



May 14, 2020

Via U.S. Certified Mail & Email

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Via U.S. Certified Mail

Marilyn Kirkpatrick, Chairperson
Clark County Commission
500 South Grand Central Parkway
6th Floor
Las Vegas, Nevada 89155

*Re: Notice of Mass Permanent Layoff Pursuant to Worker Adjustment and Retraining
Notification Act*

Dear Sir and Madam:

This letter serves as notice that Russell Road Food and Beverage, LLC d/b/a The Crazy Horse III (“RRFB”), located at 3525 W. Russell Road, Las Vegas NV 89103, will implement a permanent “mass layoff” effective on the date stated below.

This notice is provided to you pursuant to the Workers’ Adjustment Notification and Retaining Act (29 USC 2100 *et. seq.*), in connection with the Nevada Declaration of Emergency issued on March 12, 2020, the Nevada Health Response COVID-19 Risk Mitigation Initiative (“RMI”) issued on March 17, 2020, the Emergency Directive 003 issued on March 20, 2020, the Emergency Directive 007 issued on March 24, 2020, and the Emergency Directive 010 issued on April 1, 2020. The name and telephone number of the RRFB official to contact for further information is: Nichole Streifel, Human Resource Specialist, (702) 673-1700, Nichole@ch3lv.com.

On March 12, 2020, the Governor of Nevada, Steve Sisolak issued a Declaration of Emergency in response to the COVID-19 pandemic. Subsequently, on March 17, 2020, the Governor Sisolak issued the RMI, requiring all restaurants and bars to close their dine-in facilities. The RMI was followed by Emergency Directive 002, which required the closure of all gaming establishments. The volatile nature of the COVID-19 pandemic escalated, such that on March 20, 2020, Governor Sisolak issued Emergency Directive 003, reiterating and strengthening the closure of bars and places of social gathering, further ordering the closure of non-essential businesses, and imposing possible criminal prosecution and civil penalties for violating the Emergency Directive. The Governor further issued Emergency Directive 007 on March 24, 2020, prohibiting groups of ten or more to gather in door or outdoors, on public or private property, and requiring social distancing of at least six feet between persons in public spaces whether privately or publicly

owned. On April 1, 2020, the Governor issued Emergency Directive 010 extending stay-at-home directives to the end of April.

Then, on April 21, 2020, Governor Sisolak outlined requirements for our state to begin reopening, much of which is still being developed and did not include a specific date or the phase in which a business like RRFB would be allowed to reopen. Governor Sisolak's outline was premised on the White House's April 16, 2020 Guidelines for Opening Up America Again, detailing a three-phase process. Most recently, this uncertainty was echoed in Governor Sisolak's May 7, 2020 press conference, which outlined which businesses were included in phase 1 of reopenings but did not include a timeline which considered when RRFB may be able to reopen.

In anticipation of the initial closure, RRFB temporarily laid off a majority of its employees with hopes of bringing everyone back within 30-60 days. However, as a direct result of COVID-19 recent events, its sudden nature, its unforeseen duration/severity, and the government's evolving restrictions to combat COVID-19 that continue to be pushed out and now phased, RRFB has no choice but to permanently lay off employees. Should RRFB be able to resume full operation, laid off employees will have the opportunity to reapply. Based on the best information presently available, RRFB's closure appears temporary; however, the duration of its closure and the government restrictions associated with a phased reopening are unknown. These sudden and unexpected circumstances and the dramatic economic downturn suffered by Las Vegas and our industry are conditions outside of our control. The COVID-19 pandemic is an unprecedented natural disaster, the full effects of which remain to be determined.

Due to unforeseen business circumstances, the rapidly changing consequences of COVID-19 on RRFB's operation, which are outside of RRFB's control, the unanticipated and dramatic economic downturn, and the shelter orders (as detailed in the paragraphs above), RRFB is forced to reduce the statutorily required 60-day notice period for this mass layoff, and, is instead providing notice "as soon as practicable."

The date of the separations is May 18, 2020.

The job titles of positions to be affected and the number of affected employees (*i.e.*, laid off employees) in each job classification are as follows:

- Accounting – 1
- Back Door – 5
- Barback – 11
- Bartender – 13
- Cashier – 10
- Cocktails – 29
- DJ – 4
- Driver – 10
- Host – 15
- House Staff – 5
- Kitchen – 8
- Manager – 10
- Marketing – 5
- Reservations – 7

- Security – 8
- Valet – 4

Bumping rights do not exist. RRFB employees are not represented by a Union.

RRFB has provided WARN Notification to the affected employees of the permanent layoff. In sum, the entire venue is and will be closed for the foreseeable future.

We are saddened to have to take this step and hope that this crisis will pass. Should your office have any questions or comments regarding this Notice, or the circumstances prompting such Notice, please contact me.

Sincerely,

Nichole Streifel
Human Resource Specialist