MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE SERVICES COMMISSION

HELD THURSDAY, DECEMBER 21, 2023.

*[A copy of the final agenda was posted on the bulletin board at the DABS Administrative Office, emailed to the Salt Lake Tribune and the Deseret News, and posted on the Utah Public Notice Website by 10:00 a.m. on Wednesday, December 20, 2023.]*

Chair Tara Thue called the meeting to order at 10:00 a.m.

Commissioners Present: Tara Thue, Natalie Randall, Tom Jacobson, Jacquelyn Orton, Jennifer Tarazon, and Stephen Handy.

Staff Present: Tiffany Clason, Executive Director; Cade Meier, Deputy Director; Sean Williford, Finance Director; Ericka Evans, Licensing and Compliance Director; and Doug Murakami, Alcohol Education Director.

Also Present: Samuel McHenry, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Vickie Ashby led the group in the Pledge of Allegiance.

ANNOUNCEMENTS:

Ms. Thue made the following announcements:

a. Proposed Future Meeting Schedule: *(subject to change)*

- Thursday, January 25, 2024 MASOB Building - *Multi-Agency State Office Building*

*195 North 1950 West, SLC, Room 1015*

 - Thursday, February 29, 2024 MASOB Building

b. Holiday Closures:

Liquor stores and the DABS administrative office and warehouse will be closed.

- Monday, December 25, 2023  *(Christmas Day)*

 - Monday, January 1, 2024 *(New Years Day)*

 - Monday, January 15, 2024 *(Martin Luther King, Jr. Day)*

c. Violations Policy Comments:

 - The commission will receive written comment on the violations policy from

December 21, 2023, through January 25, 2024

 - Comments may be submitted in writing to DABScompliance@utah.gov

d. Public Comments:

 - Those present, please complete the form located at the back of the room.

 - Those participating virtually, please email your name, city, topic, and affiliation (if

applicable) to hotline@utah.gov by 5:00 p.m. on Wednesday, December 20.

 - Comments will be addressed at the end of the meeting.

FINANCIAL UPDATE:

Mr. Williford provided an update on the November 2023 financials. In November, retail revenue totaled $58.6 million. Current YTD revenues are over $237.9 million. The department is on track to return $67.8 million YTD to the general fund.

PARENTS EMPOWERED UPDATE:

Mr. Murakami provided an update on the Parents Empowered campaign. He explained that the parents study is transitioning from a telephone to the online version. He added that due to issues with the online version, they will do both again this round. He anticipates the results will be available in February.

Mr. Murakami also noted the new ads are running and provided an update on the community partnership programs including a New Years event in Wendover, Utah.

OPERATIONS UPDATE:

Ms. Clason announced the department’s statewide donation drive. The Governor issued a challenge to each state agency to serve. In response, state stores, the administrative office and warehouse all selected a charitable organization to support, and donation boxes are now at each location.

Ms. Clason updated the commission on an impaired driving campaign. DABS partnered with the Department of Public Safety at a press event encouraging impaired drivers to use a rideshare service. Campaign signage was also placed in state stores.

Ms. Clason also provided an update on the Governor’s budget. The budget includes a business case to modernize the department’s accounting technology. The upgrade is in response to several audit findings.

Mr. Meier gave an overview of the department’s preparations for the busy holiday season. He also thanked the store, warehouse and administrative employees for their hard work.

ADMINISTRATIVE RULES APPROVAL:

(1) R82-1-104 Advertising

(2) R82-1-105 Label Approvals

(3) R82-2-107 Criminal History Background Checks

(4) R82-2-108 Duties of Commission Subcommittees

(5) R82-2-202.1 Late License Renewals

(6) R82-2-307 Type 5 Package Agencies

(7) R82-2-309 Type 4 Package Agency Room Service - Mini-Bottle/187 ml Wine

Sales

(8) R82-3-107 Responsible Alcohol Service Plan

(9) R82-6-601 On Premise Banquet - On-premise Banquet License Room Service –

Mini- Bottle 187 ml Wine Sales

(10) R82-9-202 Additional Consideration for Event Permits

Ms. Evans noted the administrative rules listed on the agenda were reviewed by the commission and advisory board in September. They have now been through the rulemaking process and no public comments were received. The commission may amend or approve them and set an effective date.

Ms. Randall moved to approve the administrative rules and set an effective date of December 22, 2023. Ms. Tarazon seconded the motion which passed unanimously.

VIOLATIONS:

*\*Referral Source –* Murray Police Department (MPD), Unified Police Department (UPD), State Bureau of Investigation (SBI), Tooele County Sheriff’s Office (TSO)

a. Consent Calendar:

*[The following Consent Calendar items include uncontested letters of admonishment (written warnings) and settlement agreements that have been agreed to and accepted by the licensees. They are considered as a block with one vote unless one of the commissioners requests that any item be removed for individual discussion.]*

 (1) Grille @ Bear River Bowling, Tremonton and Kelsie \*SBI (BE)
 Seguin (employee)

(2) Las Lupitas Mexican Restaurant, Hurricane and Rhianna \*SBI (RB)

Tilford (employee)

(3) Pepper’s Cantina, Saint George and Jordan Brown \*SBI (RF)

 (employee)

 (4) Bigshots Golf, Saint George \*SBI (RF)

(5) 3 Amigos, Saint George \*SBI (RF)

(6) Blues Katz Rock N Roll Grill, Saint George \*SBI (RF)

(7) Sofa’s Corner, Garland and Alexis Gates (employee) \*SBI (BAR)

(8) The Black Sheep Bar & Grill, West Jordan \*SBI (BAR)

Mr. McHenry gave an overview of the items on the consent calendar noting they are complete and ready for action by the commission.

Ms. Orton moved to approve the settlement agreements for items #1 to #8 on the consent calendar. Ms. Randall seconded the motion which passed unanimously.

b. Order To Show Cause:

(1) VFW Post #3586, Salt Lake City

Mr. McHenry explained that the order to show cause was issued as the licensee was unable to provide proof of insurance coverage, proof of bond, and they failed to renew their non-profit status with the Department of Corporations. He continued that right before the meeting, the licensee provided several of the outstanding items and suggested the commission may want to continue this item to the next meeting.

The commissioners, Mr. Mc Henry and staff discussed the items recently provided and those still outstanding including the non-profit tax status. They also discussed the possible actions the commission may take including suspension, forfeiture, and revocation.

Ms. Randall moved to suspend the fraternal bar license for VFW Post #3586 in Salt Lake City until the January 2024 commission meeting. Mr. Handy seconded the motion.

John Patrick Watts and Levi Lee from VFW came forward to address the commission. Mr. Watts stated that DABS staff members were working with the wrong member at VFW and when he received the summons in the mail, he acted quickly to provide the documents. Mr. Lee outlined the issues with the non-profit tax status noting they had been out of compliance for four years.

Ms. Evans noted that staff has been working with the person listed on the license and that the VFW needs to provide updated contact information. Mr. Jacobson expressed concern that the licensee hasn’t filed for reinstatement with the IRS and that it may take a considerable amount of time to resolve. He suggested the license be forfeited and encouraged VFW to reapply when all documents are in order.

Mr. Jacobson moved to substitute the motion on the table. Ms. Orton seconded the motion which passed unanimously.

Mr. Jacobson made a substitute motion to forfeit the fraternal bar license for VFW Post #3586 in Salt Lake City and asked the licensee to reapply when their paperwork is in order. Ms. Orton seconded the motion which passed unanimously.

LICENSEE RECOGNITIONS: PASSED UTAH PUBLIC SAFETY SBI COVERT (CUB) INSPECTIONS:

Mr. Meier reported that since the November meeting, 96 licensees from across the state passed the SBI inspections. He congratulated those that passed and thanked them for following the alcohol safety laws.

CONSENT AGENDA:

Ms. Evans gave an overview of the items on the consent agenda noting they are complete and ready for action by the commission. She also noted that the manufacturing licenses will be effective January 1, 2024.

a. Approval of the Minutes

 (1) November 30, 2023 Commission Meeting

b. November License Renewal Campaign Results

 (1) 302 license records meet statutory requirements for renewal

c. Off- Premise Beer Retailer

 *License Change of Ownership:*

 (1) 7-Eleven Store #12927C, Holladay *(conditional)* *(purchase agreement*

 *November 3, 2023)*

 (2) The Market Express, Midway  *(agreement November 28, 2023)*

 *New Applicants:*

(1) City Corner, Murray

(2) Top of Main Brewery, Park City

(3) Whammer’s, Washington *(conditional)*

(4) Allin1Store, Salt Lake City

(5) Snowbird / Tram Sundries, Salt Lake City *(conditional)*

(6) Snowbird / Cliff Sundries, Salt Lake City

(7) 7-Eleven Store #34740B, Riverdale *(conditional)*

(8) IAC Latin Market, West Jordan

d. Manufacturing ***(License effective date January 1, 2024)***

 *New Applicants:*

(1) Templin Family Wines, Salt Lake City  *(Winery)*

 (2) Vobev, Salt Lake City *(Brewery)*

(3) 2 Row Brewing, Midvale *(Brewery)*

e. Special Use Permit

 *New Applicant:*

 (1) Clear Water Distilling, Pleasant Grove *(Educational)*

f. Hotel Sublicense

*New Applicant:*

 (1) Deer Valley Resort, Park City *(Bar)*

g. Restaurant - Limited Service

*Change of Location;*

1. Mandarin Garden Weng, Logan *(moving from 432 N Main St. to 472 S.*

*Main St.)*

*Change of Ownership:*

(1) Escalante Outfitters, Escalante

*New Applicants:*

(1) Mozz, South Jordan *(conditional) (violation history)*

(2) Number One Thai Fusion Restaurant, Bountiful *(conditional)*

(3) Thai 101, Salt Lake City

(4) Yuma Ramen, Park City

h. Beer Recreational

 *New Applicant:*

(1) Powder Mountain, Eden *(current beer recreational license on the*

*premises will be surrendered upon receipt of new license being issued)*

i. On-Premise Banquet

*License Change of Ownership:*

(1) Courtyard Salt Lake City Downtown, Salt Lake City *(purchase agreement*

*October 11, 2023)*

*New Applicants:*

(1) Powder Mountain (Arbor Lodge), Eden *(current banquet license on the*

*premises will be surrendered upon receipt of new license being issued)*

(2) Powder Mountain (Sky Lodge), Eden

(3)Vermillion Hospitality Group*,* Draper *(conditional) (current banquet*

*license on the premises will be surrendered upon receipt of new license*

*being issued)*

j. Restaurant Beer

 *Extended Closure:*

(1) Red Rock Taco, Huntsville *(requesting closure until April commission meeting)*

Ms. Randall moved to approve the items on the consent agenda noting the manufacturing licenses are effective January 1, 2024. Ms. Orton seconded the motion which passed unanimously.

LICENSE APPLICATIONS CONSIDERATION ITEMS:

a. Bar Establishment Applicants:

 *License Change of Ownership:*

(1) Club Karamba, Salt Lake City *(purchase agreement June 25, 2023)*

(2) Tino’s Taproom, Bountiful  *(purchase agreement October 31, 2022)*

(3)Summit Lounge, Layton *(purchase agreement October, 18, 2023)*

(4)Mim’s Bar and Grill, Corrine *(purchase agreement October 27, 2023)*

 *Ready to Operate Applicant:*

(1) Riata VIP, Ogden *(projecting opening December 22, 2023)*

(2)Rusty Nail Saloon, Midvale *(projected opening December 21, 2023)*

*All Other Applicants:*

(1) Marquis, Park City *(conditional) (projected opening December 21, 2023)*

(2) El Moab Hotel, Moab *(conditional) (projected opening January 25, 2024)*

(3) Aker Restaurant and Lounge, Salt Lake City  *(conditional) (projected*

*opening January 25, 2024)*

(4) Felt Bar & Eatery, Salt Lake City *(conditional) (projected opening*

*January 25, 2024)*

(5) Neptune’s Palace, Salt Lake City *(conditional) (projected opening*

*January 25, 2024)*

(6) Thieves Guild, Salt Lake City *(conditional) (projected opening January*

*25, 2024)*

 (7) Repeal, Salt Lake City *(conditional) (projected opening January 25, 2024)*

(8)Bout Time Pub & Grub, Saratoga Springs  *(violation history) (conditional)*

*(projected opening August 2024)*

Ms. Thue noted that the subcommittee recommended approval of the ownership changes for items #2 to #4 and to continue #1 Club Karamba until the terms of their violation settlement agreement are carried out.

Mr. Handy moved to approve ownership changes for #2 Tino’s Taproom in Bountiful, #3 Summit Lounge in Layton, and #4 Mim’s Bar and Grill in Corrine; and to continue #1 Club Karamba in Salt Lake City until the terms of their violation settlement agreement are carried out. Mr. Jacobson seconded the motion which passed unanimously.

Rob Hansen gave an overview of the two ready to operate applications. He also noted that all other applicant #1 Marquis Park City just submitted their business license and will have their final inspection tomorrow.

Ms. Randall moved to grant bar establishment licenses to ready to operate applicants #1 Riata VIP in Ogden and #2 Rusty Nail Saloon in Midvale. Mr. Jacobson seconded the motion which passed unanimously.

Kenny Griswald from Marquis came forward to address the commission. He explained that they are ready to open and just need to order alcohol.

Mr. Jacobson moved to grant a bar establishment license to all other applicant #1 Marquis in Park City. Mr. Handy seconded the motion which passed unanimously.

b. Full-Service Restaurant Applicants:

 *Extended Closure:*

(1) 98 Center, Moab *(requesting until January commission meeting due to*

*extensive renovation/construction delays)*

*License Change of Ownership:*

(1) Courtyard Salt Lake City Downtown, Salt Lake City *(purchase agreement*

*August 10, 2023)*

(2) Hyatt House Salt Lake City/Downtown, Salt Lake City *(purchase*

*agreement August 10, 2023)*

(3) Maria’s Mexican Restaurant, South Ogden *(purchase agreement September*

*7, 2023)*

*Ready to Operate Applicants:*

(1) Bower Lodge, Eden

*All Other Applicants:*

(1) Warehouse MotorClub, Park City

(2) Tita’s Mexican Restaurant, Taylorsville *(conditional) (projected opening January 15, 2024)*

(3) Piko Mexican Grill, Salt Lake City *(conditional) (projected opening*

*April 15, 2024)*

Ms. Randall gave an overview of the subcommittee discussions and recommendations. Craig Warr added that all other applicant #1 Warehouse MotorClub in Park City is no longer conditional and ready to open.

Ms. Randall moved to approve an extended closure for #1 98 Center in Moab until the January commission meeting; ownership changes for #1 Courtyard Salt Lake City Downtown in Salt Lake City, #2 Hyatt House Salt Lake City/Downtown in Salt Lake City, and #3 Maria’s Mexican Restaurant in South Ogden*;* a full service restaurant license for ready to operate applicant #1 Bower Lodge in Eden; and a full service restaurant license for all other applicant #1 Warehouse MotorClub in Park City. Ms. Orton seconded the motion which passed unanimously.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

a. Mr. Jacobson noted it was hard to consider and make a decision on VFW as he is also a veteran.

There being no further business, the meeting was adjourned at 10:55 a.m.