

**MINUTES
CITY OF FALLON
55 West Williams
Avenue Fallon, Nevada
May 14, 2021**

The Honorable City Council met in a special Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford
City Councilman James Richardson
City Councilwoman Kelly Frost
City Councilwoman Karla Kent
Deputy City Clerk Elsie Lee
Deputy City Attorney Trent deBraga

The meeting was called to order by Mayor Tedford at 9:00 a.m.

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

Deputy City Clerk Elsie Lee advised that the agenda was posted in compliance with Governor Sisolak's Emergency Directives, the agenda and the supporting materials were posted at City Hall, on the City's website, and the State of Nevada's public notice website on or before 9:00 a.m. May 11, 2021.

Hearing with discussion and possible action pursuant to FMC 5.08.170 to consider suspension or revocation of the liquor license of Leah Vahl at Leah's Bar, 165 S. Maine Street, Fallon, Nevada for non-payment of utility bills

Deputy City Attorney Trent deBraga informed the Council that the Fallon Municipal Code provides a process in addressing City Council to revoke or suspend a licensee's liquor license. Specifically, Fallon Municipal Code (FMC) 5.08.160i allows the City Council to suspend or revoke a liquor license when a licensee fails to pay their utility bill when due. Fallon Municipal Code 5.08.170 provides the process and procedure that must be followed prior to the City Council suspending or revoking a liquor license. The first step in the process requires the initiation of a complaint. A complaint can be filed by any person and contain the alleged reasons for initiating the proceedings. The code also states that the complaint must be served on the licensee. April 23, 2021, the City Attorney initiated a complaint after receiving information from the Clerk's office informing that Ms. Leah Vahl, the licensee of Leah's Bar, at 165 S. Maine Street, was past due on her utility bill. The April 23, 2021, complaint advised Ms. Vahl that her license may be revoked or suspended by Council for failure to pay her utility bill when due, and that her utility bill was in arrears excess of \$6,500.00. The complaint initiated by the City Attorney also informed Ms. Vahl that pursuant to the FMC that she had five days from the date of service of the complaint,

to file a written response to the Clerk's office. For the record, the April 23, 2021, complaint was served by the Chief of Police, Kevin Gehman, on April 23, 2021. The City Attorney's office received information that no written response was filed with the Clerk's office by Ms. Vahl. The FMC provides the next step for the process/procedure and that requires the City Council to set a date and time for a hearing, with notice of said hearing to be served upon the licensee. The Council is aware on May 7, 2021, Council held a meeting that set the date and time for today's hearing. The notice of today's hearing was personally served by Captain Kris Alexander and Sergeant Jose Perez, both employed by the Fallon Police Department, on May 10, 2021. The notice of hearing was contained in the letter drafted by the City Attorney's office served on May 10, 2021. I do believe for the record, that Ms. Vahl is present today. Prior to today's hearing, the City Attorney's office has received confirmation from the Clerk's office that Ms. Vahl has become current on her past due utility bills and has paid the amount in full. Based on Ms. Vahl paying the arears in full the City Attorney, as the complainant, would ask the complaint to be withdrawn and recommend to the Council that no action be taken on the agenda item.

Mayor Tedford thanked Deputy City Attorney deBraga and inquired if the Council had any questions.

Councilman Richardson asked if the recommendation is that no action be taken at this time, but if action can still be made even though this is not a withdraw of complaint?

Deputy City Attorney deBraga stated that Councilman Richardson is correct. I do believe that Council does have the option to proceed forward if they so desire. The recommendation would be to take no action which essentially, will allow Ms. Vahl to continue to operate with her license.

Councilman Richardson thanked Deputy City Attorney deBraga.

Mayor Tedford informed that he believes the recommendation from staff and the City Attorney's office is to not take any action because she brought the bill current. They cannot make that decision because they do not act as the Council, so the Council could take action. I agree with them due to the bill being current. I would entertain a motion for Council to take no action. We must take some action because we have a hearing today for the recommendation to be considered. Is there any public comment?

No comments were noted.

Councilwoman Kent commented regarding the bill going past due for months and months. What is the standard procedure when someone becomes past due? This might be pertaining to COVID, but what procedures are in place with similar accounts.

Mayor Tedford informed that there were several issues regarding this situation which includes a cabaret and liquor license, which were paid. We had non-payment of the utilities. Under the ordinance that provides of revocation for a liquor license also. This is a unique situation, unlike a normal business not paying their utility bill, which would result in just turning their utilities off. In this case, because she has a privileged license, not just a utility license, it causes a revocation of that liquor license. Revocation of a privileged license is different than a non-privileged license. I think in the future, and going forward, and for Leah, we most likely will just turn utilities off because she may have her liquor and cabaret license current, but we are not going to fool with this again. She needs to keep that bill current, to go through the steps that we had to do for this is very cumbersome and stressful, not only on her, but it is also pretty cumbersome on the City. Whereas the steps on the utility bill are not taken this far usually. I think because of the pandemic we are attempting to be easier on businesses and residents because of what they are going through with their situation, this may have gone a little further than it should have, and we usually do not go that far. Anyone that is in this position has brought their

bill current or starts the process. Sean and Elsie's office are taking steps to make sure they do so. In my history, we have taken steps to allow people more time to allow their bills to become current because they have put themselves in a tight place on occasion. There are times we have had to tell them that we are just going to turn their utilities off and we have had to do it. It is unfortunate, but I have always felt that we must have a level playing field for businesses out there or the residential places that are paying and commercial buildings, are paying the bills for them, and that is not fair. In ordinary circumstances, this does not happen. I do not know if there is a hard and fast rule that you follow Elsie. You are flexible and provide a discount letter, they come in and they work with them. There are occasions that they are supposed to run these situations by me, and extensions are given. Sometimes, they do not run them by me, and they are not supposed to do that without my approval. Unfortunately, on occasion, no offense, they say things in the Clerk's office that are not going to work because I did not give the approval. We have a hard time when that happens, and sometimes they agree to things, and we must tell them that payment agreement is not going to work. Many times, those people come over to my business and have a chat with me because they are not very happy. The end of the year we write off 1/10 of 1% of billings, as you will see when we do them every year. We follow them like a hawk if they ever move into the City. The best way to handle most of these is to turn off the utilities. This one was a unique incident that we hopefully won't have to work through again. The motion I would suggest is to make a motion to take no action. This will keep the record clean, not only for Leah but also as we go forward if a similar situation happens in the future. It doesn't show us just tabling the matter and leaving it floating out there. It would show that the City did take action, but it was just no action.

Councilman Richardson motioned to take no action on the matter to suspend or revoke the liquor license of Leah Vahl at Leah's Bar, 165 S. Maine Street, Fallon, Nevada pursuant to FMC 5.08.170 for non-payment of utility bills; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No comments were noted.

Council and Staff Reports

Mayor Tedford inquired if there were any Council or staff reports.

Councilwoman Frost stated that she has noticed the roads that have been slurry sealed and they are looking good. I see they are painting sidewalks, lines, and so forth. I am very happy we have been able to move forward on the slurry sealing project. Thank you.

Mayor Tedford commented that it looks nice. South Maine is paved to Tolas from Front Street, by the Senior Center, it is beautiful. It changes the whole world down there. They are still working on the Front Street Project. That will change the community in the southeast a lot. They did get the last extension of the Maine Street Project, ended up in five different sections, which is near completion down in the front of the Museum. The neighborhood is looking so nice. The Senior Center has parking on the street now, it really has

enhanced that neighborhood. Drive South Maine Street. Thank you, Kelly.
No further comments were made.

Executive Session

Mayor Tedford tabled the executive session, as it was not needed at this time.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:18 a.m.

Attest:



Sean C. Richardson, City Clerk-Treasurer



Mayor Ken Tedford