

**MINUTES OF THE MEETING OF THE UTAH
ALCOHOLIC BEVERAGE SERVICES COMMISSION
HELD THURSDAY, FEBRUARY 26, 2026
MULTI-AGENCY STATE OFFICE BUILDING**

Commissioner's Present:

Chair Stephen Handy
Vice Chair Jennifer Tarazon
Juliette Tennert
Tara Thue
Christopher Conabee

Commissioner's Participating Virtually:

Falyn Owens
Jacquelyn Orton

Staff Present:

Ericka Evans, Executive Director
Todd Darrington, Deputy Director of Finance
and Administration
Brian Swan, Deputy Director, Legal &
Regulatory Affairs
Jeremy Sommerlath, Managing Director of
Operations
Craig Warr, Compliance Division
Administrator

Also Present:

Sam McHenry, Assistant Attorney General

Note: A copy of related material and an audio recording of the meeting can be found at www.abs.utah.gov

Chair Handy called the meeting to order at 10:05 a.m.

PLEDGE OF ALLEGIANCE:

Stephne Hanson led the group in the Pledge of Allegiance.

ANNOUNCEMENTS:

Chair Handy introduced the commissioners and staff members that assist the commission. He made the following announcements.

- a. Proposed Future Meeting Schedule (subject to change)
 - Thursday, March 26, 2026 - MASOB
 - Thursday, April 30, 2026 - MASOB

- b. Public Comments
 - Those present, please complete the form located at the back entrance to 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, February 25, 2026.
 - Comments will be addressed at the end of the meeting.

PROPOSED FISCAL YEAR 2026 INTERNAL AUDIT PLAN

Tina Cannon, Utah State Auditor, participated virtually, due to technical difficulties, Jordan Kattelman, with the Office of Utah State Auditor, came forward to address the commission. Jordan introduced individuals with the Office of Utah State Auditors that will be assisting with the fiscal year 2026 internal audit plan in accordance with state statutes. He outlined the audit plan they will follow for fiscal year 2026 with the focus on the accounting systems, Package Agency oversight, inventory practice and controls and reviewing staffing.

Chair Handy discussed the April 2025 audit findings. He highlighted the dashboards currently being used to track the progress of resolving these findings and expressed appreciation for the department and Executive Director, Ericka Evans efforts in addressing outstanding issues. Additionally, he acknowledged the assistance the Office of Utah State Auditors will provide.

Commissioner Thue followed up with a question regarding the integration of findings from the Office of Legislative Audit General. In response to Commissioner Thue's inquiry, Jordan Kattelman noted that the Office of Utah Auditor has reviewed the Office of Legislative Audit General report to align findings and prevent duplication of work.

Ericka Evans, Executive Director thanked the Office of Utah State Auditors for their professionalism and commitment to making the Department of Alcoholic Beverage Services better.

MOTION: Commissioner Tennert moved to approve the Proposed Fiscal Year 2026 Internal Audit Plan from the Office of Utah State Auditors. Commissioner Conabee seconded the motion. Chair Handy asked for a vote and noted the audio failure. The motion passed with a roll call vote of 5 - 0 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

Yea - 5

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee

Nay - 0

Absent - 2

Commissioner Orton
Commissioner Owens

Due to a technical audio failure on the primary recording, this written record serves as the official confirmation of the vote taken at 10:14 a.m.

PARENTS EMPOWERED UPDATE:

Doug Murakami, Alcohol Education Director, gave an update on the Parents Empowered campaign. He introduced a simplified handout designed to educate parents on the risks and prevention of underage drinking. He detailed an upcoming KSL Takeover Day event set for March 18, 2026 and highlighted local involvement with the Parents Empowered Community Partnership Projects.

FINANCIAL UPDATE:

Todd Darrington, Deputy Director of Finance and Administration, provided an update on the financial for Period 7 of FY2026. He reported that revenue remained flat with an increase of 1.6% from FY2025 over FY2026. Total expenses were \$7.8 million, and for the month \$5.2 million will be returned to the general fund. Todd Darrington detailed the distribution between the general fund, school lunch, public safety and the Pamela Atkinson Homeless Trust Fund.

OPERATIONS UPDATE:

Ericka Evans, Executive Director, announced that as of Monday, February 23, 2026 all state retail stores cash transactions will now transition to a Penny Round-Up program. She expressed her gratitude for the guidance provided by the Department of Commerce and gave details of how the Penny Round-Up program will work. She reminded those in attendance that the legislative session is still going and discussed several pending bills and the agency's willingness to help with questions from both licensees and legislators.

Jeremy Sommerlath, Managing Director of Operations, provided improvement highlights for both Retail Operations and Warehouse Distribution Center policies and procedures updates to be completed by the end of FY26 and updated the Commission on D385 enhancements and improvements to inventory management processes. He reported on operation milestones, including a 97% inventory in-stock rate.

DEPARTMENT APPOINTMENTS: (Ericka Evans) *[action item]*

- a. Director, Warehouse Distribution Center

Ericka Evans, Executive Director, presented the department appointment of a. Director Warehouse Distribution Center, Kole Boetel. She introduced Kole Boetel and gave an overview of his qualifications. Ericka Evans asked that the commission consider approving the department appointment of Mr. Boetel as the Director of the Warehouse Distribution Center.

MOTION: Vice Chair, Tarazon moved to approve the appointment of Kole Boetel as the Director of the Warehouse Distribution Center. Commissioner Conabee seconded the motion. Chair Handy asked for a roll call vote. The motion passed with a roll call vote of 5 - 0 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

<u>Yea - 5</u>	<u>Nay - 0</u>	<u>Absent - 2</u>
Chair Handy		Commissioner Orton
Vice Chair Tarazon		Commissioner Owens
Commissioner Tennert		
Commissioner Thue		
Commissioner Conabee		

Ericka Evans, Executive Director, presented the department appointment of b. Director, Internal Audit. She introduced Mary Watson and gave an overview of her qualifications. Ericka Evans asked that the commission consider approving the department appointment of Mary Watson as the Director of Internal Audit.

MOTION: Commissioner Tennert moved to approve the appointment of Mary Watson as the Director of Internal Audit. Commissioner Thue seconded the motion. Chair Handy asked for a roll call vote. The motion

passed with a roll call vote of 5 - 0 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

Yea - 5

Nay - 0

Absent - 2

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee

Commissioner Orton
Commissioner Owens

Due to technical audio issues Chair Handy called for the closed portion of the meeting to go into recess at 10:36 a.m. to address the audio in the room.

Chair Handy called for the return to open meeting at 10:50 a.m. and noted that Commissioner Orton had left the meeting due to technical issues.

VIOLATIONS: (Samuel McHenry) [*action item*]

*Referral Sources – Hurricane Police Department (HPD), State Bureau of Investigation (SBI).

[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.]

a. Consent Calendar

- | | | |
|------|--|------------|
| (1) | 7-Eleven Food Store, Hurricane and Aaron Howard (employee) | *HPD (OP) |
| (2) | The Historic Place, Ogden | *SBI (BAR) |
| (3) | La Fountain, Lehi | *SBI (RF) |
| (4) | El Chubasco, Park City | *SBI (RF) |
| (5) | El Green Burrito, Tooele | *SBI (RB) |
| (6) | El Tigre Mexican Food, Kamas | *SBI (RB) |
| (7) | Ho Ho Gourmet, Salt Lake City | *SBI (RL) |
| (8) | Ombu Layton, Layton | *SBI (RL) |
| (9) | Daniels Summit Lodge, Independence | *SBI (RF) |
| (10) | The Corner Pocket, Tooele | *SBI (BAR) |
| (11) | Baja Cantina, Park City | *SBI (RF) |
| (12) | Hallpass, Salt Lake City | *SBI (RF) |
| (13) | Hilton Salt Lake City Center, Salt Lake City | *SBI (HL) |
| (14) | Den Bar, Magna | *SBI (BAR) |
| (15) | Top of Main Brew Pub Park City, Park City | *SBI (RF) |
| (16) | Park City Roadhouse Grill, Park City | *SBI (LR) |
| (17) | The Star Bar, Park City | *SBI (BAR) |
| (18) | Downstairs, Park City | *SBI (BAR) |
| (19) | Hearth & Hill, Summit County | *SBI (RF) |
| (20) | Blues Katz Rock N Roll, St. George | *SBI (BAR) |

Samuel McHenry, Assistant Attorney General, gave an overview of the items on the consent calendar noting they are complete and ready for action by the commission.

MOTION: Commissioner Tennert moved to approve the settlement agreements for a. Consent calendar items #1 to #20. Vice Chair Tarazon second the motion. Chair Handy asked for a roll call vote. The motion passed with a roll call vote of 5 - 0 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

Yea - 5

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee

Nay - 0

Absent - 2

Commissioner Orton
Commissioner Owens

b. Order to Show Cause

- (1) Sunday's Best Sandy, LLC, Sandy (RF)
- (2) Oak Wood Draper LLC, Draper (RF)
- (3) Sunday's Best SLC, LLC, Salt Lake City (RF) and (BAR)
- (4) Pedalbar LLC, South Jordan (RL)
- (5) WCFS Cantina LLC, Riverton (RF)

Samuel McHenry, Assistant Attorney General, presented the Order to Show Cause for item #4 Pedalbar LLC, in South Jordan. Samuel noted that staff reported that the licensee appeared to be operating seasonally without authorization, noting a sign stating the business was closed until Spring 2026. Following the Order to Show Cause summary, Samuel McHenry briefed the commission on their enforcement options to suspend, revoke, or forfeit the liquor license.

Zach Selby, owner of the Pedalbar appeared before the commission to address these concerns. He noted that the business remains open with limited hours of operation and clarified that the closed signage referred only to the outdoor patio, not the indoor restaurant. He stated he is willing to provide financial records to prove the business is active.

In response to Commissioner Thue's questions, Craig Warr, Compliance Division Administrator, detailed the steps taken by the Department of Alcoholic Beverage Services licensing and compliance staff with communication with the licensee.

Commissioner Conabee requested that item #4 Pedalbar LLC on b. Order to Show Cause be tabled to the March Commission Meeting and that staff work on understanding better signage, audits that have been done or not done, confirming hours of operations, confirmation of and quality of contact information with the applicant, their compliance history, and then operational history during that period.

MOTION: Commissioner Conabee moved to postpone action on item #4, Pedalbar LLC, in South Jordan for 30 days to allow DABS staff to gather more information and revisit the matter at the March commission meeting. Commissioner Tennert seconded the motion. Chair Handy asked for a roll call vote to the motion. The motion passed with a roll call vote of 4 - 1 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

Yea - 4

Chair Handy
Vice Chair Tarazon

Nay - 1

Commissioner Thue

Absent - 2

Commissioner Orton
Commissioner Owens

Commissioner Tennert
Commissioner Conabee

Samuel McHenry, Assistant Attorney General, presented the Order to Show Cause for item item #5 WCFS Cantina LLC in Riverton. He explained to the commission that staff reported that the establishment appears to have completely shut down and there has been no contact from the licensee.

Chair Handy called for the owner or a representative of WCFS Cantina LLC to provide a statement either in person or online. No representative was present to respond.

MOTION: Commissioner Tennert moved to deem the license forfeited for item #5, WCFS Cantina LLC, in Riverton on b. Order to Show Cause. Commissioner Conabee second the motion. Chair Handy called for a roll call vote. The motion passed with a roll call vote of 5 - 0 - 2. Due to audio failure Commissioner Orton and Commissioner Owens were excused from the motion.

Yea - 5

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee

Nay - 0

Absent - 2

Commissioner Orton
Commissioner Owens

Samuel McHenry, Assistant Attorney General presented the Order to Show Cause for items #1. Sunday's Best Sandy LLC, #2. Oak Wood Draper LLC, and #3 Sunday's Best SLC, a Restaurant Full-Service and a Bar Establishment license. He explained to the commission the tax licensing issues for items #1, 2 and 3.

Michael McHenry, owner of items #1, 2, and 3, on b. Order to Show Cause on the Consent Calendar, and Counsel Mr. Young addressed the commissioners and answered questions from the commissioners about remitting the collected sales tax to the state. He noted that the issues arose from a payment plan transition and a lost tax ID number for the Salt Lake City location. Michael McHenry discussed the efforts to resolve the \$170,000 tax balance.

Commissioner Tennert emphasized that sales tax is held in trust for the State and should never be used for operational cash flow.

In response to a direct inquiry from Commissioner Conabee, Michael McHenry stated that while item #1 Sunday's Best Sandy and item #2 Oakwood Fire Kitchen possessed active sales tax licenses, item #3 Sunday's Best Salt Lake City did not have an active sales tax number.

MOTION: Commissioner Conabee moved to suspend items 1, 2, and 3 subject to proof of an active tax license being submitted to staff by Friday, February 28, 2026. Commissioner Tennert seconded the motion.

DISCUSSION: The Commission engaged in a detailed discussion regarding the legal requirement for an active sales tax license to serve alcohol.

Ericka Evans, Executive Director, provided guidance, suggesting that the Commission could amend the motion to make the suspension effective the following day.

Chair Handy expressed the Commission came prepared to take final action and directed the licensee to improve management practices. Commissioner Thue reinforced this, stating that the collection and remittance of sales tax is an obligation of the caretaker.

Chair Handy called for a roll call vote. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

Yea - 6

Nay - 0

Absent - 1

Chair Handy

Commissioner Orton

Vice Chair Tarazon

Commissioner Tennert

Commissioner Thue

Commissioner Conabee

Commissioner Owens

LICENSEE RECOGNITIONS: (Ericka Evans)

- a. Passed Utah Dept. of Public Safety, SBI Covert Underage Buyer (CUB) Inspections

Ericka Evans, Executive Director, reported that since the January Commission Meeting, 39 licensees passed the SBI inspections. She congratulated those that passed and thanked them for following the alcohol safety laws.

CONSENT AGENDA: (Brian Swan) *[action item]*

- a. Approval of the Minutes
 - (1) January 29, 2026 Commission Meeting
 - (2) February 5, 2026 Special Commission Meeting
- b. January License Renewal Campaign Results
 - (1) 1903 license records meet statutory requirements for renewal
 - (2) 59 license records will not be renewed
- c. Off-Premise Beer Retailer State License (**License Effective March 1, 2026**)

License Changes of Ownership:

 - (1) Richfield Convenience Express LC, Richfield (*purchase agreement January 26, 2026*)
 - (2) Sunset Minimart, Sunset (*purchase agreement January 19, 2026*)

New Applicants:

 - (1) Holiday Oil #82, West Jordan (*conditional*)
 - (2) Kinich 4, North Salt Lake City (*conditional*)
 - (3) La Manzanita Market, Ogden (*conditional*)
 - (4) La Tenoch Mini Market Inc., South Salt Lake
 - (5) QuikTrip N7490, Marriott-Slaterville (*conditional*)
 - (6) Zion National Park KOA, Virgin
 - (7) Blair's Sinclair, Ogden
- d. Hotel

License Change of Ownership:

- (1) Waldorf Astoria Park City, Park City (*conditional*) (*purchase agreement January 26, 2026*)

e. Hotel Sub-License

New Applicant:

- (1) Grand Hyatt Deer Valley, Wasatch County (*Restaurant Full Service*)

f. Local Industry Representative

New Applicants:

- (1) Henri Johnson, Johnson Brothers Collective LLC, South Jordan
- (2) Slater Benson, Johnson Brothers Collective LLC, Layton
- (3) Colin GilroySmith, Johnson Brothers Collective LLC, Heber City
- (4) Cody Ward, Johnson Brothers Collective LLC, Orem

g. Reception Center

New Applicant:

- (1) Beaver River Ranch, LLC, Beaver (*conditional*)

h. Restaurant Limited-Service

License Change of Ownership:

- (1) ——— Cordwood, Mount Carmel (*conditional*) (*purchase agreement December 23, 2025*)-**STRIKE**

New Applicants:

- (1) Pockets Pool Hall and Diner, Taylorsville (*conditional*)
- (2) Thai Spoon, Murray
- (3) La Lola Taco, Murray
- (4) Arrabiata Restaurant, Ivins
- (5) Shake Shack, Summit County
- (6) Nettle Salad Co. LLC, Millcreek (*conditional*)
- (7) Laan Thai Restaurant, Logan (*conditional*)

i. On-Premise Beer Retailer - Recreational Amenity (**License Effective March 1, 2026**)

New Applicant:

- (1) MadKing Productions, Salt Lake City

j. Restaurant Full-Service

Extended Closure:

- (1) Outlaw's Roost, Hanksville Town (*requesting until April 1, 2026*)

License Changes of Ownership:

- (1) Roux, Salt Lake City (*conditional*) (*violation history*) (*purchase agreement October 31, 2025*)
- (2) Toro Steak and Cocktails, South Jordan (*conditional*)
- (3) Anthera Restaurant, Springdale (*purchase agreement January 1, 2026*)

New Applicants:

- (1) Lupita's Valley Mexican Restaurant, Heber (*conditional*)
- (2) Kpot Korean BBQ and Hot Pot, Layton (*conditional*)
- (3) Touch of Tuscany, Hurricane (*conditional*)

- (4) Bout Time Pub & Grub, Bluffdale (*violation history*)
- (5) Desi Kitchen, Draper (*conditional*)
- (6) Los Tapatios Taco Grill WJ, West Jordan (*conditional*) (*will surrender their Restaurant Beer-License upon approval*)

Brian Swan, Deputy Director of Legal and Regulatory Affairs, reported that the items on the consent agenda were complete and ready for action by the commission. He noted that items c. Off-Premise Beer Retailer State License and item i. On-Premise Beer Retailer - Recreational Amenity has a license effective date of March 1, 2026, and that Item h. Restaurant Limited - Service license, License Change of Ownership, for #1 Cordwood, Mount Carmel have requested to be removed until a later date.

MOTION: Commissioner Tennert moved to have item h. Restaurant Limit Service, License Change of Ownership item #1 Cordwood be removed from the consent agenda. Vice Chair Tarazon second the motion. Chair Handy asked for a roll call vote. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

<u>Yea - 6</u> Chair Handy Vice Chair Tarazon Commissioner Tennert Commissioner Thue Commissioner Conabee Commissioner Owens	<u>Nay - 0</u>	<u>Absent - 1</u> Commissioner Orton
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MOTION: Commissioner Thue moved to approve items a. - j. on the Consent Agenda. Commissioner Tennert seconded the motion. Chair Handy asked for a roll call vote for the motion. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

<u>Yea - 6</u> Chair Handy Vice Chair Tarazon Commissioner Tennert Commissioner Thue Commissioner Conabee Commissioner Owens	<u>Nay - 0</u>	<u>Absent - 1</u> Commissioner Orton
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LICENSE APPLICATIONS CONSIDERATION ITEMS:

- a. Bar Establishment (Rob Hansen) [*action items*]
License Change of Ownership:
 - (1) The Post Bar & Grill, Morgan (*purchase agreement August 8, 2025*)

Rob Hansen, Program Manager, gave an overview of the license change of ownership application.

MOTION: Commissioner Tennert moved to approve the license change of ownership for item #1 The Post Bar & Grill in Morgan. Vice Chair Tarazon seconded the motion. Chair Handy asked for a roll call vote. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

Yea - 6

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee
Commissioner Owens

Nay - 0

Absent - 1

Commissioner Orton

New Applicants:

- (1) VFW Ben G Russo Post 3586, Salt Lake City (*conditional*) (*Fraternal*)
- (2) The Back Door Bar, Vernal (*conditional*)

Rob Hansen, Program Manager, gave an overview of the new applicants. He noted that there are 27 year round and 2 winter seasonal bar establishment licenses available.

Commissioner Conabee thanked the VFW Ben G Russo Post 3586 applicant for his service.

MOTION on Item 1: Commissioner Tennert moved to approve the new applicant for a Bar Establishment conditional application for VFW, Ben G Russo Post 3586. Commissioner Thue second the motion. Chair Handy asked for a roll call vote. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

Yea - 6

Chair Handy
Vice Chair Tarazon
Commissioner Tennert
Commissioner Thue
Commissioner Conabee
Commissioner Owens

Nay - 0

Absent - 1

Commissioner Orton

Commissioner Conabee discussed concerns regarding local consent form provided by Vernal City.

Commissioner Tennert noted that while a signed consent form exists, there were reports it may have been rescinded because of proximity measurement to a park, but not formally rescinded. Vice Chair Tarazon discussed having a special commission meeting for item #2 The Back Door Bar in Vernal.

MOTION on Item 2: Commissioner Tennert moved to delay deliberation on this Bar Establishment new application, item #2 The Back Door Bar, until an updated local consent is provided on official Vernal City letterhead. The motion included scheduling a Special Meeting as soon as the document is received. Commissioner Conabee seconded the motion.

DISCUSSION: The Back Door Bar applicant, addressed the Commission regarding the status of the local consent from Vernal City. She confirmed that the business is prepared to begin operations immediately, noting that her staff, POS system, and tax identification are already in place.

Rob Hansen clarified that the applicant currently holds a Restaurant Full - Service license in the same building location. He explained that the location was not considered a community location by Vernal City for

the Restaurant Full - Service application last year and confirmed that Department of Alcoholic Beverage Service licensing and compliance staff had recently conducted an on-site visit.

Chair Handy asked for a roll call vote for the motion. The motion passed with a roll call vote of 6 - 0 - 1. Due to audio failure Commissioner Orton was excused from the motion.

Yea - 6

Nay - 0

Absent - 1

Chair Handy

Commissioner Orton

Vice Chair Tarazon

Commissioner Tennert

Commissioner Thue

Commissioner Conabee

Commissioner Owens

Due to technical difficulties with the audio-visual equipment, Commissioner Chair Handy moved to take items: Department Appointments, Closed Portion of Meeting: Department Appointments and Return to Open Meeting: Department Appointments out of order to be addressed earlier in the meeting.

DEPARTMENT APPOINTMENTS: (Ericka Evans) *[action item] Moved*

- a. Director, Warehouse Distribution Center

CLOSED PORTION OF MEETING: DEPARTMENT APPOINTMENTS *[action item]*

- a. Motion to close the meeting pursuant to Utah Code Subsection 52-4-205(1)(a) for the purpose of discussing hiring matters
- b. Commission discussion

RETURN TO OPEN MEETING: DEPARTMENT APPOINTMENTS *[action item]*

- a. Commission action

COMMENTS FROM COMMISSIONERS AND PUBLIC

Chair Handy opened the floor for public comment. Hearing none, he called for a motion to adjourn.

ADJOURN

MOTION: Commissioner Thue moved to adjourn the meeting. Commissioner Tennert seconded the motion. There being no further business the meeting was adjourned at 11:49 a.m.