OR SUB-LEASE. Licensee covenants and agrees not to assign this License or to sublet any part of the Property Licensed without first obtaining the written consent of the City, which will not be unreasonably withheld.

12. PROPERTY LICENSED TAKEN "AS IS." Licensee understands and agrees that the Property Licensed is licensed "as is." The City makes no warranty, written or implied, that the Property Licensed is fit for any purpose or that it meets any federal, state, county or local law, ordinance or regulation applying to the Property Licensed.

13. LIABILITY AND INDEMNIFICATION. The City shall not be liable for any loss, injury, death or damage to any person or personal property which may arise from the Licensee's use or condition, caused by Licensee's use, of the Property Licensed including, but not limited to, loss, injury, death, or damage resulting from ice, water, rain, snow, gas, electrical wires, fire, equipment malfunctions, faulty installation, or theft. Licensee hereby expressly agrees, to the extent permitted by law, to defend, indemnify and hold harmless the City, its officers, agents, employees and insurers against any liability, loss, damage, demand, action, cause of action or expense of whatever nature (including court costs and attorney fees) which may result from any loss, injury, death or damage allegedly sustained by any person, firm, corporation or other entity which arises out of or is caused by reason of Licensee's negligent use of the Property Licensed or Licensee's failure to fulfill the terms and conditions of the License.

14. RESERVATION FOR COUNCIL USE. This License is made under and conformable to the provisions of all City of Black Hawk regulations insofar as applicable. Said provisions are incorporated herein and made part hereof by this reference and shall supersede any apparently conflicting provisions otherwise contained in the License. The City reserves the right to make full use of the Property Licensed as may be necessary or convenient in the operation of the public streets and the City retains all rights to operate, maintain, install, repair, remove or relocate any of its facilities located within the Property Licensed at any time and in such a manner as it deems necessary.

15. TERMINATION.

a. This License Agreement may be terminated by the City at any time upon thirty (30) days written notice to Licensee. If the City terminates this License due to a default by Licensee, Licensee shall be responsible for removing the signs on the Property Licensed.

16. VENUE. For the resolution of any dispute arising hereunder, venue shall be in the courts of Gilpin County, State of Colorado.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

LICENSEE:

By: [Signature]
Name: Joshua Smith
Title: Owner

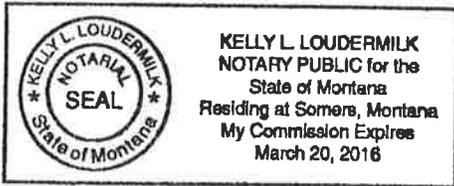
STATE OF MONTANA)
~~COLORADO~~) ss.
COUNTY OF FLATHEAD)

The foregoing instrument was subscribed, sworn to and acknowledged before me this 5 day of February, 20 16, by Joshua Smith as owner of 400 Chase ST.

My commission expires:

(S E A L)

[Signature]
Notary Public



CITY OF BLACK HAWK, COLORADO

By: _____
David D. Spellman, Mayor

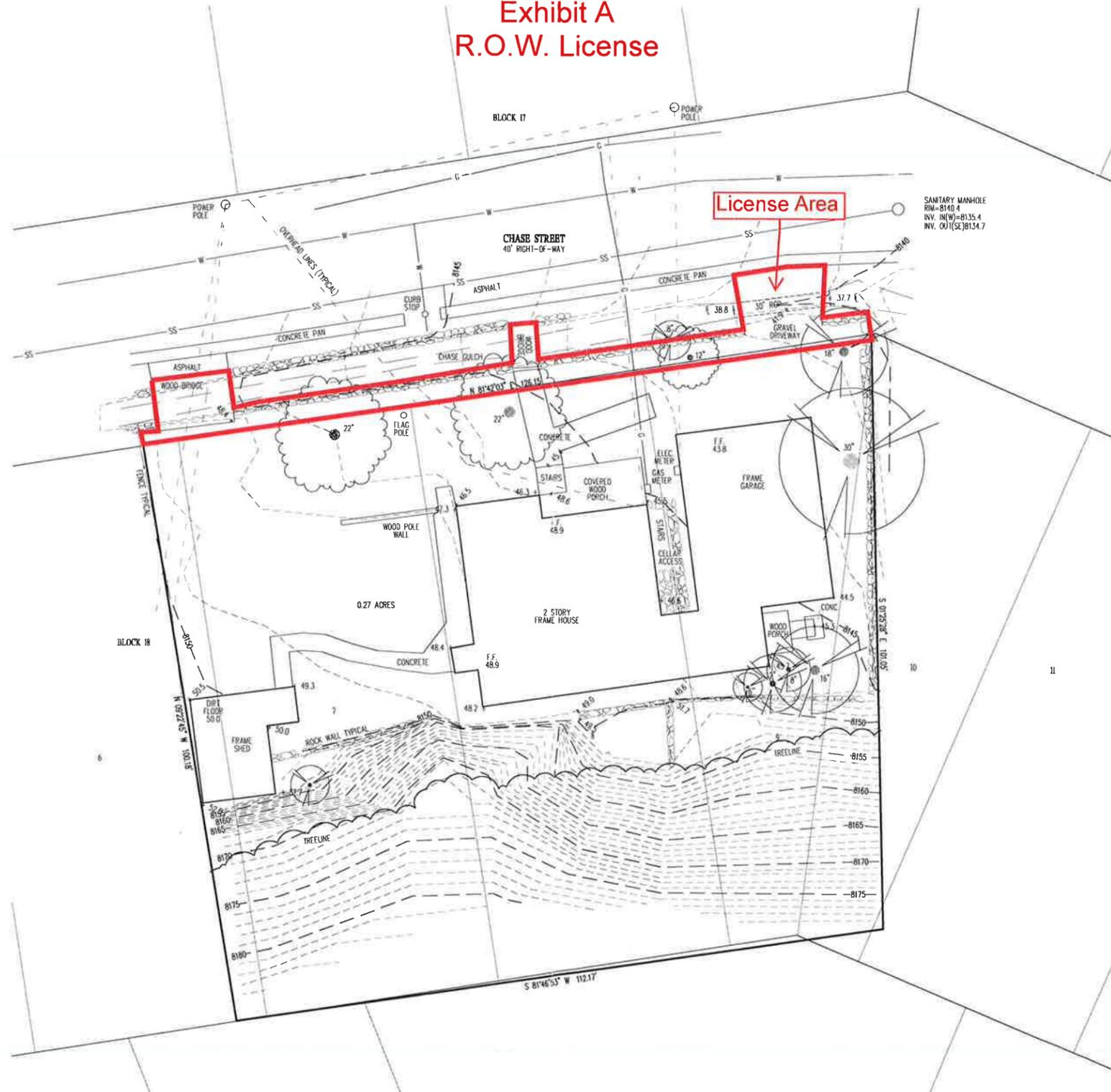
ATTEST:

Melissa A. Greiner, City Clerk/Administrative Services Director

Exhibit A
R.O.W. License

TOPOGRAPHIC MAP OF
A TRACT OF LAND LOCATED WITHIN
SECTION 12, TOWNSHIP 3 SOUTH, RANGE 73 WEST
OF THE SIXTH PRINCIPAL MERIDIAN
CITY OF BLACK HAWK, GILPIN COUNTY,
COLORADO

BENCHMARK
CITY OF BLACK HAWK BENCHMARK NO. 8
3-1/4" DIAMETER BRASS CAP, MARKED CITY OF
BLACK HAWK BENCHMARK, LOCATED ON THE
NORTH SIDE OF CHASE STREET IN ROCK FACE.
ELEVATION=8179.88



SCALE: 1"=10'
DATE: 08.26.2015



C.C.S. CONSULTANTS, INC.
4860 Robt Street, Suite 206
Wheat Ridge, CO 80033
Phone: 303.403.4706
2893 N. Monroe Avenue
Loveland, CO 80538
Phone: 970.635.3031

RESOLUTION 10-2016
A RESOLUTION
AMENDING THE CITY OF
BLACK HAWK FEE
SCHEDULE REGARDING
FEEES FOR STRUCTURAL
ENGINEERING REVIEW

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 10-2016

TITLE: A RESOLUTION AMENDING THE CITY OF BLACK HAWK FEE SCHEDULE REGARDING FEES FOR STRUCTURAL ENGINEERING REVIEW

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The City of Black Hawk Fee Schedule is amended to revise the fee schedule for structural engineering review as follows:

Building Fees		
Structural Engineering Review Fee <i>(Anything other than new construction)</i>	\$150	Hour with one (1) hour minimum + 15% City Administration Fee
Structural Engineering Review Fee <i>(All new construction)</i>	\$350	Hour with one (1) minimum + 15% City administration Fee. City reserves the right to have a 3rd party structural engineer perform an independent review. All associates costs above and beyond the standard permit fee shall be incurred and paid by the applicant or property owner.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: A Resolution amending the City of Black Hawk Fee Schedule regarding fees for Structural Engineering review.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen: a ***MOTION TO APPROVE*** Resolution No. 10-2016 amending the City of Black Hawk Fee Schedule regarding fees for Structural Engineering review.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Community Planning and Development would like to make the distinction between structural engineering review fees associated with new construction and anything other than new construction. New construction generally prompts a structural review by a third party thereby generating higher review fees. This distinction is reflected in the requested amendment.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Cynthia Linker, CP&D

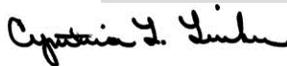
DOCUMENTS ATTACHED: Resolution No. 10-2016

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:





Cynthia Linker, CP&D

Jack D. Lewis, City Manager

RESOLUTION 11-2016
A RESOLUTION
REAPPOINTING RONALD
W. CARLSON TO BE THE
CITY OF BLACK HAWK
MUNICIPAL COURT
JUDGE

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 11-2016

**TITLE: A RESOLUTION REAPPOINTING RONALD W. CARLSON TO BE THE
CITY OF BLACK HAWK MUNICIPAL COURT JUDGE**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF BLACK HAWK, COLORADO, THAT:

Section 1. Pursuant to Article V, Section 3 of the City of Black Hawk Home Rule
Charter, Ronald W. Carlson is hereby reappointed as Municipal Judge to serve a two (2) year
term, which term shall expire on February 28, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Reappointment of Ronald W. Carlson to be the City of Black Hawk Municipal Court Judge

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE Resolution 11-2016, A Resolution Reappointing Ronald W. Carlson to be the City of Black Hawk Municipal Court Judge

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The Municipal Court Judge has a two (2) year term, which expires on February 28. Judge Carlson was last reappointed on February 12, 2014.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Melissa Greiner, City Clerk

DOCUMENTS ATTACHED: N/A

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:



Melissa A. Greiner, City Clerk

Jack D. Lewis, City Manager

RESOLUTION 12-2016
A RESOLUTION
REAPPOINTING THAD
RENAUD TO BE THE CITY
OF BLACK HAWK
ASSISTANT MUNICIPAL
COURT JUDGE

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 12-2016

TITLE: A RESOLUTION REAPPOINTING THAD RENAUD TO BE THE CITY OF BLACK HAWK ASSISTANT MUNICIPAL COURT JUDGE

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. Pursuant to Section 2-126(b), and at the request of Municipal Court Judge Ronald W. Carlson, the City Council hereby reappoints Thad Renaud as the Assistant Municipal Court Judge to act in the absence of Judge Carlson. The term of the Assistant Municipal Judge shall expire on February 28, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Reappointment of Thad Renaud to be the City of Black Hawk Assistant Municipal Court Judge

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE Resolution 12-2016, A Resolution Reappointing Thad Renaud to be the City of Black Hawk Assistant Municipal Court Judge

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The Assistant to the Municipal Court Judge has a two (2) year term, which expires on February 28. Assistant Judge Renaud was last reappointed on February 12, 2014.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Melissa Greiner, City Clerk

DOCUMENTS ATTACHED: N/A

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:



Melissa A. Greiner, City Clerk

Jack D. Lewis, City Manager

RESOLUTION 13-2016
A RESOLUTION
TEMPORARILY
REBATING CITY SALES
TAX ON RETAIL ITEMS
DELIVERED TO CITY
RESIDENTIAL
PROPERTIES FOR
PERSONAL
CONSUMPTION AND USE

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 13-2016

**TITLE: A RESOLUTION TEMPORARILY REBATING CITY SALES TAX ON
RETAIL ITEMS DELIVERED TO CITY RESIDENTIAL PROPERTIES FOR
PERSONAL CONSUMPTION AND USE**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The Mayor and Board of Aldermen hereby resolve to temporarily rebate City sales tax on retail items delivered to City residential properties from out of City vendors for personal consumption and use, including the amount paid to the Gilpin County School District RE-1, for a total rebate amount of five and one-half percent (5.5%), subject to the following conditions:

- A. Said rebate shall only be provided to City residents who can provide proof in the form of a receipt that such sales tax was actually paid;
- B. Said receipt shall be submitted to the City for the rebate during the same calendar year in which the sales tax was paid or within thirty (30) days of delivery, whichever is later; and
- C. Said rebate shall expire on April 2, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Temporarily Rebating the City's Sales Tax on Retail items Delivered to Residential Properties.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE: Resolution 13-2016, A Resolution Temporarily Rebating City Sales Tax on Retail Items Delivered to City Residential Properties for Personal Consumption and Use.

SUMMARY AND BACKGROUND OF SUBJECT MATTER: In the spring of 2014, the Black Hawk City Council approved a resolution temporarily rebating Sales Tax on Retail Items delivered to residential properties. The temporary rebate is set to expire in April 2016. This resolution would extend this rebate until April 2, 2018.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Lance Hillis, Finance Director

DOCUMENTS ATTACHED: Resolution

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:





Lance Hillis, Finance Director

Jack D. Lewis, City Manager

RESOLUTION 14-2016
A RESOLUTION
TEMPORARILY
REBATING CITY USE TAX
ON CONSTRUCTION AND
BUILDING MATERIALS
FOR RESIDENTIAL
PROJECTS WITHIN THE
CITY'S NATIONAL
HISTORIC LANDMARK
DISTRICT

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 14-2016

**TITLE: A RESOLUTION TEMPORARILY REBATING CITY USE TAX ON
CONSTRUCTION AND BUILDING MATERIALS FOR RESIDENTIAL
PROJECTS WITHIN THE CITY'S NATIONAL HISTORIC LANDMARK
DISTRICT**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF BLACK HAWK, COLORADO, THAT:

Section 1. The Mayor and Board of Aldermen hereby resolve to temporarily rebate City use tax of four percent (4%) on construction and building materials for projects which require a building permit for which use tax on construction and building materials is imposed, on those residential properties located within the City's National Historic Landmark District. Said rebate shall expire on April 2, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Temporarily Rebating the City's Use Tax on Certain Residential Properties.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE: Resolution 14-2016, A Resolution Temporarily Rebating City Use Tax on Construction and Building Materials for Residential Projects within the City's National Historic Landmark District.

SUMMARY AND BACKGROUND OF SUBJECT MATTER: In the spring of 2014, the Black Hawk City Council approved a resolution temporarily rebating Use Tax on Residential properties located within the National Historic Landmark District. The temporary rebate is set to expire in April 2016. This resolution would extend this rebate until April 2, 2018.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Lance Hillis, Finance Director

DOCUMENTS ATTACHED: Resolution

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

Lance Hillis

Lance Hillis, Finance Director

REVIEWED BY:

Jack D Lewis

Jack D. Lewis, City Manager

RESOLUTION 15-2016
A RESOLUTION TO
ENCOURAGE
DIVERSIFICATION OF
THE CITY'S LOCAL
ECONOMY BY
EXTENDING THE WAIVER
OF TAXES AND IMPACT
FEEES FOR THE
DEVELOPMENT OF
HOTELS AND OTHER
AMENITIES, AND
EXTENDING THE WAIVER
OF USE TAX ON OTHER
RENOVATION PROJECTS

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 15-2016

TITLE: A RESOLUTION TO ENCOURAGE DIVERSIFICATION OF THE CITY'S LOCAL ECONOMY BY EXTENDING THE WAIVER OF TAXES AND IMPACT FEES FOR THE DEVELOPMENT OF HOTELS AND OTHER AMENITIES, AND EXTENDING THE WAIVER OF USE TAX ON OTHER RENOVATION PROJECTS

WHEREAS, the local purpose of limited stakes gaming continues to be the restoration of the City of Black Hawk (the "City"), including creating jobs, and continuing to revive the economic vitality and create economic diversity on a long term basis in the City;

WHEREAS, the City believes its current financial success is the best evidence that low taxes and fees as well as rebates and incentives is the surest way to continue to have strong, sustainable revenues;

WHEREAS, in anticipation of and with a strong desire for a successful gaming industry, the City has issued debt to pay for the rebuilding of the City, which debt is to be repaid over the next several years from revenues generated from the City's primary industry, which is gaming;

WHEREAS, the City has determined that a reasonable tax at both the state and local level is essential to provide a stable and predictable environment for the continued development of the gaming industry, which in turn will allow the City to repay the debt that it has incurred to rebuild the City; continue employment opportunities throughout the City; and provide long-term opportunities to the residents of the City, Gilpin County, and the State of Colorado that did not exist before gaming;

WHEREAS, the City has a proactive history of encouraging and promoting the continued growth and development of the gaming industry and associated services through low taxes and fees as well as rebates and incentives in order to advance its goal of becoming a destination resort city;

WHEREAS, the City further desires to continue to diversify its economy by attempting to encourage the development of hotel rooms and other amenities, which hotel rooms and other amenities will reinforce many of the goals set forth above, and provide a long term sustainable benefit to the City in terms of creating a destination resort location that will complement the gaming industry which is the only catalyst for this diversification;

WHEREAS, the City also seeks to encourage the updating of existing amenities within the City, to reinforce the City's desire to be a resort destination; and

WHEREAS, to further achieve the long term goals described in this Resolution, the City therefore desires to continue to encourage the diversification of the City by extending the provision of certain waivers for the development of hotel rooms and other amenities within the City of Black Hawk as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. On a temporary basis as set forth herein, the Mayor and Board of Aldermen resolve to forever waive and forego the payment of any use tax otherwise due and payable, and the payment of police and fire impact fees that would otherwise be due and payable for any commercial project that includes at a minimum the renovation and expansion of an existing licensed gaming premises, including by way of example gaming space, gaming support space, restaurant and restaurant support space, and hotel projects as determined at the sole discretion of the City Council, provided that a completed land use application is received on or before April 2, 2018.

Section 2. The Mayor and Board of Aldermen hereby further resolve that the construction of a new hotel project consisting of at least four hundred (400) rooms shall cause such project to be eligible for consideration by the City pursuant to Article XIV of Chapter 4 of the Black Hawk Municipal Code of for an enhanced sales tax incentive program agreement.

Section 3. In order to be eligible to receive the incentives set forth in this Resolution, any land use applicants must be included within the boundaries of the Silver Dollar Metropolitan District and the Black Hawk Business Improvement District. In the event a property is not included within the boundaries of either or both such districts, inclusion in each such district must be accomplished prior to receiving the applicable incentives set forth above.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Temporarily waiving the Use Tax and Fire & Police Impact Fees for the Development of Hotels and other Amenities and Waiving the Use Tax on the Renovation and Expansion of Gaming Facilities.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE: Resolution 15-2016, A Resolution to Encourage Diversification of the City's Local Economy by Extending the Waiver of Taxes and Impact Fees for the Development of Hotels and Other Amenities, and Extending the Waiver of Use Tax on other Renovation Projects.

SUMMARY AND BACKGROUND OF SUBJECT MATTER: In the spring of 2014, the Black Hawk City Council approved a resolution waiving the Use Tax and Police & Fire Impact Fees for the development of hotels and the renovation of gaming facilities. The temporary waiver is set to expire in April 2016. This resolution would extend this waiver until April 2, 2018.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Lance Hillis, Finance Director

DOCUMENTS ATTACHED: Resolution

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:

Lance Hillis

Jack D Lewis

Lance Hillis, Finance Director

Jack D. Lewis, City Manager

RESOLUTION 16-2016
A RESOLUTION
TEMPORARILY
REBATING PARKING
IMPACT FEES FOR
THE DEVELOPMENT OF
HOTELS AND OTHER
AMENITIES

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 16-2016

**TITLE: A RESOLUTION TEMPORARILY REBATING PARKING IMPACT FEES FOR
THE DEVELOPMENT OF HOTELS AND OTHER AMENITIES**

WHEREAS, the local purpose of limited stakes gaming continues to be the restoration of the City of Black Hawk (the “City”), including creating jobs, and continuing to revive the economic vitality and create economic diversity on a long term basis in the City;

WHEREAS, the City believes its current financial success is the best evidence that low taxes and fees as well as rebates and incentives are the surest way to continue to have strong, sustainable revenues;

WHEREAS, the City has a proactive history of encouraging and promoting the continued growth and development of the gaming industry and associated services through low taxes and fees as well as rebates and incentives in order to advance its goal of becoming a destination resort city;

WHEREAS, the City further desires to continue to diversify its economy by attempting to encourage the development of hotel rooms and other amenities, which hotel rooms and other amenities will reinforce many of the goals set forth above, and provide a long term sustainable benefit to the City in terms of creating a destination resort location that will complement the gaming industry, *which is the only catalyst for this diversification*;

WHEREAS, the City is aware that as the City grows and develops with additional hotel rooms and other amenities as well as additional gaming space, its needs may evolve regarding both on-site and off-site parking, and the City desires to evaluate such evolving needs on a temporary basis as set forth in this Resolution; and

WHEREAS, to further achieve the long term goals described in this Resolution and assess the parking needs of the City, the City desires to continue to encourage the diversification of the City by providing a temporary rebate of a portion of the parking impact fees that would otherwise be assessed for the development of hotel rooms and other amenities within the City of Black Hawk as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The Mayor and Board of Aldermen hereby resolve to rebate fifty percent (50%) of those parking impact fees that would otherwise be payable pursuant to Article VI of Chapter 4 and Section 16-266 of the Black Hawk Municipal Code for the construction of a hotel project consisting of at least fifty (50) hotel rooms within the City, provided that a completed land use application is received on or before April 2, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Temporarily rebating a portion of the Parking Impact Fees for the Development of Hotels and other Amenities.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE: Resolution 16-2016, A Resolution Temporarily Rebating Parking Impact Fees for the Development of Hotels and other Amenities.

SUMMARY AND BACKGROUND OF SUBJECT MATTER: In the spring of 2014, the Black Hawk City Council approved a resolution temporarily rebating 50% of the Parking Impact Fees for the construction of Hotel projects with at least 50 rooms. The temporary rebate is set to expire in April 2016. This resolution would extend this rebate until April 2, 2018.

AGENDA DATE: February 24, 2016

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: Yes No

STAFF PERSON RESPONSIBLE: Lance Hillis, Finance Director

DOCUMENTS ATTACHED: Resolution

RECORD: Yes No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

REVIEWED BY:





Lance Hillis, Finance Director

Jack D. Lewis, City Manager