MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE SERVICES COMMISSION

HELD TUESDAY, JUNE 28, 2022.

*[A copy of the final agenda was posted on the bulletin board at the DABS 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, June 27, 2022.]*

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.

Commissioner Participating Virtually: Jennifer Tarazon.

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

Also Present: Jeff Buckner, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Katie Kolowich led the group in the Pledge of Allegiance.

APPROVAL OF MINUTES:

Ms. Thue moved to approve the minutes of the Commission Meeting held May 24, 2022. Ms. Orton seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Mr. Jacobson made the following announcements:

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

 - Tuesday, July 26, 2022

 - Tuesday, August 30, 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. Holiday Closures:

 - Monday, July 4, 2022 (Independence Day)

 Liquor Stores and the DABC administrative office and warehouse will

be closed.

 - Monday, July 25, 2022 (Pioneer Day)

 Liquor Stores and the DABC administrative office and warehouse will

be closed.

FINANCIAL UPDATE:

Mr. Williford provided an update on the May 2022 financials. In May, sales totaled $42 million, increasing YTD sales to $509 million, a 7.47% increase over the previous year. Bottle sales have also increased by 3% over the previous year. Mr. Williford noted the efforts to retain employees appear to be working as there are currently 374 FTE positions versus 357 last year.

PARENTS EMPOWERED UPDATE:

Doug Murakami provided an update on the Parents Empowered campaign. He noted the Parents Empowered Underage Drinking Prevention Workgroup will be reviewing and approving the new media plan. The new campaign ads should start appearing in August.

Mr. Murakami thanked Heidi Baxley, a Prevention Specialist with Iron County, for her partnership and efforts to include the PE campaign in the Utah Summer Games in Cedar City.

ADVISORY BOARD APPOINTMENT:

Ms. Micklos explained that a retirement resulted in a vacant position on the Advisory Board representing the wholesale alcohol industry until the term ends on June 30, 2025.

Ms. Micklos noted that the Utah Beer Wholesalers Association forwarded two candidates for consideration and introduced Keith Jeffrey and Shanna Clay.

Keith Jeffrey, President of Carlson Distributing, came forward to address the commission. He gave a brief overview of his experience in the wholesale alcohol industry.

Shanna Clay, Director of Operations for Admiral Beverage, also came forward and gave an overview of her experience in the wholesale alcohol industry.

Mr. Parrish moved to appoint Keith Jeffrey to the Advisory Board representing the wholesale alcohol industry for the term ending June 30, 2025. Ms. Thue 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 requests 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. Tamashi Ramen & Sushi Bar, American Fork and \*SBI RL01339

Yu Huifang (employee).

1. Holiday Inn Burger Theory, St. George and Ethan \*SBI RE02397

Langford and Shane Bounds (Employees).

1. Café Sabor, Layton and Milena Sanchez Ruiz \*SBI  RE02414

(employee).

(4) Kim Korean House & Sushi Bar, Clearfield and \*SBI  RL01882

Haun Li (employee).

(5) Glowbal Bite, Salt Lake City and Alexandra \*SBI RE02637

Medina (employee).

 (6) P.F. Chang’s, Farmington and Sheana Cazimero \*SBI RE02760

 (employee).

 (7) Puerto Vallarta Grill & Cantina, West Jordan \*SBI RE02961

and Elizabeth Villamizer (employee).

(8) Roosters B St Brewing, Ogden and Kimberly \*SBI CL01472

Banfield (employee).

 (9) West Ogden Market, Ogden and Haider Khalid \*SBI OP00310

(employee).

 (10) The Wing Coop, Salt Lake City and Cody Gatlin \*SBI RB00386

 (employee).

 (11) Boat Haus, Ogden and Jaydee Gray (employee). \*SBI RE02948

 (12) Courtyard by Marriott, Salt Lake City and Daniel \*SBI RE02629

Mendez (employee).

 (13) Wing Nutz, Ogden and Taleisa Flores (employee). \*SBI RE02090

 (14) Davis Park Café, Kaysville and Sheila Richins \*SBI BE02559

(employee).

 (15) Dar’s, Ogden and Norma Tyler (employee). \*SBI CL00236

 (16) K and C Store, Bluff and Latoya Tsinigine \*SBI OP00221

 (employee).

 (17) Buffalo Wild Wings, Layton and Donna Pili \*SBI RE02094

 (employee).

 (18) Nephi Texaco, Nephi and Isabel Cressey \*SBI OP01860

 (employee).

 (19) Ruben’s Cocina Mexicana, Brigham City and \*SBI RB00087

Miguel Rodriguez (employee).

Jeremy Sommerlath noted all items on the consent calendar are complete and ready for action by the commission.

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

b. Order to Show Cause:

 (1) Sergio’s Mexican Restaurant, Park City. (RB)

Nicole Tarleton gave an overview of the order to show cause. She explained that they had a change of ownership in 2018 and failed to meet the statutory requirement to notify the department. Since the entity that holds the license doesn’t exist, the license may be considered forfeited.

Bianca Gustvo, Sergio Rea, and Nicanor Plancarte from Sergio’s Mexican Restaurant came forward to address the commission. They explained the events that took place during the ownership change and why the department wasn’t notified.

The commissioners, staff and representatives from Sergio’s discussed the circumstances surrounding the change of ownership.

Ms. Thue made a motion to sustain the order to show cause for a change of ownership without proper notification resulting in the license being forfeited. Ms. Randall seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUEST:

a. Comb Ridge Eat and Drink (RL)

 From: 680 South Highway 91, Bluff.

 To: 409 South Highway 91, Bluff.

Cori Price gave an overview of the request.

Ms. Thue moved to grant a change of location for Comb Ridge Eat and Drink in Bluff. Mr. Parrish seconded the motion which passed unanimously.

EXTENDED CLOSURE REQUESTS:

a. Ozora Izakaya Bar, Salt Lake City. (RE)

Mike Bishop gave an overview of the request for an extended closure until July 2022.

Ms. Thue moved to approve an extended closure for Ozora Izakaya Bar in Salt Lake City until the July 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

b. ~~Lespri Prime Steak, Park City~~. *STRIKE*

c. Green Room, Salt Lake City. (BAR)

Anita Knowley gave an overview of the request for an extended closure until the September 2022 meeting.

Ms. Thue moved to approve an extended closure for Green Room in Salt Lake City until the September 2022 commission meeting. Ms. Randall seconded the motion which passed unanimously.

d. Soundwell, Salt Lake City. (BAR)

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

Brian Borreson from Soundwell came forward to address the commission. He outlined the construction issues that have delayed the completion of their remodeling project.

Mr. Hansen, Mr. Borreson and the commissioners discussed the number of temporary event permits being used by Soundwell. Mr. Hansen explained that the concert area is currently unlicensed and will remain separate from the updated bar premise. Mr. Borreson outlined the measures they take to prevent underage drinking at the concerts.

Ms. Thue moved to approve an extended closure for Soundwell in Salt Lake City until the August 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

e. Wahso, Park City. (BAR)

Jeremy Sommerlath gave an overview of the request for an extended closure until October 2022.

Ms. Thue moved to approve an extended closure for Wahso in Park City until the October 2022 commission meeting. Ms. Randall seconded the motion which passed unanimously.

INDUSTRIAL MANUFACTURING PERMIT APPLICANT:

a. Hug-Hes Café Stansbury, Stansbury Park.

Anita Knowley gave an overview of the application.

Ms. Thue moved to approve an industrial manufacturing permit for Hug-Hes Café Stansbury in Stansbury Park. Ms. Randall seconded the motion which passed unanimously.

RELIGIOUS USE PERMIT APPLICANT:

a. St. Xenia Orthodox Christian Church, Payson.

Anita Knowley gave an overview of the application.

Ms. Orton moved to approve a religious use permit for St. Xenia Orthodox Christian Church in Payson. Ms. Randall seconded the motion which passed unanimously.

PUBLIC SERVICE PERMIT APPLICANT:

a. Spirit Airlines, Salt Lake City.

Dan Oberg gave an overview of the application.

Ms. Thue moved to grant a public service permit to Spirit Airlines in Salt Lake City. Ms. Randall seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

 *New Applicants:*

(1) Journey @ Bryce Canyon RV Park, Cannonville.

 (2) Venture Fuel, Hurricane. *(Conditional)*

(3) Sunrise Trading, Montezuma Creek.

 (4) 1 AKR, Roy. *(Conditional)*

 (5) ~~The Quality Quik Stop, Tooele~~. *STRIKE*

Rob Hansen asked the commissioners to strike #5 The Quality Quik Stop and gave an overview of the remaining applications.

Ms. Orton moved to approve conditional off-premise beer retailer licenses for #2 Venture Fuel in Hurricane and #4 I AKR in Roy; and off-premise beer retailer licenses for #1 Journey @ Bryce Canyon RV Park in Cannonville and #3 Sunrise Trading in Montezuma Creek. Mr. Parrish seconded the motion which passed unanimously.

BAR ESTABLISHMENT LICENSE RENEWALS:

Angela Micklos gave an overview of the bar establishment license renewal applications noting all 374 renewed.

Ms. Orton moved to approve the 374 bar establishment license renewals. Ms. Randall seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. Change of Ownership License Applications:

 **Full Change of Ownership:**

(1) Peaks Park City LLC, DBA: Park City Peaks Hotel, Park City.

*(Conditional)* (HL)

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

(1) Three Alarm Saloon Bar & Club, Inc, DBA: Three Alarm Saloon,

Midvale. (BAR)

(2) TWC Enterprises, LLC DBA: Kou / Korean BBQ of Utah,

Midvale. (RE)

  **Off-Premise Beer:**

(1) 7-Eleven Store #16072C, West Jordan.

 (2) Silver Peak Supply, Newcastle. *(Conditional)*

Margaret Hardie gave an overview of the change of ownership applications noting those that are conditional.

Ms. Thue moved to approve a conditional full change of ownership for #1 Park City Peaks Hotel in Park City; 51% existing entity ownership changes for #1 Three Alarm Saloon in Midvale and #2 Kou/Korean BBQ of Utah in Midvale; an off-premise beer ownership change to #1 7-Eleven Store #16072C in West Jordan; and a conditional off-premise beer ownership change #2 Silver Peak Supply in Newcastle. Ms. Randall seconded the motion which passed unanimously.

b. Bar Establishment Applicants:

 *Ready to operate:*

(1) The Spoke, Moab. *(projected opening June 2022)*

 (2) Durango Bar, Salt Lake City.  *(currently have a tavern license;*

 *will surrender tavern license if approved).*

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

 *opening July 14 2022)*

(4) Shades Tap Room, Salt Lake City. *(projected opening June 2022)*

 (5) Paxton Pub, Salt Lake City. *(projected opening June 2022)*

 (6) Woodbine Hospitality, Salt Lake City. *(projected opening July 2022)*

(7) Evo Hotel, Salt Lake City. *(Conditional ) (projected opening July*

*2022 meeting)*

(8) The Valley Saloon, Vernal. *(Conditional)* *(projected opening July 1,*

*2022)*

(9) Boomerang’s Down Under Bar, Salt Lake City. *(projected opening*

*June 2022)*

(10) High West Distillery, Park City. *(projected opening June 2022)*

 *Projected Future Opening:*

 (1) The Coop by Roosters, Layton. *(Conditional)* *(projected opening*

*August 2022) New*

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

 *opening August 2022)*

 (3) Bout Time Pub & Grub, Bluffdale. *(Conditional)* *(projected opening August/September 2022)*

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

 *September 2022)*

(5) Marquis, Park City. *(Conditional) (projected opening September*

 *2022).*

(6) Bout Time Pub & Grub, Saratoga Springs. *(Conditional) (projected*

 *opening October 2022)*

(7) Aker Restaurant, Salt Lake City. *(Conditional) (projected opening*

 *December 2022)*

 *Not ready for approval:*

 (1) ~~Fenice Mediterranean Bistro, Salt Lake City~~. *STRIKE*

Mr. Jacobson noted ten full and two winter seasonal bar establishment licenses are available today. He also noted that the bar establishment licenses received today will be effective July 1, 2022. Mr. Jacobson invited the applicants operating or ready to open to address the commission.

Representatives from The Spoke, Durango Bar, Quarters Sugar House, Shades Tap Room, Paxton Pub, Woodbine Hospitality, Evo Hotel, The Valley Saloon, Boomerang’s Down Under Bar, The Coop by Roosters, Bout Time Pub & Grub, and Edison House came forward and gave an overview of their business plans and readiness to open.

The commissioners, Jeff Colvin, and the applicants discussed the challenges facing each applicant prior to opening. In regard to Durango Bar, Jeremy Sommerlath reported staff will continue to work with Pablo Hinojosa to establish that substantial changes have been made since their renewal was denied. Staff will also work with High West Distillery to review a combined floor plan for all three premises.

Ms. Thue noted that one new license will be available in July and one in September. She asked that applicants keep staff and the commission updated on potential opening dates.

Ms. Thue made a subcommittee recommendation and moved to grant bar establishment licenses to #1 The Spoke in Moab, #4 Shades Tap Room in Salt Lake City, #5 Paxton Pub in Salt Lake City, #6 Woodbine Hospitality in Salt Lake City, and #9 Boomerang’s Down Under Bar in Salt Lake City; and conditional bar establishment licenses to #3 Quarters Sugar House in Salt Lake City, #7 Evo Hotel in Salt Lake City, and #8 The Valley Saloon in Vernal. Ms. Orton seconded the motion which passed unanimously.

c. Full Service Restaurant Applicants:

 *New Applicants:*

 (1) El Tapatio, Moab. *(Conditional)*

(2) ~~Sandbar Lounge, Moab~~. *STRIKE*

(3) Bistro Provenance, Provo. *(Conditional)*

 (4) Ahi’s Fresh Wok, St George. *(Conditional)*

 (5) Snowmobile Pizza, Salt Lake City. *(Conditional)*

 (6) Tuscan Bistro by Soni’s, Salt Lake City.

 (7) Mint Sushi & Tapas, Holladay. *(Conditional)*

 (8) Via 313 Pizzeria, Sandy. *(Conditional)*

 *Training Program Update:*

(1) Chili’s, Saratoga Springs. *(update request from May meeting)*

Bonnie Bills asked the commissioners to strike #2 Sandbar Lounge and gave an overview of the balance of the applications noting those that are conditional. She also reported that Chili’s in Saratoga Springs has developed a robust training program specific to Utah laws.

Ms. Randall moved to approve conditional full service restaurant licenses for #1 El Tapatio in Moab, #3 Bistro Provenance in Provo, #4 Ahi’s Fresh Wok in St. George, #5 Snowmobile Pizza in Salt Lake City, #7 Mint Sushi & Tapas in Holladay and #8 Via 313 Pizzeria in Sandy; and a full service restaurant license for #6 Tuscan Bistro by Soni’s in Salt Lake City. Ms. Thue seconded the motion which passed unanimously.

d. Hotel Applicant:

 *New Applicant:*

(1) Hyatt Regency SLC, Salt Lake City. *(Conditional)* (BC, RE, RE,

BAR & HA)

Dan Oberg gave an overview of the application noting it is conditional.

Ms. Thue moved to grant a conditional hotel license to #1 Hyatt Regency SLC in Salt Lake City. Ms. Randall seconded the motion which passed unanimously.

e. Hospitality Amenity Applicant:

  *New Applicant:*

1. Best Western Plus Abbey Inn, St George. *(Conditional)*

Dan Oberg gave an overview of the application noting it is conditional.

Ms. Randall moved to grant a conditional hospitality amenity license to #1 Best Western Abbey Inn in St. George. Ms. Thue seconded the motion which passed unanimously.

f. Limited Service Restaurant Applications:

 *Previous Applicant:*

(1) Himilayan Flavor, Logan. *(Conditional)*

 *New Applicants:*

1. Laziz Kitchen, Midvale. *(Conditional)*
2. Jo Jo Bowls and Boba, Ogden.
3. La Ferrovia Italian Restaurante, Ogden.
4. Sushi Up, Orem.
5. ~~Burgers & Barley, Riverton~~. *STRIKE*
6. Slackwater Pizza, Salt Lake City.
7. Seasons Plant Based Kitchen, Salt Lake City. *(Conditional)*
8. Seafood Bucket Cajun Style, Salt Lake City. *(Conditional) (violation history)*

(9) Dirty Bird Fried Chxx, Sandy. *(Conditional)*

Cori Price asked the commissioners to strike #5 Burgers & Barley and gave an overview of the balance of the applications noting those that are conditional. She also noted #8 Seafood Bucket Cajun Style has a violation history.

Mr. Wu from Seafood Bucket Cajun Style came forward to explain the changes made to prevent further violations. Jeremy Sommerlath reported that staff worked with Mr. Wu and are confident the appropriate changes have been made and support their business moving forward.

Ms. Thue moved to approve conditional limited service restaurant licenses for previous applicant #1 Himilayan Flavor in Logan, #1 Laziz Kitchen in Midvale, #7 Seasons Plant Based Kitchen in Salt Lake City, #8 Seafood Bucket Cajun Style in Salt Lake City, and #9 Dirty Bird Fried Chxx in Sandy; and limited service restaurant licenses to #2 Jo Jo Bowls and Boba in Ogden, #3 La Ferrovia Italian Restaurante in Ogden, #4 Sushi Up in Orem, and #6 Slackwater Pizza in Salt Lake City. Ms. Randall seconded the motion which passed unanimously.

g. Beer Only Restaurant Applicants:

 *Previous Applicants:*

 (1) La Palmita Market & Mexican Cantina, Salt Lake City.

 (2) ~~Lovebirds Hot Chicken, American Fork~~. *STRIKE*

 *New Applicants:*

1. Roctaco, St George.

(2) Mariscos La Resaca, West Valley City. *(Conditional)*

Cori Price asked the commissioners to strike previous applicant #2 Lovebirds Hot Chicken and gave an overview of the remaining applications noting those that are conditional.

Ms. Thue moved to grant beer only restaurant licenses to previous applicant #1 La Palmita Market & Mexican Cantina in Salt Lake City and #1 Roctaco in St. George; and a conditional beer only restaurant license to #2 Mariscos La Resaca in West Valley City. Ms. Randall seconded the motion which passed unanimously.

h. On-Premise “Tavern” Applicant:

 *New Applicant:*

 (1) ~~Evo Hotel, Salt Lake City~~. *STRIKE*

i. Package Agency Type Change:

 (1) PA00425, Dutch John. (Type 2 to Type 1)

Jeff Colvin gave an overview of the request to move from a Type 2 to a Type 1 package agency.

Ms. Randall moved to approve PA00425 in Dutch John to move from a Type 2 to a Type 1 package agency. Ms. Orton seconded the motion which passed unanimously.

OPERATIONS UPDATE:

Ms. Clason thanked the compliance staff for working with the applicants to get them ready for the meeting. She gave an overview of the process staff must follow prior to issuing temporary beer or single event permits – from receiving the application to providing the statutory required notices to the commission and law enforcement. She noted that in 2021 a total of 534 permits were issued. In the first six months of 2022, 435 permits have been issued. She reminded those interested in permits that they need to apply 30 days in advance. Late applications may jeopardize the event operator’s ability to sell alcohol.

Ms. Clason provided an update on the licensee recognition program. Staff is still gathering information but report over 100 licensees passed inspections. Letters will be sent and a list provided to the commission.

Mr. Meier outlined the recent salary increases the department was able to provide for warehouse and store employees. He also reminded everyone of the 3.5% cost of living increase effective with the new fiscal year.

Ms. Clason welcomed everyone to the new fiscal year starting July 1, 2022. She gave an overview of last year's accomplishments. Finally, Ms. Clason thanked Commissioner Jacobson for a phenomenal job serving as Chairman for the past year. She also read a letter of appreciation from Governor Cox.

INTERNAL AUDIT APPROVALS:

a. DABS Internal Audit Policies and Procedures Operating Manual.

b. Proposed Internal Audit Plan – July 1, 2022 to June 30, 2023.

The Director of Internal Auditing, Traci Santillanes, provided an overview and requested approval of the DABS Internal Audit Policies and Procedures Operating Manual and the proposed audit plan for July 1 to June 30, 2023. Mr. Jacobson and Mr. Parrish recognized Ms. Santillanes for her exemplary work and thanked her for a doing an excellent job.

Mr. Parrish moved to approve the DABS Internal Audit Policies and Procedures Operating Manual and the Proposed Internal Audit Plan – July 1, 2022 to June 30, 2023. Ms. Orton seconded the motion which passed unanimously.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

None.

There being no further business, Ms. Orton moved to adjourn the meeting. Ms. Randall seconded the motion which passed unanimously. The meeting adjourned at 12:35 p.m.