MINUTES OF THE MEETING OF THE UTAH

ALCOHOLIC BEVERAGE SERVICES COMMISSION

HELD THURSDAY, FEBRUARY 29, 2024.

*[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, February 28, 2024.]*

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

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

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

Also Present: Samuel McHenry, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Erik Christianson led the group in the Pledge of Allegiance.

ANNOUNCEMENTS:

Ms. Thue made the following announcements:

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

- Thursday, March 28, 2024 - MASOB Building

- Thursday, April 25, 2024 - The Grand Center, Moab

b. Public Comments:

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

the room.

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

applicable) to [hotline@utah.gov](mailto:hotline@utah.gov) by 5:00 p.m. on Wednesday, February 28, 2024.

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

PROPOSED AUDIT PLAN FOR FY2024:

Utah State Auditor, John Dougall, came forward to address the commission. Mr. Dougall outlined the audit plan they will follow in 2024 to meet the statutory requirements in 32B-2-302.

Ms. Tennert moved to approve the State Auditor Proposed Audit Plan for Fiscal Year 2024. Ms. Orton seconded the motion which passed unanimously.

INTERNAL AUDIT APPROVALS:

a. Internal Audit Charter

b. Internal Audit Policies and Procedures Operating Manual

Traci Santillanes, Director of Internal Auditing, provided an overview of the revised Internal Audit Charter and the updated Internal Audit Policies and Procedures Operating Manual.

Ms. Orton moved to approve the revised Internal Audit Charter and Internal Audit Policies and Procedures Operating Manual. Ms. Tennert seconded the motion which passed unanimously.

COMMISSION BUSINESS:

Ms. Thue announced that Vice Chair Natalie Randall resigned from the commission after accepting the position of Managing Director of the Utah Office of Tourism. Ms. Thue thanked Ms. Randall for her service. Ms. Thue noted the commission will need to elect a new Vice Chair.

Ms. Thue moved to elect Stephen Handy as Vice Chair of the Alcoholic Beverage Services Commission. Ms. Tennert seconded the motion which passed unanimously.

Mr. Handy thanked the commissioners for their vote and accepted the opportunity to serve as Vice Chair.

FINANCIAL UPDATE:

Mr. Williford provided an update on the January 2024 financials. In January, retail revenue totaled $40.8 million. Current YTD revenues are over $338.5 million. The department is on track to return $61.6 million YTD to the general fund.

PARENTS EMPOWERED UPDATE:

Mr. Murakami provided an update on the Parents Empowered campaign. He noted that the bi-annual survey is in progress and the results will be available later in the year.

Mr. Murakami also explained that the campaign is in the last quarter of the fiscal year and is focused on completing the 11 community partnership programs. He announced that R&R Partners is conducting a Social Media & Technical Assistance training for the PE Underage Drinking Prevention Workgroup (UDPW) on March 13, 2024.

OPERATIONS UPDATE:

Ms. Clason provided a legislative update. She noted that the omnibus bill is moving through the legislative houses. Once it passes, the department will provide a summary of the changes. The business cases have moved through committees successfully and will help the department address issues identified in the state audit.

Ms. Clason introduced two new compliance team members – Erik Christianson and Jorge Corona-Leyva.

Mr. Meier gave an update on the allocated products distribution changes. Starting in March, the available products will be sold the third Saturday of each month. The store locations and product quantities will be listed on the website the third Monday of each month.

VIOLATIONS:

*\*Referral Sources –* North Salt Lake Police (NPD), Roy City Police Department (RPD), State Bureau of Investigation (SBI), West Valley Police Department (WPD)

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) La Puente Mexican Restaurant, West Jordan and Enneiry \*SBI (RF)

Delacueva *(employee)*

(2) Seabird, Draper \*SBI (BAR)

(3) The Break Sports Grill, West Valley City \*SBI (BAR)

(4) Coral Canyon Texaco, Hurricane and Bobby Herbert \*HPD (OP)

(5) Grand Summit Canyons Village, Park City \*SBI (SE)

(6) City Club, Ogden \*SBI (BAR)

(7) Delipan, Provo and Wilena Morales *(employee)* \*SBI (RF)

(8) New Lemongrass, Vernal and Huochun Ou *(employee)* \*SBI (RL)

(9) Flanagan’s on Main, Park City *(employee)* \*SBI (LB)

(10) Tacos El Guero, West Valley City and Lizett Perez-Chavez \*SBI (RF)

*(employee)*

(11) Gosu Korean BBQ, West Valley City and Judy Balane *(employee)* \*SBI (RF)

(12) Oh Shabu Shabu & BBQ, South Jordan and Ling He *(employee)* \*SBI (RL)

(13) Walmart #5350, Millcreek and Angelo Cecela *(employee)* \*UPD (OP)

(14) Rawtopia, Millcreek \*SBI (RF)

(15) Couchevel, Park City \*SBI (SE)

(16) Facil Taqueria, Holladay \*SBI (RF)

(17) 7-Eleven Food Stores, Summit County and Emelia Nava Alonso \*SBI (OP)

*(employee)*

(18) Buffalo Wild Wings, Salt Lake City \*SBI (RF)

(19) Harts Gas and Food, Elwood and Dugan Chournos *(employee)* \*BEC (OP)

(20) Marias Mexican Grill, South Jordan and Carlos Cruz *(employee)* \*SBI (RF)

(21) Nami Lily Sushi & Ramen, South Jordan and Sarah Carvalho \*SBI (RL)

*(employee)*

(22) Willies Lounge, Salt Lake City \*SBI (BAR)

(23) The Star Bar, Park City \*SBI (BAR)

(24) Bongo, Salt Lake City \*SBI (BAR)

(25) Sky, Salt Lake City \*SBI (BAR)

(26) The Gateway Saloon, Vernal and Shasta Harmston *(employee)* \*SBI (BAR)

(27) El Chihuahua, Millcreek and Sara Ward and Carlos Rondon \*SBI (RF)

Cefala *(employees)*

(28) El Gallo Loco West Valley, West Valley City and Marili Rivera \*SBI (RB)

*(employee)*

(29) 7-Eleven Store #35470B, Millcreek and Aman Kumar *(employee)* \*UPD (OP)

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

Ms. Tennert moved to approve the settlement agreements for items #1 to #29 on the consent calendar. Ms. Tarazon seconded the motion which passed unanimously.

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

Ms. Clason reported that since the January meeting, 70 licensees passed the SBI inspections. She congratulated those that passed and thanked them for following the alcohol safety laws.

CONSENT AGENDA:

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

a. Approval of the Minutes

(1) January 25, 2024 Commission Meeting

b. January License Renewal Campaign Results

(1) 1822 license records meet statutory requirements for renewal

(2) 83 license records will not be renewed

c. Off-Premise Beer Retailer **(License Effective Date: 3/1/2024)**

*License Change of Ownership:*

(1) 7-Eleven Store #35627B, West Valley City  *(conditional) (purchase*

*agreement January 12, 2024)*

(2) 7-Eleven Store #38706B, Ogden *(purchase agreement January 2, 2024)*

(3) Clearfield Chevron, Clearfield *(purchase agreement February 12, 2024)*

*New Applicants:*

(1) 7-Eleven Store #33985B, Draper *(conditional)*

(2) 7-Eleven Store #41643A, Eagle Mountain

(3) 7-Eleven Store #25948B, Midvale

(4) 7-Eleven Store 36340A, Pleasant Grove

(5) 7-Eleven Store #38870A, Roy

(6) 7-Eleven Store #23832A, Vernal

(7) Doubletree by Hilton @ Salt Lake Airport, Salt Lake City

(8) Fast Stop 1123, Salt Lake City *(conditional)*

(9)Lee’s Market at 4th West, Salt Lake City  *(conditional)*

d. Special Use

*Change of Location:*

(1) Allegiant Air, Provo *(Public Service) (moving from 3421 W.*

*Mike Jense Parkway to 1273 S. Flight Line Drive)*

(2) Dial Herbs, Manti *(Industrial) (moving from 75 N. Main to 298 E. 300 S.)*

e. Beer Wholesaler

*New Applicant:*

(1) Vine Lore Wine & Spirits, Salt Lake City

f. Hospitality Amenity

*New Applicant:*

(1) Radisson Hotel Salt Lake City Downtown, Salt Lake City

g. Restaurant-Limited Service

*Change of Location:*

(1) Cowboys Smokehouse, Panguitch *(moving from 95 N Main St to 80 N*

*Main St)*

*License Change of Ownership:*

(1) Sicilia Mia, Millcreek *(purchase agreement January 29, 2024)*

(2) Jack’s Wood Fired Oven, Logan *(purchase agreement November 28, 2023)*

*New Applicants:*

(1) Top Pot, South Salt Lake City *(conditional)*

(2) Millcreek Coffee Roasters, Millcreek *(conditional)*

(3) Casa de Nena, Ogden *(will surrender Restaurant Beer license)*

(4) Shake Shack, Riverdale *(conditional)*

(5) Wild Indigo Cafe, Boulder *(conditional)*

(6) Flaming Gorge Brew Company, Manila *(conditional)*

(7) Noodlehead SLC, Millcreek *(conditional)*

(8) Mark of the Beastro, Salt Lake *(conditional)*

h. Restaurant Beer **(License Effective Date: 3/1/2024)**

*New Applicant:*

(1) Green Chile House, North Salt Lake  *(conditional)*

i. On-Premise Beer Retailer - Beer Recreational **(License Effective Date: 3/1/2024)**

*New Applicant:*

(1)Fore Seasons Golf Lounge, Ephraim *(conditional)*

Mr. Jacobson recused himself from voting on the special use public service application from Allegiant Air.

Ms. Tennert moved to approve the items on the consent agenda. Ms. Orton seconded the motion which passed unanimously.

LICENSE APPLICATIONS CONSIDERATION ITEMS:

a. Bar Establishment Applicants:

*License Change of Ownership:*

(1)Kennedy’s Cabaret, Salt Lake City *(purchase agreement*

*October 1, 2023)*

*Ready to Operate Applicants:*

(1)Premier Park City, Park City  *(projected opening February*

*29, 2024)*

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

*February 29, 2024*

(3) Weathered Waves, Salt Lake City *(will surrender Off-Premise Beer*

*license)* *(projected opening February 29, 2024)*

*All Other Applicants:*

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

*opening March 28, 2024)*

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

(3) Thieves Guild, Salt Lake City *(conditional) (projected opening April*

*2024)*

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

*May 2024)*

(5)Tasting Room, Salt Lake City *(conditional) (projected opening June 1,*

*2024)*

(6)Repeal, Salt Lake City *(conditional) (projected opening August 2024)*

(7) Bout Time Pub & Grub, Saratoga Springs *(conditional)* *(projected*

*opening August 2024)*

Rob Hansen gave an overview of the bar establishment applications. Ms. Tennert provided an update on the subcommittee discussions and recommendations.

Ms. Tennert moved to approve an ownership change for #1 Kennedy’s Cabaret in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

Ms. Tennert moved to grant bar establishment licenses to ready to operate applicants #1 Premier Park City in Park City, #2 Felt Bar & Eatery in Salt Lake City, and #3 Weathered Waves in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

Ms. Tennert provided an overview of the commission’s current ready to open policy followed by an update on the alcohol omnibus bill currently being considered by the legislature. A clause in the bill requires the commission to grant conditional licenses. The commissioners discussed the bill and the legislative intent that conditional licenses be granted. Mr. Jacobson expressed concern that once awarded the bar licenses are encumbered for 18 months.

Ms. Tennert moved to grant conditional bar establishment licenses to all other applicants #1 Aker Restaurant and Lounge in Salt Lake City, #2 El Moab Hotel in Moab, #3 Thieves Guild in Salt Lake City, #4 Neptune’s Palace in Salt Lake City, #5 Tasting Room in Salt Lake City, #6 Repeal in Salt Lake City, and #7 Bout Time Pub & Grub in Saratoga Springs. Ms. Thue seconded the motion. Ms. Thue, Ms. Tennert, Ms. Orton, Ms. Tarazon and Mr. Handy voted yea; Mr. Jacobson voted nay. The motion passed.

b. Full-Service Restaurant Applicants:

*Extended Closure:*

(1) Hell’s Backbone Grill, Boulder *(requesting to the March Commission*

*Meeting)*

(2) Hunt and Gather, Torrey  *(requesting to April Commission Meeting)*

(3) Outlaw’s Roost, Hanksville  *(requesting to the March Commission*

*Meeting)*

(4) Hearth and Hill, Salt Lake City *(requesting to the October Commission*

*Meeting)*

*License Change of Ownership:*

(1) Murray Winger’s, Murray *(violation history)* *(purchase agreement August 26,*

*2018)*

(2) ~~Romano’s Macaroni Grill, Murray~~ *STRIKE*

(3) Antica Sicillia, Millcreek *(purchase agreement January 29, 2024)*

*Ready to Operate Applicant:*

(1) Roux, Salt Lake City

*All Other Applicants:*

(1) Bryce Canyon Pines, Bryce *(conditional)*

(2) Tita’s Restaurant, Taylorsville *(conditional) (projected opening March 2,*

*2024)*

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

*May 15, 2024)*

(4) Clear Sky Resorts, Cannonville *(conditional) (projected opening June 1,*

*2024)*

(5) Long Horn Steakhouse #5687, Spanish Fork *(conditional) (projected*

*opening December 30, 2024)*

Craig Warr gave an overview of the full restaurant applications. Mr. Handy gave an overview of the subcommittee discussions and recommendations.

Mr. Handy moved to approve extended closures for #1 Hell’s Backbone Grill in Boulder, #2 Hunt and Gather in Torrey, #3 Outlaw’s Roost in Hanksville, and #4 Hearth and Hill in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

Mr. Handy moved to approve ownership changes for #1 Murray Winger’s in Murray and #3 Antica Sicillia in Millcreek. Ms. Tarazon seconded the motion which passed unanimously.

Mr. Handy moved to approve a full service restaurant license for ready to operate applicant #1 Roux in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

The commissioners again discussed the alcohol omnibus bill and the legislative intent that conditional licenses be granted.

Mr. Handy moved to grant conditional full service restaurant licenses to all other applicants #1 Bryce Canyon Pines in Bryce, #2 Tita’s Restaurant in Taylorsville, #3 Piko Mexican Grill in Salt Lake City, #4 Clear Sky Resorts in Cannonville, and #5 Long Horn Steakhouse #5687 in Spanish Fork. Ms. Orton seconded the motion. Ms. Thue, Ms. Tennert, Ms. Orton, Ms. Tarazon and Mr. Handy voted yea; Mr. Jacobson voted nay. The motion passed.

TYPE 2 & 3 PACKAGE AGENCY APPLICATION PROCESS:

a. Discussion with Package Agency Applicants

(1) Escalante, UT (Type 2)

(A) Nathan Waggoner

(2) Duchesne, UT (Type 3)

(A) Virginia McKinnon

(B) Heather Sorenson

Ms. Thue explained that the commission will hear from the applicants today and may make a decision to award the licenses at the next meeting. Jeff Colvin gave an overview of the applications.

Nathan Waggoner came forward to address the commission regarding his application for a Type 2 package agency in Escalante. Mr. Waggoner provided a history of the package agency in Escalante and outlined future plans. He asked that the commission consider awarding the license today as their tourist season will start early March and they are the only applicant.

Mr. Jacobson moved to grant a contract for a Type 2 package agency in Escalante to Nathan Waggoner. Ms. Orton seconded the motion which passed unanimously.

Virginia McKinnon and Kyle Arnold came forward to address the commission regarding their application for a Type 3 package agency in Duchesne. Ms. McKinnon and Mr. Arnold provided a history of the package agency in Duchesne and outlined future plans.

Heather Sorenson came forward to address the commission regarding her application for a Type 3 package agency in Duchesne. Ms. Sorenson explained that she operates the Roosevelt package agency and outlined future plans for the Duchesne location.

The commission discussed the applications and the possibility of awarding the Duchesne license today. Mr. McHenry noted that the commission may want to delay consideration as there are two applicants, and more information may need to be provided prior to making a decision. Mr. Jacobson added that he would like to see a marketing plan from each applicant.

Ms. Thue suggested that the applicants provide additional information to differentiate themselves. The commission will consider the applications during a special meeting or at the next regular meeting in March.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

a. Ms. Tennert thanked Natalie Randall for her service on the commission, noting it was a pleasure to serve with Ms. Randall. Ms. Tennert also referenced the pending statute change regarding the formula for bar and full restaurant licenses and added that the numbers will be calculated and updated annually on July 1. She suggested that interested parties submit their applications quickly.

b. Ms. Tarazon asked that any information regarding changes to commission policies, including the change to granting conditional licenses, be provided to all populations that interact with the commission.

c. Jeff Kriz from Scoville’s in Sugarhouse came forward to say he plans to open a bar in May and hopes a license will be available.

d. Heather Sorenson came forward to ask for clarification on a marketing plan as they are not allowed to advertise. Staff will follow up and provide possible options to both applicants.

e. Tanner Lenart came forward to express frustration that the commission changed policy and awarded conditional licenses today.

There being no further business, Ms. Tennert moved to adjourn. The meeting was adjourned at 12:05 p.m.