



*Las Vegas*

Agenda Item No.: 52.

**AGENDA SUMMARY PAGE  
CITY COUNCIL MEETING OF SEPTEMBER 6, 2006**

DEPARTMENT: CITY ATTORNEY  
DIRECTOR: BRADFORD R. JERBIC

Consent  Discussion

**SUBJECT:** Hearing, discussion and possible action seeing disciplinary action against The Power Company, Inc., d/b/a Crazy Horse Too, 2416 Mountain Road, Las Vegas, Clark County, Nevada for violations of Title 6 of the Las Vegas Municipal Code, based on a First Amended Complaint for Disciplinary Action approved by the Las Vegas City Council July 12, 2006 - Ward 3 (Reese)

**Fiscal Impact**

No Impact  Augmentation Required  
 Budget Funds Available Dept./Division:

**Amount:**  
**Funding Source:**

**PURPOSE/BACKGROUND:**

The Power Company, Inc. d/b/a Crazy Horse Too holds Tavern License No. L16-00003-4-000209. On June 1, 2006, The Power Company, Inc. pled guilty in federal court to one count of Conspiracy to Participate in an Enterprise Engaged in Racketeering Activity between January 1, 2000, and 2005. Frederick Rizzolo and 16 of his employees also entered guilty pleas to federal felonies. The charging documents pled to, as well as the plea memoranda in support of the guilty pleas, describe the actual business activity of Crazy Horse Too as constituting a public or private nuisance in that the business of Crazy Horse Too was conducted in an unlawful, illegal or impermissible manner. On August 1, 2006, The Power Company, Inc. answered the disciplinary complaint and admitted that the government would have sought to prove at trial 35 to 40 beatings had occurred at Crazy Horse Too in three years.

**RECOMMENDATION:**

LVMC 6.02.360 provides that the Council may, in its discretion, impose a range of sanctions upon a licensee found to have committed a disciplinary offense, including, but not limited to, revocation, suspension, or fine.

**BACKUP DOCUMENTATION:**

1. Submitted at meeting Correspondence to each Council person from counsel for Kirk Henry and slide presentation regarding disciplinary options and video presentation regarding Kirk Henry injury, Receipt of Copy, Order Approving First Amended Complaint and Notice of Hearing, First Amended Complaint for Disciplinary Action by City Attorneys office and binder of pleadings for disciplinary action and supporting documentation by City Attorneys office
2. Submitted after meeting Findings of Fact, Conclusions of Law and Order for Immediately Revoking Tavern License No. L16-00003-4-000209 and Notice of Entry of Findings of Fact, Conclusions of Law and Order for Immediately Revoking Tavern License No. L16-00003-4-000209

**CITY COUNCIL MEETING OF: September 06, 2006**

3. Verbatim Transcript

Motion made by GARY REESE to Approve to immediately revoke the liquor license, based upon a finding that the City has shown good cause to take the disciplinary action, and subject to a fine of \$2,192,000.00, based on resolving an ambiguity in the charging documents and relying on Tab 2, Pages 13-14 of Crazy Horse Too's guilty plea, which establishes the timeframe between the year 2000 and the year 2005

Passed For: 0; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0  
None; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

NOTE: MAYOR GOODMAN questioned the City Attorney if he should abstain based on his previous disclosures and because he recently was made aware that DAVID CHESNOFF, his previous law firm partner, represented one of the defendants in this matter prior to his terminating his relationship with the law firm. CITY ATTORNEY JERBIC opined that, given the facts placed on the record, he should not only disclose but also abstain.

NOTE: COUNCILMAN WOLFSON disclosed that the civil case against the operators is pending before his wife, Judge Jackie Glass, who has not discussed the case with him, nor has he learned any facts that would influence his decision as a result of that assignment. If the case were to proceed to trial, the facts of the case and the decision would be made by the jury and not his wife. Therefore, he requested the recommendation of the City Attorney. CITY ATTORNEY JERBIC stated that, based on COUNCILMAN WOLFSON'S disclosure, he is not in violation of NRS 281, which governs this area. This matter is before his wife, who has no interest in the outcome of the case, which could well be negotiated, or, if it goes to trial, it would be decided by the jury. Based on this, CITY ATTORNEY JERBIC opined that COUNCILMAN WOLFSON'S disclosure was complete and that he could participate.

Minutes:

A Verbatim Transcript is made a part of the Final Minutes.

APPEARANCES:

OSCAR B. GOODMAN, Mayor

BRAD JERBIC, City Attorney

GARY REESE, Mayor Pro Tem

STEVE WOLFSON, Councilman

WILLIAM HENRY, Sr. Litigation Counsel

JIM DiFIORE, Manager of Business Services

ANTHONY SGRO, Attorney representing Frederick Rizzolo, who was present

LARRY BROWN, Councilman

DONALD CAMPBELL, Attorney, Campbell and Williams, representing Amy Henry

AMY HENRY

STANLEY HUNTERTON, Attorney, 333 S. Sixth Street, representing Amy Henry

LOIS TARKANIAN, Councilwoman

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STEVEN D. ROSS, Councilman

RECESS: 1:21-1:41