MINUTES OF THE MEETING OF THE UTAH

ALCOHOLIC BEVERAGE SERVICES COMMISSION

HELD TUESDAY, NOVEMBER 29, 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, November 28, 2022.]*

Chair Juliette Tennert called the meeting to order at 10:00 a.m.

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

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

Also Present: Samuel McHenry, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Angela Micklos led the group in the Pledge of Allegiance.

APPROVAL OF MINUTES:

Mr. Jacobson moved to approve the minutes of the Commission Meeting held October 25, 2022 and the Special Commission Meeting held November 17, 2022. Ms. Orton seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Ms. Tennert made the following announcements:

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

- Tuesday, December 20, 2022

- Thursday, January 26, 2023

b. Public Comments:

- Those wishing to comment on this meeting may email [hotline@utah.gov](mailto:hotline@utah.gov) .

Comments will be addressed at the end of the meeting.

c. License Renewals:

Wednesday, November 30, 2022

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 Manufactures - Breweries/Wineries/Distilleries.
* Public Service Permits.

FINANCIAL UPDATE:

Mr. Williford provided an update on the October 2022 financials. In October, sales totaled $40.8 million, a 1.0% decrease compared to the prior year. YTD sales totaled $177 million, a 2.0% increase over the prior year.

Mr. Williford also stated that in the five days leading up to the Thanksgiving holiday, sales totaled $15.5 million. The day before the Thanksgiving holiday, sales totaled $4.6 million, a new record. Mr. Williford pointed out that almost half of the $15.5 million is returned to the state, local communities, and other projects via fund transfers. For example, sales tax revenue $1.2 million and general fund transfer $3.4 million.

Mr. Parrish provided an update from the operations subcommittee. He noted the subcommittee is very pleased with how the agency is operating.

PARENTS EMPOWERED UPDATE:

Doug Murakami provided an update on the Parents Empowered (PE) campaign. He announced that there are four new television spots that, due to technical difficulties, will be emailed to the commissioners. The new campaign will encourage parents to begin discussions around the age of nine. He also noted that the most recent SHARP report shows underage drinking is at an all-time low in Utah and parental disapproval remains the #1 reason kids choose not to drink.

ADMINISTRATIVE RULES ADOPTION:

a. R82-1-102 Definitions (Controlled Group of Manufacturers)

b. R82-1-208 Percentage Lease Agreements

c. R82-2-202.1 Late License Renewals

d. R82-2-306 Operational Matters (Type 5 PA Sales)

e. R82-2-308 Consignment Inventory Package Agencies

f. R82-5-202 Retail License Renewals

g. R82-6-701 On-Premise Beer Retailer - Commission Approved Activity

h. R82-9-201 Application Requirements (Event Permits)

Ms. Tennert stated that the commission will address the administrative rules listed on the agenda. She noted that R82-2-309, the rule that addresses 50 ml bottles, is not included on the list as the commission received a fair amount of public input and are continuing to work through the comments.

Ms. Micklos explained that the administrative rules listed on the agenda have been through the rulemaking process. No public comments were received on the listed rules. Ms. Micklos recommended the commission approve the proposed rules and assign an effective date of December 1, 2022.

Mr. Jacobson moved to adopt and assign an effective date of December 1, 2022 for administrative rules R82-1-102 Definitions (Controlled Group of Manufacturers), R82-1-208 Percentage Lease Agreements, R82-2-202.1 Late License Renewals, R82-2-306 Operational Matters (Type 5 PA Sales), R82-2-308 Consignment Inventory Package Agencies, R82-5-202 Retail License Renewals, R82-6-701 On-Premise Beer Retailer - Commission Approved Activity, and R82-9-201 Application Requirements (Event Permits). Ms. Thue seconded the motion which passed unanimously.

VIOLATIONS:

*\* Referral Source – State Bureau of Investigation (SBI), Salt Lake Police Department (SLPD), North Salt Lake Police Department (NSLPD), Ogden Police Department (OPD), Unified Police Department (UPD), Heber City Police Department (HPD)*

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.]*

(1) 7-Eleven Food Stores, Kamas. \*SBI (OP)

and Steven Nicholson (employee).

(2) Sicilia Mia, Farmington and Daniel \*SBI (RE)

Carpio (employee).

(3) Wing Nutz, Orem and Kaden Hyde \*SBI (RE)

(employee).

(4) One and Only, St George. \*SBI (TV)

(5) Catarachos Restaurant, West Valley \*SBI (RE)

and Maria Perdomo Casanova (employee).

(6) El Mexsal Mexican & Salvadorian \*SBI (RE)

Food, Provo and Jose Zamora Aguilar

(employee).

(7) SNS Quick Stop, Ogden and \*OPD (OP)

Hekmatullah Fazil (employee).

(8) The Links @ Sleepy Ridge GC, \*SBI (BE)

Orem and David Strunk (employee).

(9) Eagles, 1760, Murray and Dorothy \*SBI (BAR)

Bean (employee).

(10) Fosters Market, Cedar City and \*SBI (OP)

Lois Melling (employee).

(11) Daniels Summit Lodge, Heber City \*HPD (OP)

and Melissa Prestage (employee).

(12) Hanna Café & Bar, Hanna and \*SBI (BAR)

Brandy Giles (employee).

(13) World Famous Woody’s Tavern, Moab. \*SBI (BAR)

Ms. Tennert introduced Samuel McHenry, the new Assistant Attorney General assigned to the commission. Mr. McHenry noted all items on the consent calendar are complete and ready for action by the commission.

Ms. Tennert noted the commissioners have reviewed the consent calendar and several members have requested that three items be considered separately. The three include #9 Eagles 1760, #10 Fosters Market and #12 Hanna Café & Bar.

Mr. Jacobson made a motion to approve the items on the consent calendar except for #9 Eagles 1760 in Murray, #10 Fosters Market in Cedar City and #12 Hanna Café & Bar in Hanna. Mr. Parrish seconded the motion which passed unanimously.

Mr. McHenry provided an overview of the violations and proposed settlement agreements for #9 Eagles 1760, #10 Fosters Market and #12 Hanna Café & Bar.

The commissioners discussed the violations and expressed concern over the events especially since two are bar establishment licenses which are difficult to obtain.

Mr. Jacobson moved to approve consent calendar items #9 Eagles 1760 in Murray, #10 Fosters Market in Cedar City and #12 Hanna Café & Bar in Hanna. Mr. Parrish seconded the motion which passed unanimously.

Ms. Micklos added that per a request from Fosters Market for additional training on selling to an intoxicated person, compliance staff and SBI will partner to provide the training.

LICENSEE RECOGNITIONS: PASSED UTAH PUBLIC SAFETY SBI COVERT (CUB) INSPECTIONS.

Ms. Clason reported that since the October meeting, 44 licensees passed the SBI inspections. She congratulated those that passed and thanked them for following the alcohol safety laws.

EXTENDED CLOSURE REQUEST:

a. Granny J’s, Price. (RE)

Nicole Tarleton gave an overview of the request from Granny J’s in Price.

Mr. Jacobson moved to approve an extended closure for Granny J’s in Price until the December 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUEST:

1. Sushinaloa (RE)

From: 1409 S. State Street, Provo

To: 194 W. Center, Orem.

Margaret Hardie gave an overview of the request.

Ms. Orton made a motion to grant a change of location for Sushinaloa in Orem. Ms. Randall seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

*Change of Ownerships:*

(1) 7-Eleven Store #12927J, Salt Lake City. *(Conditional)*

(2) 7-Eleven Store #38706J, Ogden.

(3) E’s Market, La Sal. *(Conditional)*

(4) Ken’s Kash, Oakley. *(Conditional)*

(5) Spanish Fork One Stop, Spanish Fork. *(Conditional)*

*New Applicants:*

(1) Trader Joe’s, Draper. *(Conditional)*

(2) Maverik #665, Magna. *(Conditional)*

(3) Springhill Suites by Marriott, Salt Lake City.

(4) Village on State, Salt Lake City. *(Conditional)*

(5) India Foods, Salt Lake City.

Stephne Hanson gave an overview of the new and change of ownership applications.

Ms. Orton moved to approve an off-premise beer retailer license ownership change for #2 7-Eleven Store #38706J in Ogden; and conditional off-premise beer retailer license ownership changes for #1 7-Eleven Store #12927J in Salt Lake City, #3 E’s Market in La Sal, #4 Ken’s Kash in Oakley, and Spanish Fork One Stop in Spanish Fork. Ms. Thue seconded the motion which passed unanimously.

Ms. Orton moved to approve off-premise beer retailer licenses for #3 Springhill Suites by Marriott in Salt Lake City, and #5 India Foods in Salt Lake City; and conditional off-premise beer retailer licenses for #1 Trader Joe’s in Draper, #2 Maverik #665 in Magna, and #4 Village on State in Salt Lake City. Mr. Jacobson seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. Change of Ownership License Applications:

**Full Change of Ownership:**

(1) Fat Cats Ogden LC DBA Fat Cats, Ogden to Skinny Dogz LLC DBA: Skinny Dogz, Ogden. *(Conditional)* (BE)

(2) Only Star LLC DBA: Lonestar Saloon West Valley City to Bunna

LLC DBA: Lonestar Saloon, West Valley City. (BAR)

(3) Castle Country LLC DBA Ramada by Wyndham Price to Best

Western Castle Country Inc. DBA: Sure Stay Plus Hotel by Best

Western Price, Price. (HL)

**51% or more restructuring of Entity:**

(1) Tapatio Mexican Food, Ogden. (RB)

Margaret Hardie gave an overview of the change of ownership applications noting #1 Skinny Dogz in Ogden is conditional.

Mr. Parrish moved to approve full ownership changes for #2 Lonestar Saloon in West Valley City and #3 Sure Stay Plus Hotel by Best Western Price in Price; a conditional full ownership change for #1 Skinny Dogz in Ogden; and a 51% or more restructuring of entity change for #1 Tapatio Mexican Food in Ogden. Mr. Jacobson seconded the motion which passed unanimously.

b. Bar Establishment Applicants:

*Ready to operate:*

(1) West Side Tavern, Salt Lake City. *(currently have a tavern license; will surrender tavern license if approved).*

(2) Fisher Brewing Company, Salt Lake City. *(currently have a tavern*

*license; will surrender tavern license if approved).*

*Projected Future Opening:*

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

*opening December 2022).*

(2) Bout Time Pub & Grub, Bluffdale. *(Conditional)* *(projected opening December 30, 2022)*

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

*January 2023).*

(4) Marquis, Park City. *(Conditional) (projected opening March 2023).*

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

*opening June 2023)*

(6) Yuki, Salt Lake City. *(Conditional)* *(projected opening July 2023)*

Ms. Tennert noted there are two winter seasonal bar establishment licenses available and asked if any applicants have expressed interest in the licenses. Mike Bishop noted there are several applicants interested in the winter seasonal licenses that run from November 1 to April 30.

Representatives from West Side Tavern, Proper Brewing Moab Taphouse, and Bout Time Pub & Grub addressed the commission regarding their interest in a winter seasonal license.

The commissioners and applicants discussed the limitations of seasonal licenses. The commissioners reiterated that there is no guarantee of a full year license when the seasonal license expires in April. It was also clarified with West Side Tavern that the current tavern license will have to be surrendered.

Ms. Orton made a motion to offer a winter seasonal bar establishment license to #1 West Side Tavern in Salt Lake City. Ms. Thue seconded the motion which passed unanimously.

c. Full Service Restaurant Applicants:

*New Applicants:*

(1) La Fountain, Sandy. *(open)*

(2) Mi Buena Vida, Salt Lake City. *(Conditional) (projected opening*

*December 15, 2022)*

(3) ~~Cupla Coffee Cottonwood, Salt Lake City~~. *STRIKE*

(4) Tapa Sushi Japanese Cuisine, American Fork. *(Conditional) (open)*

(5) ~~Root’d Café, Riverton~~. *STRIKE*

(6) Nori Sushi Bar & Grill, American Fork. *(open) (currently have a*

*limited restaurant license; will surrender if approved)*

(7) Casa Linda Mexican Restaurant, Salt Lake City. *(Conditional)*

*(projected opening December 2, 2022).*

(8) ~~Ogden Movie Grill, Ogden.~~  *STRIKE*

(9) DC Pub and Grill, Duck Creek Village. *(Conditional) (open)*

*(currently have a limited restaurant license; will surrender if approved)*

(10) Pizzeria 712, Orem. *(open) (currently have a*

*limited restaurant license; will surrender if approved)*

Jeff Colvin asked the commissioners to strike #3 Cupla Coffee, #5 Root’d Café and #8 Ogden Movie Grill. He gave an overview of the remaining applications noting those that are conditional. He also provided projected opening dates where available. Mr. Colvin noted that there are 27 full-service restaurant licenses available today.

Ms. Orton moved to approve full service restaurant licenses for #1 La Fountain in Sandy, #6 Nori Sushi Bar & Grill in American Fork, and #10 Pizzeria 712 in Orem; and conditional full service restaurant licenses for #2 Mi Buena Vida in Salt Lake City, #4 Tapa Sushi Japanese Cuisine in American Fork, #7 Casa Linda Mexican Restaurant in Salt Lake City, and #9 DC Pub and Grill in Duck Creek Village. Mr. Jacobson seconded the motion which passed unanimously.

d. Limited Service Restaurant Applicants:

*New Applicants:*

(1) Jinya Ramen Bar #3, Lehi.

(2) Toro Ramen, Midvale. *(Conditional)*

(3) Oh Shabu Shabu & BBQ, South Jordan.

(4) New Jade Lion, Vernal.

(5) New Lemongrass, Vernal.

Craig Warr gave an overview of the applications noting #2 Toro Ramen is conditional.

Mr. Jacobson moved to approve limited service restaurant licenses for #1 Jinya Ramen Bar #3 in Lehi, #3 Oh Shabu Shabu & BBQ in South Jordan, #4 New Jade Lion in Vernal, and #5 New Lemongrass in Vernal; and a conditional limited service restaurant license for #2 Toro Ramen in Midvale. Ms. Thue seconded the motion which passed unanimously.

e. Hotel Applicant:

*New Applicant:*

(1) Red Mountain Resort, Ivins. (BC, RE & SPA) *(currently hold full*

*restaurant and banquet catering licenses; will surrender both licenses if*

*approved)*

Jeff Colvin gave an overview of the application.

Mr. Parrish moved to approve a hotel license for #1 Red Mountain Resort in Ivins. Mr. Jacobson seconded the motion which passed unanimously.

f. Package Agency Applicant:

*New Applicant:*

(1) The Colony HOA, Park City. (Type 1)

Jeff Colvin gave an overview of the application.

Ms. Orton moved to grant a Type 1 package agency license to #1 The Colony HOA in Park City. Ms. Thue seconded the motion which passed unanimously.

OPERATIONS UPDATE:

Ms. Clason noted that this has been a big retail week for the department. She thanked the members of the administrative staff that stepped up to provide support in the stores during the Thanksgiving holiday rush. She reported that although bottle sales have decreased, revenue levels remain healthy which is a good sign from a fiscal perspective.

Ms. Clason reported that the department’s business cases are being reviewed and hopefully will be included in the Governor’s priorities when his budget is released next week.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

a. Lois Melling addressed the commission regarding a violation. She wanted the commissioners to know she didn’t knowingly sell to an intoxicated person.

b. Tim Dwyer from Fisher Brewing came forward to state they are still on track but have a new opening date of February 2023.

c. Bart Hammond from Eagles 1760 came forward regarding a violation. He noted that it was their first violation since opening in 1969 and that the employee involved hasn’t been a problem but they will meet prior to reopening on December 31.

d. Bryan Foster from Foster’s Market came forward regarding their violation. He explained that the employee was terminated but that they didn’t knowingly sell to an intoxicated individual. They are also seeking training with the Iron County Sheriff.

e. Ms. Micklos introduced the newest compliance officer, Kimberly Rodell.

DABS/COMMISSION BIAS TRAINING

Weslie Porter from the Department of Human Resource Management provided “Bias and Decision Making” training for the commission and department.

There being no further business, Ms. Thue moved to adjourn the meeting. Ms. Orton seconded the motion. The meeting adjourned at 12:00 p.m.