



MEMORANDUM

TO: Robert Klein, Chair, and
Members of the Board

DATE: July 11, 2017

FROM: Erika McConnell
Director, ABC Board

RE: Trappers' Den Tavern
#1168 Beverage Dispensary

Renewal applications were due on January 1, 2017, in accordance with AS 04.11.270(b)(2). AS 04.11.540 states that if a complete application for renewal has not been filed by February 28 [2017], the license expires on midnight of February 28.

The AMCO office received a complete renewal application for this beverage dispensary license on May 26, 2017. The licensee is seeking reinstatement and renewal.

Recommendation: Evaluate the request for reinstatement and renewal pursuant to 3 AAC 304.160(e) and (f).



STATE OF ALASKA
 Department of Commerce, Community, and
 Economic Development
Alcoholic Beverage Control Board
TEMPORARY APPROVAL

To: Erika McConnell, Director
 Alcoholic Beverage Control Board
From: Jacqlene Drulis, Occupational Licensing Examiner
Date: May 26, 2017

Request for temporary approval for a liquor license:

D.B.A.: Trappers' Den Tavern
OWNER: Trappers' Den Tavern, Inc.
TYPE: Beverage Dispensary
LOCATION: Mile 2 Tok Cutoff Road (Gakona)
LICENSE NO.: 1168

THIS IS A TEMPORARY APPROVAL PENDING FINAL ABC BOARD APPROVAL;
therefore, any investment based upon the issuance of the temporary license is at
the license applicant's risk.

Under delegation of authority granted to the director by the board at its meeting of April 8 and 9, 1998, under AS 04.06.080, I request **temporary** approval of the above application. All statutory requirements have been fulfilled, there is no protest under AS 04.11.480, and no objections under AS 04.11.470 have been received.



 Sarah D. Oates, Program Coordinator Date 5/26/17

Concur: 

 James Hoelscher, Enforcement Supervisor Date 5/26/17

Approved: 

 Erika McConnell, Director Date 5/26/17

EFFECTIVE: May 26, 2017

**PLEASE POST THIS MEMO IN LIEU OF A LICENSE UNTIL A FINAL
 DECISION HAS BEEN MADE BY THE ABC BOARD.**

May 17, 2017

Alaska Alcohol and Marijuana Control Board
550 West 7th Ave, Suite 1600
Anchorage, AK 99501

Dear Alcohol and Marijuana Control Board,

Our names are Rebecca and Clifton Potter, and we are writing you regarding the reinstatement of the dispensary and package store licenses for Trappers' Den Tavern (License Numbers 1168 and 432). We will start by saying that our licenses were suspended this winter in part due to our own ignorance. We own the Historic Gakona Lodge and Trading Post in Gakona, AK. We are not native Alaskans, and frankly, we do not even live in Alaska most of the year anymore. This is primarily out of necessity. We cannot afford to live there year-round. We apologize to you up front for the length of this letter, but we feel it is important for you to understand that we are very real, hardworking people that are just doing our best to get by and raise our children.

We bought the lodge, and Trappers Den Tavern, as part of a transition plan when we decided to leave the Army. It is only economical to operate it for about three to six months out of the year. We know that for a fact because we tried to run it a full year in 2015 and got buried by the overhead, in particular heating costs. We saw the lodge as an opportunity to raise our kids by letting them witness firsthand what it takes to be an entrepreneur and small business owner and to try to better instill in them a good work ethic, something that so many employers these days get frustrated with from young people. The reality at the lodge has been one that sees us struggling to spend any time together as a family while the lodge is open for business and needing to find work elsewhere during the rest of the year to get by. We feel we are making progress toward achieving what we set out to do there, but it is slow and it is incredibly challenging. Clif was an Army logistics officer for ten years and always thought that the job in that field was an even mix of problem solving and customer service. Despite seven relocations, two combat deployments, and nine different job titles and the adjustments and learning curve that come with them in that ten years, the work that goes into the lodge dwarfs the tasks and challenges that we faced with the Army. In addition, the daily anxiety that comes with trying to make our business successful is as stressful as that experienced in combat, only it does not stop after a one-year deployment.

As small business owners, we own the titles and responsibilities of a CEO, a CFO, President and Vice President of everything, upper management, middle management, and laborer. While the lodge is operational, we quite literally work a 17-18 hour day on average, and we still fail every day to get done what needs to get done. Rebecca is our primary cook in our restaurant which, out of necessity, is open six days a week. Our children's ages are 10, 4, 3, and 2, so most are not old enough to tend to themselves and are quite literally in the middle of whatever we are working on nearly all the time. Our biggest struggle has been the establishment of business systems at the lodge where there were previously none to speak of. We did not fall in on some turnkey system that we just did not like. There was a file full of invoices, reservations and some manuals to things like the old lawnmower that came with the place. That is it. We would stress to you as well that the seasonal nature of the lodge does not make it easier as you

MAY 17 2017

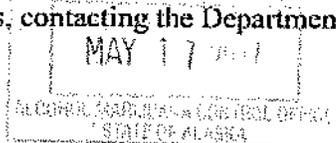
TRADING MANUFACTURING AND SERVICE
STATE OF ALASKA

might think, but it makes it harder. This is for a few reasons. First, since there are periods of time in which you do not execute the daily routine, there is always a relearning period at the start of every season. We compensate for that by opening before the peak business periods most of the time, but that ends up being at our own expense. Second, the lodge is not so lucrative that we do not work the rest of the year. So, all the bookkeeping and management and planning that we fall behind on have to be cleaned up in our spare time over the course of the rest of the year.

As part of our attempt to have a long-term plan for our family, Clif has been back in school in the "off season" pursuing a civil engineering degree. We have been taken advantage of multiple times by contractors in Alaska in making much-needed repairs to the lodge. Consequently, we decided that civil engineering would provide potential for better "off season" work and would teach us what we need to know to put together a restoration plan for the lodge that did not just see us giving our retirement savings and children's college money to shady operators. That said, it has been brutal. Clif has taken on the workload of a full-time student, works part-time as a contractor/handy man (skills learned at the lodge primarily) to support our family, and works on lodge tasks as he can work them in and as deadlines require. While we know that it is our responsibility as business owners to know every word on every page of every regulation put out by every organization that has authority over us, both known and unknown, we only know of the deadlines and requirements that we have dealt with in the past. The TAM training that we took did not cover the full breadth of administrative requirements and procedures so much a public safety and operational boundaries, as you are well aware.

Because of the seasonal nature of our business, and because we try to be very fiscally conservative, we try not to carry debt and we always try to pay all operational fees and requirements for the following season at the end of each current operational season. We got our alcohol licenses transferred to us by the previous owners in 2014. It was a process that we started in July or August of 2013 and did not get completed until April or May of 2014. We dealt with Sarah Oates pretty much exclusively during that process. Our license required a two-year renewal after our first season in business. Clif called Sarah and tried to renew it over the phone in August or September of 2014. She told him that she would contact us around December to renew the license. Now, it is possible that we received renewal paperwork and filled it out, but we do not remember doing that at all. All we remember is Sarah calling Clif in December and taking a credit card payment over the phone. So, for the renewal this year, Clif called the Alcohol Control Office in August to try to make a payment and renew our license. He did not speak to Sarah that time, and we do not know that we have seen or spoken to her since our last renewal as the office and organization has moved and expanded, and we assume Sarah has moved up the ladder a bit. That said, the young lady on the phone pointed out that we could not pay and that we would be contacted in November about renewing the license.

This is where things have really gone wrong. We put a forward on our mail in Gakona to send it to Texas where we now live and work most of the year. It was not until around mid-January that we found out that there was something wrong with our mail forward. We were notified by the company Paychex, that the W2s they tried to send us had been returned. So, within a couple of days, we went to the local post office and fixed the mail forward. We got a lot of mail that at once at that point, but there was nothing in that big stack of mail concerning renewing our alcohol license, and to be honest, at that time, we were not looking for it. We were working on getting W2s out to employees, contacting the Department of Commerce to find out



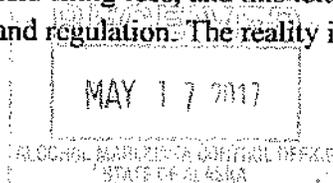
why Trappers' Den Tavern had been involuntarily dissolved as an entity, and, we thought, fixing that problem that originated from a couple of missing X's on a biennial report for about the sixth time. We were not aware of any approaching deadline to get our seasonal liquor license fixed, so we did not take on that task with any sense of urgency.

We did call the Alcohol and Marijuana Control Office about three times between mid-January and mid-March, and Clif left messages on the licensing line two of those times. We did not get a call back. March/April is typically around the time that we try to really make sure we have everything in order for the coming season, so Clif emailed Sarah Oates the first couple of days in April. He got an automatic reply from her e-mail almost immediately saying essentially that she was very busy and emails should be sent to some general licensing email. He copied and pasted what he had sent to Sarah and sent it to the email address mentioned in her response email. Mark Bailey promptly replied to that email and informed us that our licenses had expired because we missed a filing deadline. He sent us the forms that we were required to fill out to submit to the board for renewal, and he confirmed our Gakona mailing address. There was no mention in his note of any approaching deadline to get all of this settled.

Barry Donaldson, an employee of ours and an old friend from the Army, headed back to Alaska on the 8th of April. Because he was heading back on the 8th, and because we were still unaware of any required urgency, we thought it best for Barry to go in person to the Alcohol Office to make sure it was clear that we were going to submit everything properly and in a timely manner. He spoke with Craig Douglas, who told him to submit all the forms via email so that the board could look at them that Thursday. Clif had gone through and filled out the forms on April 3rd, the day that we first received them from Mark. However, the question on the form about our entity being in good standing caused us to double check on the Alaska entity search website. We looked up our entity to find that we had a status of "non-compliant". We called the Anchorage office, and they told us that we owed \$12.50 to get the entity reinstated and in good standing. However, they could not take a payment over the phone, and we had to call the Juneau office. They informed us that we could not pay them over the phone either but instead had to submit a credit card authorization form for the amount owed. We did that the same day. Our entity was supposed to be in "good standing" no later than the 13th of April, the date that Craig told us to get our forms in by. We checked the status of our entity daily to see if it had been updated, to include the morning and evening of the 13th. It still reflected as "non-compliant". Consequently, we did not check the box saying our entity was in good standing, have it notarized, and submit it for review. Again, ignorant of the impact of the consequences for failing to do so, we waited, trying to do the right thing and make sure all of our forms were correct and that we were being honest.

I apologize again that it has taken over three pages to get to this point, but the emotions that we feel about this situation are still hard to work through. We think that is mostly due to the unknown. We do not have any idea how drastically a lack of reinstatement would impact our business. We do know that it would make us look like fools to the locals that we have tried so hard to build rapport with and many of whom are our good friends. What boils down to a combination of ignorance and paperwork could possibly very negatively impact both our reputation and our bottom line.

To date, we have paid penalty fees and filing fees, and this letter is the last piece to make us otherwise compliant with AMCO rules and regulation. The reality is that those fees are just



the beginning of our punishment for a mistake that we were completely oblivious to. Again, we know that this failure is our own and that ignorance of the rules is not seen as a legitimate excuse for breaking them. Further, we have taken steps to mitigate the possibility of this happening again in the future by building an alcohol operations book of our own that includes AMCO regulations and our own additional policies on both administrative and operational procedures to follow both the letter and spirit of those regulations. This cannot and will not happen again. We know that.

We are asking for your understanding that Clif spent nearly all of his free time this spring putting together our first grant application because we have crunched the numbers so many times on what we need to do to actually restore the lodge and determined that it is only through the help of others that we can do so and actually continue to do business. This situation is not something that we willfully neglected ourselves into. We are asking you to consider that on the day that Barry was told that we could not get reinstated until July started with a phone conversation with a friend in which Clif conveyed that somehow, against all odds and despite all of our struggles and the ridiculous emotional rollercoaster ride that our lives have been over the last three to four years, things seem to be falling into place. Yet, it finished with a feeling that maybe we were reaching too high and flying too close to the sun and must be cast down to the dirt in order to be reminded of what failures we are. I am sure that sounds dramatic, but that is very realistically the way that our lives feel all of the time.

Finally, if you have taken the time to read this entire letter, thank you. We truly want you to know that this was a decidedly inconvenient and unfortunate oversight on our part. However, assuming that you will reinstate us, it will be good for us and AMCO moving forward. We will understand our role as license holder, and we will drive the 230 miles, with kids in tow, to Fairbanks on the day of the board meeting to make ourselves available to the board as a display of our commitment to be better stewards of our licenses and responsibilities in the future. Thank you for your time and consideration.

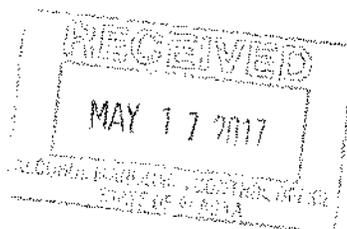
Sincerely,



Rebecca L. Potter
Owner, Trappers' Den Tavern



Clifton D. Potter
Owner, Gakona Lodge, Inc.
Agent, Trappers' Den Tavern, Inc.





Alaska Alcoholic Beverage Control Board

Form AB-17: Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2016. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only needs to be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed.

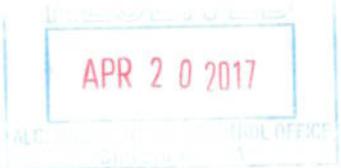
Licensee:	Trappers Den Tavern, Inc.	License #:	1168
License Type:	Beverage Dispensary	Statute:	AS 04.11.090
Doing Business As:	Trappers' Den Tavern		
Premises Address:	Mile 2 Tok Cutoff Road (Gakona)		
Local Governing Body:	None		
Community Council:	None		

Mailing Address:	P.O. Box 285		
City:	Gakona	State:	AK
		ZIP:	99586

Enter information for the licensee who will be designated as the primary point of contact regarding this application and the license.

Designated Licensee:	REBECCA POTTER		
Contact Phone:	940-297-9273	Business Phone:	907-822-3482
Contact Email:	CLIF@GAKONALODGE.COM		

Seasonal License? Yes No
 If "Yes", write your six-month operating period: MAY - NOV





Alaska Alcoholic Beverage Control Board
Form AB-17: Renewal License Application

Section 2 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 3.
 If more space is needed, please attach a separate sheet with the required information.
 The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

Section 3 – Entity Ownership Information

This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). Partnerships may skip to Page 3. Sole proprietors should skip to Section 4.

Alaska DOC Entity #:	10013623
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Alaska Division of Corporations: Yes No

Is your entity in good standing with the Alaska Division of Corporations?



Alaska Alcoholic Beverage Control Board

Form AB-17: Renewal License Application

This subsection must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	Rebecca Patter			
Title(s):	President, Secretary, Director, Treasurer, Vice President	Phone:	907-822-3482	% Owned: 100
Address:	Mile 2 Tok Cutoff #285			
City:	Gakona	State:	AK	ZIP: 99586

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:



Alaska Alcoholic Beverage Control Board
Form AB-17: Renewal License Application

Section 4 – Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

Barry Donaldson, Clifton Patter - Business Agents

Section 5 – License Operation

Check the box that best describes your liquor license operations in calendar years 2015 and 2016:

The license was regularly operated continuously throughout each year, for 8 or more hours each day.

The license was regularly operated during a specific season each year, for 8 or more hours each day.

The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day. If this box is checked, an AMCO employee will contact you after reviewing your application.

The license was not operated at all or was not operated for at least the minimum requirement of 30 days each year, 8 hours each day, during one or both of the calendar years.

If this box is checked, an AMCO employee will contact you after reviewing your application.

Section 6 – Convictions

Applicant convictions in calendar years 2015 and 2016:

Yes No

Has any person named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2015 or 2016?

If "Yes", list all convictions:

[Empty box for listing convictions]



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
 alcohol.marijuana@alaska.gov
 https://www.commerce.alaska.gov/web/AMCO
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-17: Renewal License Application

Section 7 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and if the licensee is an organized entity, that all current entity officials and stakeholders are listed with the Alaska Division of Corporations.

RP

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

RP

I certify that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

RP

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers or stakeholders) from what is currently on file with the Alcoholic Beverage Control Board.

RP

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Alcoholic Beverage Control Board.

RP

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

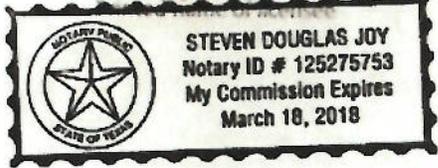
Rebecca Potter
 Signature of licensee

Steven Douglas Joy
 Signature of Notary Public

Trappers' Den Tavern, Inc.
 Name of licensee

Notary Public in and for the State of TEXAS

My commission expires: 3/18/18



Subscribed and sworn to before me this 15th day of April, 2017

License Fee:	<u>1250.-</u>	Filing Fee:	\$ 200.00	TOTAL:	<u>1450.-</u>
Late Fee of \$500.00 -- if received or postmarked after 01/03/2017:					<u>500.-</u>
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					<u>1950.-</u>

