

CITY COUNCIL MEETING OF
July 21, 2010
VERBATIM TRANSCRIPT ITEM 55

Hearing, discussion and possible action regarding complaint seeking disciplinary action against Ran Oriental Therapys LLC, d/b/a Oriental Angels Massage, and Jinli Ran, 2600 West Sahara Avenue, #115, Las Vegas, Clark County, Nevada, for violations of the Las Vegas Municipal Code. (NOTE: The correct name is Jin Li Ran).

Appearance List:

OSCAR B. GOODMAN, Mayor

PHILIP BYRNES, Deputy City Attorney

CONRAD CLAUS, Attorney, representing Jin Li Ran

BRAD JERBIC, City Attorney

GARY REESE, Councilman

LOIS TARKANIAN, Councilwoman

CAROL MEYER, Supervisor, Business Services

J. BRESSLER, Detective, Las Vegas Metropolitan Police Department, Vice Section

JIN LI RAN, Licensee

GERALD SALDANA, Detective, Las Vegas Metropolitan Police Department, Vice Section

S. UNDERWOOD, Detective, Las Vegas Metropolitan Police Department, Vice Section

STEVE WOLFSON, Councilman

RICKI Y. BARLOW, Councilman

STEVEN D. ROSS, Councilman

1 hour and 14 minutes

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MAYOR GOODMAN

Okay, Item 55. This is a hearing, discussion and possible action regarding complaint seeking disciplinary action against Ran Oriental Therapys LLC, doing business as Oriental Angels Massage and Jin li Ran, at 2600 West Sahara Avenue, Suite 115, Las Vegas, Clark County, Nevada, for violations of the Las Vegas Municipal Code. And this is in Ward 1. Yes, Sir. Mr. Byrnes.

PHILIP BYRNES

Good morning, Your Honor, Philip Byrnes, Deputy City Attorney.

MAYOR GOODMAN

All right. And is the licensee present?

CONRAD CLAUS

Yes, Your Honor. Jin Li Ran is right here. My names Conrad Claus, for the record. I represent her and also Oriental Angels.

MAYOR GOODMAN

Very good. Thank you.

BRAD JERBIC

Your Honor, if I could, before the hearing begins, Mr. Byrnes will be presenting on behalf of the City. Ill be acting as Board counsel. Mr. Byrnes intends today to call a number of undercover vice officers with the Las Vegas Metropolitan Police Department. Weve discussed this with Mr. Riggleman, and the Channel 2 people will not be showing their faces. I know that there may be private media here today for one of the local networks, or one of the local television stations. If they intend to videotape any of the officers, we just ask that they, if preferably, dont show them at all. If theyre going to, if by the time the piece airs, that they digitize their faces and any part of their body and their voices. Some of them are undercover at this time and we dont wanna compromise their investigations.

MAYOR GOODMAN

Okay. Well, you made the request, and its gonna be up to them to determine whether or not they wanna adhere to your request.

CONRAD CLAUS

And, Your Honor, we, my client, actually makes a similar request

MAYOR GOODMAN

Well, you can stipulate to it. Thats fine with me. Ill accept the stipulation, and there wont be any photographs, which will depict the undercover officers.

CONRAD CLAUS

Well I, my client, as well, does not wanna be pictured. So

MAYOR GOODMAN

I dont know whether, thats a new one on me.

CONRAD CLAUS

Shes finding this an embarrassing proceeding.

MAYOR GOODMAN

And I appreciate that. I dont see any reason why she has to be depicted.

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CONRAD CLAUS

We certainly have no problem with the undercover officers not being on camera.

MAYOR GOODMAN

I have no problem with that. This is not for purposes of embarrassment.

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CONRAD CLAUS

Yes, Your Honor. Thank you.

MAYOR GOODMAN

Okay. Yes, Mr. Byrnes.

PHILIP BYRNES

Thank you, Your Honor. Before we begin, I have a set of exhibits Id like to submit for

MAYOR GOODMAN

Wait a second, I cant hear, whats happening. Speak up, please.

PHILIP BYRNES

Before we begin, I have a set of exhibits Id like to present to the Clerk.

MAYOR GOODMAN

Okay.

PHILIP BYRNES

Ive already provided a copy to Mr. Claus, and I provided copies to each member of the Council this morning.

MAYOR GOODMAN

All right. Well receive that.

CONRAD CLAUS

Your Honor, if I can just add some of the preface, I just got that this morning. Now, I did because we were in the process of some negotiations. We actually thought this was negotiated up till about 4:50 or so last night. So, thats why I didnt get this till this morning, but I may be a bit clumsy on answering some of the material here. I just went over it a few minutes ago. And certainly at some point, Im gonna be making a plea to the Council to, basically, go forward with that negotiation, with a small change.

MAYOR GOODMAN

All right.

COUNCILMAN REESE

If were gonna have a

COUNCILWOMAN TARKANIAN

Except, Mr. Mayor

COUNCILMAN REESE

chance of a hearing, they need to do that right now.

MAYOR GOODMAN

Okay. The Mayor Pro Tem makes a very good point. If this case can be resolved before we go through the hearing, lets resolve it. Im gonna give you five minutes to resolve it, because I know that this has been an on-going discussion. If you can resolve it, well resolve it; otherwise, were going forward with the hearing.

CONRAD CLAUS

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I think I misspoke. What happened was, we had an agreement that the license would be turned over and the business would only have a temporary for 30 days. My client came to the conclusion of talking to some professionals that she needed 45 days to remain open. And I think that's where the City and I have a disagreement.

MAYOR GOODMAN

I really don't care, to be quite frank with you, Sir. I

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CONRAD CLAUS

Right.

MAYOR GOODMAN

Thats between the parties. If you can work it out, great; if you cant, were going forward with the hearing. If you need five minutes, tell me, if you dont

PHILIP BYRNES

Weve already discussed this, Your Honor, so I dont think five minutes would be productive.

MAYOR GOODMAN

Fair enough. Lets go forward with the hearing.

PHILIP BYRNES

Okay. Your Honor, this is a disciplinary complaint against Ran Oriental Therapys LLC, dba Oriental Angels Massage. The evidence will show that this operation has acted in an illegal manner over the last two and a half years. The evidence will show that there have been five prostitution arrests since January 2008. One arrest resulted in a conviction for obscene massage. Another arrest resulted in a conviction for solicitation of prostitution. Three charges are currently pending. We have vice officers present who were arresting officers at each of those incidents who will provide the factual basis to show that prostitution activities were occurring on the premises of Rans (sic) Oriental Therapys LLC. I believe the evidence will show that this op, this business has been operating in contrary to the law. Prostitution is a normal activity on the premises and it warrants the revocation of the license and also the imposition of a substantial fine.

MAYOR GOODMAN

All right. Thank you. Would you like to make an opening statement?

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CONRAD CLAUS

Briefly, Your Honor. As I said, I didnt see some of these police reports. But, in looking at the complaint itself, we have a series of arrests with convictions and a series of arrests without, at this point. With regard to, however, with regard to every single arrest, with or without conviction thats listed here, my client fired each of those people involved. Were gonna have evidence thats going to show that she engaged in prospective matters to there was not a prostitution activity. To wit, she made all of her employees sign a contract. The contract provided for that they deposited \$2,000 with her, and that they were arrested on prostitution activity, and was borne out by the (inaudible) or not, that they would forfeit that \$2,000 and be fired. Of all of the cases here and all of the arrests here, there was only one wherein she kept them on after the arrest itself, not even waiting for a conviction in that one. The second time they had an arrest, she ended up firing that person.

The evidence is also going to show that, with regard to the other allegations, that is, the employing of a massage therapist without a license, that actually fed under the OMD, Oriental Medicine Doctor License, and they didnt have to be licensed. At a, were gonna have, a vice detectives gonna come in and talk about, presumably, talk about the fact that he talked to women who did not speak English very well, and that had a conversation with them with regard to the activities they were engaged in. They were dressed in white jackets commensurate with somebody that would be working as an assistant. And as I said, the code calls for that. In that sense, Your Honor, I, and I think youre got all that evidence in front of you, at this point.

MAYOR GOODMAN

All right. Thank you very much. Call your first witness, please.

PHILIP BYRNES

Well call Carol Meyer.

MAYOR GOODMAN

Ms. Meyer, do you swear to tell the whole truth and nothing but the truth, so help you God?

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CAROL MEYER

I do.

MAYOR GOODMAN

All right.

PHILIP BYRNES

Ms. Meyer, where are you employed?

CAROL MEYER

Im employed as a Business Services Supervisor with the City of Las Vegas.

CAROL MEYER

And are you familiar with the business known as Ran Oriental Therapys LLC?

CAROL MEYER

Yes, I am.

PHILIP BYRNES

And is that business licensed by the City of Las Vegas?

CAROL MEYER

Yes, it is.

PHILIP BYRNES

And what category is it licensed under?

CAROL MEYER

A massage establishment license.

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PHILIP BYRNES

Okay. That's all I have of Ms. Meyer, Your Honor.

MAYOR GOODMAN

Very good. Are there any questions on cross examination?

CONRAD CLAUS

When was the business license?

CAROL MEYER

The business license was issued on December 13th, 2001.

CONRAD CLAUS

Thank you.

MAYOR GOODMAN

Okay. Any redirect? Any redirect?

CONRAD CLAUS

No, Your Honor.

MAYOR GOODMAN

All right. Next witness, please.

PHILIP BYRNES

My next witness would be Detective Bressler. At this point, I think

MAYOR GOODMAN

Here comes the gentleman.

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PHILIP BYRNES

Your Honor, at this point, the, we'd ask that the cameras not focus on the detective.

MAYOR GOODMAN

Okay, I think they have their instructions. Officer, do you swear to tell the whole truth and nothing but the truth, so help you God?

J. BRESSLER

I do.

MAYOR GOODMAN

Very good.

PHILIP BYRNES

Would you state your name?

J. BRESSLER

Detective J. Bressler, Metropolitan Police Department, Vice Section.

PHILIP BYRNES

On September 22nd, 2009, were you present at the premises of, O, oh, excuse me, July 27th, 2009, were you present at the premises of Oriental Angels Massage?

J. BRESSLER

Yes, I was.

PHILIP BYRNES

And what was your capacity there?

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J. BRESSLER

Conducting an in-call investigation at massage establishment as part of my duties as a vice detective.

PHILIP BYRNES

Were you working in undercover capacity at the time?

J. BRESSLER

Yes, I was.

PHILIP BYRNES

Did you enter the premises?

J. BRESSLER

I did.

PHILIP BYRNES

Did you contact any persons on the premises?

MAYOR GOODMAN

Excuse me, youre gonna have to speak up, because some of the Councilmembers are unable to hear it.

PHILIP BYRNES

Okay.

J. BRESSLER

Yeah, upon entering the business, I was greeted by employee, Mei Wan Kong, who was also my massage therapist while I was inside.

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PHILIP BYRNES

Did you negotiate to have a massage performed on you?

J. BRESSLER

I did.

PHILIP BYRNES

And where, were you taken to a private room?

J. BRESSLER

Yes, I was.

PHILIP BYRNES

And, did you receive any instructions from the, Ms. Kong?

J. BRESSLER

Upon being taken to the room, I was instructed to disrobe and lay down, face down on a massage table.

PHILIP BYRNES

Okay. Did she perform a massage on you?

J. BRESSLER

She did.

PHILIP BYRNES

In the course of the massage, did you have any conversations with her?

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J. BRESSLER

I had conversation throughout the entire massage, all in English, which was understood and clearly spoken by both parties.

PHILIP BYRNES

Its, at a point in the massage, did she instruct you to roll over?

J. BRESSLER

Yes, she did.

PHILIP BYRNES

What happened then?

J. BRESSLER

Well, she massaged my face and chest area, and at the completion of the massage, asked me if I wanted her, if she, I wanted her to, quote, finish me.

PHILIP BYRNES

Did she anything else?

J. BRESSLER

Yeah, I clarified with her what finish me meant by saying big finish and making a hand gesture to simulate masturbation.

PHILIP BYRNES

Did she touch your genitals at any time?

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J. BRESSLER

Yes, she touched my genitals over the towel that I was wearing in order to indicate where she would finish me and before leaving the room, also, had reached under the towel and touched my genitals.

PHILIP BYRNES

Okay. Did she suggest a price for the after masturbation?

J. BRESSLER

Yes. She told me itd be \$50.

PHILIP BYRNES

Did you then place her under arrest?

J. BRESSLER

Yes, I did.

PHILIP BYRNES

Thats all I have, Your Honor.

MAYOR GOODMAN

Cross examination?

CONRAD CLAUS

Detective, whos your direct supervisor?

MAYOR GOODMAN

I couldnt hear you, Sir.

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CONRAD CLAUS

Im Sorry. Detective, whos your direct supervisor?

J. BRESSLER

Currently, my supervisor is Sergeant Charlie Peck.

CONRAD CLAUS

How long have you worked under Charlie Peck?

J. BRESSLER

Approximately six months.

CONRAD CLAUS

How did you arrive at the decision to visit this location?

J. BRESSLER

I received a

MAYOR GOODMAN

All right. Everybodys gonna have to speak up.

CONRAD CLAUS

I apologize

MAYOR GOODMAN

The Councils having a great deal of difficulty hear, hearing.

CONRAD CLAUS

Very good.

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MAYOR GOODMAN

Is there any way we could turn up the mikes or is this a

CONRAD CLAUS

I just might be a little bit too tall to be

MAYOR GOODMAN

If we can, I'd like to, because they are having a difficulty. Each one is telling me that they're having a hard time hearing everybody. So, let's speak up, please.

CONRAD CLAUS

I apologize to the Council, and I'll speak down into the mike.

MAYOR GOODMAN

All right.

CONRAD CLAUS

Detective, how did you arrive at the decision to visit that particular location?

JASON BRESSLER

We received a complaint, a citizen complaint on the business next door, which is a reflexology business. At the time we arrived there, it was closed. Oriental Angels was open at the time we made the decision to go ahead and conduct an in-call investigation at the open business.

CONRAD CLAUS

Whos we?

JASON BRESSLER

The vice detail or squad that I was working with.

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CONRAD CLAUS

Who participated in this decision other than you?

JASON BRESSLER

The Sergeant.

CONRAD CLAUS

At any point did you see my client at the location?

JASON BRESSLER

Your client being the lady behind you?

CONRAD CLAUS

Yes.

JASON BRESSLER

I dont remember.

CONRAD CLAUS

Okay.

JIN LI RAN

(Inaudible).

CONRAD CLAUS

I understand. Did you have a discussion with anybody other than the subject that gave you the massage?

JASON BRESSLER

No.

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CONRAD CLAUS

Okay. Nothing further.

MAYOR GOODMAN

All right. Any redirect?

PHILIP BYRNES

No, Your Honor.

MAYOR GOODMAN

All right. Next witness, please.

PHILIP BYRNES

My next witness is Detective Saldana.

MAYOR GOODMAN

Detective, do you swear to tell the whole truth and nothing but the truth so help you God.

GERALD SALDANA

I do.

MAYOR GOODMAN

Okay.

PHILIP BYRNES

Would you state your name?

GERALD SALDANA

Detective Saldana. Im with the Las Vegas Metropolitan Police Department. Ive been with the department for approximately 22 years.

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PHILIP BYRNES

Are you currently assigned to the Vice Detail?

GERALD SALDANA

I've been assigned to the vice narcotics section for approximately 12 years.

PHILIP BYRNES

On October 21st, 2009, were you present at the premises of Oriental Angels Massage?

GERALD SALDANA

Yes, I was.

PHILIP BYRNES

Were you there in an undercover capacity?

GERALD SALDANA

Yes, I was.

PHILIP BYRNES

Did you enter the premises?

GERALD SALDANA

Yes, I did.

PHILIP BYRNES

Did you speak to anyone?

GERALD SALDANA

Yes. I spoke to the person who ultimately gave me the massage.

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PHILIP BYRNES

Did you later identify that person as Xue Fu.

GERALD SALDANA

Yes, I did.

PHILIP BYRNES

And could you describe your conversation with Ms. Fu?

GERALD SALDANA

Immediately, Ms. Fu had represented herself as a employee or a representative of the facility, as she asked me what I wanted, as far as a half-hour massage or a hour massage. She pointed to the wall and told me they started at \$50 to \$70. So, I asked if I could negotiate the hour as opposed to \$70 to \$50 since it was so slow, and she said no, that the monies go to the business and that she works off of her tips, so she couldnt negotiate that.

PHILIP BYRNES

Did you agree to purchase an hour massage?

GERALD SALDANA

I agreed to the massage, yes.

PHILIP BYRNES

Did you go to a private room with Ms. Fu?

GERALD SALDANA

Ms. Fu directed me to a room in the back, room number three.

PHILIP BYRNES

Were you instructed to disrobe?

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GERALD SALDANA

I was instructed to disrobe, which I did so, keeping on my boxer briefs. She also told me then to lay on the table, and she left to get my change, and then returned.

PHILIP BYRNES

Did she instruct you to remove your underwear?

GERALD SALDANA

When she returned with my change, she put it on the chair, and, to my shock, she asked me to remove my boxer briefs, and lay face down on the massage table, after she rearranged the sheets that I tried to conceal myself with. And I asked her if I could have a towel at least, and she said okay, and returned back with a towel.

MAYOR GOODMAN

Speak up, Sir. Please speak up.

PHILIP BYRNES

Did Ms. Fu then perform a massage on you?

GERALD SALDANA

Yes, Ms. Fu then started to put oil in her hands, and she stood to the front of the massage table and leaned over across, from my head toward my feet, and started to massage me with the oil in her hands, and then she kind of like went underneath the towel that at that moment had been concealing me, but pulled it off.

PHILIP BYRNES

Did you have conversations with Ms. Fu during the course of the massage?

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GERALD SALDANA

Ms. Fu asked me where I was from and I told her where I was from, why I was in town. She asked me if I was gambling. I told her that I was. I tried to get a girl to massage me, one of the services at the casino, but nobody would go to casinos any longer, was her response, that there was too much trouble. I asked her what kind of trouble, and she didnt go further into it, that it was too much trouble. From that point, we continued to speak, and she continued to massage me.

PHILIP BYRNES

Did she appear to understand the English language?

GERALD SALDANA

Since she was conducting the interview, yes; I thought she spoke English real well.

PHILIP BYRNES

During the course of the conversation, did you discuss the performance of any sexual acts?

GERALD SALDANA

Yes. She said that for extra money that shed give me a, I Id be very, very happy. I asked her what that meant. She said trust her. I said, well, how much is this trust gonna cost me? And she said that her tips start from \$60, and I had said that I already spent \$70, I didnt want to spend more than a hundred at this in total. Can I get, you know, something for \$30? She said, at that point, that I was cheap, and she started laughing and she wanted a hundred dollars. I said, there is no way that Im going to give you a hundred dollars for a blowjob. She said to be quiet, dont say anything, as she shushed me and put her fingers to my lips and to hers that she couldnt talk like that in there. At that time, she then asked me some more questions, and I told her, through the negotiations, that the most that I would give her would be \$60 but that was as much as I would get. And she shook her head up and down in the affirmative and said that that was okay. I wanted to clarify what I was getting, and, apparently, it was going to be a hand masturbation for the \$60 fee.

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PHILIP BYRNES

She informed you she would perform the hand masturbation for \$60?

GERALD SALDANA

Yes, she did. And she went further. After she concluded with her massage, she told me to flip over. I tried to conceal myself again with, the towel, not too successful. She grabbed the towel, pulled it away from me. I used my hands to conceal myself and portrayed as though I was going to make myself turgid so she could finish the job. She was trying to aggressively get into me, so I asked her if I could at least get a condom or something, because, as I suggested, my hand up and down, that once I was fully excited and ejaculated, I would get it all over. I asked her for a condom. She said, no condom, and she reached around, picked up some tissues from the tissue box and handed those to me instead. And I confirmed, you want me to catch it in this tissue? And she had confirmed that that's what she wanted me to do. And then she came at me again and wanted to get to my genitals. I had already called for the arresting officers to come in and stop the action, so that she would not continue to get on me. I did as best I could, and finally, someone had arrived. She excused herself, said she would be back to finish the job, and that was when I had heard that the detectives had made entry, identified themselves as vice detectives. The action was stopped, and I was able to identify myself as the vice detective.

PHILIP BYRNES

Did you have any conversations with Ms. Fu after the arrest?

GERALD SALDANA

She said I was a nasty man, and I asked her why was it that she was acting in that manner, where she had me disrobe fully and was massaging me and then negotiated the price for this act of prostitution, and then handed me towels, tissues as opposed to a condom, and she had no response to those actions that she had. I gave her as much opportunity as possible.

PHILIP BYRNES

That's all I have for now, Your Honor.

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MAYOR GOODMAN

All right. Cross examination.

CONRAD CLAUS

Thank you. Detective, was anybody else in the establishment when you went in?

GERALD SALDANA

I dont recall.

CONRAD CLAUS

Did, how did you arrive at the decision to visit that location?

GERALD SALDANA

I was told to by a supervisor.

CONRAD CLAUS

Which supervisor?

GERALD SALDANA

Sergeant Signorella.

CONRAD CLAUS

In that regard, was there anybody else in the room when you were having a massage other than you and Ms. Fu?

GERALD SALDANA

No, it was just, she and I.

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CONRAD CLAUS

And, you tried, at one point, you said, to explicate, to explain what was, what you expected her to do, the manual masturbation, and she shushed you and said she couldn't talk like that in there?

GERALD SALDANA

Correct.

CONRAD CLAUS

Okay. Did she seem concerned that somebody might overhear her?

GERALD SALDANA

No.

CONRAD CLAUS

Why couldn't she talk like that then?

GERALD SALDANA

I could come to some kind of a guess

CONRAD CLAUS

You don't know though?

GERALD SALDANA

You'd have to ask her, I guess.

CONRAD CLAUS

Okay. In that regard, you, at some point, during this process, you summoned the other detectives. They came in and Ms. Fu left; correct? She left the room?

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GERALD SALDANA

She had heard someone at the front door.

CONRAD CLAUS

Okay.

GERALD SALDANA

And she had to excuse herself. So, I had assumed shes (sic) the only one there at the time to handle the business, since she was the agent or the employee in charge of the premise (sic).

CONRAD CLAUS

Were guessing now, but its potentially likely that she was going out because the owner had come to the front door; is that correct?

GERALD SALDANA

Again, if you want me to speculate, I could do all that.

CONRAD CLAUS

But itd be a speculation as to why she went out?

GERALD SALDANA

Yes.

CONRAD CLAUS

Okay. You have been at Oriental Angels more than once, correct?

GERALD SALDANA

Its possible. I go to quite a few.

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CONRAD CLAUS

Indeed you got a message from my client, the owner of the business, at some point, during this process, a few months ago; correct?

GERALD SALDANA

A few months ago? Oh, no, that's not correct. That wasn't me.

CONRAD CLAUS

Okay. You don't know whether you've been there more than once?

GERALD SALDANA

I've been in the vice section for 12 years. I've done a number of these investigations. It's very possible that I could have been there several years ago.

CONRAD CLAUS

Why do you know it wasn't a month ago, sometime during this year?

GERALD SALDANA

Because I know I wasn't in there, otherwise there'd be an arrest report or some kind of contact or officer's report.

CONRAD CLAUS

What if there was no reason to make an officer's report? What if there was no arrest

GERALD SALDANA

Then there'd be probably an event number that would be associated with me going to the property.

CONRAD CLAUS

Okay. And, how can you say that there isn't such an event number?

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GERALD SALDANA

Cause you havent been able to provide me with anyone (sic).

CONRAD CLAUS

So what youre, is because Im not giving you an event number, you, youre saying that this

GERALD SALDANA

I dont recall one. You cant provide one. I believe that there isnt one, within the last two months.

CONRAD CLAUS

Okay. What about this year?

GERALD SALDANA

Or this year.

CONRAD CLAUS

Yeah. Okay. Are you Im sorry. Is Council still having trouble hearing me?

MAYOR GOODMAN

Yes, we are. Were having trouble hearing everybody.

COUNCILMAN REESE

(Inaudible) speak into this way, instead of to us. You want to speak in the mike, speak into it this way.

CONRAD CLAUS

I apologize.

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COUNCILMAN REESE

Why dont you use that one for a minute.

CONRAD CLAUS

If I can, certainly. And theres nothing about Oriental Angels, in particular, other than this particular arrest that you remember? Its not unusual in any way? You said youve been to many of these establishments?

GERALD SALDANA

Yes, I have.

CONRAD CLAUS

Okay.

GERALD SALDANA

Whats your question?

CONRAD CLAUS

Is there anything, in terms of the number of arrests or the focus on this business, theres nothing unusual?

GERALD SALDANA

Its just a job for me. They tell me to go someplace, thats where I go.

CONRAD CLAUS

Okay. Nothing further.

MAYOR GOODMAN

All right. Any redirect?

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PHILIP BYRNES

Yes. May I?

CONRAD CLAUS

Certainly.

PHILIP BYRNES

Officer Saldana, when Ms. Fu shushed you, was she discussing the provision of an act of oral sex or masturbation?

GERALD SALDANA

The discussion was both in reference to oral sex as well as the hand masturbation.

PHILIP BYRNES

Thats all I have, Your Honor. Thank you.

MAYOR GOODMAN

Okay. Youre excused, Sir. How many more incidents do you intend to present?

PHILIP BYRNES

One, Your Honor.

MAYOR GOODMAN

Okay, lets move it on.

PHILIP BYRNES

My last witness is detective Underwood.

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MAYOR GOODMAN

All right. Detective Underwood. Detective, do you swear to tell the whole truth and nothing but the truth, so help you God?

S. UNDERWOOD

Yes, Your Honor.

MAYOR GOODMAN

All right, very good.

PHILIP BYRNES

Would you state your name?

S. UNDERWOOD

Detective S. Underwood.

PHILIP BYRNES

Are you employed by the Las Vegas Metropolitan Police Department?

S. UNDERWOOD

Yes, I am.

PHILIP BYRNES

And which detail do you work for?

S. UNDERWOOD

Im currently assigned to the Vice Detail.

PHILIP BYRNES

On February 19, 2010, were you present at the premises of Oriental Angels Massage?

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S. UNDERWOOD

That, I was.

PHILIP BYRNES

Did you enter the premises?

S. UNDERWOOD

Yes, I did.

PHILIP BYRNES

Were you in an undercover capacity?

S. UNDERWOOD

Yes, I was working in an undercover capacity.

PHILIP BYRNES

Did you speak to a female employee at the premises?

S. UNDERWOOD

Yes, I did.

PHILIP BYRNES

Did you discuss the provision of a massage?

S. UNDERWOOD

Yes. When I, entered Oriental Massage Parlor (sic), I spoke with a (sic) unknown Asian female who asked me if I would like a half hour or an hour long massage, and I took the half hour long massage and at, she charged me \$50 for it.

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PHILIP BYRNES

Did you proceed to a private room?

S. UNDERWOOD

Yes. She escorted me back to a private room after I paid the \$50.

PHILIP BYRNES

Were you instructed to disrobe?

S. UNDERWOOD

Yes, I was.

PHILIP BYRNES

Did you have any conversations with Ms. Fu?

S. UNDERWOOD

Ms. Fu came in secondary, after the first unknown Asian female led me to the room and instructed me to withdraw, withrobe (sic), then Ms. Fu came in afterwards, who gave me my massage.

PHILIP BYRNES

And did Ms. Fu perform a massage on you?

S. UNDERWOOD

Yes, she did.

PHILIP BYRNES

Did you have conversations with her in the course of the massage?

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S. UNDERWOOD

Throughout the whole cover massage we had casual conversation, yes, and even during the massage, she even asked if I was a police officer.

PHILIP BYRNES

Did she appear to understand the English language?

S. UNDERWOOD

Yes, she did.

PHILIP BYRNES

Did you discuss the provision of any sexual activities?

S. UNDERWOOD

Yes. At, towards the end of the massage, she grabbed my left hand and held onto my left hand to start circling around my stomach and groin area, at which time she asked me if everything was all right. Then I asked if I can get anything extra. She then said yes. I then asked for oral sex, at which time she says she does not do that. Then I asked if I can get manual hand masturbation from her, at which time she agreed to that.

PHILIP BYRNES

Did you discuss the payment of any money for that service?

S. UNDERWOOD

Yes. From the first time, when I first came in and paid with a hundred dollars, the first unknown female came and set my change down next to a table where I was laying on, which was two 20s and a 10. And, while Ms. Fu, if I said her name correctly, and myself were in conversation, she gestured over to the chair where my change was laying, at which I made sure of it, and I said, for the \$50 change, at that time she agreed to the \$50 change for the hand masturbation.

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PHILIP BYRNES

Was Ms. Fu then placed under arrest?

S. UNDERWOOD

Yes. She was placed under arrest after that.

PHILIP BYRNES

Thats all I have, Your Honor.

MAYOR GOODMAN

Okay. Cross examination, Sir.

CONRAD CLAUS

Detective, how did you arrive at the decision to visit the Oriental Angels location?

S. UNDERWOOD

From my memory, it was just a random pick of a (sic) Asian massage parlor.

CONRAD CLAUS

You report notes that there was somebody else there; do you remember who the other Asian female was in the business?

S. UNDERWOOD

No, I do not.

CONRAD CLAUS

Was there anybody else, other, well, your report indicates that you discussed the upfront fee with the first unidentified Asian female, and then it was tips, where, back in the massage room; is that correct?

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S. UNDERWOOD

Tips was never brought up, no. But the -- \$50 I originally paid was with the unknown female Asian, female, originally.

CONRAD CLAUS

Was there anybody else there with Ms. Fu when you disc, when you and her discussed the act of prostitution?

S. UNDERWOOD

No, it was just her and myself.

CONRAD CLAUS

Have you ever been to Oriental Angels before or since?

S. UNDERWOOD

No, I have not.

CONRAD CLAUS

Nothing further.

MAYOR GOODMAN

All right. Any redirect?

PHILIP BYRNES

No, Your Honor.

MAYOR GOODMAN

All right. You're excused, Officer. Thank you.

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PHILIP BYRNES

Thats all the witnesses the City had, Your Honor.

MAYOR GOODMAN

Very good. Defense, you have any witnesses?

CONRAD CLAUS

Ill have to call my client, Jin Li Ran.

MAYOR GOODMAN

All right. Ms. Ran

JIN LI RAN

Hi.

MAYOR GOODMAN

do you swear to tell the whole truth and nothing but the truth, so help you God?

JIN LI RAN

I, what can I say. I have this business

CONRAD CLAUS

Do you swear to tell the truth?

JIN LI RAN

Yeah. (Inaudible).

MAYOR GOODMAN

Now, maam, do you understand English?

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JIN LI RAN

Yeah, I understand to tell the truth.

MAYOR GOODMAN

Do you swear to tell the truth?

JIN LI RAN

Oh, yeah, I swear to tell the truth.

MAYOR GOODMAN

All right. Fair enough. Go ahead.

CONRAD CLAUS

Now first, do you have an Oriental medicine, doctors license?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

With regard to your business, that is Oriental Angels, do you make your employees sign a contract when they begin work there?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

Does the contract prohibit prostitution or other illegal activities?

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JIN LI RAN

Yes. I, oh, (inaudible)

MAYOR GOODMAN

Ms. Ran, you have to speak up.

JIN LI RAN

Okay.

MAYOR GOODMAN

We have to hear what you have to say.

JIN LI RAN

Yes, I do sign contract with each service.

CONRAD CLAUS

Tell us about it.

JIN LI RAN

Most, I, mostly no sex activity and dress for the City Code. And most just no illegal activity in the room. We dont need, that kind of service. And now we just wanna really professional Chinese massage. And if, on each one, I hold, they pay me \$2,000 for hold. When they leave, they do not do any problem, they dont have any sex activity, I will give the money back. If I find out, I will penalty them and I will give them (sic) this deposit. So many, yes, mostly service really work very well. They really dont do something, but I hire and fire over, I think over 100 people because interview they dont like me because I have contract, other people dont like. And some they dont want to work for me, and the some work for me, I find out, I just fire them, you know.

And, so, I really, really (inaudible) my business. I just want then people to know whats oriental massage, you know, oriental massage, just like a healing art, have people release their pain and they reduce some stress, make them more healthy. Thats why so many years I try very hard.

CONRAD CLAUS

Okay. The contract thats for the record, with regard to our answer, thats Exhibit B; right? (inaudible) Thats what were looking at right here?

JIN LI RAN

I forget my glasses.

MAYOR GOODMAN

Make sure everybody keeps their voices up.

JIN LI RAN

I forget my glasses, so some, I (inaudible)

CONRAD CLAUS

If it please Your Honor and the Council, its Exhibit B in our answer. She doesnt have her reading glasses, so she cant actually read from there.

MAYOR GOODMAN

All right.

CONRAD CLAUS

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Lets talk about, theres several allegations, and while we didnt have testimony with regard to all of them, with regard to the allegations, Mei Zhao, did she work for you?

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JIN LI RAN

Yes.

CONRAD CLAUS

Did you become aware that she was arrested for a charge of soliciting prostitution?

JIN LI RAN

She worked for me at Oriental Angels.

CONRAD CLAUS

Okay. Was she arrested for prostitution?

JIN LI RAN

Yeah.

CONRAD CLAUS

Do you know if she was convicted for prostitution?

JIN LI RAN

I , yes, I do because I saw the report, and they say that she want to take a detective, go to the hotel after massage, take to hotel, give some illegal activity because she know I dont allow to do something illegal in my place.

CONRAD CLAUS

Jin Li, what did you do when you found out about that?

JIN LI RAN

I fire her.

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CONRAD CLAUS

Did you give her \$2,000?

JIN LI RAN

No.

CONRAD CLAUS

Mei Wan Kong, did she work for you?

JIN LI RAN

Mei Wan Kong, yes.

CONRAD CLAUS

Okay. Did you learn that she was arrested for soliciting prostitution?

JIN LI RAN

Yes, I, yeah, yes, I do know.

CONRAD CLAUS

And what did you do when you learned that?

JIN LI RAN

I fire her.

CONRAD CLAUS

Okay. What about Wenjuan Li? Okay. You cant read it?

JIN LI RAN

Wenjuan Li.

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CONRAD CLAUS

Okay. This name.

JIN LI RAN

Okay.

MAYOR GOODMAN

You have to speak up.

JIN LI RAN

Okay.

CONRAD CLAUS

Im sorry. Im just directing her to the spot on the page.

MAYOR GOODMAN

Right, but

JIN LI RAN

Okay.

MAYOR GOODMAN

you gotta speak up.

JIN LI RAN

She work for me.

CONRAD CLAUS

Did you learn that she was arrested for soliciting prostitution?

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JIN LI RAN
Yeah, I know. She

CONRAD CLAUS
What did you do?

JIN LI RAN
I fire her.

CONRAD CLAUS
Ms. Fu, you heard testimony about, Ms. Fu; did she work for you?

JIN LI RAN
Yes, she too, before.

CONRAD CLAUS
Did you learn on October 21st of last year that she was arrested for prostitution?

JIN LI RAN
Yes, I do.

CONRAD CLAUS
Did you fire her?

JIN LI RAN
Yeah, I fire her.

CONRAD CLAUS
Did you fire her right away?

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JIN LI RAN

Yes, then I use her again, because

CONRAD CLAUS

You fired her and then rehired her?

JIN LI RAN

Yeah, because she come in to me crying, she said that she couldnt find some place. And then she said that she go some place, they force her do something, she said, and she come to and then she said she has, shes a single mother, she has a son, go to college, no money, she say give her chance.

CONRAD CLAUS

Did you give her a chance?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

Did you learn that she was arrested again?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

What did you do when you found out?

JIN LI RAN

I not, no use her again.

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CONRAD CLAUS

Did you arrest, did you fire her a second time?

JIN LI RAN

Yes, and I gave her \$2,000 back, because she said she dont have money.

CONRAD CLAUS

With regard to your Oriental Medicine Doctor license, did you employ as assistants, legal assistants, two people who were licensed massage therapists in California?

JIN LI RAN

Two people.

CONRAD CLAUS

Yeah. Look at the names, Mai Tieu and Sun Wai, Wee?

JIN LI RAN

(Inaudible).

CONRAD CLAUS

Did you have assistants when you worked as an OMD?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

Did you advertise as an OMD?

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JIN LI RAN

Yes, I do. Acupuncture, I do, Yellow Page (sic).

CONRAD CLAUS

Okay. You remember when they were arrested for being massage therapists?

JIN LI RAN

No, they do not get arrested.

CONRAD CLAUS

Well, they were cited. Excuse me, issued to you, remember when they were cited for having massage therapy, performing massage therapy?

JIN LI RAN

They, just, no, they do not get arrested, they get (inaudible).

MAYOR GOODMAN

You have to speak up, Maam.

JIN LI RAN

Okay.

MAYOR GOODMAN

Really

JIN LI RAN

Okay.

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MAYOR GOODMAN

and it cant be a conversation between you and your lawyer

JIN LI RAN

Okay.

MAYOR GOODMAN

it has to be addressed to the Council.

JIN LI RAN

(Inaudible) can you point the name? I cant see the name.

CONRAD CLAUS

Did you have two assistants when you were working as an Oriental Medicine Doctor?

JIN LI RAN

Yes , I do.

CONRAD CLAUS

Do you remember when those two had a complaint from the police?

JIN LI RAN

They come in, yeah, they, yes, they do, but they do not get arrested.

CONRAD CLAUS

Did you talk to the police afterwards?

JIN LI RAN

Yes, I do.

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CONRAD CLAUS

Okay, did they inform you that because you were advertising as a massage establishment that they needed to have massage licenses in Nevada?

JIN LI RAN

And I do, and I have acupuncture license there, and, according the City law, I have my acupuncture (inaudible), I dont need to hire people have a license, and they just (inaudible) You know, they just assisted me, assisting, because some patients they dont like pain. They dont like needle. They preferred without the pain, got to release their pain, so I have assistant for give them massage, because they dont like needles.

CONRAD CLAUS

Did you sit down and talk with the, talk with the City and the police about having assistants as an Oriental Medicine Doctor?

JIN LI RAN

Yeah, I do talk, and I have that code. I showed to them, but they said, youre not here, but I said, but they do not do anything, they just stay there, you know.

CONRAD CLAUS

Why did you plead guilty on that case?

JIN LI RAN

Because Bucky (sic), he said, the Bucky (sic), I forget his last name. Buck (sic)

MAYOR GOODMAN

Buchanan.

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JIN LI RAN

Okay, yeah, that time hes my attorney. He said, just pay fine, thats all, thats the case, over. He said you dont want to (inaudible) more because of the trail, he said for your sue, your appeal, (inaudible), come back he said, thats easy for this case closed (sic).

CONRAD CLAUS

Jin Li, are you, do you tolerate illegal behavior on the part of your employees?

JIN LI RAN

No.

CONRAD CLAUS

What do you do to make sure that doesnt happen?

JIN LI RAN

I try, before I talk to detective, I said, can I put the mirror on the window. They said no, you cant. And I, can I put some cameras, they said no, thats illegal. So, I try my best, and

CONRAD CLAUS

Who were you discussing that with, (inaudible)?

JIN LI RAN

Yeah.

CONRAD CLAUS

Okay. So you discussed with Metro the idea of putting mirrors or cameras in the room so that you could watch what was going on?

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JIN LI RAN

Yeah, they said that, thats illegal.

CONRAD CLAUS

How many times did you talk to the police about making sure that your employees werent breaking the law?

JIN LI RAN

Many times. I saw or a few times, I cant remember exactly a number.

CONRAD CLAUS

Do you tell your employees that theyre not supposed to break the law?

JIN LI RAN

Yes, I do.

CONRAD CLAUS

You perform massages yourself?

JIN LI RAN

Sometimes, because my place, not a lot of people want to work for me, because they dont like my contract. So, I cant hire the really good service, so sometimes, I just have one or two person (sic) work for me. Then sometimes theyre busy, like a weekend, so I perform the massage (inaudible) they are now busy. They are busy.

CONRAD CLAUS

Okay. So, have you ever been cited for prostitution or anything yourself?

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JIN LI RAN

No, and a lot of customer ask. I say, no, this is professional massage. They all ask. This Las Vegas, supposed to be legal. I say, no, this not illegal (sic).

CONRAD CLAUS

What about the Detective Saldana?

JIN LI RAN

I sought (sic), I did one time, because I can re, because if I do massage, people want something. I always say, no, and I never did. Most of time, they dont give me tip, and the only people want pro, profes, professional massage, and the only woman, you know, give me tip. I can remember him because he, keep ask this, this, this. I say no, professional massage. (Inaudible) I finish massage, at the lobby, I waiting for him, he give me 10 dollar tip, so Im surprised. I said, people, they ask this and, they said they never give tips, but he give (sic) me tips. Im so surprised, so I remember.

CONRAD CLAUS

How much do you charge or how much does, how much is a customer charged to get a massage?

JIN LI RAN

If for normal price, its 70 dollar for by hour (sic), and a half hour, half hour 50, but right now business slow. We do 50 dollar for by hour (sic); 35 for half hour.

CONRAD CLAUS

Whats, do you keep all of that or do your employees get any of that?

JIN LI RAN

I, my by hour, I get 40; half hour, I get 30.

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CONRAD CLAUS

So, how much does the employee get for, in that spot (inaudible)?

JIN LI RAN

They do get 30 dollar (sic) for by hour, 20 dollar (sic) for half hour.

CONRAD CLAUS

So, youre providing them with money, they dont need to work for tips or anything like that; is that correct?

JIN LI RAN

Yeah. They can, yeah, yes, they dont need.

CONRAD CLAUS

Nothing further.

MAYOR GOODMAN

All right. Is, any cross examination?

PHILIP BYRNES

Yes, Your Honor. Ms. Ran

JIN LI RAN

Yes.

PHILIP BYRNES

you testified that you make your employees sign a contract?

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JIN LI RAN

Uh, huh.

PHILIP BYRNES

And you attach a blank copy of this contract to the answer?

JIN LI RAN

I have a contr, I have a copy.

PHILIP BYRNES

The copy attached to your answer is not signed though, is it?

JIN LI RAN

Its signed.

CONRAD CLAUS

No, its not.

JIN LI RAN

This one. Oh, this the note, I just give you example. You know, I have in my folder (inaudible)
.

MAYOR GOODMAN

Once again

JIN LI RAN

Okay. I have in my office, I have photo, a copy of this signed, and the detective made she has one, she want, I faxed to her (inaudible). So, I faxed to her too, she has one too.

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PHILIP BYRNES

And you make all your employees sign this contract?

JIN LI RAN

Yes, I do.

PHILIP BYRNES

And you referred to a \$2,000 penalty, is that included in this contract?

JIN LI RAN

What did you ask me?

PHILIP BYRNES

You had made a statement that your employees put up \$2,000 that they forfeited if they're arrested for prostitution?

JIN LI RAN

That's just a penalty. I don't give them. But some I, actually, a lot of girl, I fire them, they say, please, give me money. I actually, I'm also give them, you know, I because just fire them. I give them back.

PHILIP BYRNES

I don't see any provision of the contract that refers to this \$2,000

MAYOR GOODMAN

Okay. Counsel, the document speaks for itself.

PHILIP BYRNES

Okay. All right. Thank you, Your Honor. You were aware that Ms. Fu was arrested for prostitution in October of last year; correct?

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JIN LI RAN

Yes.

PHILIP BYRNES

And you reemployed her, correct?

JIN LI RAN

I fire her, then she try (sic) to find a place. She come, because shes a really good massage therapist. I tried her, shes really good, but because age, and so, shes difficult. No, most place (sic) they want younger and skinny and short girl; shes big and tall. And she find, she try to find a lot of place (sic). She say, I cant stay, they asking me do this, they want I do this, and the most place I cant find. Most people not hire her. Only one place hire her, but they want, she do the sex, something, she say, I cant, so, please let me come back, because her son in the college.

PHILIP BYRNES

So, you rehired her?

JIN LI RAN

Yeah, I say I give you a chance. I sign contract (inaudible).

PHILIP BYRNES

And she was arrested again?

JIN LI RAN

Yeah, then I give her money back.

PHILIP BYRNES

And that was in February of 2010?

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JIN LI RAN

Uh, huh.

PHILIP BYRNES

And you posted bail for her, didnt you?

JIN LI RAN

Um, hum.

PHILIP BYRNES

You posted her bail for her?

JIN LI RAN

Yeah, I bail her out.

PHILIP BYRNES

Thats all I have, Your Honor.

MAYOR GOODMAN

All right. Any, redirect?

CONRAD CLAUS

You fired her after you bailed her out?

JIN LI RAN

Yeah. I bail her out, I fire her, and she gave me the money back, I bail the money, she gave to me back.

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CONRAD CLAUS

Okay. Nothing further.

MAYOR GOODMAN

Okay. Any other witnesses?

CONRAD CLAUS

No, Your Honor.

MAYOR GOODMAN

All right. Any rebuttal?

PHILIP BYRNES

I have one question. Excuse me. I have one question of Ms. Meyer.

MAYOR GOODMAN

(Inaudible) Well have Ms. Meyer come up. You're still under oath, Ms. Meyer.

PHILIP BYRNES

Ms. Meyer, does Ms. Ran have any license to operate an Oriental Medicine business at the premises of Oriental or Oriental Angels?

CAROL MEYER

No, she does not.

PHILIP BYRNES

Thank you. That's all, Your Honor.

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MAYOR GOODMAN

All right. Thank you. Do any of the Councilmembers have the need to ask a question?

JIN LI RAN

Can I

COUNCILMAN WOLFSON

Thank you. Mr. Byrne (sic), you signed the Complaint for Disciplinary Action, did you not?

PHILIP BYRNES

Yes, Your Honor. Yes.

COUNCILMAN WOLFSON

Please turn to Page 3, for my colleagues benefit, Tab 2, and Im asking Mr. Byrnes to look to Page 3 of the Complaint for Disciplinary Action. Are you there?

PHILIP BYRNES

Yes.

COUNCILMAN WOLFSON

Lines eight and nine.

PHILIP BYRNES

Yes.

COUNCILMAN WOLFSON

After each arrest, respondent Ran was notified of the arrest of her employee for soliciting prostitution and of the violation of City ordinances regarding massage establishments.

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PHILIP BYRNES

Thats correct.

COUNCILMAN WOLFSON

What evidence did you present to support that?

PHILIP BYRNES

That evidence is presented in the binder that I provided to the Clerk and to the Council. There are letters relating to each of the arrests and notifications mailed by Metro and Business License.

COUNCILMAN WOLFSON

Okay. So, these were letters from the City of Las Vegas?

PHILIP BYRNES

And/or Metro.

COUNCILMAN WOLFSON

And/or Metro to the lady standing before us notifying her that one of her massage therapists had been arrested and/or cited for criminal behavior?

PHILIP BYRNES

Thats correct.

COUNCILMAN WOLFSON

Okay. And did that happen as to each of the arrests or citations as testified by our detectives?

PHILIP BYRNES

Yes.

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COUNCILMAN WOLFSON

Okay. Secondly, and this is for your client, Mr. Claus, after each of her massage therapists was either cited or arrested, first of all, when after those actions did she learn of the citation of the arrest, within a day, a week, a month?

JIN LI RAN

Same day.

COUNCILMAN WOLFSON

Okay. And what action did you take after you were notified that these massage therapists had been cited or arrested for violating the law?

JIN LI RAN

After, I fire them right away.

COUNCILMAN WOLFSON

Within a couple of days?

JIN LI RAN

No, right away. Stopped them work, fired them.

COUNCILMAN WOLFSON

Okay. Thats all the questions I have.

MAYOR GOODMAN

Very good. Any other Councilmember have a question?

COUNCILMAN REESE

I got a comment, if I could. Lois, if I could, please?

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COUNCILWOMAN TARKANIAN

Oh, yeah.

COUNCILMAN REESE

Just one comment. You know, I understand, when you hire an employee, that you might sign a contract that there be no illegal actions going on at this location, but I also feel like that the owner or the manager is responsible. And so, if theres any illegal action going on there, then the owner, who is present here today, shes responsible for their actions. And they may put up \$2,000, she may keep the two, they may forfeit the \$2,000. And also when theyre convicted, she fires them. But its happened not just once. This happened a number of times, and so, I feel like that we, certainly, are in our rights in doing what were doing here today, having this hearing. And I just wanna make that point, that I feel like that she is responsible for those people whore working for her during these times. Thank you.

MAYOR GOODMAN

Councilwoman?

COUNCILWOMAN TARKANIAN

I had difficulty hearing at the beginning, so could I just ask the names of the women who were found soliciting prostitution and the dates that we had testimony for

PHILIP BYRNES

Yes.

COUNCILWOMAN TARKANIAN

today.

PHILIP BYRNES

The first arrest listed in the complaint was October, January 8th, 2008, and the partys name was Wenjuan Li.

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COUNCILWOMAN TARKANIAN

L-i?

PHILIP BYRNES

Last name L-i.

COUNCILWOMAN TARKANIAN

Uh, hum.

PHILIP BYRNES

The next, and that charge ended up in a conviction. The conviction record is in the packet given to you. The next arrest is December 24th, 2008, by Mei Zhao, Z-h-a-o, that also ended up in a conviction.

CONRAD CLAUS

Counsel, she was, she actually asked for those we have testimony towards, it and I think you keep on talking about arrests.

MAYOR GOODMAN

Thats correct.

PHILIP BYRNES

Okay. As to the testimony, on January 2nd, 2009, the arrest was Mei, M-i-e (sic) Kong, K-o-n-g. On October 21st, 2009, the arrest was Xue, Z, X-u-e, Fu, F-u. On October, February 19th, 2010, its again Xue, Fu, was arrested.

COUNCILWOMAN TARKANIAN

I ask this because we had additional backup information as to activities that had occurred at this establishment all the way back to 2006. None of those that were presented today, that I could hear, anyway, and is confirmed by, what about what happened in 2006? You know, where there were spatters on the wall and things like that? Im sorry, I didnt save that page, as I was reading through, I would have marked it.

MAYOR GOODMAN

Just so the records clear, Councilwoman, youre not suggesting there are any pictures of me in this establishment as well?

COUNCILWOMAN TARKANIAN

I was going to say, I thought there was a large one at the entrance, but I, Ill take that back.

MAYOR GOODMAN

Okay. Thank you.

PHILIP BYRNES

Im trying, there were

COUNCILWOMAN TARKANIAN

We had individuals who went in there in 2006, and this was when it first came to my attention about this establishment, and it seemed to me the evidence was very strong then. Is there anybody from Metro here that might remember?

BRAD JERBIC

Councilwoman, if I can interject?

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COUNCILWOMAN TARKANIAN

Probably someone else.

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BRAD JERBIC

If I can interject, as your Board counsel, because we have provided notice through the process of service of a complaint, I think that regardless of whether or not there was additional information, you are limited today to the record

COUNCILWOMAN TARKANIAN

Just to these.

BRAD JERBIC

and the allegations in the complaint itself. But anything beyond did not put Mr. Krause (sic), Claus on notice, and he would not be able to defend against.

COUNCILWOMAN TARKANIAN

Okay. Then, however, if Im making a decision today, certainly my decision can take into consideration the other information I received from there.

BRAD JERBIC

No.

COUNCILWOMAN TARKANIAN

within the neighborhood?

MAYOR GOODMAN

No.

COUNCILWOMAN TARKANIAN

Only on this?

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MAYOR GOODMAN

Yes.

BRAD JERBIC

No. You're limited to the allegations.

COUNCILWOMAN TARKANIAN

No wonder we have such trouble with these types of establishments. But, in any case, I refer you to Page 2, Tab 14, Page 2, the letter from Sheriff Gillespie. And I agree with Sheriff Gillespie, and I believe that that was the same thing that Councilman Reese was saying. He said he, Sheriff Gillespie, in the letter, notes disciplinary action, notes problems that have been there and his next to last paragraph says, be aware that you are responsible for all activities occurring at your licensed business. This letter is being delivered to you as a courtesy by the Metropolitan Police Department in order to inform you of the criminal activity mentioned above.

I will tell you that I agree with Councilman Reese; too many times, too many different people, too often for someone who has responsibility to run something. And my job, if anybody on my staff does anything wrong, it's my responsibility, and the same with running an establishment such as she is running, a massage parlor. I look at this, quite honestly, with great disgust. I really truly do.

This has operated a long time in this neighborhood. I guess I can't base any decision on what else has been told to me, but it has been a thorn in the side of the neighbors. You back up to a residential area. And there is a big problem with what's been happening here. And, based on everything that's here today, we have enough to establish that it's too often, too many different people and that the responsibility is, as Sheriff Gillespie said in his letter of June 16, 0-9, the responsibility of the person who's the owner and the manager. I feel very strongly about that. It's difficult. It's time to be able to prove these things. We've had a Metropolitan operation that obviously, has worked very hard on this, has collected a lot of information on this, and it all comes back to follow, the primary issue of, who is responsible? And the responsibility is the manager.

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MAYOR GOODMAN

All right. At this time, if you have the closing statements, Im gonna limit you each to three minutes. You dont have to use all three.

CONRAD CLAUS

Your Honor, before we do, I think there may have been some misleading information, and I didnt have time to cross examine the rebuttal witness, but I think if we bring her up here

MAYOR GOODMAN

With all due respect

CONRAD CLAUS

Well

MAYOR GOODMAN

it has to end somewhere.

CONRAD CLAUS

I understand, but

MAYOR GOODMAN

You wanna make an offer of proof.

CONRAD CLAUS

I will.

MAYOR GOODMAN

Go ahead.

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CONRAD CLAUS

She did have an OMD license. She doesn't have it now. She gave it up at that location. It was licensed at one time, according to my conversations with my client.

MAYOR GOODMAN

Very good. Okay. Mr. Byrne (sic).

PHILIP BYRNES

Your Honor, the Council has seen evidence of a continuing pattern of illegal activity at Oriental Angels. The numerous arrests for prostitution, convictions for obscene massage and a conviction for soliciting for prostitution, under Las Vegas Municipal Code 6.02., let me read the exact citation, 6.02.350, the licensee, Ms. Ran, is responsible for any illegal, any activities that take place on the premises. I think this is a clear, cut case. I would urge the Council to revoke the license of Oriental Angels and impose a substantial fine; I would suggest \$50,000.

MAYOR GOODMAN

How much?

PHILIP BYRNES

Fifty-thousand, Your Honor.

MAYOR GOODMAN

All right. Mr. Claus?

CONRAD CLAUS

Thank you.

MAYOR GOODMAN

Three-minute timer, please, Ms. Bridges.

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CONRAD CLAUS

Your Honor, and, Council people, I do agree with the proposition that the owner of a licensed business has to have responsibility; however, the responsibility is being exercised when an employee whos arrested, not convicted, but arrested, is being fired immediately thereafter. With regard to a business of this sort, what youre trying to encourage is people to display the sort of behavior that was displayed here. I dont know what sort of information Councilwoman had with regard to what this is backing up to or the sort of complaints, but what I can say is, you have evidence here today of three arrests and convictions over the course of seven years, or excuse me, nine years of being business, and, during that time, you have various steps, both proactive and reactive, to make sure this business complied with the law. We dont have a situation where somebody is sitting by and letting this happen, nor do we have a situation we often have in these establishments, where somebody is charging a cover charge of some fee upfront that they keep, and at the other end of the process expecting their employees to work off of the tips. So, I cant agree at all with the proposition that theres not responsibility being exercised here. And, unless youre gonna get rid of the business, as a category, any license with regard to massage establishments, I would think this is the sort of behavior you wanna encourage. And, indeed, my client has been, is working to get out of this business, because she cant make money, complying with the law. According to her, shes in the process of trying to sell it. And we tried to negotiate this already, tried to negotiate it for a fine, turning over the business license and having 45 days remaining in business, so she could find a new buyer for the business. And thats where we fell apart in negotiations, was, she, we started with 30 days, and she couldnt sell it in 30 days, she needed 45 days to get it through escrow. Doesnt wanna stay in this business, because all the efforts shes been making to stick to the code and do what you want her to be responsible, turns into a situation where there are, who are people are not, who are, you know, pulling the massage therapists out, making the money, pulling the customer. She cant even (inaudible) the customer (inaudible) cause shes complying with the law. Thank you.

MAYOR GOODMAN

Thank you. All right. Thank you.

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COUNCILWOMAN TARKANIAN

Mr. Mayor

COUNCILMAN BARLOW

Mayor Goodman?

COUNCILWOMAN TARKANIAN

could I say something, please? I just wanted to say that we weren't going over the full time that she's had her establishment opened, because we've had presented to us, in the past, things that happened in 2-0-0-6, which we can't consider today. So, the only things we were considering were the times of these arrests, which was two and a half years. If we go back further, we're going to find more arrests and more, other problems that were brought forward. But, I, had there are many massage (sic) places that have been established in that area, been there for a long time. We don't have one near there or any place else within that Ward that has had this type of trend in it, with so many in such a short period of time. This is two and half years we're talking about of these arrests.

CONRAD CLAUS

(Inaudible).

COUNCILWOMAN TARKANIAN

You're talking about six years. If you wanna go back to the six years, I'll be glad to meet with you anytime, if legally I can, to go over that.

CONRAD CLAUS

I, I'd love to.

COUNCILWOMAN TARKANIAN

He says I can't.

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CONRAD CLAUS

I mean, I think weve, all weve got is evidence of three arrests over a two-and-a half period of arrests and nine years of being in business with no other, with nothing else. So, thats the evidence

COUNCILWOMAN TARKANIAN

But you dont know the nothing else, you see.

CONRAD CLAUS

(Inaudible).

COUNCILWOMAN TARKANIAN

You dont know if there were any other investigations, if any other arrests

BRAD JERBIC

Councilwoman, I hate to interrupt you, but

COUNCILWOMAN TARKANIAN

I gotta shut up.

BRAD JERBIC

we have to keep the record really clear on this. The vote and deliberation by this Council is limited to the facts alleged in the complaint and the facts deduced by way of physical evidence, that is the book that Mr. Byrnes introduced at the beginning of the testimony, and the actual verbal testimony today. Anything beyond, if it is in the record, that the Council considered something or new something or intuited something is going to blemish the record and cause an argument on appeal. So, I need to make it clear that if you make a motion, either for or against revocation or something in-between, it has to be limited to the record before you.

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CONRAD CLAUS

And, with all due respect, I think we've already got that situation; we've got a due-process violation.

MAYOR GOODMAN

All right. Your records made.

COUNCILWOMAN TARKANIAN

I

MAYOR GOODMAN

Councilwoman, do you have a motion?

COUNCILWOMAN TARKANIAN

Yeah, I just want to say, I'm not talking about the past. I'm trying to say, however, it's just the two and a half years. You brought up that it covered all those years, and I'm saying we're only talking about the two and a half years of the rest, and that's what we can look at. That's all.

CONRAD CLAUS

Council, we have evidence that's been open for nine years and evidence of its three arrests in those nine years.

MAYOR GOODMAN

Okay. All the argu

COUNCILWOMAN TARKANIAN

Okay, I make the motion. **I move to revoke the license** and a \$50,000 fine.

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COUNCILMAN BARLOW

Mayor, before the motion, if you will, I do have a question.

MAYOR GOODMAN

Councilman.

COUNCILMAN BARLOW

For counsel, what are we basing the recommendation of \$50,000, on?

PHILIP BYRNES

The fine is discretionary with the Council.

COUNCILMAN BARLOW

So what, so where did we come up with the number? How did you just come up with \$50,000?

PHILIP BYRNES

Essentially, \$10,000 per, the record contains evidence of five arrests. There are two that are referenced by conviction. It was \$10,000 per violation.

COUNCILMAN BARLOW

Is that within code?

PHILIP BYRNES

I believe it is.

COUNCILMAN BARLOW

Or is that just a number we picked?

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PHILIP BYRNES

I believe that's within the power of the Council.

COUNCILMAN BARLOW

So, (inaudible) Brad, is that within the code or

BRAD JERBIC

If I could

MAYOR GOODMAN

Well, let me ask this question, though

COUNCILMAN BARLOW

is that something that we picked out of mid air?

MAYOR GOODMAN

Yeah,

COUNCILWOMAN TARKANIAN

And that's a good question.

MAYOR GOODMAN

with all due respect, can we fine her 50 million? You know, only 10 million for each arrest?

BRAD JERBIC

No, the, let me explain.

MAYOR GOODMAN

No, I mean, it has to be based on some rational basis.

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COUNCILMAN BARLOW

It has to be based on something.

BRAD JERBIC

There is . The

COUNCILWOMAN TARKANIAN

And I made under the assumption there is, so thats why it has to be based on something.

BRAD JERBIC

Right. The, if you go back in time, theres a number of ways the Council can look at this. If you find that theres been a pattern of activity that has been, even though you dont have to show every day, that began on January 8, 2008 and continued through 2010, you could fine a thousand dollars a day for every day you think they were in violation in-between. The, Mr. Byrnes recommendation, I think, is a number short of what that number would be if you calculated it out.

MAYOR GOODMAN

But theres no evidence to that,

COUNCILMAN BARLOW

Correct.

MAYOR GOODMAN

that this happened every day.

COUNCILMAN BARLOW

Thats correct.

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BRAD JERBIC

That is purely within the discretion of the Council. You, just said it

MAYOR GOODMAN

(Inaudible).

BRAD JERBIC

only happened on five days, and there was nothing in-between, I think that Mr. Byrnes argument before you today was that the reason this establish (sic) should be closed is because this isnt an isolated incident. Its a continuing pattern of conduct. If the Council wants to impose just a thousand dollars for each of the five incidents before you, and then another thousand dollars for each of the violations involving not having an establishment license, thats within your discretion. But I think Mr. Byrnes record has been made, and we can defend it.

COUNCILMAN BARLOW

Right.

BRAD JERBIC

Anything in-between is within your discretion.

COUNCILMAN BARLOW

Mayor, if you will; Brad, I understand what youre saying, however, once again, getting back to the basis, I mean, then what do we base it on, to basically select the 50,000? How did you, where did you start?

BRAD JERBIC

I think that in Mr. Byrnes case, hes starting with a fine that, I think, reflects, and I dont wanna speak for him cause hes the advocate today, and Im Board counsel.

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COUNCILMAN BARLOW

Well, I asked him

PHILIP BYRNES

Yeah, that thats

COUNCILMAN BARLOW

and he said he didnt know

PHILIP BYRNES

I believe that reflected, the pattern going on over a two-year period.

COUNCILMAN BARLOW

What pattern?

MAYOR GOODMAN

Well

PHILIP BYRNES

Repeated arrests for prostitution.

COUNCILWOMAN TARKANIAN

In the last two, two and half

COUNCILMAN BARLOW

Okay, well, Mayor, just so that you know, I Im uncomfortable with this number, this arbitrary number that has just been passed out here.

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MAYOR GOODMAN

And, Councilman, Im uncomfortable with it too, and I would ask the Councilwoman, to perhaps (inaudible) fine

COUNCILWOMAN TARKANIAN

And I understand that. I thought it was a good point. I think his question was excellent because when you give a recommendation, my, I agree with you on the basis that you have, the basis for that amount of money. So, if its not concrete, as to how much, then certainly it shouldnt be that high.

PHILIP BYRNES

The most conservative the Council could be were to say 1,000 for each violation of \$5,000.

COUNCILWOMAN TARKANIAN

Thats the most conservative?

MAYOR GOODMAN

Yes.

PHILIP BYRNES

Correct, a thousand for each violation.

COUNCILWOMAN TARKANIAN

Well, I think it should be more than a thousand for each violation. Id be disagreeing with my

MAYOR GOODMAN

Well, I think the law says that a thousand dollars per day.

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BRAD JERBIC

A thousand dollars per day for every day you find they're in violation. If I could just for a moment, you may recall, a couple of years ago, we had a case involving Crazy Horse II, where there were a number of incidences. There wasn't an incident each day, but there was a pattern of conduct that led to the conclusion of the authorities that it had been on-going criminal conduct for a period of time. That's the basis for Mr. Byrnes request for a \$50,000 fine. If you are uncomfortable and you don't believe a pattern has been shown, you're the judges in this case, and you can say, I don't believe I feel comfortable with that, but I do feel comfortable with the fact there are five distinct violations that may not in of themselves equal a pattern of conduct over a two-year period, and that would be a thousand dollar fine for each of those individual incidents.

COUNCILMAN WOLFSON

Your Honor.

BRAD JERBIC

That's totally within your discretion.

MAYOR GOODMAN

Councilman Wolfson.

COUNCILMAN WOLFSON

Thank you. Just real quickly, if we impose a fine, Mr. Jerbic, she's going to be out of business, assuming Councilwoman Tarkanian's motion is approved. What teeth do we have to collect this money? Let's say we impose a 50,000 or 5,000, what happens next?

BRAD JERBIC

Just like everything else, if she doesn't pay it, we'll take her to court and sue her to enforce the Council's order.

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CONRAD CLAUS

Im not sure you can. Its a corporation.

MAYOR GOODMAN

Okay. Lets not get involved in this kind of discussion.

CONRAD CLAUS

Your Honor, if I

MAYOR GOODMAN

Theres been a, no. Theres a motion.

COUNCILWOMAN TARKANIAN

Well, I Id like to repea, pull that motion back

MAYOR GOODMAN

Fine.

COUNCILWOMAN TARKANIAN

cause I thought it was based, quite honestly, on something that was precedent or something like that.

MAYOR GOODMAN

May I make this suggestion, Councilwoman

COUNCILWOMAN TARKANIAN

Yes.

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MAYOR GOODMAN

that the motion be in two parts. One, regarding the license, and then the second part regarding the fine, and we vote separately on each one independent of the other.

COUNCILWOMAN TARKANIAN

Okay.

MAYOR GOODMAN

All right. So, the Councilmans (sic) motion to revoke the license should be voted upon at this time. Please vote.

BRAD JERBIC

If I, also, before you vote, I wanna make it very clear, Id like the Councilwoman to state it on the record that your motion is based only on the evidence contained in the criminal complaint introduced here at the podium today.

MAYOR GOODMAN

I think thats stated in the record at this point.

COUNCILWOMAN TARKANIAN

Yeah, that is stated in the record. I didnt word it well enough, as far as why I thought that it was a trend in the last two and half years.

CONRAD CLAUS

Let the record show that Mr. Jerbic said that.

MAYOR GOODMAN

Theres a motion to revoke. Lets vote. Post. Motion carries. **(Motion carried unanimously.)**

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MAYOR GOODMAN

Now, the motion on the fine. Councilwoman?

CONRAD CLAUS

Your Honor, might I be heard for just a second?

MAYOR GOODMAN

No. With all due respect, no. We gotta end this.

COUNCILWOMAN TARKANIAN

Well, my fellow Councilmen can change this, but I would say \$15,000, which would be five thousand for each of the, no, one, five?

BRAD JERBIC

The maximum is one thousand per incident, unless you find that theres a pattern, which would give you justification for a thousand dollars a day.

COUNCILWOMAN TARKANIAN

So then do I have to go to a thousand dollars a day? I cant go in-between? See, I think, there is a pattern, so thats what my motion would be based on.

MAYOR GOODMAN

All right. Thats the motion is fifteen thousand. Can we vote on that, please?

COUNCILMAN WOLFSON

I was going to, excuse me, Im going to vote Nay on this, because I just dont think the record supports a finding of every single day. I dont disagree with the total, let me finish. I dont disagree with the total amount. I just dont think that theres been a pattern to say that for every single day, theres been a violation. So, I cant support a total amount based upon a motion that says every single day theres been a violation, so were imposing a fine for every single day.

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COUNCILWOMAN TARKANIAN

Okay, but were not imposing a fine for every single day. Were imposing a fine for, basically, 15 days.

COUNCILMAN WOLFSON

Okay.

COUNCILWOMAN TARKANIAN

And is that, I mean, is that too much to do? Wheres our lawyer? See, I cant see you down there. Are you saying that I have to either do one thousand a day, if I dont think theres a trend?

BRAD JERBIC

Right.

COUNCILWOMAN TARKANIAN

If I feel theres a trend then do I have to do a thousand dollars a day?

BRAD JERBIC

What I would state is if you believe that this is a pattern, and that leads you to the conclusion, based on the evidence, that there has been a continuing series of violations at this place, then you have justification for a thousand dollars a day. If you dont believe the evidence supports that, or you believe its there but falls short of the standard of proof the courts gonna look at, then you need to impose only a thousand a day for each of the incidents proved.

COUNCILMAN BARLOW

Mayor Goodman?

MAYOR GOODMAN

Yes.

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BRAD JERBIC

Those are your choices.

MAYOR GOODMAN

Councilman.

COUNCILMAN BARLOW

This is to Brad and to Counsel. How many days, total, would you present to the Council today, as far as infractions?

PHILIP BYRNES

I would present to the Council from, let me get this exact, from January 8th, 2008 through, at least, February 19th, 2010.

COUNCILMAN BARLOW

But, Im not saying Mon, January 1st to February 28th, Im saying days total.

BRAD JERBIC

If I could

COUNCILMAN BARLOW

In between that time period, how many days total, period?

BRAD JERBIC

Councilman, let me answer the question, and then make a recommendation

COUNCILMAN BARLOW

Right.

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BRAD JERBIC

just because I think the record is getting really skewed right now.

COUNCILMAN BARLOW

It really is.

BRAD JERBIC

The answer to your question is how many days, if you started from January 2008, there's 365 days in a year, times two, plus half a year, you're probably only up around, maybe, maybe, 7, 800, \$900,000, potentially, if you found a continuing pattern of violation.

I would recommend at this point and time, because we are all over the board on this, and there has not been a consistent motion made or a finding made in a motion by the Council, but there's a continuing pattern. Out of an abundance of caution, I would recommend a fine of \$5,000, one thousand per incident, for each incident approved, and I think that we will avoid a substantial issue on appeal.

COUNCILMAN BARLOW

Thank you.

MAYOR GOODMAN

All right. Council, Councilman Ross.

COUNCILMAN ROSS

Im really trying to keep my mouth shut, Mayor. But, the fine, I mean this is ridiculous. I support this \$50,000, Councilwoman, Im gonna support your motion, but I support it. Ill tell you why. We need to send a clear message to this industry that we're not gonna tolerate this in the City of Las Vegas, and I think that's what it all comes down to. Whatever legal counsel says or whatever Councilwoman would like to do, I just want that message to be clear, in regards to this fine issue. Thank you, Mayor.

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MAYOR GOODMAN

Now, your motion is what, Councilwoman? Was it, did you say fifteen thousand or fifty thousand?

COUNCILWOMAN TARKANIAN

Well, I would like to go for fifty thousand. Thats what I made it.

MAYOR GOODMAN

All right. That

COUNCILWOMAN TARKANIAN

But Mr. Mayor, Im being told that, legally, Id have to know it was going every single day to do it fifty thousand. I agree totally with Councilman Ross. This is the time to send the message. This is the time to say, we dont want this in our neighborhoods anymore. Lets get rid of it. **So you know what, Ill go back to my 50,000, and then you can vote it down.**

MAYOR GOODMAN

Fine.

COUNCILWOMAN TARKANIAN

But I agree very strongly, the toughest, the hardest, we need to do. I know that area, and I know this last two and a half years, and thats what I would vote.

MAYOR GOODMAN

And I

COUNCILWOMAN TARKANIAN

And if I lost that, thats okay.

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MAYOR GOODMAN

I appreciate that, and that's what the vote, we're gonna take a vote on that, but we also have to follow the law. We're the example in following the law, and we're being advised by counsel that the law would suggest a \$1,000 fine for each day. Five times one is five, and that's what he suggests, but let's vote on the \$50,000.

COUNCILMAN REESE

But wait a minute now, you're confusing me, now. If I could, please. We also, we have we know this has been continuous, and she's basing her \$50,000 on a thousand dollars a day, and we figured out the amount of days, and it can be 7, \$800,000 if she's, she can be fined, you know

MAYOR GOODMAN

If you find a pattern that it happened every day, that's correct.

COUNCILMAN REESE

That's right, and that's what she's doing, so, I'm gonna support her.

MAYOR GOODMAN

All right. Let's vote. Post. Motion carries. (**Motion carried with BARLOW, WOLFSON and GOODMAN voting NO**). Thank you.

(END OF DISCUSSION)

/ac/lc:gpb