MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE CONTROL COMMISSION

HELD TUESDAY, NOVEMBER 30, 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, November 29, 2021.]*

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

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

Staff Participating Virtually: Tiffany Clason, Executive Director; and Cade Meier, Deputy Director.

Staff Present: Angela Micklos, Compliance and Licensing Director; and Sean Williford, Finance Director.

Also Present: Sheila Page, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Craig Warr led the group in the Pledge of Allegiance.

APPROVAL OF MINUTES:

Ms. Thue moved to approve the minutes of the Commission Meeting held October 26, 2021, the Special Commission Meeting held November 3, 2021, and the Special Commission Meeting held November 15, 2021. Mr. Parrish seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Mr. Jacobson made the following announcements:

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

 - Tuesday, December 21, 2021

 - Tuesday, January 25, 2022

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. License Renewals:
 - Tuesday, November 30, 2021

 Deadline for filing all renewal materials and paying fees for the following

licenses, permits and certificates:

 - Brewer Located Outside of Utah

 - Liquor Warehouse

 - Beer Wholesaler

 - Local Industry Representative

 - Utah Manufacturers – Breweries/Wineries/Distilleries

 - Public Service Permits

FINANCIAL UPDATE:

Mr. Williford explained that fiscal weeks end each Saturday so some months have four sales weeks and some five. As a result, October 2021 had six less sales days than the previous year. He gave an overview of the October performance numbers. Sales YTD show a 8.31% increase ($13.4 million) over last year. Bottle sales are up 4.75% (667,942 bottles).

Mr. Williford noted that comparing year over year the department is seeing an uptick in YTD sales from $162 million last year to $175 million this year.

Mr. Jacobson and Mr. Parrish congratulated the department for performing well given the increase in operating expenses. Mr. Parrish also highlighted the fact that the three regions with new stores increased in sales overall. The new stores in Farmington, Saratoga Springs, and Taylorsville reduced the pressure on the current stores and increased revenue.

PARENTS EMPOWERED UPDATE:

Doug Murakami gave an overview of the recently released annual report. He highlighted the downward trend in youth consumption. He also noted that ad awareness for the campaign has increased.

ADVISORY BOARD APPOINTMENT:

a. Robert Timmerman, alcohol or drug abuse prevention, replacing Logan Reid.

Ms. Micklos introduced Robert Timmerman and gave an overview of his extensive background in substance abuse prevention. Mr. Timmerman will replace Logan Reid on the board.

Robert Timmerman addressed the commission and thanked them for the opportunity to serve on the Advisory Board.

Mr. Parrish moved to appoint Robert Timmerman to the Alcoholic Beverage Control Advisory Board. Ms. Orton seconded the motion which passed unanimously.

ADMINISTRATIVE RULES:

1. R82-1-102 Definitions
2. R82-1-304 Background Checks for Resort Licenses
3. R82-2-302 Advertising, Promotion, and Listing of Products
4. R82-2-306 Operational Restrictions
5. R82-2-308 Consignment Inventory Package Agencies
6. R82-3-102 Violation Schedule
7. R82-5-202 Retail License Renewals

Ms. Micklos explained that the administrative rule amendments have been through the rulemaking process with no public comments. She recommended that the commission adopt the rules and set an effective date of December 1, 2021.

Ms. Orton moved to adopt the rule amendments to R82-1-102 Definitions; R82-1-304 Background Checks for Resort Licenses; R82-2-302 Advertising, Promotion, and Listing of Products; 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 make them effective December 1, 2021. Ms. Tennert 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) Shayneallie Miller (employee of Applebee’s \*SBI (RE)

 Orem)

 (2) Jayden Lopez (employee of Maverik #130, \*SBI (OP)

 Bountiful

 (3) 7-Eleven Store # 36342A, Tooele and Elka \*SBI (OP)

 Fernandez, (employee).

 (4) Chili’s Bar & Grill, Spanish Fork and \*SBI (RE)

 Christina Craddock (employee).

 (5) El Mexsal, Provo and Siara Espino \*SBI (RB)

 (employee).

 (6) Ginza Japanese Shabu Shabu, Sandy and \*SBI (RL)

 Junlin Tian (employee).

 (7) Holiday Oil #42, Tooele and Kayli Stalker \*SBI (OP)

 (employee).

 (8) Island Market, Logan and Carter Macdonald \*SBI (OP)

 (employee).

 (9) ~~Legends Pub & Grill, Sandy and Whitney~~ *STRIKE*

 (10) ~~Los 2 Compadres Market, Pleasant Grove~~ *STRIKE*

 (11) L.W. Truck Stop, Logan and Kaitlyn \*SBI (OP)

 Woodbrey (employee).

 (12) O-Ku Sushi & Poke, Sandy and Qingjinlong \*SBI (RL)

 Cui (employee).

 (13) ~~Quality Quik Stop, Tooele and Narenda~~ *STRIKE*

 (14) Smith’s #87, Logan and Luke Brittain \*SBI (OP)

 (employee).

 (15) Spitz Home of the Doner Kabob, Lehi and \*SBI (RE)

 Rylee Olsen (employee).

 (16) Under Current Club, Salt Lake. \*SBI (BAR)

Ms. Page asked the commissioners to strike #9 Legends Pub & Grill, #10 Los 2 Compadres Market, and #13 Quality Quik Stop. She noted the remaining items on the consent calendar are complete and ready for action by the commission.

Ms. Orton moved to to strike #9 Legends Pub & Grill, #10 Los 2 Compadres Market, and #13 Quality Quik Stop and approve the remaining items on the consent calendar. Ms. Randall seconded the motion which passed unanimously.

TRANSFER OF LOCATION OPENING EXTENSION REQUEST:

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 for an extension until the December commission meeting. They were approved for a change of location in September and had 60 days to open. They were also approved for an extension until today’s meeting. Troy from Tavernacle addressed the commission and explained that they are finishing the electrical work and health inspections. They expect to be open on December 10, 2021.

Ms. Orton moved to approve a transfer of location opening extension request for Tavernacle Social Club in Salt Lake City until the December 21, 2021 commission meeting. Ms. Thue seconded the motion which passed unanimously.

INDUSTRIAL MANUFACTURING PERMIT APPLICANT:

a. Tall Hat Foods, Orem.

Abe Kader gave an overview of the permit application.

Ms. Thue moved to approve an industrial manufacturing permit for Tall Hat Foods in Orem. Ms. Orton seconded the motion which passed unanimously.

REQUEST FOR CHANGE OF LICENSE TYPE FROM FULL YEAR TO SUMMER SEASONAL LICENSE:

a. Defa’s Dude Ranch, Hanna. (BAR)

Craig Warr gave an overview of the request noting staff recommends approval.

Mr. Parrish moved to approve a change of bar establishment license type from full year to summer seasonal for Defa’s Dude Ranch in Hanna. Ms. Randall seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUEST:

a. Alpine Distilling (MD, BAR, PA)

 From: 350 Main Street, Park City.

 To: 364 Main Street, Park 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 Alpine Distilling in Park City. Ms. Tennert seconded the motion which passed unanimously.

REQUEST FOR SECOND LOCATION FOR HOTEL BAR LICENSE:

a. Laurel Bar @ Grand America Hotel, Salt Lake City.

Erin Hinkel gave an overview of the applications.

Ms. Thue moved to approve a hotel bar license second location for Laurel Bar @ Grand America Hotel in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

a. Completed Applications. *(list attached)*

b. Conditional Applications. *(list attached)*

Stephne Hanson gave an overview of the applications on both lists noting staff recommends approval.

Ms. Orton moved to approve the applications contained on the completed and conditional off-premise beer retailer lists. Ms. Randall seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. License Transfer Applications:

 **Full Transfers:**

(1) Pete’s Bar & Grill, West Haven to: Dubai, Salt Lake City.

 (*Conditional)*

(2) Victoria Holdings, Ogden to: Funk and Dive Bar, Ogden.

(3) Wasted Space LLC, to: International Bar, Salt Lake City.

(4) Tram Bar Inc., to: Venture II, Salt Lake City. *(Conditional)*

Margaret Hardie gave an overview of the full license transfer applications noting those that are conditional. Staff recommends approval.

The commissioners and staff discussed the amount paid and location changes for the bar licenses. They also discussed the number of transferred licenses that are still in transition and not open.

Mr. Parrish moved to approve full license transfers for #2 Funk and Dive Bar in Ogden and #3 International Bar in Salt Lake City; and to defer to the December meeting #1 Dubai in Salt Lake City and #4 Venture II in Salt Lake City. Ms. Tennert seconded the motion.

Staff noted the transactions have closed. Staff and the commissioners discussed the requirements of the transfer act and the impact deferring consideration will have on items later in the agenda.

Mr. Jacobson called for a vote on the motion. Mr. Parrish voted yea; Ms. Thue, Ms. Orton, Ms. Randall, Ms. Tennert and Mr. Jacobson voted nay. The motion failed.

Ms. Tennert moved to approve full license transfers for #2 Funk and Dive Bar in Ogden and #3 International Bar in Salt Lake City; and conditional full license transfers for #1 Dubai in Salt Lake City and #4 Venture II in Salt Lake City. Ms. Orton seconded the motion. Ms. Tennert, Ms. Orton, Ms. Thue, Ms. Randall and Mr. Jacobson voted yea; Mr. Parrish voted nay. The motion passed.

 **51% Ownership change of Entity:**

1. Tamarisk Restaurant, Green River.

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

Ms. Orton moved to grant a 51% ownership changes to #1 Tamarisk Restaurant in Green River. Ms. Thue seconded the motion which passed unanimously.

 **Off-Premise Beer Transfers:**

(1) AAK Inc., to: 7-Eleven Store #25267C, Salt Lake City.

 (2) Raman Brar, Inc., to 7-Eleven Store #33893L, South Jordan.

Margaret Hardie gave an overview of the off-premise beer transfers noting their transaction closing dates.

Mr. Parrish moved to approve off-premise beer license transfers for #1 7-Eleven Store #25267C in Salt Lake City effective upon the actual closing of the transaction December 1, 2021; and #2 7-Eleven Store #33893L in South Jordan effective upon the actual closing of the transaction on December 3, 2021. Ms. Thue seconded the motion which passed unanimously.

b. Bar Establishment Applicants:

 *Ready to Operate:*

(1) Fenice Mediterranean Bistro, Salt Lake City. *(will surrender full*

 *restaurant license)*

 (2) Wasatch Loft & Tap Room Bar, Park City.

 (3) Trolley Wing Co., Taylorsville. *(dual license)*

 *Projected Future Opening:*

(1)The Pearl, Salt Lake City. *(Conditional) (projected opening December*

*2021)*

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

*2021)*

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

 *January 2022)*

(4) Proper Brewing Moab Taphouse, Moab. *(Conditional)* *(projected*

 *opening January 2022)*

(5) Durango Bar, Salt Lake City. *(Conditional) (projected opening January 2022)*

(6) Quarters Sugar House, Salt Lake City. *(Conditional)* *(projected*

 *opening February 2022)*

(7) The Spoke, Moab. *(Conditional) (projected opening February 2022)*

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

 *June 2022)*

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

*October 2022)*

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

 *opening February 2023)*

Dan Oberg explained that with the change from full year to summer seasonal for Defa’s, a winter seasonal license is available. Winter seasonal licenses run from November 1 to April 30. Mr. Oberg noted that three applicants are ready to open and have met the statutory requirements.

The commissioners, applicants and staff discussed the purpose of winter seasonal licenses, readiness to open, and the consequences to a licensee if they are unable to obtain a full year license prior to April 30.

Mr. Jacobson invited the applicants ready to open to address the commission. Monae Madsen from Wasatch Loft & Tap Room; and Jess Wilkerson and Jeff from Trolley Wing addressed the commission. Mr. Jacobson invited those close to opening to also address the commission. Jacob Hall from The Pearl came forward.

Ms. Orton moved to grant a winter seasonal bar establishment license to #2 Wasatch Loft & Tap Room Bar in Park City. Ms. Thue seconded the motion which passed unanimously.

c. Full Service Restaurant Applicants:

 *New Applicants:*

(1) Miyazaki, Murray. *(Conditional)*

 (2) Tupelo, Park City. *(Conditional)*

 (3) Big Dipper, Park City.

 (4) Park City Brewing, Park City. *(Conditional)*

 (5) Burrito Grande, Roy.

 (6) Shinobi Sushi Bar & Grill, Salt Lake City. *(Conditional)*

(7) Olive Garden, Saratoga Springs. *(Conditional) (projected opening*

 *August 2022)* *(violation history)*

Rob Hansen gave an overview of the applications. Mr. Hansen noted #7 Olive Garden has a violation history. They have two sale to minor violations at different locations. Since the most recent violation was in August, the applicant addressed the commission.

Ken Little and Darin Lindell from Olive Garden came forward. Mr. Little explained that both employees were terminated and gave an overview of the steps they have taken to prevent further violations.

The commissioners, staff and representatives from Olive Garden discussed the violations and the reasons they are applying now versus closer to opening.

Ms. Orton moved to grant full service restaurant licenses to #3 Big Dipper in Park City and #5 Burrito Grande in Roy; and conditional full service restaurant licenses to #1 Miyazaki in Murray, #2 Tupelo in Park City, #4 Park City Brewing in Park City, and #6 Shinobi Sushi Bar & Grill in Salt Lake City. Mr. Parrish seconded the motion which passed unanimously.

Ms. Tennert moved to continue consideration of #7 Olive Garden in Saratoga Springs to the December commission meeting. Ms. Orton seconded the motion. Ms. Tennert, Ms. Orton, Ms. Randall, and Mr. Parrish voted yea; Ms. Thue voted nay; Mr. Jacobson abstained from voting. The motion passed.

d. Limited Service Restaurant Applications:

 *New Applicants:*

 (1) Pastry Pub, Cedar City. *(Conditional)*

 (2) Peddlers Café & Catering, Eden.

 (3) Laan Thai Restaurant, Ogden. *(Conditional)*

 (4) Umami Japanese BBQ, Orem. *(Conditional)*

 (5) Pretty Bird, Park City. *(Conditional)*

(6) Publik Coffee, Salt Lake City. *(Conditional)*

Nicole Hall gave an overview of the applications noting those that are conditional.

Ms. Thue moved to approve a limited service restaurant license for #2 Peddlers Café & Catering in Eden; and conditional limited service restaurant licenses for #1 Pastry Pub in Cedar City, #3 Laan Thai Restaurant in Ogden, #4 Umami Japanese BBQ in Orem, #5 Pretty Bird in Park City, and #6 Publik Coffee in Salt Lake City. Ms. Randall seconded the motion which passed unanimously.

e. Hotel Applicant:

 *New Applicant:*

 (1) Deer Valley Resort, Park City. (6 RE, 1 BC, 1 BE)

Bonnie Bills gave an overview of the application.

Ms. Thue moved to approve a hotel license for #1 Deer Valley Resort in Park City. Ms. Randall seconded the motion which passed unanimously.

f. Reception Center Applicant:

 *New Applicant:*

 (1) Sugar Space, Salt Lake City.

Anita Knowley gave an overview of the application.

Mr. Parrish moved to approve a reception center license for #1 Sugar Space in Salt Lake City. Ms. Thue seconded the motion which passed unanimously.

g. Restaurant “Beer Only” Applicants:

 *New Applicants:*

 (1) Level Two, Midvale.

 (2) Mariscos Los Chinchorros, Murray.

Rob Hansen gave an overview of the applications. He explained that #1 Level Two is located in the back of a building that contains football bowling and axe throwing. He noted the restaurant area is clearly defined and additional safety measures will be taken to prevent patrons from consuming beer and throwing axes.

Duce Lamazi and Matthew Lee from Level Two came forward to address the commission. They explained the additional safety measures in place so patrons will not be able to throw axes during or after consuming beer.

Ms. Thue moved to approve beer only restaurant licenses for #1 Level Two in Midvale and #2 Mariscos Los Chinchorros in Murray. Ms. Orton seconded the motion which passed unanimously.

EXTENDED CLOSURE REQUESTS:

a. Barrel & Stave, Logan. (BAR)

Dan Oberg gave an overview of the request for an extended closure until the January 2022 commission meeting.

Ms. Thue moved to approve an extended closure for Barrel & Stave in Logan until the January 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

b. Triple Peaks Grill, Ogden. (BAR)

Nicole Hall gave an overview of the request for an extended closure until the March 2022 commission meeting.

Mr. Parrish moved to approve an extended closure for Triple Peaks Grill in Ogden until the March 2022 commission meeting. Ms. Randall seconded the motion which passed unanimously.

c. ~~Pete’s Bar & Grill, Ogden~~. *STRIKE*

d. ~~Tram Club, Salt Lake~~. *STRIKE*

e. Milk, Salt Lake. (BAR)

Abe Kader gave an overview of the request for an extended closure until December 25, 2021. He explained that they received a transferred license on May 25, 2021 and per statute have seven months to open which will be December 25, 2021. They are planning to open December 18, 2021.

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

f. Chuckwagon Cookouts, Kanab. (RL)

Rob Hansen gave an overview of the request for an extended closure until April 2022.

Ms. Thue moved to approve an extended closure for Chuckwagon Cookouts in Kanab until the April 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

REQUEST FOR ADDITIONAL SUBLICENSE:

a. Snowbird Resort, Salt Lake City. (BAR)

Stephne Hanson gave an overview of the request for an additional bar sublicense noting staff recommends approval.

Ms. Thue moved to approve an additional bar sublicense under the hotel license for Snowbird Resort in Salt Lake City. Mr. Parrish seconded the motion which passed unanimously.

OPERATIONS UPDATE:

a. Department Update:

Ms. Clason thanked all staff for their work during the Thanksgiving rush. She acknowledged the extra effort across the department from purchasing to warehouse to retail sales.

Mr. Meier also thanked employees for their work during the Thanksgiving week. He also explained the department continues to struggle with staffing and supply chain shortages. He highlighted the new page on the DABC web site that provides updates on limited or out of stock items. Finally, he thanked DABC customers for being kind and understanding.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

* Ms. Thue expressed concern regarding staffing shortages. She reiterated the need to increase hourly pay for retail employees.
* Tanner Lenart addressed the commission. She expressed concern about the commission waiting to grant conditional licenses. She explained that some municipalities will not grant a business license until the liquor license is secured.
* Michelle Corigliano from SLARA addressed the commission. She expressed concern regarding restaurant owners getting higher penalties than employees when a violation occurs. Ms. Page provided clarification on how fines for violations are assessed.

There being no further business, Mr. Parrish moved to adjourn the meeting. The meeting adjourned at 12:05 p.m.