

CARSON CITY LIQUOR AND ENTERTAINMENT BOARD

Minutes of the September 16, 2010 Meeting

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A meeting of the Carson City Liquor and Entertainment Board was held during the regularly scheduled Board of Supervisors meeting on Thursday, September 16, 2010 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Robert Crowell
Member Shelly Aldean
Member Ken Furlong
Member Pete Livermore
Member Molly Walt
Member Robin Williamson

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Joel Benton, Senior Deputy District Attorney
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the board's agenda materials, and any written comments or documentation provided to the Clerk during the meeting are part of the public record. These materials are on file in the Clerk's Office, and available for review during regular business hours.

10. CALL TO ORDER AND ROLL CALL (8:35:13) - Chairperson Crowell called the meeting to order at 8:35 a.m. Roll was called; a quorum was present, including Member Furlong.

11. ACTION ON APPROVAL OF MINUTES - August 5, 2010 and August 19, 2010 (8:35:41) - Member Aldean noted a correction to page 2, and moved to approve the minutes of August 5, 2010, as amended. Member Williamson seconded the motion. Motion carried 5-0. Member Aldean moved to approve the minutes of August 19, 2010, as presented. Member Williamson seconded the motion. Motion carried 5-0.

12. PUBLIC WORKS DEPARTMENT, BUSINESS LICENSE DIVISION

12(A) ACTION TO APPROVE COURT CARDINAL AS THE LIQUOR MANAGER FOR CASINO FANDANGO, LIQUOR LICENSE NO. 11-19485, LOCATED AT 3800 SOUTH CARSON STREET, CARSON CITY (8:36:39) - Chairperson Crowell introduced this item. Senior Permit Technician Lena Tripp read the title of the agenda item into the record, and provided an overview of the agenda report.

(8:37:15) Chairperson Crowell invited Mr. Cardinal to the podium. In response to a question, Mr. Cardinal advised of a previous citation, and that the Casino Fandango has a "no tolerance" policy which results in immediate termination. He further advised that all Casino Fandango employees attend TIPS training as well as the Sheriff's Office alcohol servers training.

Ms. Tripp acknowledged that no background check was conducted because Mr. Cardinal currently holds a liquor license for the Courtyard Marriott. Chairperson Crowell thanked Mr. Cardinal and the Casino Fandango for their community partnership. Chairperson Crowell entertained additional comments or questions and, when none were forthcoming, a motion. **Member Livermore moved to approve Court Cardinal as the liquor manager for Casino Fandango, liquor license no. 11-19485, located at 3800 South Carson Street, Carson City. Member Aldean seconded the motion. Motion carried 5-0.**

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12(B) ACTION ON A SHOW CAUSE HEARING AGAINST LIQUOR LICENSE NO. 10-27238, CATERING PORTION ONLY, HELD BY COM PRODUCTIONS, LLC AND ROBERT SCHMITT DBA THE SCHMITT HOUSE, LOCATED AT 4750 HIGHWAY 50 EAST, SUITE 1, PURSUANT TO CCMC 4.13.160; THIS SHOW CAUSE HEARING IS BASED ON THE ISSUANCE OF A SPECIAL EVENT PERMIT FOR AN EVENT LOCATED AT 1700 FORREST WAY (8:39:03) - Chairperson Crowell introduced this item, and Ms. Tripp read the title of the agenda item into the record. Chairperson Crowell provided background information and direction with regard to receiving testimony. He noted that, pursuant to the Carson City Municipal Code (“CCMC”), Member Furlong is a non-voting member relative to this matter. Mr. Benton acknowledged the board’s options to overturn the temporary suspension; to continue the suspension for a period of time; or to ratify the suspension. He advised of the additional option for the board to revoke the liquor license, based on the determinations of the show cause hearing. In response to a question, he advised that revocation would be relevant only to the liquor catering portion of the license.

Chairperson Crowell called for Mr. Schmitt; however, no one was forthcoming. In response to a question, Member Furlong advised that he had notified Mr. Schmitt of the show-cause hearing. Member Furlong narrated a memorandum, dated September 13, 2010, of the incidents leading to the Order Suspending Liquor License, in conjunction with a PowerPoint presentation. A copy of the September 13, 2010 memo was provided for the record.

Chairperson Crowell noted, for the record, that Mr. Schmitt was not present in the meeting room. In response to a question, Ms. Tripp referred to the Acknowledgment of Receipt of Documents, dated September 2, 2010, which was included in the agenda materials. Chairperson Crowell noted that the Notice of Show Cause Hearing was one of the documents listed on the Acknowledgment of Receipt of Documents. Ms. Tripp reviewed the Acknowledgment, and advised that Mr. Schmitt had contacted her office during the afternoon of September 2, 2010, at which time she reiterated the September 16th hearing date. In response to a question, she advised that the catering portion of the liquor license “is an additional charge to the regular liquor license and it’s licensed for the location of 4750 Highway 50 East. The catering portion of that license, though, allows a business or an individual to, on a random, inconsistent basis, go and cater different events.” In response to a further question, Ms. Tripp discussed three parties Mr. Schmitt has held at the 1700 Forrest Way address.

Member Aldean inquired as to cost-recovery options relative to the Sheriff’s Office personnel involved in Mr. Schmitt’s violation of the conditions of the liquor catering portion of the license. Mr. Benton advised that the CCMC does not currently provide a cost-recovery option. Member Aldean suggested considering an amendment to the Code to allow collection of fees under certain circumstances. In response to a question, Ms. Tripp reiterated having spoken directly to Mr. Schmitt during the afternoon of September 2nd. She was uncertain as to the initials following the signature on the Acknowledgment of Receipt of Documents. Member Furlong noted the “vague similarity” between the signatures on the liquor license and the Acknowledgment. In response to a further question, Ms. Tripp explained the process for adding a liquor catering element to a liquor license. “... the catering portion allows them to go out of the bounds of their footprint of the building and go to an event ... without coming in and getting a temporary liquor license ...” Member Walt expressed concern over liquor license holders serving minors at a catered event. Member Furlong discussed the functions of the Sheriff’s Office Alcohol Compliance Team, which operates under the Enforcing Underage Drinking Laws program, and the Special Enforcement Team, “which is intended to gather information about what is going on in the community and, at least, ... stay in front of the wave. ... In this case, it was the Special Enforcement Team.”

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Member Williamson expressed support for Member Aldean's suggestion to consider an amendment to the Code to provide for cost recovery. She suggested reviewing the Code provisions relative to liquor catering licenses. In response to a question, Ms. Tripp advised that Mr. Schmitt owns the 1700 Forrest Way property under the name of Olympic Properties, LLC. In response to a question relative to the Facebook advertisement of the incident leading to the Order, Member Furlong advised of considerable concern with regard to "a tremendous inflow from out of state."

In response to a question, Mr. Benton advised that a person may re-apply for a license six months after a revocation order, pursuant to CCMC 4.13.150. In response to a further question, he noted the "unique circumstance in that [Mr. Schmitt] is still going to have a liquor license. Generally, when a liquor license is revoked, the person can't have anymore citations because they're not allowed to serve liquor at all." Mr. Benton reiterated the required six-month waiting period, noting that the re-application must be approved by a unanimous decision of the board members. He advised that, under the criteria for granting a liquor license, the board would consider the applicant's past conduct and "all the other various requirements for the issuance of a license."

In response to a question, Mr. Werner advised that "a totally different review" would be required for a special event permit at the 1700 Forrest Way location. A special event permit would be reviewed by the Fire Department and the Public Works Department to consider adequate building capacity, parking capacity, and other safeguards. In response to a comment, Mr. Werner compared the rigorous review process associated with a liquor license application and the "over-the-counter" approach to a special event permit. He discussed the importance of addressing the corresponding concerns.

Chairperson Crowell suggested, based on the testimony, that the message should be "gangs have no place in our community nor do gang activities ..." He entertained a motion to uphold the Sheriff's decision to temporarily suspend the catering permit, and to revoke the catering permit for presenting a clear and imminent danger to the health and welfare of Carson City and Carson City's residents in violation of the CCMC. Following a brief discussion, Chairperson Crowell entertained public comment.

(9:18:28) Ward 3 Supervisor Candidate John McKenna requested that the language of the revocation be worded in such a way as to allow the District Attorney or the board to take additional action for the ongoing public nuisance and perhaps seizure of the building. Chairperson Crowell noted the Notice of the Show Cause Hearing did not mention possible seizure of the building.

Chairperson Crowell entertained additional public comment and, when none was forthcoming, a motion. **Member Williamson moved to uphold Sheriff Ken Furlong's decision for emergency suspension of the liquor license held by Com Productions, LLC and Robert Schmitt, doing business as The Schmitt House, located at 4750 Highway 50 East, Suite 1, under CCMC 4.13.160; and to revoke the catering license of Com Productions, LLC and Robert Schmitt, doing business as The Schmitt House, due to the clear and imminent threat to the health, safety, and welfare of the citizens. Member Livermore seconded the motion.** In response to a question, Mr. Benton advised that the motion reflected the findings on the record as established by the Sheriff. Chairperson Crowell called for a vote on the pending motion. **Motion carried 5-0-1, Member Furlong abstaining.**

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13. ACTION TO ADJOURN (9:20:19) - Chairperson Crowell adjourned the meeting at 9:20 a.m.

The Minutes of the September 16, 2010 Carson City Liquor and Entertainment Board meeting are so approved this _____ day of _____, 2010.

ROBERT L. CROWELL, Chair

ATTEST:

ALAN GLOVER, Clerk - Recorder