

**MINUTES
CITY OF FALLON
55 West Williams Ave
Fallon, Nevada
February 18, 2025**

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

Present:

Mayor Ken Tedford
Councilwoman Kelly Frost
Councilwoman Karla Kent
Chief of Staff Bob Erickson
City Clerk Treasurer Michael O'Neill
Deputy City Attorney Trent deBraga
Deputy City Clerk Elsie Lee
Public Works Director Brian Byrd
Deputy Public Works Adrian Noriega
Deputy Public Works Marco Guerrero
Deputy Public Works Erik Fain
Chief Ron Wenger
City Engineer Derek Zimney
Director of Tourism Jane Moon

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

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford asked everyone to remain standing for a moment of silence in honor of Don Mello and Mike McGinness. Don Mello just recently passed away and was a big part of our community as well as Senator Mike McGinness, who also passed away.

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

City Clerk Treasurer Michael O'Neill advised that the agenda was posted in compliance with the NRS requirements.

Mayor Tedford stated that Councilman Harmon is out-of-town and would be absent for the meeting.

Public Comments

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

upon which action will be taken.
No comments were noted.

Approval of Warrants

- A) Accounts Payable
- B) Payroll
- C) Customer Deposit

Councilwoman Frost motioned to approve the accounts payable, payroll and customer deposit warrants; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Consideration of an application by Whytnee Fain for an on-premises drinking establishment liquor license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road.

Deputy Clerk Elsie Lee Stated Whytnee Fain, owner of Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering has made an application for a drinking establishment liquor license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road. A drinking establishment liquor license is a privileged license that allows the licensee to sell alcoholic beverages from a fixed and definite place of business for consumption upon the premises only. The application has been reviewed by Chief Ron Wenger, Chief of Staff Bob Erickson, City Engineer Derek Zimney, Deputy City Attorney Trent deBraga, and Deputy Clerk Elsie Lee and has been recommended for approval.

Mayor Tedford inquired if there were any questions or comments from the Council or the public.

Councilwoman Frost inquired if there would be food served as well.

Whytnee Fain stated that it would be similar to a one-stop-shop. We are only open for special, private events, and we will do in-house catering, and have a full bar.

Mayor Tedford inquired if there were any further questions or comments from the Council or the public.

No further comments were noted.

Councilwoman Frost motioned to approve the application by Whytnee Fain for an on-premises drinking establishment liquor license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Consideration of an application by Whytnee Fain for a cabaret license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road.

Deputy Clerk Elsie Lee Stated Whytnee Fain, owner of Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering has made an application for a cabaret license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road. A cabaret license is a privileged license that allows the licensee to provide live entertainment or dancing at the establishment. The

application has been reviewed by Chief Ron Wenger, Chief of Staff Bob Erickson, City Engineer Derek Zimney, Deputy City Attorney Trent deBraga, and Deputy Clerk Elsie Lee and has been recommended for approval.

Mayor Tedford inquired if there were any questions or comments from the Council or the public.

No comments were noted.

Councilwoman Kent motioned to approve the application by Whytnee Fain for cabaret license for Grey Area Productions dba: The Venue Troys Double Shot Event Bar & Catering to be located at 111 S Allen Road; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Consideration and possible action to determine the fair market value of the real property located at 1050 W Williams Ave., Fallon, Nevada, further identified by Churchill County Assessor's Parcel No. 001-191-07, at \$40,000.

Deputy City Attorney Trent deBraga stated the City of Fallon owns the real property located at 1050 W Williams Ave, further identified by Churchill County Assessor's Parcel No. 001-191-07. Pursuant to NRS 268.059(1)(A), if the governing body holds a public hearing on the matter of the fair market value of the real property, one independent appraisal of the real property is sufficient before selling it. Cindy Fogel with JOHNSON|PERKINS|GRIFFIN was chosen as the qualified appraiser of 1050 W Williams Ave and determined the fair market value as of January 22, 2025, to be \$40,000. Ms. Fogel's qualifications, disclosure statement, as well as the appraisal are attached to this agenda item. JOHNSON|PERKINS|GRIFFIN was chosen as the qualified appraiser because it previously conducted the appraisal of 1050 W Williams Avenue in November 2022 prior to the City purchasing it.

Mayor Tedford inquired if there were any questions or comments from the Council or the public.

No comments were noted.

Councilwoman Kent motioned to approve the fair market value of the real property located at 1050 W Williams Ave., Fallon, Nevada, further identified by Churchill County Assessor's Parcel No. 001-191-07, at \$40,000; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Consideration and possible action to adopt Resolution 25-02-01, a resolution finding it in the best interest of the public to sell the City's real property located at 1050 W Williams Ave., Fallon, Nevada, further identified by Churchill County Assessor's Parcel No. 001-191-07, for redevelopment purposes without first offering the property to the public.

Deputy City Attorney Trent deBraga stated Nevada Revised Statute 268.063 authorizes the governing body to sell real property for the purposes of redevelopment. Before a governing body may sell real property for redevelopment purposes the governing body must first obtain an appraisal on the real property and adopt a resolution finding that it is in the best interest of the public to sell the property without offering the property to the public. On June 29, 2023, the City Council entered into a purchase and sale agreement to acquire 1050 W Williams Ave as part of the City's redevelopment plans for north Whitaker commercial block of Williams Avenue. If adopted Resolution 25-02-01 would allow the

City to sell its real property located at 1050 W Williams Ave without having to offer it to the public. The Resolution is included in the agenda packet. Any contract for the purchase of this property would need to be approved by the City Council at a future City Council meeting.

Mayor Tedford inquired if there were any questions or comments from the Council or the public.

Councilwoman Frost asked for clarification that the building, located on the property, was dilapidated and run-down.

Deputy City Attorney Trent deBraga agreed. I would consider it blite.

Mayor Tedford stated that there were no artifacts left in the building. The museum asked for the items inside the building, but there was nothing left of value. Any further questions or comments from the Council or the public?

No further comments were noted.

Councilwoman Frost motioned to adopt Resolution 25-02-01, a resolution finding it in the best interest of the public to sell the City's real property located at 1050 W Williams Ave., Fallon, Nevada, further identified by Churchill County Assessor's Parcel No. 001-191-07, for redevelopment purposes without first offering the property to the public; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Consideration and possible action to transfer Stockman's Casino's, a Nevada corporation nonrestricted license to Clarity Game Opco, LLC, a Nevada limited liability company, pursuant to Fallon Municipal Code Section 5.52.060(B).

Deputy City Attorney Trent deBraga stated Stockman's Casino, a Nevada corporation ("Stockman's"), has made an application to Chief Ron Wenger requesting a transfer of its unrestricted gaming license to Clarity Game Opco LLC, a Nevada limited liability company. Stockman's operates the casino commonly known as Stockman's Casino located at 1560 W Williams Avenue, Fallon, Nevada. Stockman's is currently under contract to sell its casino assets to Clarity Game Opco, LLC and is making the request to transfer its unrestricted gaming license to Clarity Game Opco, LLC pursuant to Fallon Municipal Code 5.52.060(B). Pursuant to Fallon Municipal Code 5.52.060(B), no restricted or unrestricted gaming license granted under the provisions of Fallon Municipal Code 5.52 may be transferred by the licensee to any other person except upon application made to the Chief of Police of the City of Fallon, and which application must be approved by a majority vote of the City Council, who shall have the power and authority to grant the transfer or deny the request and require that a new and original application be made by the proposed transferee. Stockman's request to transfer its nonrestricted gaming license pursuant to Fallon Municipal Code 5.52.060(B) is being made in light of Fallon Municipal Code Section 5.52.040(A) which provides that "No City of Fallon nonrestricted gaming license shall be granted to or maintained by the holder of a nonrestricted gaming license issued by the State of Nevada, unless such licensee maintains, on the same premises which licensee holds a nonrestricted gaming license, no fewer than sixty guestrooms..." Fallon Municipal Code further provides an exception to this requirement for "any entity which holds a valid nonrestricted gaming license on the date the ordinance codified in this section becomes effective." As Clarity Game Opco LLC is expected to appear before the Nevada Gaming Commission in March or April 2025, City staff would recommend approval be conditioned upon Clarity Game Opco LLC receiving a non-restricted gaming license from the Nevada Gaming Commission. I believe we have representatives here, or I can I answer

any questions the Council might have.

Mayor Tedford inquired if there were any questions or comments from the Council or the public.

Councilwoman Kent stated that she feels since Stockman's is grandfathered in with the 60-room requirement that with the transferring of the assets, we are acting in good faith of the code.

David Ross, with Clarity Opco LLC, greeted the Council. It is a honor to be in front of you here today. I am happy to answer any questions that you have. We are very excited. I have been in gaming since 1985. I have had privileged licenses for 30-some-odd jurisdictions, 35 across the United States and Canada, this is my home, Nevada is my home. I am honored to be, hopefully, doing business subject to your approval, in Fallon. Also, the Nevada and Gaming Control Board Commission, I think I have been there 20 times. My business partner, who is unable to be here today, is third generation gaming operator, and family Gaughan, Jackie Gaughan, Michael Gaughan, and now my partner is Michael Gaughan the III. Again, I think, subject to your approval, I think the biggest thing that we can tell you today is all of the employees are coming over except for the General Managers, Cindy Carter and Dane Hansen, they will be staying with Full House Resorts. All the other employees will transfer out of Full House Resorts and into Clarity Game. That is part of how we do it, in terms of us wanting to build that family culture, that team culture. So, I'm happy to answer any questions specific to the transaction that I can address.

Mayor Tedford inquired if they would be going before the Nevada Gaming Commission in March or April.

Mr. Ross stated that he believed it was subject to this meeting approving them today. It is in the hands of the Chief Investigations for Nevada Gaming. I believe they are looking at March, and we would close April 1st. If for whatever reason, that date slips, we would be on the April agenda, and we would close May 1st. At this point, they are targeting us to get on the March agenda.

Mayor Tedford reiterated that it could be either on the March or April agenda.

Mr. Ross confirmed. They are trying to get us on the March agenda. I was just licensed in front of the Nevada Gaming Commission in September of last year so, it's really just Mike who has been licensed, and they are going to just do an update.

Councilwoman Kent inquired if Full House Resorts will still be involved with Stockman's after Clarity Game Opco takes over.

Mr. Ross stated that they would no longer be involved.

Mayor Tedford inquired if there were any further questions or comments from the Council or the public.

No further comments were noted.

Councilwoman Kent motioned to transfer Stockman's Casino's, a Nevada corporation nonrestricted license to Clarity Game Opco, LLC, a Nevada limited liability company, pursuant to Fallon Municipal Code Section 5.52.060(B); the motion failed for a lack of a second.

Public Comments

Mayor Tedford inquired if there were any public comments.

No comments were noted.

Council and Staff Reports

Mayor Tedford inquired if there were any Council or staff reports.
No reports were noted.


Executive Session

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

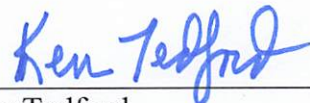
Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:19 a.m.

Attest:



Michael O'Neill, City Clerk-Treasurer



Mayor Tedford