



**Alcoholic Beverage Control Board
Meeting Minutes
November 13, 2017
Third Judicial District
Regulatory Commission of Alaska
East Hearing Room
701 West 8th Avenue, Suite 300
Anchorage, Alaska**

● **ADMINISTRATION**

9:19am

A. Call to Order

B. Roll Call

Board Members Present:

Bob Klein, Chair, Industry Member
Ellen Ganley, Vice Chair, Public Member
Bobby Evans, Rural Member
Thomas Manning, Industry Member

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator
James Hoelscher, Enforcement Supervisor

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

9:21am

Bob Klein states that there may be items on the agenda that need to be moved.

D. Approval of the September 13, 2017 Meeting Minutes

9:21am

TAB 1

*Ellen Ganley moves to approve the minutes.
Tom Manning seconds the motion.
None opposed, motion carries.*

- E. Approval of the amended July 11, 2017 Meeting Minutes 9:22am TAB 2
Ellen Ganley moves to approve the minutes.
Tom Manning seconds the motion.
None opposed, motion carries.

● **DIRECTOR BRIEFING**

- A. **Director's Report** 9:23am TAB 3
Erika McConnell speaks to the Board about staff updates, audits, SB 76, and staff's interpretation of "controlling interest". She reminds the Board, licensees, and interested persons that applications must be complete and any other documents for the Board must be submitted to the AMCO office by January 5, 2018 to be on the January meeting agenda.

The Board members discuss what ownership changes would be considered a change in controlling interest and would require a transfer of ownership as required by AS 04.11.040.

Bobby Evans requests that this be placed on the next meeting.

Bob Klein voices his agreement, and the other Board members nod in agreement.

Bobby Evans and Bob Klein request that the Director's Report only include updates, and that any requests for Board action be placed on the agenda as separate items.

- B. **Beverage Dispensary – Tourism License Report** 9:40am TAB 4
Erika McConnell requests that the Board table this item until the next meeting, as staff was unable to complete the research requested.

Erika McConnell asks if the Board would like to make a motion to support SB 76, and she asks if the Board would like an overview of the bill. The Board members agree to schedule a telephonic overview of the bill before the January meeting.

Meeting recesses due to technical issues. 9:43am

Meeting resumes. 9:53am

Bob Klein invites persons who wish to speak about beverage dispensary – tourism licenses to come forward.

Debbie Cary, Inlet View, provides testimony about beverage dispensary – tourism licenses in the Kenai Peninsula Borough. She asks the Board to consider census districts and requests that the Board make fully-transferrable the 34 licenses in question. She passes out a printed letter to the Board members.

Lela Rosin, The Duck Inn, provides testimony about her tourism license and establishment. She requests that the Board work with the licensees, and she passes out a printed copy of her letter.

Stephanie Queen, Director of Economic Development & Planning, City of Soldotna, provides testimony regarding a licensee within the City and about protecting existing interests in licensed businesses.

Linda Superman, Hunger Hut Bar, provides testimony about her tourism license and establishment. She states that the Board in 1993 had told her that her license was grandfathered into ten rooms, and she requests that the Board convert their licenses into regular beverage dispensaries.

Arden Rankins, Sunrise Inn, provides testimony about her tourism license and establishment, and about the community of Cooper Landing.

Tim Dillon, Executive Director, Kenai Peninsula Economic Development District, provides testimony about the tourism licenses on the Peninsula, census data, and quality of living.

Lyn Carden, Deputy Administrator, Economic Developer, City of Wasilla, provides testimony about the tourism licenses in the City, and she voices support for converting the licenses into regular beverage dispensary licenses.

Allen Choy, Al's Alaskan Inn, provides testimony about his tourism license and establishment, and about the history of Anchorage. He passes out photos to the Board members.

Matt Williams, Brown Bear, provides testimony about his tourism license and establishment, and voices support for converting tourism licenses to regular beverage dispensary licenses.

Chris Byrd, Swiss Alaska Inn, provides testimony about his tourism license and establishment, and about the community of Talkeetna.

Roden Rauchenstein, Swiss Alaska Inn, provides testimony about the tourism license and establishment, and he asks the Board a question. He states that he submitted a transfer application and has not heard back.

C. Other Manufacturing License Issues

10:33am

TAB 5

Bob Klein states that he will probably be recusing himself from this matter.

Ellen Ganley moves to move this item to the end of the agenda, closer to the distillery licenses proposed regulation.

Tom Manning seconds the motion.

None opposed, motion carries.

● PUBLIC TESTIMONY

A. Period of time for public testimony on issues not on this agenda.

10:35am

Please phone 1-800-315-6338 code 69173#.

*Paul Thomas requests that the documents for the meetings be put out earlier.
Erika McConnell states that all of the documents were uploaded by the end of the day last Tuesday, with the exception of two tabs [which were uploaded the following day].*

● **BOARD GOVERNANCE**

10:39am

*Bob Klein states that later in the meeting, he will be recusing himself.
No other updates from Board members.*

● **ENFORCEMENT UPDATE**

10:39am

A. Enforcement Report

TAB 6

James Hoelscher updates the Board on enforcement matters, including staffing, statistics, and relationship building with other agencies. He answers Board questions about staff and the compliance check program. He requests that the Board clarify AS 04.16.015(a)(6) and (b) when a licensee advertises something that can be perceived as a violation of statute (eg: “beer” pong, “beer” drinking contests).

Bobby Evans again requests that the staff put specific requests on the agenda and not in a report.

James Hoelscher states that he will bring this to the next meeting as an agenda item. He adds that enforcement has been taking a very proactive approach for enforcing Title 04 (eg: advisory notices to enable licensees to correct issues and avoid a notice of violation). He reads a response to the distillery advisory notice that states, “At this time, I respectfully disregard your advisory...” He answers Board questions about enforcement processes.

Bobby Evans states that he does support enforcement, and that if someone is breaking a law that they should be cited for it.

Ellen Ganley states that she is concerned that the Board has not determined what is or is not entertainment. She adds that she would like the Board to have the opportunity to discuss the matter before he issues an NOV.

Erika McConnell adds that what she is asking the Board to discuss is where the boundaries are, versus activities that are clearly within the definition of entertainment.

B. Notices of Violation Issued and Licensee Responses

10:56am

TAB 7

Erika McConnell states that she has highlighted some notices for the Board’s individual consideration. She states that there is at least one where an accusation is forthcoming, and she directs the Board’s attention to Sled Dog Liquor.

Bobby Evans states that he does not feel this is the forum for witnesses.

Bob Klein states that these notices of violation are a processes that the staff is engaged in, and that at this point in the process, the Board is just considering information and is not being asked for action.

The Board members and staff discuss the different means by which the Board may suspend or revoke a license, or impose civil penalties.

The Board requests that the staff provide recommendations for action for NOVs when requested.

- **LICENSING UPDATE** **11:13am** **TAB 8**
Erika McConnell leaves the meeting.

Sarah Oates states that the last two seconds of her report could be brought up during later sections of the agenda (the first regarding delegation to the director to approve first and second waivers, and the second being a proposed regulation project). She updates the Board on staffing of the licensing team, answers Board questions, and informs the Board that 965 liquor license renewal applications were mailed out on October 31.

- **BREAK** **11:15am**

- **MATTERS FROM PREVIOUS MEETINGS**

- A. **1377 No DBA: Papa Sugar Daddy's, LLC** **11:34am** **TAB 9**
No premises; Fairbanks
License: Beverage Dispensary
From: Wildeberry, LLC DBA Grizzli's; at 44 College Road, Suite B

Transfer of ownership and location, and DBA change.

Local governing body action: City of Fairbanks does not protest

Approvals: Department of Revenue

Background investigations: complete

Objections received from the Department of Labor and multiple creditors.

Ellen Ganley moves to deny the transfer application based on creditor activity and objection from the Department of Labor.

Tom Manning seconds the motion.

None opposed, motion carries.

- B. **MUTUALLY EXCLUSIVE AND COMPETING APPLICATIONS** **11:37am** **TAB 10**
Sarah Oates states that at the City of Bethel's meeting last Thursday, November 9, it did not lift the protest for license 5544 ACC Liquor Store.

Patty Burley, Bethel City Attorney, provides updates to the Board about the statuses of the three applications with the City. She states that Kusko Liquor has been granted a conditional use permit and the protest was lifted; Tundra Liquor Cache's conditional use permit was denied (the decision was unsuccessfully appealed); and ACC Liquor Store did have a specific matter for the denial of its conditional use permit overturned, but the City has determined that the other reasons cited in its protest of the license application are still valid. She answers Board questions about the applications.

Richard Robb, Mayor, City of Bethel, provides testimony about the three applications, reiterating Ms. Burley's statements and specifying concerns about the ACC Liquor Store that are addressed in the City's protest. He states that of the three applications, two are still under protest and one (Kusko Liquor) is not.

Cezary Maczynski, applicant for Kusko Liquor, provides testimony about the process and concerns about the ACC Liquor Store. He provides a photo for the Board.

Arvin Dull, representative for Mr. Maczynski, provides testimony regarding the applications. He reads an article from KYUK about the existing AC Liquor Store, which discusses public health and safety concerns. He states that he is concerned about an employee being pressured to sell alcohol to inebriated people and requests that it be looked into [by enforcement].

Aaron Sperbeck, legal counsel for The North West Company (International), Inc., provides documentation regarding the applications for ACC Liquor Store and Kusko Liquor, and states for the record that the State Fire Marshal approved of the establishment in August 2017. He states that ACC has been proactively working with local law enforcement on safety concerns, and that the conditional use permit was approved unanimously by the City Planning Committee. He states that the proposed location has long-been a commercial location and retail store. He adds that the AC Store has operated in many communities, and that the claim of a "monopoly" is sort of a false flag, as the issuance of this license would result in two of three package store licenses in Bethel being held by the AC Store on opposite sides of town.

Walter Pickett, The North West Company (International), Inc., provides testimony regarding accountability, licenses held by the company around the state, employee training, and steps taken by the company to address public safety concerns.

Richard Robb states that at the meeting last week, the City heard from additional citizens and that the figure they heard was a 500% increase in crime at AC's existing location. He clarifies for the record that the City did consider rescinding the protest for ACC Liquor, and they voted not to.

Bob Klein asks if there is anyone who wishes to provide testimony to argue that either of the City of Bethel's protests are arbitrary, capricious, and unreasonable.

Aaron Sperbeck states that the City's protest to the AC Store's application is arbitrary and capricious, and he provides testimony regarding the City's meeting last week. He adds that AC Liquor is in the best position to manage the responsibilities that come with the license.

Patty Burley states that it is correct that the Council did decide to not amend the protest, as it was last-minute notice. She adds that the City did a lot to accommodate AC Liquor Store. She provides statistics for the number of calls to the existing store and to the proposed location. She adds that the City requests that AC be responsible stewards, as Bethel suffers from alcohol, and they failed to do that.

- 1. 5533 Kusko Liquor:** Cezary J Maczynski
801 Front Street; Bethel
License: Package Store

TAB 11

New license application.

Local governing body action: **City of Bethel lifted protest**

Approvals: State Fire Marshal
Background investigations: complete

*Tom Manning moves to grant the license.
Ellen Ganley seconds the motion.*

*Bobby Evans states that there are two letters from neighboring villages in the packet and asks if they were addressed by the City.
Patty Burley states that they were included in the packet that the City of Bethel saw, and that the villages have requested that the sale of alcohol stop in Bethel. She states that the villages were sent letters saying that Bethel is wet and, thus, does not have the authority to grant or deny licenses.*

Richard Robb states that the letters were considered by the Bethel City Council.

None opposed to approving the application, motion carries.

- 2. 5542 Tundra Liquor Cache:** Steve Chung
105 Hoffman; Bethel
License: Package Store

TAB 12

New license application.

Local governing body action: **City of Bethel protests**

Approvals: State Fire Marshal

Background investigations: complete

Ellen Ganley moves to support the protest and deny the application.

Tom Manning seconds the motion.

None opposed, motion carries.

- 3. 5544 ACC Liquor Store:** The North West Company (International), Inc.
1110 Bridge Avenue, Unit 1; Bethel
License: Package Store

TAB 13

New license application.

Local governing body action: **City of Bethel protests**

Pending: State Fire Marshal

Background investigations: complete

Ellen Ganley moves to support the protest and deny the license.

Tom Manning seconds the motion.

None opposed, motion carries.

● LUNCH

12:22pm

● **BOARD CONSIDERATION**

1:27pm

- A. 642 Lamplight Bar:** Ronald Mika **TAB 14**
52136 Holt Lamplight Road; Kenai Peninsula Borough
License: Beverage Dispensary

Request for time extension under AS 04.11.030

Erika McConnell returns to the meeting.

Bob Klein states that the Board will consider this and the request for license 643 together.

Ellen Ganley moves to approve the time extension requested (for both 642 and 643).

Tom Manning seconds the motion.

None opposed, motion carries (3-0, Bobby Evans absent).

- B. 643 Lamplight Liquor Store:** Ronald Mika **TAB 15**
52136 Holt Lamplight Road; Kenai Peninsula Borough
License: Package Store

Request for time extension under AS 04.11.030

- C. 2124 McCoy's on 28th:** 636, LLC 1:29pm **TAB 16**
636 28th Avenue (upstairs); Fairbanks
License: Beverage Dispensary

Reconsideration of 2017/2018 renewal; City of Fairbanks protests due to noncompliance with Fairbanks Fire Department

Bobby Evans returns to the meeting.

Bobby Evans moves to uphold the protest with a 30-day abeyance to have the protest lifted.

Tom Manning seconds the motion.

None opposed, motion carries.

- D. 5120 AK Wine Guy:** AWG, Inc. 1:31pm **TAB 17**
3700 Old Seward Highway #5; Anchorage
License: Package Store

Appeal of license forfeiture under AS 04.11.030

Sherrie Caddell, widow and personal representative of the estates, and Collin Agni, real estate agent, identify themselves for the record.

Sherrie Caddell states that she missed the deadline and is requesting an additional extension.

Sarah Oates states that with the current population figures, Anchorage has not met capacity for the number of package store licenses allowed.

Collin Agni requests 6-12 months of additional time to transfer the license in order to market and sell the license.

Tom Manning moves to resurrect and renew the license.

Erika McConnell clarifies that this is not a renewal situation.

Tom Manning clarifies that his motion is to resurrect the license and extend the deadline.

Ellen Ganley seconds the motion.

Bob Klein asks what kind of a deadline.

The Board members agree to a deadline of April 30, 2018.

None opposed, motion to resurrect the license and extend the deadline to April 30, 2018 carries.

- E. 5358 The Perfect Cup – Family Bistro:** The Perfect Cup Plus, LLC **1:50pm** **TAB 18**
800 E Dimond Boulevard, Suite 204; Anchorage
License: Restaurant or Eating Place

Municipality of Anchorage protests 2017/2018 renewal due to taxes owed

Bobby Evans moves to uphold the protest with a 30-day abeyance to have the protest lifted.

Ellen Ganley seconds the motion.

None opposed, motion carries.

● **OBJECTIONS** **1:52pm** **TAB 19**

- A. 3039 Don Jose’s Mexican Restaurant:** Don Jose’s, LLC
205 S Willow Street; Kenai
License: Beverage Dispensary
From: The Mad Moose Bar & Grill, LLC DBA The Mad Moose Bar & Grill

Transfer of ownership and DBA change.

Local governing body action: pending City of Kenai

Approvals: Department of Revenue

Background investigations: complete

Noncompliant with Department of Labor – Employment Security

Creditor objection

Ivan Ramos, Don Jose’s, LLC, identifies himself for the record and states that the issues will be taken care of immediately.

Bobby Evans moves to approve with delegation pending the objections being lifted and City of Kenai approval.

Tom Manning seconds the motion.

None opposed, motion carries.

● **RESTAURANT OR EATING PLACE – PUBLIC CONVENIENCE LICENSES**

- A. 5600 The Potato:** Uber Tubers, Inc. **1:54pm** **TAB 20**
255 N Harbor Drive; Valdez
License: Restaurant or Eating Place – Public Convenience

New license application.

Local governing body action: pending City of Valdez

Approvals: State Fire Marshal, Department of Environmental Conservation

Background investigations: pending

Ellen Ganley moves to approve with delegation pending outstanding approvals.

*Tom Manning seconds the motion.
None opposed, motion carries.*

- B. 5607 Wild Honey Bistro:** Broad Point, LLC **1:55pm** **TAB 21**
106 West Bunnell Avenue, Unit 2; Homer
License: Restaurant or Eating Place – Public Convenience

New license application.

Local governing body action: pending City of Homer
Pending: State Fire Marshal, Department of Environmental Conservation
Background investigations: pending

*Ellen Ganley moves to approve with delegation pending outstanding approvals.
Tom Manning seconds the motion.
None opposed, motion carries.*

● **TRANSFERS WITH SECURITY INTERESTS**

- A. 596 Knik Bar & Liquor Store:** SKAB, LLC **1:56pm** **TAB 22**
10204 S Knik Goose Bay Road; Mat-Su Borough
License: Package Store
From: Donnelly, Inc. DBA Knik Liquor Store

Transfer of ownership with security interest agreement, and DBA change.

Local governing body action: pending Matanuska-Susitna Borough
Approvals: Department of Labor, Department of Revenue
Background investigations: complete

Ellen Ganley moves to open a regulations project for 3 AAC 304.107 regarding security interest transfers.

Tom Manning seconds the motion.

None opposed, motion carries.

Erika McConnell asks the Board members to clarify that what they are wanting would be to say the criteria by which a security interest transfer is acceptable to the board is if there is an agreement between parties. She requests that the project would address both a security interest transfer and involuntary retransfer.

Bob Klein agrees.

Sarah Oates asks if the Board would like to consider this and license 597 together.

The Board members agree.

Ellen Ganley moves to approve both with delegation.

Tom Manning seconds the motion.

None opposed, motion carries.

- B. 597 Knik Bar & Liquor Store:** SKAB, LLC **TAB 23**
10204 S Knik Goose Bay Road; Mat-Su Borough
License: Beverage Dispensary
From: Donnelly, Inc.

Transfer of ownership with security interest agreement.

Local governing body action: pending Matanuska-Susitna Borough
Approvals: Department of Labor, Department of Revenue
Background investigations: complete

- C. 1909 D & D Restaurant:** D Restaurant, LLC **2:14pm** **TAB 24**
1 Main Street (Naknek Avenue & Airport Avenue); Bristol Bay Borough
License: Restaurant or Eating Place
From: George Kastanas

Transfer of ownership with security interest agreement.

Local governing body action: pending Bristol Bay Borough
Approvals: Department of Labor, Department of Revenue
Background investigations: complete

*Ellen Ganley moves to approve both with delegation.
Tom Manning seconds the motion.
None opposed, motion carries.*

● **CONSENT AGENDA** **2:17pm** **TAB 25**

*Ellen Ganley moves to approve the consent agenda.
Tom Manning seconds the motion.
None opposed, motion carries.*

- A. 5082 M/V Wilderness Adventurer:** Innersea Discoveries Alaska, Inc.
Alaskan Waters
License: Common Carrier
From: Innersea Discoveries, LLC

Transfer of ownership.

Approvals: Department of Labor, Department of Revenue
Background investigations: complete

- B. 5570 The World:** ROW Management, Ltd.
Alaskan Waters
License: Common Carrier

New license application.

Background investigations: complete
Temporary has been issued.

- C. 5594 Turnagain Brewing:** Turnagain Brewing, LLC
7920 and 7924 King Street; Anchorage
License: Brewery

New license application.

Local governing body action: Municipality of Anchorage does not protest
Background investigations: complete

END OF CONSENT AGENDA

● DELEGATED CONSENT AGENDA

2:19pm

TAB 26

Erika McConnell requests that the Board pull item I: 5603 Hope Beer Crafters, as the applicant noticed the wrong address and needs to re-notify the public. She adds that this application will come back before the Board in January, and that she does not believe that the applicant was intending to operate before then.

Ellen Ganley moves to approve the delegated consent agenda.

Tom Manning seconds the motion.

None opposed, motion carries.

- A. 200 Anchorage Alehouse:** Anchorage Alehouse, LLC
2830 C Street; Anchorage
License: Beverage Dispensary
From: Donald P Skewis & Frank Dahl; No DBA; No Premises

Transfer of ownership and location, and DBA change.

Local governing body action: pending Municipality of Anchorage

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

- B. 523 Homestead Restaurant:** Homestead Restaurant, LLC
55829 East End Road; Kenai Peninsula Borough
License: Beverage Dispensary
From: Homestead Fine Dining, Inc.

Transfer of ownership.

Local governing body action: pending Kenai Peninsula Borough

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

- C. 725 Midnite Mine:** Midnight Mine, LLC
308 Wendell Avenue; Fairbanks
License: Beverage Dispensary
From: Borealis Investments, Inc. DBA Midnight Mine

Transfer of ownership and DBA change.

Local governing body action: pending City of Fairbanks

Pending: Department of Labor, Department of Revenue

Background investigations: complete

- D. 810 Mike's Elbow Room:** Abbott & Abbott, LLC
108 Main Street; Ketchikan
License: Beverage Dispensary
From: Michael William Abbott (deceased, 50%) to A. Norene Abbott

Transfer of controlling interest.

Local governing body action: pending City of Ketchikan
Approvals: Department of Revenue
Pending: Department of Labor
Background investigations: pending

- E. 828 Thibodeaus Douglas Depot:** Thibodeau's Market, Inc.
1017 3rd Street; Juneau
License: Package Store
From: No premises; DBA Thibodeaus Liquor

Transfer of location and DBA change.

Local governing body action: pending City & Borough of Juneau
Pending: Department of Environmental Conservation
Background investigations: pending

- F. 3917 Twin Rivers Store:** LJ Holdings, LLC
16035 Sterling Highway (Ninilchik); Kenai Peninsula Borough
License: Package Store
From: 66475 Oilwell Road

Transfer of location.

Local governing body action: pending Kenai Peninsula Borough
Approvals: State Fire Marshal
Pending: Department of Environmental Conservation
Background investigations: complete

- G. 5593 Last Frontier Brewery:** Last Frontier Brewery, Inc.
238 N Boundary Street; Wasilla
License: Brewery

New license application.

Local governing body action: City of Wasilla does not protest
Pending: Department of Environmental Conservation
Background investigations: complete

- H. 5601 Pacific Provider:** Offshore Outpost, LLC
Alaskan Waters
License: Common Carrier

New license application.

Background investigations: pending

- I. 5603 Hope Beer Crafters:** James W. Skogstad
64881 5th Street (Hope); Kenai Peninsula Borough
License: Brewery

New license application.

Local governing body action: pending Kenai Peninsula Borough
Pending: State Fire Marshal, Department of Environmental Conservation
Background investigations: complete

- J. **5606 Lazy Mountain Brewing Company:** Lazy Mountain Brewing Company, LLC
15905 E Helmaur Place (Palmer); Mat-Su Borough
License: Brewery

New license application.

Local governing body action: pending Matanuska-Susitna Borough
Pending: State Fire Marshal, Department of Environmental Conservation
Background investigations: pending

- K. **5608 That Wing Place:** That Wing Place, LLC
360 Boniface Parkway, Unit B-12; Anchorage
License: Restaurant or Eating Place

New license application.

Local governing body action: pending Municipality of Anchorage
Background investigations: pending

END OF DELEGATED CONSENT AGENDA

● **WAIVERS**

A. **First and Second Waiver Applications**

2:22:pm

TAB 27

Ellen Ganley moves to delegate authority to the director to approve first and second waiver applications.

Bobby Evans seconds the motion and adds that the director could bring any applications to the Board if necessary.

None opposed, motion carries.

Ellen Ganley moves to approve the first and second waiver applications.

Tom Manning seconds the motion.

None opposed, motion carries.

1. **80 Alaska Fish House:** Slagle, LLC
3 Salmon Landing; Ketchikan
License: Package Store

Second waiver application (2017)

2. **426 Composite Holdings:** Composite Holdings, LLC
No premises; Fairbanks
License: Beverage Dispensary

First waiver application (2017)

3. **447 No DBA:** Alaska Promotions, LLC
No premises; Juneau

License: Beverage Dispensary

First waiver application (2017)

4. **642 Lamplight Bar:** Ronald Mika (deceased)
52136 Holt Lamplight Road; Kenai Peninsula Borough
License: Beverage Dispensary

First waiver application (2017)

5. **643 Lamplight Liquor Store:** Ronald Mika (deceased)
52136 Holt Lamplight Road; Kenai Peninsula Borough
License: Package Store

First waiver application (2017)

6. **806 Dave & Buster's:** Dave & Buster's of Alaska, Inc.
545 E Northern Lights Boulevard; Anchorage
License: Beverage Dispensary

First waiver application (2017)

7. **1161 Totem Inn:** Totem Inn, Inc.
144 E Egan; Valdez
License: Beverage Dispensary – Tourism

First waiver application (2017)

8. **3607 TennFlo:** TennFlo, LLC
No premises; Anchorage
License: Beverage Dispensary

Second waiver application (2017)

9. **4170 Lavelle's Bistro:** Café de Paris Catering Co.
No premises; Fairbanks
License: Beverage Dispensary

Second waiver application (2017)

10. **4350 Coyote Santo:** Coyote Santo, LLC
135 W Dimond Boulevard; Anchorage
License: Beverage Dispensary

Second waiver application (2017)

11. **4584 Tracy's King Crab Shack:** Genuine Ventures, LLC
Lot C1 Juneau Subport, Section 23, Township 31 S, Range 67 East; Juneau
License: Restaurant or Eating Place

First waiver application (2017)

B. Third Waiver Applications for Calendar Year 2017

1. **828 Thibodeaus Liquor:** Thibodeau's Market, Inc. **2:24pm** **TAB 28**
No premises; Juneau
License: Package Store

*Ellen Ganley moves to approve the waiver.
Tom Manning seconds the motion.
None opposed, motion carries.*

2. **1034 Sheep Mountain Lodge:** Zachary & Anjanette Steer **2:26pm** **TAB 29**
No premises; Matanuska-Susitna Borough
License: Beverage Dispensary

*Ellen Ganley moves to approve the third waiver with the understanding that there will be no fourth waiver.
Tom Manning seconds the motion.
None opposed, motion carries.*

3. **4694 No DBA:** Moreland Properties, LLC **2:28pm** **TAB 30**
2550 Spenard Road; Anchorage
License: Beverage Dispensary

*Ellen Ganley moves to grant the third waiver with the understanding that there will be no fourth waiver.
Tom Manning seconds the motion.
None opposed, motion carries.*

C. Requests to Waive Waiver Fee

*Bobby Evans moves to deny the requests in Tabs 31 and 32.
Ellen Ganley seconds the motion.
None opposed, motion carries.*

1. **4170 Lavelle's Bistro:** Café de Paris Catering Co. **2:30pm** **TAB 31**
No premises; Fairbanks
License: Beverage Dispensary

Frank Eagle states that his hardship was that the Board denied his transfer in December 2016, so he wasn't able to do construction for seven months.

2. **4584 Tracy's King Crab Shack:** Genuine Ventures, LLC **2:32pm** **TAB 32**
Lot C1 Juneau Subport, Section 23, Township 31 S, Range 67 East; Juneau
License: Restaurant or Eating Place

● REGULATIONS

A. Proposed Regulations Projects

1. **Bona Fide Restaurant; Background Checks; Tribal Identification** **2:39pm** **TAB 33**

Status: Comment period closed September 11, 2017

Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Bona Fide Restaurant:

Bob Klein asks for CHARR to clarify its written comments regarding the definition of bona fide restaurant.

Pete Hanson, COO, CHARR, provides testimony regarding his comments.

Sarah Oates states that the public notice for this meeting specifically states that verbal public comment will not be taken on any open regulations projects.

Bob Klein states that this is not public comment; he is asking Mr. Hanson to clarify statements in his written public comments.

Harriet Milks advises that the Board recommend to the staff some changes that it would like to see made, which are substantive changes, and have a new draft go out for public comment.

Ellen Ganley volunteers to have the staff work on the bona fide restaurant project, with CHARR's assistance.

The Board members agree.

No action taken on the bona fide restaurant regulation project.

Background Checks:

The Board members point out that no public comments were received for this project.

The Board members agree that shareholders who own 10% or more would still be required to submit fingerprints. They discuss the possibility of having the affidavit include criminal histories of the officers who are international residents.

Sarah Oates states that she will bring a draft form (affidavit) to the first Board meeting after this regulation goes into effect for the Board to consider and approve.

Ellen Ganley moves to approve the (background checks) regulation.

Tom Manning seconds the motion.

None opposed, motion carries.

Tribal IDs:

The Board members discuss the public comment received and voice concerns about verifying identity using the examples provided in the comment.

Ellen Ganley moves to approve the regulation for Tribal IDs (for discussion).

Tom Manning seconds the motion.

The Board members agree to have more work on this to possibly allow for certain types of IDs, but not all.

Motion and second withdrawn.

No action.

- 2. Seasonal Licensed Premises Changes; Fees for Premises Changes** **3:18pm** **TAB 34**
Status: One proposal for initial board consideration
Potential Board Actions: Open a regulations project; amend and/or put out for public comment

Ellen Ganley moves to open a regulations project for these topics.

Tom Manning seconds the motion.

None opposed, motion carries.

No amendments to the draft requested.

Ellen Ganley moves to put the draft out for public comment.

Tom Manning seconds the motion.

None opposed, motion carries.

- 3. Application Fees** **3:24pm** **TAB 35**
Status: One proposal for initial board consideration
Potential Board Actions: Open a regulations project; amend and/or put out for public comment

Ellen Ganley moves to open a regulations project.

Tom Manning seconds the motion.

None opposed, motion carries.

Bobby Evans moves to put the draft out for public comment.

Ellen Ganley seconds the motion.

None opposed, motion carries.

- 4. Restaurant or Eating Place License – Public Convenience** **3:26pm** **TAB 36**
Status: One proposal for initial board consideration
Potential Board Actions: Open a regulations project; amend and/or put out for public comment

Erika McConnell requests that no action be taken, in order to afford the staff more time to come up with a better draft and bring more information for the January 2018 meeting.

The Board members voice support in having the staff continue to work on this project.

No action.

● **DIRECTOR BRIEFING**

- C. Other Manufacturing License Issues** **3:35pm** **TAB 5**

Bob Klein passes the gavel to Ellen Ganley and recuses himself from discussion and voting as a Board member.

Ellen Ganley requests that public comments be limited to three minutes.

Brett Marenco, Girdwood Brewing Company, provides testimony about activities and events provided at his establishment, and about the director's memo.

Rob Borland, Ursa Major Distilling, provides testimony about activities and events provided at his establishment, and about the director's memo and his email response to an advisory notice.

Rick Armstrong, Baranof Island Brewing Company and President of Alaska Brewers Guild, provides testimony about the adverse effects of the director's memo for breweries.

Hilary Lockhart, applicant for a distillery license, provides testimony about first Fridays, interpretation of statutes, and service of food at breweries and distilleries.

Joel Probst, Gold Rush Brewery, provides testimony echoing earlier comments, and states that manufacturers are being targeted.

Amber Brophy, Anchorage resident, provides testimony about small businesses in Alaska and states that there is over-stepping happening.

Brandon Howard, Amalga Distillery, provides testimony about tourism and echoing other comments.

Evan Wood, Devil's Club Brewing, provides testimony about events at manufacturing establishments.

Sam Moore, consumer, provides testimony in opposition to the director's memo.

Barb Miller, Midnight Sun Brewing Company, provides testimony about providing food service at her establishment.

Galen Jones, Double Shovel Cider Company, provides testimony about providing food service at his establishment.

Ronda Jenkins-Gardener, Juneau resident, provides testimony about commerce, mixing alcohol, and community events at manufacturing premises.

Sally (inaudible last name), employee at Ursa Major Distilling, provides testimony regarding the interpretation of the statute and future legislation.

Ashley, from Costa Rica, provides testimony about having a safe alternative to going to a bar downtown.

Jeff Landfield, Anchorage resident, provides testimony about liking to have a drink.

Heather Shade, Port Chilkoot Distillery, provides testimony about being a manufacturer in a rural community.

Sassan Mossanen, Denali Brewing Company, provides testimony about this interpretation and commerce.

The Board members discuss the fact that the items in the director's memo are not directly referred to in the statute, and that a better definition of "entertainment" should be provided.

The Board members agree to table discussion until Rex Leath is present to provide a public safety perspective.

Erika McConnell states that the staff will continue to follow the statute to the best of their abilities without any direction from the Board, and that the term that seems to create the most confusion is recreational opportunities.

● **REGULATIONS**

A. Proposed Regulations Projects

5. Distillery AS 04.11.170(d) and (e)

TAB 37

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Bobby Evans moves to put this draft out for public comment.

Tom Manning seconds the motion.

None opposed, motion carries (3-0, Bob Klein recused).

● **NEXT ABC BOARD MEETING**

4:31pm

Agenda deadline for January 23 meeting: January 5, 2018

Bob Klein rejoins the meeting as Chair.

Bobby Evans states that at the next meeting, the Board will revisit notices of violation, and he requests that the director provide memorandums with meeting documents that include recommendations for action from the director.

Erika McConnell states that she doesn't necessarily feel comfortable recommending actions to the Board if it seems like that is the Board's role, but that she will work on being more consistent.

Bob Klein voices appreciation to the staff.

● **ADJOURN**

4:36pm

Minutes prepared by:



Sarah D. Oates
Program Coordinator