MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE CONTROL COMMISSION

HELD TUESDAY, JUNE 22, 2021.

*[A copy of the final agenda was posted on the bulletin board at the DABC Administrative Office, emailed to the Salt Lake Tribune and Deseret News, and posted on the Utah Public Notice Website by 9:00 a.m. on Monday, June 21, 2021.]*

Chairman John T. Nielsen called the meeting to order at 9:00 a.m.

Commissioners Present: John T. Nielsen, Steve Bateman, Jacquelyn Orton, Stanley B. Parrish and Juliette Tennert.

Commissioners Participating Virtually: Tom Jacobson and Tara Thue.

Staff Present: Tiffany Clason, Executive Director; Cade Meier, Deputy Director; Angela Micklos, Compliance and Licensing Director; and Sean Williford, Finance Director.

Also Participating Virtually: Sheila Page, Assistant Attorney General.

APPROVAL OF MINUTES:

Mr. Bateman moved to approve the minutes of the Commission Meeting held May 25, 2021. Mr. Parrish seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Mr. Nielsen made the following announcements:

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

 - Tuesday, July 27, 2021

 - Tuesday, August 31, 2021

b. Public Comments:

 - Those wishing to comment on this meeting may email hotline@utah.gov.

 Comments will be addressed at the end of the meeting.

c. Holiday Closures:

 - Monday, July 5, 2020 (Independence Day)

 Liquor stores and the DABC administrative office and warehouse

 will be closed.

 - Friday, July 23, 2020 (Pioneer Day)

 DABC administrative office and warehouse will be closed.

Liquor stores will be open.

 - Saturday, July 24, 2020 (Pioneer Day)

 Liquor stores will be closed.

PARENTS EMPOWERED UPDATE:

Doug Murakami highlighted the community partnership projects (formerly mini-grants) being developed throughout the state. He also announced a new signage program that will be displayed in the stores and package agencies.

ADMINISTRATIVE RULES:

1. R82-1-102 Definitions (“Controlled Group of Breweries”).
2. R82-1-304 to 304.1 Background Checks (Public Service Permittees).
3. R82-2-302 Advertising (Package Agency).
4. R82-2-306 Operational Restrictions (Package Agencies).
5. R82-2-308 Consignment Inventory Package Agencies.
6. R82-3-102 Violation Schedule.
7. R82-5-202 Retail License Renewals.

Ms. Micklos gave an overview of the proposed administrative rule amendments noting they were reviewed and recommended for approval by the Alcoholic Beverage Control Advisory Board at their June 14, 2021 meeting. She asked the commissioners to approve and send the rules through the formal rulemaking process.

Mr. Bateman made a motion to approve the rule amendments to R82-1-102 Definitions, R82-1-304 to 304.1 Background Checks, R82-2-302 Advertising, R82-2-306 Operational Restrictions, R82-2-308 Consignment Inventory Package Agencies, R82-3-102 Violation Schedule, and R82-5-202 Retail License Renewals and to send them through the formal rulemaking process. Mr. Parrish seconded the motion which passed unanimously.

ADVISORY BOARD APPOINTMENTS:

Ms. Micklos explained that several Advisory Board terms were expiring and asked the commissioners to consider appointing the following to four year terms:

a. Fred Boutwell, Restaurant Industry, reappointment.

b. Brett Birt, Wholesaler Industry, reappointment.

c. Troy Denney, Alcohol Enforcement, replacing retired Brian Redd.

Mr. Parrish moved to appoint Fred Boutwell, Brett Birt, and Troy Denney to the Alcoholic Beverage Control Advisory Board to serve four year terms. Ms. Orton seconded the motion which passed unanimously.

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) 7- Eleven Store #26577A, Logan and Jessica \*SBI (OP)

 Jones (employee).

 (2) Bonneville Brewery, Tooele and Zachary Utley \*SBI (BAR)

 (employee).

 (3) Copper Onion, Salt Lake and Brady Russell \*SBI (LR)

 (employee).

 (4) El Gallo Loco, West Valley and Luis Martinez \*SBI (RB)

 (employee).

 (5) Hook & Reel Cajun Seafood, Salt Lake and Clarissa \*SBI (RE)

 Isaacs (employee).

 (6) Island Market, Logan and Shandi Harper \*SBI (OP)

 (employee).

 (7) Kohinoor, Orem and Patrick Wong (employee). \*SBI (RL)

 (8) La Fountain Restaurant, West Valley and Celso \*SBI (RE)

 Puerta (employee).

 (9) La Fountain Restaurant, Sandy and Angelica Avina \*SBI (RE)

 (employee).

 (10) Los Cucos Mexican Restaurant, Sandy and Ehiner \*SBI (RE)

 Calderon (employee).

 (11) Myunga Ga, Salt Lake and Hyae Sin Park \*SBI (RL)

 (employee).

 (12) Red Lotus Bistro, Salt Lake and Ashlee Buttars \*SBI (RE)

 (employee).

 (13) Tandoor Indian Grill, Provo and Scott Powell \*SBI (RL)

 (employee).

 (14) The Gateway Saloon, Vernal and Kristine Berra \*SBI (BAR)

 (employee).

 (15) Baja Cantina, Park City and Alicia Pratt (employee). \*SBI (RE)

Ms. Page noted all items are complete and recommended approval of the consent calendar.

Ms. Orton moved to approve the items on the consent calendar. Mr. Bateman seconded the motion which passed unanimously.

EXTENDED CLOSURE REQUESTS:

Compliance staff gave an overview of each of the extended closure requests.

a. ~~Roughlock Resort, Monticello~~. *STRIKE*

b. The Daily, Salt Lake City. (RE)

Mr. Bateman moved to approve an extended closure for The Daily in Salt Lake City until the end of June. Mr. Parrish seconded the motion which passed unanimously.

c. Amour Cafe, Salt Lake City. (RL)

Mr. Jacobson moved to approve an extended closure for Amour Café in Salt Lake City until the August commission meeting. Ms. Orton seconded the motion which passed unanimously.

d. Tin Angel, Salt Lake City. (RE)

Mr. Bateman moved to approve an extended closure for Tin Angel in Salt Lake City until the August commission meeting. Ms. Orton seconded the motion which passed unanimously.

e. Tsunami (Sugarhouse), Salt Lake City. (RE)

Mr. Parrish moved to approve an extended closure for Tsunami (Sugarhouse) in Salt Lake City until the August commission meeting. Ms. Orton seconded the motion which passed unanimously.

f. Hyatt House H Bar, Salt Lake City. (RE)

Ms. Orton moved to approve an extended closure for Hyatt House H Bar in Salt Lake City until the July commission meeting. Mr. Parrish seconded the motion which passed unanimously.

g. Sunny’s Bistro, Salt Lake City. (RE)

Ms. Orton moved to approve an extended closure for Sunny’s Bistro in Salt Lake City until the August commission meeting. Mr. Bateman seconded the motion which passed unanimously.

h. Pallet Bistro, Salt Lake City. (RE)

Mr. Bateman moved to approve an extended closure for Pallet Bistro in Salt Lake City until the August commission meeting. Ms. Orton seconded the motion which passed unanimously.

i. Publik Ed’s, Salt Lake City. (RB)

Ms. Orton moved to approve an extended closure for Publik Ed’s in Salt Lake City until the July commission meeting. Ms. Tennert seconded the motion which passed unanimously.

j. The Rose Establishment, Salt Lake City. (RL)

Ms. Tennert moved to approve an extended closure for The Rose Establishment in Salt Lake City until the August commission meeting. Ms. Orton seconded the motion which passed unanimously.

k. Brewvies, Salt Lake and Ogden. (BAR & RE)

Ms. Orton moved to approve extended closures for Brewvies in Salt Lake City and Ogden until the July commission meeting. Mr. Jacobson seconded the motion which passed unanimously.

l. Hyatt Place, SLC Airport, Salt Lake City. (RE)

Mr. Bateman moved to approve an extended closure for Hyatt Place, SLC Airport, in Salt Lake City until the July commission meeting. Mr. Parrish seconded the motion which passed unanimously.

m. Wahso, Park City. (RE)

Ms. Orton moved to approve an extended closure for Wahso in Park City until the September commission meeting. Mr. Bateman seconded the motion which passed unanimously.

n. ~~Fanny’s Restaurant @ Homestead, Midway~~. *STRIKE*

o. ~~Hotel RL, Salt Lake City~~. *STRIKE*

p. Boltcutter, Salt Lake City. (RE)

Ms. Orton moved to approve an extended closure for Boltcutter in Salt Lake City until the August commission meeting. Ms. Tennert seconded the motion which passed unanimously.

UPDATE ON EXTENDED CLOSURE REQUEST:

a. Snowbasin Day Lodge, Huntsville. (RE)

Cori Price gave an overview of the request noting they are considering switching to a summer seasonal license. Alan Dickinson from Snowbasin explained that they usually close for the summer and operate under a banquet catering license. However, they will consider moving to a summer seasonal.

Ms. Tennert moved to approve an extended closure until the July commission meeting for Snowbasin Day Lodge in Huntsville. Ms. Orton seconded the motion which passed unanimously.

REQUEST FOR EXTENSION OF TIME FOR CONDITIONAL LICENSE:

a. Milk, Salt Lake City. (BAR)

Mike Bishop explained that the license was transferred from Riverbank to Milk and they are in the process completing construction on a new location. He outlined the statutorily allowed extensions. Staff granted an extension until July 25, 2021. The commission may grant additional time. They are requesting an extension until the September commission meeting.

Mr. Bateman moved to approve a conditional license extension until the September commission meeting for Milk in Salt Lake City. Ms. Tennert seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUEST:

a. Mike’s Market (OP)

 From: 485 North Bear Lake Blvd., Garden City.

 To: 577 North Bear Lake Blvd., Garden City.

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

Ms. Orton moved to approve a change of location for Mike’s Market in Garden City. Mr. Parrish seconded the motion which passed unanimously.

BEER WHOLESALER APPLICANT:

a. Bombay Food, Salt Lake City.

Abe Kader gave an overview of the application noting it is complete and staff recommends approval.

Mr. Jacobson moved to approve a beer wholesaler license for Bombay Food in Salt Lake City. Mr. Parrish seconded the motion which passed unanimously.

LOCAL INDUSTRY REPRESENTATIVE APPLICANT:

a. Good Libations, Salt Lake City.

Abe Kader gave an overview of the application noting it is complete and staff recommends approval.

Mr. Parrish moved to approve a local industry representative license for Good Libations in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

PACKAGE AGENCY UPDATES:

Jeff Colvin updated the commission on the 39 package agency contracts – 38 were distributed; 11 returned; the Green River contract will be completed once their management structure is updated mid-July.

LICENSE RENEWALS:

a. Bar Establishment Renewals.

Chris Johnson gave an overview of the bar establishment renewals noting they are complete and staff recommends approval. 365 licenses applied for renewal, one license was deemed non-renewable by the commission.

Ms. Page noted that the commission made a decision that they will not renew the Durango Bar license at their July 15, 2021 Special Commission Meeting.

Ms. Orton moved to approve the bar establishment renewal applications with the exception of Durango Bar which the commission made the decision to not renew at their July 15, 2021 meeting. Mr. Parrish seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

a. Completed Applications. *(list attached)*

b. Conditional Applications. *(list attached)*

Stephne Hanson asked the commissioners to strike #4 Caputo’s from the completed list and gave an overview of the balance of the applications noting staff recommends approval.

Ms. Orton moved to strike #4 Caputo’s from the completed applications and to approve the balance of the completed off-premise beer retailer applications as contained on the list. Mr. Parrish seconded the motion which passed unanimously.

Mr. Jacobson moved to approve the conditional off-premise beer retailer applications as contained on the lists. Ms. Tennert seconded the motion which passed unanimously

LICENSE APPLICATIONS:

a. License Transfer Applications:

 **Full Transfers:**

(1) Cook’s Cabin, LLC., DBA Hampton Inn & Suites, Salt Lake City.

 To: Shiv Shakti Hospitality LLC. DBA Hampton Inn & Suites, Salt Lake City. (BAR). *(Conditional)*

 (2) Pinewood Enterprises LLC., DBA Pinewoods Resort, Duck

 Creek. To: May Family Retreats LLC., DBA The Woodlands Grill,

 Duck Creek. (RL)

 (3) Buckingham Enterprises, DBA Atomic Lounge, Moab. To: Scion

 Cider LLC., DBA Scion Cider, Salt Lake City. (BAR) *(Conditional)*

Margaret Hardie gave an overview of the full license transfers noting #1 Hampton Inn & Suites and #3 Scion Cider are conditional.

Mr. Jacobson moved to approve a conditional full license transfer for #1 Hampton Inn & Suites in Salt Lake City and a full license transfer for #2 The Woodlands Grill in Duck Creek. Ms. Orton seconded the motion which passed unanimously.

Mr. Jacobson outlined his concerns regarding #3 Scion Cider as a bar license is being moved from Moab to Salt Lake City; and the new licensee has to remodel the premises prior to opening. This may result in a bar establishment license going unused for up to seven months. Ms. Hardie noted that in order to have their opening extended, they will have to demonstrate they are making progress toward completion.

Mr. Jacobson moved to approve a full license transfer for #3 Scion Cider in Salt Lake City and to agendize this item for a progress update during the July commission meeting. Mr. Bateman seconded the motion which passed unanimously.

 **51% Change of Ownership of an Existing Entity:**

(1) Puerto Vallarta, Taylorsville., DBA Puerto Vallarta Mexican Grill,

 Taylorsville.

Margaret Hardie gave an overview of the 51% ownership change noting it is complete and staff recommends approval.

Mr. Bateman moved to approve a 51% change of ownership of an existing entity for #1 Puerto Vallarta Mexican Grill in Taylorsville. Ms. Orton seconded the motion which passed unanimously.

 **Off-Premise Beer 51% Change of Ownership of an Existing Entity:**

(1) Speedway #9440, Midvale

 (2) Speedway #9408, Ogden

 (3) Speedway #9409, Sandy

 (4) Speedway #9411, Riverton

 (5) Speedway #9412, West Jordan

 (6) Speedway #9414, Midvale

 (7) Speedway #9416, Layton

 (8) Speedway #9418, St George

 (9) Speedway #9419, Salt Lake City

 (10) Speedway #9420, Salt Lake City

 (11) Speedway #9421, Salt Lake City

 (12) Speedway #9424, Salt Lake City

 (13) Speedway #9425, Salt Lake City

 (14) Speedway #9427, West Jordan

 (15) Speedway #9428, Salt Lake City

 (16) Speedway #9430, Salt Lake City

 (17) Speedway #9431, Salt Lake City

 (18) Speedway #9432, Salt Lake City

 (19) Speedway #9433, Salt Lake City

 (20) Speedway #9435, American Fork

 (21) Speedway #9437, Salt Lake City

 (22) Speedway #9439, Magna

 (23) Speedway #9444, Salt Lake City

 (24) Speedway #9445, Salt Lake City

 (25) Speedway #9446, Sandy

 (26) Speedway #9447, Salt Lake City

Margaret Hardie gave an overview of the off-premise beer 51% ownership change applications from 26 Speedway locations noting they are complete and staff recommends approval.

Mr. Bateman moved to approve the off-premise 51% change of ownership applications for the 26 Speedway locations listed on the agenda. Ms. Orton seconded the motion which passed unanimously

 **Off-Premise Beer Full Transfers:**

(1) Galdhog, Inc., DBA 7-Eleven Store # 33981A, Centerville. To: Garcha Mgmt, Inc., DBA 7-Eleven Store 33981B, Centerville. *(Conditional)*

 (2) Bryce Dean, 7-Eleven Store # 21858B, Salt Lake City. To: Jasco

 Inc., DBA 7-Eleven Store 21858C, Salt Lake City. *(Conditional)*

Margaret Hardie gave an overview of the full off-premise beer license transfer applications noting both are conditional and that the transactions are scheduled to close in July.

Mr. Jacobson moved to approve conditional full off-premise beer license transfers contingent on the actual closing of the transactions for #1 7-Eleven Store #33981B in Centerville and #2 7-Eleven 21858C in Salt Lake City. Mr. Bateman seconded the motion which passed unanimously.

MICHAEL MOWER PRESENTATION *(not on agenda)*

Michael Mower representing Governor Spencer Cox read two letters from Governor Cox thanking Chairman John T. Nielsen and Commissioner Steve Bateman for their work on the commission over the last eight years. Mr. Mower also thanked the balance of the commission for their service.

Mr. Jacobson, noting his time is limited today, also expressed his appreciation for their leadership and guidance over the years.

b. Bar Establishment Applicants:

 *Projected Future Opening:*

 (1) The Spoke, Moab. *(Conditional) (projected opening August 2021)*

(2) Hive 435 Taphouse, St. George. *(Conditional) (projected opening*

 *June 2021)*

 (3) Garage Grill, Herriman. *(Conditional) (projected opening October*

*2021)*

 (4) Fife Brewing Company, Salt Lake City. *(Conditional) (projected*

 *opening April 2022)*

 (5) Edison House, Salt Lake City. *(Conditional)* (*projected opening*

 *March 2022)*

 *New Applicants:*

(1) The Fifth, Bountiful.

 (2) Bout Time Pub & Grub, Vineyard.

 (3) Spiritual, St George. *(Conditional) (projected opening September 2021)*

 (4) Casot, Salt Lake City. *(Conditional)*

Mr. Nielsen noted that three licenses are available. The license for Durango Bar may be available in July, after the renewal period.

Abe Kader updated the commissioners on the projected opening dates of the balance of the applicants. Mr. Nielsen invited the applicants to come forward and address the commission. Cameron Payne from Hive 435 Taphouse and Jeremy Ford from Garage Grill in Herriman addressed the commission.

Mr. Jacobson moved to grant a conditional full year bar establishment license to #2 Hive 435 Taphouse in St. George. Mr. Bateman seconded the motion which passed unanimously.

Ms. Micklos explained that new applicant #1 The Fifth had their bar license deemed forfeited in April and that they were ordered to remove all alcohol but as of last week beer and wine were still on their premises. The commissioners and staff discussed the circumstances resulting in the forfeiture order, the ongoing operational concerns, and the actions that haven’t been taken by The Fifth. Zach Hadley came forward to address the commission on behalf of The Fifth. He noted he was unaware of the operational concerns just raised. He stated that they have been operating in Bountiful for over 60 years and recently received local consent along with a letter from the Mayor. Ms. Page asked what has changed as it operated illegally for years under an expired corporation, didn’t removed alcohol when ordered, as well as the management struggles noted in the television series, Bar Rescue.

Mr. Jacobson made a motion to deny a bar establishment license for new applicant #1 The Fifth in Bountiful. Ms. Thue seconded the motion which passed unanimously.

Mr. Kader updated the commissioners on the projected openings for the new applicants. Tim Ryan from Bout Time Pub & Grub also addressed the commission. He outlined his current and future business plans and expressed his disappointment at not being able to purchase a license. He asked to be granted a bar establishment license for the new Vineyard location. Mr. Jacobson and Ms. Orton expressed concerns about what appears to be a request for preferential treatment as the commission must consider all applicants equally.

As the remaining applicants are not ready to open, Mr. Parrish moved to hold the remaining two licenses until the July commission meeting. Mr. Bateman seconded the motion which passed unanimously.

c. Full Service Restaurant Applicants:

 *New Applicants:*

(1) Feellove Coffee, Springdale. *(Conditional)*

(2) Blanquitas Mexican Grill, Layton.

 (3) Table Twenty Five, Ogden. *(Conditional)*

 (4) Conestoga Ranch, Garden City.

 (5) The Valley Steakhouse, Vernal.

Anita Knowley gave an overview of the new applicants noting those that are conditional. Staff recommends approval.

Mr. Parrish moved to grant full service restaurant licenses to #2 Blanquitas Mexican Grill in Layton, #4 Conestoga Ranch in Garden City, and #5 The Valley Steakhouse in Vernal; and conditional full service restaurant licenses to #1 Feellove Coffee in Springdale and #3 Table Twenty Five in Ogden. Mr. Jacobson seconded the motion which passed unanimously.

d. Limited Service Restaurant Applications:

 *New Applicants:*

 (1) High Desert Café, Monticello.

 (2) Trolley Cottage Café, Salt Lake City. *(Conditional)*

 (3) Mazza Middle Eastern Cuisine, Salt Lake City. *(Conditional)*

 (4) Pasha Middle Eastern Cuisine, Salt Lake City. *(Conditional)*

 (5) La Barba Coffee, Salt Lake City.

 (6) ~~Hug-Hes Café, Stansbury Park~~. *STRIKE*

Nicole Hall asked the commissioners to strike #6 Hug Hes and gave an overview of the applications noting those that are conditional. Staff recommends approval.

Mr. Bateman moved to approve limited service restaurant licenses for #1 High Desert Cafe in Monticello and #5 La Barba Coffee in Salt Lake City; and conditional limited service restaurant licenses for #2 Trolley Cottage Cafe in Salt Lake City, #3 Mazza Middle Eastern Cuisine in Salt Lake City, and #4 Pasha Middle Eastern Cuisine in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

e. Hospitality Amenity Applicant:

 *New Applicant:*

(1) Salt Lake City Marriott – City Center, Salt Lake City.

Mike Bishop gave an overview of the application noting staff recommends approval.

Mr. Bateman moved to approve a hospitality amenity license for #1 Salt Lake City Marriott – City Center in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

f. Reception Center Applicant:

 *New Applicant:*

(1) The Event Center, Logan. *(Conditional)*

Miraz Rasoul gave an overview of the application noting it is conditional and staff recommends approval.

Mr. Parrish moved to approve a reception center license for #1 The Event Center in Logan. Ms. Orton seconded the motion which passed unanimously.

g. On Premise Beer Recreational Amenity Applicants:

 *New Applicants:*

 (1) Level Two, Midvale. *(Conditional)*

 (2) The Links @ Sleepy Ridge G.C., Orem. *(Conditional)*

 (3) Premier Throwing, Pleasant Grove.

 (4) Southgate Café, St George. *(Conditional)*

 (5) All Star Café @ Mountain View G.C., West Jordan.

*(violation history)*

Rob Hansen gave an overview of #2 The Links @ Sleepy Ridge noting it is conditional.

Mr. Bateman moved to approve a conditional on premise beer recreational license for #2 The Links @ Sleepy Ridge G.C. in Orem. Ms. Orton seconded the motion which passed unanimously.

Mr. Hansen gave an overview of #4 Southgate Cafe noting it is conditional.

Mr. Jacobson moved to approve a conditional on premise beer recreational license for #4 Southgate Cafe in St. George. Ms. Orton seconded the motion which passed unanimously.

Rob Hanson noted that #3 All Star Cafe has a violation history and will need a grandfathered proximity variance extended.

Brad Shepherd from All Star Cafe came forward to address the commission. Mr. Shepherd outlined the events around a violation at one of their locations. He also gave an overview of the actions taken to avoid additional violations.

Ms. Orton moved to approve an on premise beer recreational license and a proximity variance extension for #5 All Star Cafe @ Mountain View G.C. in West Jordan. Mr. Parrish seconded the motion which passed unanimously.

Mr. Hansen gave an overview of the two applications that include axe throwing as a recreational activity. Staff is concerned food is not available and the listed recreational activities will make it hard to meet the 70% requirement without the proceeds from axe throwing. He also noted that the law recently changed to deny licenses to businesses that include dangerous weapons.

The commissioners, Ms. Page, Ms. Micklos and staff discussed the statute governing on premise beer recreational licenses; specifically, that a commission-approved activity means a leisure activity that does not involve the use of a dangerous weapon.

John Bradley from Premier Throwing addressed the commission. He gave an overview of their business. Ms. Page and Ms. Micklos reiterated that the commission does not have the authority to license businesses that include the use of a dangerous weapon. The commission did not take action on #3 Premier Throwing in Pleasant Grove.

Duce Namazi from Level Two in Midvale came forward to address the commission. He gave an overview of their business including an explanation of fowling (bowling with footballs) and noted they are planning to keep the axe throwing separate from the fowling and beer service area.

Mr. Bateman moved to continue consideration of an on premise beer recreational license for #1 Level Two in Midvale to the July and recommended they work with staff on the operational ambiguity. Ms. Orton seconded the motion. Mr. Nielsen, Mr. Bateman, Ms. Orton, Ms. Tennert, and Mr. Parrish voted yea. Ms. Thue voted nay. Mr. Jacobson had left the meeting. The motion passed.

h. Restaurant “Beer Only” Applicant:

 *New Applicant:*

(1) Chak Balam Mexican Restaurant, Torrey.

Bonnie Bills gave an overview of the application noting it is complete and staff recommends approval.

Mr. Parrish moved to approve a beer only restaurant license for #1 Chak Balam Mexican Restaurant in Torrey. Mr. Bateman seconded the motion which passed unanimously.

FISCAL YEAR 2022 AUDIT PLAN

Traci Santillanes gave an overview of the 2022 audit plan that was sent to the commissioners for consideration.

Mr. Bateman moved to approve the fiscal year 2022 audit plan. Ms. Orton seconded the motion which passed unanimously.

OPERATIONS UPDATE:

a. Department Update:

Ms. Clason gave an overview of the Governor’s visit to the Hurricane store and his support of additional stores in the area as the population increases. Ms. Clason also outlined the actions taken by the new Communications Director including surveying licensees, employees and other stakeholders on communication preferences. Finally, Ms. Clason updated the commission on her statewide tour of DABC facilities and roundtable meetings with industry representatives.

Cade Meier updated the commission of the first 11 operational days of the new Taylorsville store. He thanked staff for their work to get it opened.

FINANCIAL UPDATE:

Mr. Williford gave an overview of the May performance numbers. He noted May is the first month in over 18 months that both revenue and bottle sales saw increases over the prior year’s comparable month. It is anticipated that the increases will continue to grow as restaurants and bars reopen.

Mr. Bateman commended the department on the efficiency of the organization noting it is costing the state less to deliver product. Net operating income was 68% last year versus 74.4% this year which is remarkable. The DABC has generated $110 million after depreciation, school lunch and the underage drinking program.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

* John Delgado introduced himself noting he will be opening a business in the state.

FAREWELL TO CHAIRMAN JOHN T. NIELSEN AND COMMISSIONER STEVEN BATEMAN:

Mr. Nielsen thanked Mr. Bateman for his service noting DABC is better off after his leadership on the Operations Subcommittee.

Mr. Nielsen remarked on the events over the last eight years of his service. He thanked his fellow commissioners and staff for their commitment to fairness and attention to the needs of licensees and the citizens of Utah. He acknowledged the presence of former director, Sal Petilos, and former commissioner, Sophia DiCaro. He complimented current staff including Tiffany Clason, Cade Meier, Angela Micklos, Sheila Page, Jeff Buckner, Sean Williford and Vickie Ashby. He thanked his fellow commissioners Tom Jacobson, Stan Parrish, Jacquelyn Orton, Juliette Tennert and Tara Thue.

Mr. Bateman echoed his appreciation for those Mr. Nielsen thanked. He commented on the high level of engagement from the members of the organization. He noted that he has enjoyed serving and will miss being on the commission.

Ms. Clason and Mr. Meier presented Mr. Nielsen and Mr. Bateman with gifts and appreciation plaques acknowledging their years of service on the commission.

There being no further business, the meeting adjourned at 12:05 p.m.

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Chairman