MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE CONTROL COMMISSION

HELD TUESDAY, SEPTEMBER 28, 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 10:00 a.m. on Monday, September 27, 2021.]*

Chairman Thomas N. Jacobson called the meeting to order at 10:00 a.m.

Commissioners Present: Thomas N. Jacobson, Jacquelyn Orton, Stanley B. Parrish, Juliette Tennert, Tara Thue, Natalie Randall and Jennifer Tarazon.

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

Also Present: Jeff Buckner, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Vickie Ashby led the group in the Pledge of Allegiance.

APPROVAL OF MINUTES:

Mr. Parrish moved to approve the minutes of the Commission Meeting held August 31, 2021. Ms. Randall seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Mr. Jacobson made the following announcements:

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

 - Tuesday, October 26, 2021 in St. George

 - Tuesday, November 30, 2021

b. Holiday Closure:

 - Monday, October 11, 2021 (Columbus Day)

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

c. Public Comments:

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

 Comments will be addressed at the end of the meeting.

PARENTS EMPOWERED UPDATE:

Doug Murakami gave an update on the campaign. He stated the results of the SHARP survey have not been released. He will update the commission when they are ready.

Mr. Murakami played four new television spots noting they are shorter as research shows viewer attention span has been reduced.

ADOPTION OF VIOLATION GRID:

Ms. Micklos explained that per R82-3-102 the department is required to have a violation grid and asked the commission to approve the 2021 version.

Ms. Tennert moved to adopt the 2021 Violation Grid. Mr. Parrish 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 # 21888C, Salt Lake City \*SBI (OP)

 and Trevinder Chechi (employee).

 (2) 7-Eleven Store #35470B, Salt Lake City \*SBI (OP)

 and Joseph Walters (employee).

 (3) 7-Eleven Store #23842C, Ogden and \*SBI (OP)

 Bree Ann Reed (employee).

 (4) J & J Lounge, Tooele and “Roni” (employee) \*SBI (BAR)

 (5) Pie Pizzeria, Ogden and Madeline Pares \*SBI (RE)

 (employee).

 (6) Twigs Bistro & Martini Bar, Farmington. \*SBI (RE)

Mr. Buckner noted #5 Pie Pizzeria in Ogden submitted payment and a signed settlement agreement but they have two employees that need to complete violation training. Brian Horman from Pie Pizzeria addressed the commission. Mr. Horman explained the employee responsible for the violation was terminated. In regards to the two employees that missed the scheduled training, one had COVID and the other arrived late. The employees will not be serving alcohol until they complete violation training.

Mr. Buckner noted all other items on the consent calendar are complete and recommended approval.

Ms. Thue moved to approve consent calendar items #1 7-Eleven Store #21888C in Salt Lake City, #2 7-Eleven Store #35470B in Salt Lake City, #3 7-Eleven Store #23842C in Ogden, #4 J & J Lounge in Tooele, and #6 Twigs Bistro & Martini Bar in Farmington; and approve #5 Pie Pizzeria in Ogden contingent on two employees completing violation training prior to the next commission meeting and being employed in non-alcohol serving jobs until they have completed the training. Ms. Orton seconded the motion which passed unanimously.

EXTENDED CLOSURE REQUESTS:

a. Wahso, Park City. (RE)

Erin Hinkel explained that they are remodeling and requesting until the December commission meeting.

Ms. Thue moved to approve an extended closure for Wahso in Park City until the December commission meeting. Mr. Parrish seconded the motion which passed unanimously.

b. Tram Club, Salt Lake City. (BAR)

Stephne Hanson explained that due to a landlord/tenant dispute they are requesting until the November commission meeting. Staff recommends approval.

Mr. Parrish moved to approve an extended closure for Tram Club in Salt Lake City until the November commission meeting. Ms. Thue seconded the motion which passed unanimously.

c. Milk, Salt Lake City. (BAR)

Mike Bishop explained that Milk received a transferred license in May. Due to major remodeling they have been unable to open and are requesting until the November commission meeting. Brent White from Milk addressed the commission and acknowledged that they understand that by statute they must be open in December or will lose the license.

Ms. Thue moved to approve an extended closure for Milk in Salt Lake City until the November commission meeting. Ms. Orton seconded the motion which passed unanimously.

d. Star Bar, Park City. (BAR)

Margaret Hardie gave an overview of the request. Courtney Johanson from Star Bar addressed the commission and stated that they plan to open on October 20, 2021.

Ms. Tarazon moved to approve an extended closure for Star Bar in Park City until the October commission meeting. Ms. Thue seconded the motion which passed unanimously.

e. Maxwell’s, Salt Lake City. (LB)

Cori Price gave an overview of the request noting they have had construction issues. They are requesting until the December meeting.

Ms. Orton moved to approve an extended closure for Maxwell’s in Salt Lake City until the December commission meeting. Ms. Randall seconded the motion which passed unanimously.

f. Pete’s Bar & Grill, Ogden. (BAR)

Bonnie Bill gave an overview of the request noting a meth lab was discovered in the basement of the premise. Kevin Hoesel explained that the building was compromised due to the meth lab. He tried to find a new location. He is requesting time to sell the bar license.

The commissioners expressed concern over holding a bar license in order to facilitate a sale. Ms. Micklos noted that the licensee would still be operating except for the discovery of the meth lab. The licensee is experiencing a hardship and wasn’t associated with the meth lab. Mr. Hoesel and the commissioners discussed the possibility of a one month extension in order to give him time to work with staff to identify options.

Ms. Tennert moved to approve an extended closure for Pete’s Bar & Grill in Ogden until the October commission meeting. Ms. Orton seconded the motion. Ms. Tennert, Ms. Orton, Mr. Jacobson, Ms. Thue, Ms. Randall and Ms. Tarazon voted yea. Mr. Parrish voted nay. The motion passed.

SPECIAL USE EDUCATIONAL PERMIT:

a. Pamela Wood, Kamas.

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

Ms. Orton moved to approve a special use educational permit for Pamela Wood in Kamas. Ms. Randall seconded the motion which passed unanimously.

MANUFACTURE WINERY APPLICANT:

a. Water Canyon Winery, Hildale.

Jeff Colvin gave an overview of the application noting it is complete and staff recommends approval.

Ms. Orton moved to approve a manufacture winery license for Water Canyon Winery in Hildale. Ms. Tarazon seconded the motion which passed unanimously.

MANUFACTURE BREWERY APPLICANTS:

a. Prodigy Brewing, Logan.

b. Beckers Premium Lager Co., Ogden.

Jeff Colvin gave an overview of the applications noting they are complete and staff recommends approval.

Ms. Thue moved to approve manufacture brewery licenses for Prodigy Brewing in Logan and Beckers Premium Lager Co. in Ogden. Ms. Randall seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

a. Completed Applications. *(list attached)*

Stephne Hanson asked the commissioners to strike #1 Caputo’s Market and Deli in Salt Lake City from the completed list and gave an overview of the balance of the applications. Staff recommends approval.

Ms. Thue moved to strike #1 Caputo’s Market and Deli in Salt Lake City and to approve the balance of the items contained on the completed off-premise beer retailer list. Ms. Orton seconded the motion which passed unanimously.

b. Conditional Applications. *(list attached)*

Stephne Hanson gave an overview of the applications on the conditional list noting staff recommends approval.

Ms. Randall moved to approve the items contained on the conditional off-premise beer retailer list. Ms. Thue seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. License Transfer Applications:

 **Full Transfers:**

(1) ~~Mim’s Bar & Grill, Corinne, to: Lou’s Bar & Grill, Corinne~~. *STRIKE*

 (2) Ichiban Sushi & Asian Food, Layton, to: Blue Fin Sushi, Layton

 (RE)

 (3) ~~Victory Ranch Club, Kamas, to VR Club~~ *STRIKE*

 (4) ETC. Fun Bar, Salt Lake City, to: Revel Social, Salt Lake City.

 (BAR) *(Conditional)*

 (5) Sargents Ranch Inn, Ogden, to Triple Peaks Grill, Ogden. (BAR)

 *(Conditional)*

(6) Mulligan’s Social Club, Logan, to: Barrel & Stave, Logan.

 *(Conditional)*

Margaret Hardie asked the commissioners to strike #1 Mim’s Bar & Grill and #3 Victory Ranch Club. She gave an overview of the balance of the full license transfers noting those that are conditional and staff recommends approval.

Mr. Parrish moved to grant a full license transfer to #2 Blue Fin Sushi in Layton; and conditional full license transfers to #4 Revel Social in Salt Lake City, #5 Triple Peaks Grill in Ogden, and #6 Barrel & Stave in Logan. Ms. Thue seconded the motion which passed unanimously.

 **51% Ownership change of Entity:**

(1) Kanab Restaurant Group, Kanab, DBA: Vermillion 45, Kanab (RE)

 and Kanab Creek Bakery, Kanab (RE)

 (2) One-O-Eight Partners, Salt Lake City. (RE)

 (3) Vaikun LLC, South Jordan, DBA: Bawarchi, South Jordan. (RL)

Margaret Hardie gave an overview of the 51% ownership changes noting staff recommends approval.

Ms. Tennert moved to grant 51% ownership changes to #1 Kanab Creek Bakery in Kanab, #2 One-O-Eight Partners in Salt Lake City, and #3 Bawarchi in South Jordan. Ms. Orton seconded the motion which passed unanimously.

 **Off-Premise Beer Transfers:**

(1) Speedway, LLC Salt Lake City, to: Rebel #913, Salt Lake City.

(2) Speedway, LLC Salt Lake City, to: Rebel #914, Salt Lake City.

 (3) Richard Neal 7-Eleven Store #26577A, Logan, to: 7-Eleven Store

 #26577B, Logan. *(Conditional)*

(4) West Valley Oil #2, DBA: Tesoro, Salt Lake City, to: Elite Market

 Distro DBA: Tesoro, Salt Lake City. *(Conditional)*

(5) Southern Country Stores, Parowan DBA: Southern Country

 Stores, Parowan.

Margaret Hardie gave an overview of the off-premise beer transfers. She noted those #3 7-Eleven #26577B has a closing transaction date of October 25.

Ms. Thue moved to approve full off-premise beer license transfers for #1 Rebel #913 in Salt Lake City, #2 Rebel #914 in Salt Lake City, and #5 Southern Country Stores in Parowan; and conditional full off-premise beer license transfers for #3 7-Eleven Store #26577B in Logan effective upon the actual closing of the transaction on October 25, 2021, and #4 Tesoro in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

b. Bar Establishment Applicants:

 *Previous Applicants:*

 (1) Casot, Salt Lake City. *(Conditional) (projected opening October*

 *2021)*

 (2) Garage Grill, Herriman. *(Conditional) (projected opening December*

*2021)*

 (3) The Green Room, Salt Lake City. *(Conditional) (projected opening*

 *January 2022)*

(4) The Spoke, Moab. *(Conditional) (projected opening March 2022)*

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

 *June 2022)*

(6) Bout Time Pub & Grub, Bluffdale. *(Conditional)* *(projected opening*

*July 2022)*

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

 *opening February 2023)*

 *New Applicants:*

 (1) Side Bar, Ogden.

 (2) Aspen Cove Resort, Panguitch. *(will surrender full restaurant)*

 (3) Flanker Kitchen & Sporting Club, Salt Lake City. *(Conditional)*

 (4) The Pearl, Salt Lake City. *(Conditional)*

 (5) Brick & Mortar, Salt Lake City.

 (6) Fenice Mediterranean Bistro, Salt Lake City. *(Will surrender full*

 *restaurant license)*

 (7) Durango Bar, Salt Lake City. *(Conditional)*

 (8) Torro Rosa, Salt Lake City. *(Conditional)*

Erin Hinkel noted three licenses are available today and gave an overview of the applications noting the projected opening dates.

Mr. Jacobson invited the applicants to address the commission. Scott Evans from Casot, Jeremy Ford from Garage Grill, Jacob Hall from The Green Room and The Pearl, Chantell Lindsay from The Spoke, Lauren Boyack from Edison House, Steve Conlin from Side Bar, James Shelton from Aspen Cove Resort, Sean Christie and Matt from Flanker Kitchen & Sporting Club, Alan Galeano from Brick & Mortar, Derek Gherkins from Fenice Mediterranean Bistro, and Randy Phillips, Pablo Hinojosa, and Kassandra Campos from Durango Bar came forward to address the commission.

The commissioners, staff and applicants discussed multiple factors including readiness to open, economic impact, and the number of licenses operating in the areas surrounding the applicants.

Ms. Orton moved to grant a bar establishment license to new applicant #2 Aspen Cove Resort in Panguitch. Ms. Randall seconded the motion which passed unanimously.

Ms. Orton moved to grant a bar establishment license to new applicant #1 Side Bar in Ogden. Ms. Tennert seconded the motion which passed unanimously.

Mr. Parrish moved to hold a license to next month. Ms. Tennert seconded the motion to initiate discussion. Mr. Jacobson and Mr. Parrish voted yea; Ms. Orton, Ms. Randall, Ms. Thue, Ms. Tarazon and Ms. Tennert voted nay. The motion failed.

Ms. Tennert moved to grant a conditional bar establishment license to #1 Casot in Salt Lake City. Ms. Thue seconded the motion to initiate discussion. Ms. Tennert voted yea; Mr. Jacobson, Ms. Orton, Ms. Thue, Mr. Parrish, Ms. Tarazon, and Ms. Randall voted nay. The motion failed.

Ms. Thue moved to grant a bar establishment license to new applicant #5 Brick & Mortar in Salt Lake City. Ms. Tennert seconded the motion which passed unanimously.

c. Full Service Restaurant Applicants:

 *New Applicants:*

(1) Baan Thai Cuisine & Bar, Lehi.

 (2) Boat Haus, Ogden.

Dan Oberg gave an overview of the applications. Mr. Oberg reminded all applicants that if they are issued a license today, they will have to renew by September 30, 2021. Staff recommends approval.

Mr. Parrish moved to grant full service restaurant licenses to #1 Baan Thai Cuisine & Bar in Lehi and #2 Boat Haus in Ogden. Ms. Randall seconded the motion which passed unanimously.

d. Limited Service Restaurant Applications:

 *Previous Applicant:*

(1) Seafood Bucket Cajun Style, Salt Lake City. *(Conditional)* *(violation*

 *history)*

Cori Price also reminded applicants that if they are issued a license today, they will have to renew by September 30, 2021. Ms. Price explained that #1 Seafood Bucket Cajun Style has a violation history and are here to report to the commission. Jimmy Guo from Seafood Bucket came forward to address the commission. He explained that the violations were at other locations. The commissioners, staff and Mr. Guo discussed the violations and the need to make operational changes to stop further violations. Staff also clarified that one violation was under a different owner.

Ms. Tennert moved to approve a limited service restaurant license for #1 Seafood Bucket Cajun Style. Staff further clarified that the applicant has two violations at their Layton location, Ms. Tennert rescinded her motion. She stressed the need for a plan and asked staff to review and validate the plan.

Ms. Thue made a motion to continue consideration of a limited service restaurant license for #1 Seafood Bucket Cajun Style in Salt Lake City to the October commission meeting. Ms. Orton seconded the motion which passed unanimously.

Ms. Price noted that they will have to start over with the city if consideration is continued to October. The commissioners expressed concern that staff has been unable to confirm the use of the scanner as claimed. No further action was taken.

 *New Applicants:*

 (1) R & R BBQ, Midvale.

 (2) Ramen Haus, Ogden.

 (3) Itto Sushi, South Jordan. *(Conditional)*

Ms. Price gave an overview of the balance of the applications noting #3 Itto Sushi is conditional. Staff recommends approval.

Ms. Thue moved to approve limited service restaurant licenses for #1 R & R BBQ in Midvale and #2 Ramen Haus in Ogden; and a conditional limited service restaurant license for #3 Itto Sushi in South Jordan. Ms. Randall seconded the motion which passed unanimously.

e. Hotel Applicant:

 *New Applicant:*

 (1) Best Western Premier Hotel & Spa, Brian Head. (BAR, RE, BC)

Rob Hansen gave an overview of the application. He explained that the hotel was sold at the end of August. This is a new application as the previous license was surrendered. Mr. Hanson expressed concern that they were directed by staff to remove all alcoholic products from the premise until the next commission meeting. Three weeks later staff found the alcohol was still on premise and unlocked.

Chris Brown from Best Western came forward to address the commission. Mr. Brown explained that they tried to allow the previous owner time to get the alcohol. They have not sold alcohol since taking ownership. After the second visit by staff, the remaining alcohol was poured down the drain.

Ms. Thue moved to approve a hotel license for #1 Best Western Premier Hotel & Spa in Brian Head. Ms. Tennert seconded the motion which passed unanimously.

f. On Premise Beer Recreational Amenity Applicant:

 *New Applicant:*

 (1) Siempre, Draper.

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

Mr. Parrish moved to approve an on premise beer recreational license for #1 Siempre in Draper. Ms. Orton seconded the motion which passed unanimously.

g. On Premise “Tavern” Applicant:

 *New Applicant:*

(1) Durango Bar, Salt Lake City.

Nicole Tarleton explained that during the last meeting, the commission asked that the manager provide her qualifications to oversee an alcohol license. Ms. Tarleton reported that they are no longer conditional and staff recommends approval if the commission is comfortable with her management abilities.

Kassandra Campos from Durango Bar came forward to address the commission. She confirmed her training and that they have a new filing and records system. They have also updated their Responsible Alcohol Service Plan (RASP).

Ms. Thue moved to approve a tavern license for Durango Bar in Salt Lake City. Ms. Tarazon seconded the motion which passed unanimously.

h. Package Agency Applicants:

 *New Applicants:*

(1) Beckers Premium Lager Co., Ogden. (Type 5)

 (2) Water Canyon Winery, Hildale. (Type 5)

Jeff Colvin gave an overview of the applications noting they are complete and staff recommends approval.

Mr. Parrish moved to approve Type 5 package agency licenses for #1 Beckers Premium Lager Co. in Ogden and #2 Water Canyon Winery in Hildale. Ms. Tennert seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUESTS:

a. Tavernacle Social Club (BAR) *(Conditional)*

 From: 201 East 300 South, Salt Lake City.

 To: 50 West Broadway, Suite 100 B, Salt Lake City.

Rob Hansen gave an overview of the request noting it is conditional and staff recommends approval.

Ms. Thue moved to approve a change of location for Tavernacle Social Club in Salt Lake City. Mr. Parrish seconded the motion which passed unanimously.

b. ~~Club Monsoon (BAR)~~ *STRIKE*

OPERATIONS UPDATE:

a. Department Update:

Ms. Clason reported that the department just submitted the budget prep package for FY2023 to the Governor’s Office of Planning and Budget. She announced that the next commission meeting will be in St. George. In addition to the commission meeting, there will be opportunities for the commissioners to visit stores and licensees. Ms. Clason also provided an update on the first EDIA meeting and thanked Commissioner Orton and Commissioner Tarazon for their participation.

Ms. Clason introduced Katie Kolovich, DABC’s returnship employee. Ms. Kolovich is assisting our purchasing and compliance staff and doing a great job.

Cade Meier noted that supply chain shortages continue to have an impact on the department. He explained that as the department prepares for the holiday season, management is working to identify ways to address staffing and product shortages. Finally, he noted that the Herriman store will be closed for a short time for a slight remodel.

FINANCIAL UPDATE:

Mr. Williford gave an overview of the August performance numbers. Sales YTD show a 10.34% increase ($7.9 million) over last year. Bottle sales are up 4.7% (321,967 bottles). Mr. Williford also gave an overview of the income statement and explained several variances over the last few years.

Ms. Tennert thanked Mr. Williford for his organized data and ability to respond to commissioner inquiries.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

* Tanner Lenart addressed the commission. She referenced the legislative increase of restaurant licenses in 2011 and encouraged everyone to contact their legislators regarding the need for bar licenses.

There being no further business, Ms. Thue moved to adjourn the meeting. The meeting adjourned at 12:45 p.m.