MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE CONTROL COMMISSION

HELD TUESDAY, AUGUST 27, 2019, AT 1625 SOUTH

900 WEST, SALT LAKE CITY, UTAH.

*[The proposed agenda for this meeting was emailed to all persons on the regular email list on Thursday, August 22, 2019. A copy of the final agenda was posted on the bulletin board at the DABC 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 Monday, August 26, 2019.]*

Chairman John T. Nielsen called the meeting to order at 10:00 a.m.

Commissioners Present: John T. Nielsen, Tom Jacobson, Sophia DiCaro, Jacquelyn Orton, and Stanley B. Parrish.

Staff Present: Cade Meier, Deputy Director; Man Diep, Finance Director; RuthAnne Oakey-Frost, Compliance and Licensing Director; and Tim Beardall, Internal Audit Director.

Also Present: Sheila Page, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Bonnie Bills led the group in the Pledge of Allegiance.

ANNOUNCEMENTS:

Mr. Nielsen made the following announcements:

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

 - Tuesday, September 24, 2019

 - Tuesday, October 29, 2019

b. Holiday Closure:

 - Monday, September 2, 2019 (Labor Day)

 Liquor stores and the DABC administrative office and warehouse will

be closed.

VIOLATIONS:

 \* Referral Source – State Bureau of Investigation (SBI)

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 request that any item be removed for individual discussion. A summary of consent calendar items was distributed to the commissioners and is attached and made part of these minutes.]*

 (1) Guras Spice House, Herriman and Dhan \*SBI (RL)

 Rai (employee).

 (2) Ahimusee, Orem and Jong-In Lee, Brandon \*SBI (RL)

 Drabik, and Kyeingeun Jung (employees).

 (3) Bout Time Pub & Grub, Park City and \*SBI (BAR)

 Mary Brown (employee).

 (4) Bout Time Pub & Grub, West Valley City. \*SBI (BAR)

 (5) Howdy’s Hilltop Tavern, Ft Duchesne, and \*SBI (BAR)

 Kristian Appawoo (employee).

 (6) Mariscos Ensenada 2, Midvale and Maria \*SBI (RE)

 Carbajal (employee).

 (7) Ying’s Thai Sushi, Sandy and Yanyi Wu \*SBI (RL)

 (employee).

 (8) 7-Eleven Store, Midway and Isaac Webb \*SBI (OP)

 (employee).

 (9) Red Robin, West Valley and Amber Cox \*SBI (RE)

 and Kelton Cotterman (employees).

 (10) BGR Burgers Grilled Right, Salt Lake and \*SBI (RL)

 Ana Garcia (employee).

Sheila Page explained that #2 Ahimusee has signed their settlement agreement but failed to pay their fees. She recommended that the settlement agreement be approved and that #2 Ahimusee be given until 5:00 p.m. on Thursday, September 5, 2019 to pay their fees. Ms. Page stated the balance of the items on the consent calendar are complete and recommended approval.

Mr. Jacobson moved to approve the settlement agreement for #2 Ahimusee with the stipulation that they pay their costs by 5:00 p.m. on Thursday, September 5, 2019; and to approve the balance of the items on the consent calendar. Ms. Orton seconded the motion which passed unanimously.

REQUEST TO FILE OBJECTION TO HEARING OFFICER RECOMMENDATION:

a. El Paisa, West Valley City. (RE)

Jeff Buckner from the Attorney General’s Office came forward to give an overview of the request to file an objection to the recommended order of the hearing officer.

Mr. Jacobson moved to authorize the Attorney General’s Office to file an objection to the hearing officer’s preliminary decision and to also allow the other party the right to respond to that objection.

Daniel Darger, attorney for El Paisa, came forward and asked for the opportunity to address the objection. Mr. Nielsen explained that the item before the commission today is the decision to authorize the Attorney General’s Office to file an objection to the motion. Mr. Darger stated he understood and that he doesn’t think they should be authorized to file a late objection. Mr. Nielsen called for a second to the motion. Mr. Parrish seconded the motion.

The commissioners, Mr. Darger, Ms. Page and Mr. Buckner discussed whether or not the AG’s office may file an objection. Mr. Nielsen noted that this is a technical problem given the fact that the commission currently does not have a hearing officer.

Mr. Jacobson stated the commission needs to see the entire case file. The hearing officer retired and it appears the decision was not final. He suggested the AG’s office be allowed to file their objection and Mr. Darger be allowed to file his argument so the commission will have everything in front of them. Mr. Darger stressed that it is too late to allow the AG’s office to file an objection.

Ms. Orton expressed concern that licensees are being held to a different standard than the AG’s Office and department regarding deadlines. Ms. Page reiterated that the issue is whether the final order complied with the statute sufficiently. It wasn’t signed and it didn’t include the costs.

Mr. Jacobson made a motion to give the Attorney General’s Office leave to file their objection. Mr. Parrish seconded the motion. Mr. Parrish, Mr. Jacobson and Mr. Nielsen voted yea; Ms. Orton and Ms. DiCaro voted nay. The motion passed.

LIMITED SERVICE RESTAURANT LICENSE REQUESTING WINTER SEASONAL LICENSE:

a. Tupelo, Heber City.

Pam Shields gave an overview of the request noting it is complete and staff recommends approval.

Mr. Jacobson moved to approve a limited service restaurant winter seasonal license for Tupelo in Heber City. Ms. DiCaro seconded the motion which passed unanimously.

REQUEST FOR TIME EXTENSION ON LICENSE:

a. ~~Nacho Daddy’s, Salt Lake City~~. *STRIKE*

b. ~~Carson Kitchen, Salt Lake City~~. *STRIKE*

c. ~~Emigration Brewery, Salt Lake City~~. *STRIKE*

TRANSFER OF LOCATION REQUESTS:

a. Bona Vita Italian Bistro. (RL)

 From: 3700 Cabolas Blvd., Suite 355, Lehi.

 To: 1820 N. Traverse Parkway, Suite C, Lehi.

Nicole Tarleton gave an overview of the request noting it is complete and staff recommends approval.

Mr. Parrish moved to approve a transfer of location for Bona Vita Italian Bistro in Lehi. Ms. DiCaro seconded the motion which passed unanimously.

b. Chanela Farms, St. George. (MW)

 From: 7124 N. Spring Hollow Loop, St. George.

 To: 4391 S. Enterprise Drive, St. George.

Steve Wallenda gave an overview of the request noting it is complete and staff recommends approval.

Ms. DiCaro moved to approve a transfer of location for Chanela Farms in St. George. Mr. Jacobson seconded the motion which passed unanimously.

INDUSTRIAL MANUFACTURING APPLICANT:

a. Lionheart Enterprises, LLC, Vineyard.

Abe Kader gave an overview of the application for a special use permit noting it is complete and staff recommends approval.

Ms. DiCaro moved to approve an industrial manufacturing special use permit for Lionheart Enterprises, LLC in Vineyard. Mr. Jacobson seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

a. Completed Applications. *(list attached)*

b. Conditional Applications. *(list attached)*

Stephne Hanson noted that there are two lists. The first list includes the off-premise beer retailer applications that have met the training requirement and are complete. The second list includes the off-premise beer retailer applications that are complete and have met the training requirement, but are conditional as they are missing a business license. Staff recommends approval.

Mr. Jacobson moved to approve both the completed and conditional off-premise beer applications. Ms. DiCaro seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. License Transfers:

 (1) Spotted Dog Café, Springdale. (RE)

 (2) Doubletree by Hilton @ SLC Airport, Salt Lake. (BC), (RE) &

 (BAR)

 (3) Grub Steak, Park City. (RE) *(Conditional)*

 (4) El Chubasco, Park City. (RB) *(Conditional)*

 (5) Brigham City Wingers, Brigham City. (RE) *(Conditional)*

Margaret Hardie gave an overview of the license transfers noting those that are conditional and that #5 Brigham City Wingers is requesting that the transfer be effective September 16, 2019. Staff recommends approval.

Mr. Jacobson moved to grant license transfers to #1 Spotted Dog Café in Springdale and #2 Doubletree by Hilton @ SLC Airport in Salt Lake City; and conditional license transfers for #3 Grub Steak in Park City, #4 El Chubasco in Park City, and effective September 16, 2019 #5 Brigham City Wingers in Brigham City. Ms. DiCaro seconded the motion which passed unanimously.

b. Full Service Restaurant Applicants:

 *New Applicants:*

(1) Cultivate Craft Kitchen, Draper. *(Conditional)*

(2) Pig’s Ear American Bistro, Hurricane. *(Conditional)*

 (3) Blanquitas Mexican Grill Seafood & Bar, Layton.

 (4) ~~Calvario’s Family Restaurant, Parowan~~. *STRIKE*

 (5) ~~Anthera, Springdale~~. *STRIKE*

 (6) Lucky’s Iron Door Roadhouse, West Jordan. *(Conditional)*

Nicole Tarleton asked the commissioners to strike #4 Calvario’s Family Restaurant and #5 Anthera. She gave an overview of the balance of the applications noting those that are conditional. Staff recommends approval.

Ms. Orton moved to approve conditional full service restaurant licenses for #1 Cultivate Craft Kitchen in Draper, #2 Pig’s Ear American Bistro in Hurricane, and #6 Lucky’s Iron Door Roadhouse in West Jordan; and a full service restaurant license for #3 Blanquitas Mexican Grill Seafood & Bar in Layton. Ms. DiCaro seconded the motion which passed unanimously.

c. Bar Establishment Applicants:

 *Previous Applicants:*

(1) Redemption, Herriman. *(Conditional)*

 (2) Trolley Wing Company, Salt Lake City. *(Conditional)*

 *New Applicant:*

(1) Circle Inn Pizzeria, Clearfield.

(2) Bout Time Pub & Grub, Lehi. *(Conditional)*

(3) Jackson’s Base Camp, Park City. *(Conditional)*

(4) Zion Brewing Station, LLC, St George. *(Conditional)*

(5) Grid City Beer Works, Salt Lake City. *(Conditional)*

(6) Pins & Ales Restaurant & Brew Pub, West Valley. *(Conditional)*

(7) Bout Time Pub & Grub, West Valley City.

Mr. Nielsen noted there is one full license and two summer seasonal licenses available. He invited previous and new applicants to come forward and address the commission. He asked that they provide projected opening dates.

In response to the request from Grant Pope from #7 Bout Time Pub & Grub for a full or summer seasonal license, Mr. Jacobson asked what they will do when the summer seasonal license expires on October 31. He asked if they fully understand, given all the applicants in line, that they may not have a bar license on November 1, 2019. The commission considers many factors when granting a license including the need to diversify licenses throughout the state. Mr. Pope acknowledged that they are aware of the summer seasonal dates.

Mr. Jacobson moved to give a full bar establishment license to #4 Zion Brewing Station in St. George. Ms. DiCaro seconded the motion which passed unanimously.

Mr. Jacobson moved to give a summer seasonal license to #7 Bout time Pub & Grub in West Valley City. Ms. DiCaro seconded the motion which passed unanimously.

d. Banquet Catering Applicants:

 *New Applicants:*

1. ~~Anthera, Springdale~~. *STRIKE*
2. ~~All Star Bowling & Entertainment, West Valley~~. *STRIKE*

e. Limited Service Restaurant Applicants:

 *New Applicants:*

 (1) Montauk Bistro, Draper. *(Conditional)*

 (2) Ombu Korean BBQ, Orem. *(Conditional)*

(3)Club Mecca, Price.

 (4) Won Won Kitchen, Salt Lake City. *(Conditional)*  (5) Tokyo Teriyaki, Salt Lake City. *(Conditional)*

 (6) Slackwater (Sandy), Sandy. *(Conditional)*

Pam Shields gave an overview of the applications noting they are all conditional. Staff recommends approval.

Mr. Parrish moved to grant a limited service restaurant license to #3 Club Mecca in Price; and conditional limited service restaurant licenses to #1 Montauk Bistro in Draper, #2 Ombu Korean BBQ in Orem, #4 Won Won Kitchen in Salt Lake City, #5 Tokyo Teriyaki in Salt Lake City, and #6 Slackwater in Sandy. Mr. Jacobson seconded the motion which passed unanimously.

f. On-Premise Beer (Recreational Amenity) Applicant:

 *New Applicant:*

 (1) All Star Bowling & Entertainment, West Valley. *(Conditional)*

Mike Bishop gave an overview of the application noting it is conditional. Staff recommends approval.

Ms. DiCaro moved to grant a conditional on-premise beer recreational license to #1 All Star Bowling & Entertainment in West Valley City. Ms. Orton seconded the motion which passed unanimously.

g. On-Premise Beer Only Restaurant Applicant:

 *New Applicant:*

(1) Prime Pizza, Grantsville.

Mike Bishop gave an overview of the application noting it is complete and staff recommends approval.

Ms. DiCaro moved to grant an on-premise beer only restaurant license to #1 Prime Pizza in Grantsville. Mr. Jacobson seconded the motion which passed unanimously.

OPERATIONS UPDATE:

a. Listed Items.

Cade Meier reported one item is available in the Rare High Demand Drawing. It is Jameson 18 year old whiskey. He also noted 192 items were evaluated with 78 being accepted, five one-time buys, and 106 items were discontinued. Purchasing is focusing on listing/delisting beer in preparation for November 1, 2019.

b. Package Agency Audits.

Jeff Colvin reported that six Type 1, two Type 3 and eight Type 5 package agencies were audited and found to be in compliance.

c. Consignment Increase Requests from PA432 Ephraim and PA429 Richmond.

Jeff Colvin reported the Ephraim package agency is requesting a consignment of $35,000; and the Richmond package agency is requesting a $10,000 consignment.

Mr. Jacobson moved to approve a consignment of $35,000 for PA 432 in Ephraim; and a $10,000 consignment for PA 429 in Richmond. Mr. Parrish seconded the motion which passed unanimously.

FINANCIAL UPDATE:

Man Diep reported that as of the end of July 2019, YTD bottle sales increased 8.86% (341,749 bottles) compared to last year. YTD retail sales are up $2,936,511 (8.53% increase).

COMMENTS FROM COMMISSIONERS AND PUBLIC:

None.

There being no further business, the meeting adjourned at 10:45 a.m.

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Chairman