



**Alcoholic Beverage Control Board**

**Meeting Minutes**

**October 15, 2018**

**Third Judicial District**

**145 Main Street Loop**

**Kenai, Alaska**

**Call-in Number: 1-800-315-6338, code 69173#**

● **ADMINISTRATION**

**10:00am**

**A. Call to Order**

**B. Roll Call**

**Board Members Present:**

Bob Klein, Chair, Industry Member  
Rex Leath, Vice Chair, Public Safety Member  
Bobby Evans, Rural Member  
Sara Erickson, Public Member  
Glenn Brady, Industry Member

**Staff Members Present:**

Erika McConnell, Director  
Sarah Oates, Program Coordinator  
Mikal Milton, Records & Licensing Supervisor

**Legal Counsel Present:**

Harriet Milks, Assistant Attorney General

**C. Approval of Agenda**

**10:02am**

*None opposed to approving the agenda.*

**D. Approval of the August 14, 2018 Meeting Minutes**

**10:03am**

**TAB 1**

*Glenn Brady moves to approve the August 14, 2018 meeting minutes.  
Rex Leath seconds the motion.  
None opposed, motion carries.*

● **BOARD GOVERNANCE** **10:04am**

*No Board members have any contacts or conflicts to report.*

● **PUBLIC TESTIMONY** **10:05am**

**A.** Public testimony is limited to issues not on this agenda and that are not proposed regulations. The call-in number is 1-800-315-6338, code 69173#.

*No persons present to testify.*

*Bob Klein invites anyone to come forward during the course of the meeting to testify.*

● **DIRECTOR'S REPORT** **10:06am**      **TAB 2**

*Erika McConnell provides updates to the Board regarding staff positions, a proposed schedule for 2019 meetings, and the statuses of open regulations projects.*

*Sara Erickson states that she will miss the next Board meeting.*

● **ENFORCEMENT BRIEFING**

**A. Enforcement Report** **10:10am**      **TAB 3**

*James Hoelscher provides updates to the Board regarding staff leave, work conducted by the enforcement team, and statistics.*

**B. Enforcement Priorities** **10:12am**      **TAB 4**

*Bob Klein states that when he got into the detailed discussion with the Marijuana Control Board, it was determined that they could categorize enforcement priorities under umbrella categories that would apply to both boards.*

*Bobby Evans moves to accept the recommendations as the priorities of the enforcement team.*

*Glenn Brady seconds the motion.*

*None opposed, motion carries.*

**C. Notices of Violation Issued and Licensee Responses** **10:15am**      **TAB 5**

*Bob Klein asks if the director has any guidance for the Board.*

*Erika McConnell states that she hasn't had a chance to review this particular batch of NOV's.*

*Bob Klein states that the reason he asks is because there are a couple of names in this tab that have come before the Board a number of times, so he doesn't know if the Board should be taking action.*

*Erika McConnell states that unless an accusation comes before the Board, then there is no further action taken against the licensee (past the NOV).*

*James Hoelscher requests that the Board look at the Piccolino's Restaurant NOV and maybe others, and consider directing the director to write accusations, simply because they go further than a typical violation that only requires a response from the licensee.*

*Bob Klein states that if there is something like was Mr. Hoelscher just listed, then he would like for it to be brought separately from this list for Board consideration. He requests that the NOV that was mentioned be brought back at the next meeting.*

● **LICENSING & EDUCATION REPORT** **10:22am** **TAB 7**

*Sarah Oates provides updates to the Board regarding staff vacancies, workloads, and statistics, and she informs the Board that license renewal applications were mailed out on September 24. She adds that Local Government Specialist Jed Smith will be providing a training to licensees during today's lunch break regarding renewal licensed applications.*

*Bob Klein commends Sarah and Jed for their work on the training and outreach. He states that the Board will come back to the last item in her report later.*

● **CONSENT AGENDA – NEW & TRANSFER APPLICATIONS** **10:27am** **TAB 33**

*Glenn Brady moves to approve the consent agenda.  
Rex Leath seconds the motion.  
None opposed, motion carries.*

- A. 3538 Jalapenos Mexican Restaurant:** Jalapenos, Inc.  
11401 Old Seward Highway; Anchorage  
**License: Beverage Dispensary**  
From: Carlos' Fine Mexican Restaurant, Inc. DBA Carlos' Fine Mexican Restaurant

**Transfer of ownership and DBA change.**

Local governing body action: Municipality of Anchorage does not protest  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

- B. 5708 M/Y Golden Eagle:** Costal Alaska Adventures Corporation  
Alaskan Waters  
**License: Common Carrier**

**New license application.**

Background investigations: complete

● **DELEGATED CONSENT AGENDA – NEW & TRANSFER APPLICATIONS** **10:28am** **TAB 34**

*Glenn Brady moves to approve the delegated consent agenda (with delegation).*

*Sara Erickson seconds the motion.  
None opposed, motion carries.*

- A. 108 Wrangell Liquor Store:** Wrangell IGA, Inc.  
223 Brueger Street; Wrangell  
**License: Package Store**  
From: Benjamin's Store, Inc. DBA Bob's IGA

**Transfer of ownership and DBA change.**

Local governing body action: pending City and Borough of Wrangell  
Approvals: Department of Revenue  
Pending: Department of Labor, multiple creditors  
Background investigations: pending

- B. 119 Palmer City Alehouse:** Palmer Alehouse, LLC  
320 E Dahlia Avenue; Palmer  
**License: Beverage Dispensary**  
From: Matthew Tomter (50%) and Steven Dike (50%) to Steven Dike (100%)

**Transfer of controlling interest.**

Local governing body action: pending City of Palmer  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

- C. 704 Costco Wholesale #1342:** Costco Wholesale Corporation  
48 College Road; Fairbanks  
**License: Package Store**  
From: Market Basket, Inc. DBA Gavora's Liquor #2; 1255 Airport Way

**Transfer of ownership and location, and DBA change.**

Local governing body action: pending City of Fairbanks  
Approvals: Department of Labor, Department of Environmental Conservation  
Pending: Department of Revenue  
Background investigations: pending

- D. 851 Gold Creek Salmon Bake:** Alaska Travel Adventures, Inc.  
1061 Salmon Creek Lane; Juneau  
**License: Restaurant or Eating Place**  
From: Rodfather's, LLC DBA Papa Rod's; 356 South Franklin Street

**Transfer of ownership and location, and DBA change.**

Local governing body action: pending City & Borough of Juneau  
Approvals: Department of Labor, Department of Revenue  
Pending: Department of Environmental Conservation  
Background investigations: complete

- E. 1381 Creekbend Company:** Creekbend Company, LLC  
64777 Second Street (Hope); Kenai Peninsula Borough  
**License: Restaurant or Eating Place**

From: New Discovery, LLC DBA Tito's Discovery Café

**Transfer of ownership and DBA change.**

Local governing body action: pending Kenai Peninsula Borough

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

**F. 1561 Brown Jug:** Liquor Stores USA North, Inc.

No premises; Anchorage

**License: Package Store**

From: 131 S Bragaw; DBA Brown Jug – West Mt. View

**Transfer of location and DBA change.**

Local governing body action: pending Municipality of Anchorage

Background investigations: complete

**G. 2385 Party Time Food Mart:** W & W Trading, Inc.

5520 Lake Otis Parkway, Suite 107; Anchorage

**License: Package Store**

From: Trader Jim's, Inc. DBA Party Time Plaza Liquor

**Transfer of ownership and DBA change.**

Local governing body action: pending Municipality of Anchorage

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

**H. 4065 No DBA:** Moreland Properties, LLC

No premises; Anchorage

**License: Beverage Dispensary**

From: Film-On Productions, LLC DBA Bear Tooth Theatrepub; 1230 W 27<sup>th</sup> Avenue

**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

**I. 4532 The Stampmill:** The Stampmill, LLC

328 Egan Drive; Valdez

**License: Restaurant or Eating Place**

From: Headhunters, Inc. DBA Ernesto's Taqueria

**Transfer of ownership and DBA change.**

Local governing body action: pending City of Valdez

Approvals: Department of Labor, Department of Revenue

Background investigations: pending

**J. 5231 Neptune:** Capitol Ventures, LLC

No premises; Juneau

**License: Restaurant or Eating Place**

From: Suwana Café, LLC DBA Suwana Café; 8800 Glacier Highway, Suite 100

**Transfer of ownership and location.**

Local governing body action: pending City & Borough of Juneau  
Approvals: Department of Labor; Department of Revenue  
Pending: IRS approval  
Background investigations: complete

- K. 5524 Barnaby Brewing Company:** Barnaby Brewing Company, LLC  
165 Shattuck Way; Juneau  
**License: Brewery**  
From: 206-1 N Franklin Street

**Transfer of location.**

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

- L. 5706 Canton Asian Bistro:** Canton Asian Bistro, LLC  
8585 Old Dairy Road #105; Juneau  
**License: Restaurant or Eating Place**

**New license application.**

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

- M. 5709 Thai Asian Cuisine:** Thai Asian Cuisine Restaurant, LLC  
4621 E Palmer-Wasilla Highway, Suite 105 (Wasilla); Matanuska-Susitna Borough  
**License: Restaurant or Eating Place**

**New license application.**

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

- N. 5710 Miso Sushi:** Miso Sushi Restaurant, LLC  
1111 E Dimond Boulevard; Anchorage  
**License: Restaurant or Eating Place**

**New license application.**

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

- O. 5713 House of Fire Pizza:** TJMN, LLC  
3677 College Road, Suite #4 (Fairbanks); Fairbanks North Star Borough  
**License: Restaurant or Eating Place**

**New license application.**

Local governing body action: pending Fairbanks North Star Borough  
Approvals: Department of Environmental Conservation, State Fire Marshal  
Background investigations: complete

- P. 5718 La Potato:** Castor and Pollux, LLC  
3300 Spenard Road; Anchorage  
**License: Restaurant or Eating Place**

**New license application.**

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

● **REGULATIONS**

**A. Proposed Regulations Projects**

**1. Staff Recommendations**

**10:33am**

**TAB 35**

*Erika McConnell recommends that the Board open a regulations project that would allow for the use of internet-based server education courses to all Alaskans. She states that because two of the Board members are on the CHARR Board of Directors, and because CHARR provides a server education course, she would like Harriet Milks to determine whether those members need to recuse themselves.*

*Harriet Milks states that the Chair is the ethics supervisor, so it is his decision to make.*

*Bobby Evans stated that it depends on if CHARR has an opinion regarding this matter. IF the CHARR board has an opinion than it creates a conflict.*

*Glen states that in the interest of Public Safety, he can keep the ABC board in the forefront rather than CHARR.*

*Bob Klein states that the Board is just deciding whether to open a regulations project at this point, not whether to adopt the regulation.*

*Milks states that not having online courses would give CHARR more money for in person courses. McConnell states that CHARR could go online.*

*Glenn Brady states that he has concerns with trying to fix something that isn't broken, but the Board isn't adjudicating anything right now.*

*Harriet Milks clarifies that the issue at this point is not whether online courses should be provided, but whether the two Board members who are on the CHARR Board should participate in voting today. She advises that they not.*

*Glenn Brady states that his service as a member of the CHARR Board actually costs him fairly significantly – he has no financial benefit whatsoever and is approaching this purely from a public*

*safety perspective and as an ABC Board member.*

*Sara Erickson asks why this is coming up again.*

*Erika McConnell states that there have been multiple requests from the public for this.*

*Rex Leath moves to open a regulations project on this topic.*

*Bobby Evans seconds the motion.*

*None opposed, motion carries.*

*Erika McConnell recommends that the Board open a regulations project that would require a course provider to submit a fee for the review of alcohol server education courses.*

*Glenn Brady moves to open a regulations project on this topic.*

*Sara Erickson seconds the motion.*

*None opposed, motion carries.*

*Erika McConnell recommends that the Board open a regulations project to define “moral turpitude” and consider that some crimes of moral turpitude may not need to be disclosed to the Board if a certain length of time has passed, similar to a felony conviction.*

*The Board members and staff discuss the reasons for this proposal and whether or not a regulations project should be opened.*

*Bobby Evans moves to open a regulations project on this topic.*

*Rex Leath seconds the motion.*

*None opposed, motion carries.*

*Erika McConnell recommends that the Board open a regulations project to provide more clarity regarding permits and wine walks.*

*Glenn Brady moves to open a regulations project on this topic.*

*Rex Leath seconds the motion.*

*None opposed, motion carries.*

*Bobby Evans asks whether the Board has ever thought of charging a fee and having a fee schedule for violations like a lack of server education.*

*Erika McConnell reads AS 04.11.575(b) for the record, regarding a civil fine schedule.*

*Sarah Oates reminds the Board that in order to impose a civil fine, there would have to be an accusation or a criminal conviction.*

*Bob Klein states that the Title 04 committee worked on a fine schedule that would be put into statute.*

*Bobby Evans states that he is tired of waiting for the Title 04 project, and he moves to open a*



*(regulations) project to adopt a fee schedule.*

*Sara Erickson seconds the motion.*

*Glenn Brady states that he agrees that this is important, but he is not in favor of adopting this motion at this point – it's premature, and those fees would go into the general fund.*

*Bobby Evans states that his goal would not be to collect extra funds for AMCO, but rather to discourage some of these notices of violation. He states that he would be willing to withdraw his motion and kick it back to the staff to come back with another option, if that's okay with the second.*

*Sara Erickson states that she's not excited about taking back her second because she feels that it's important.*

*Bob Klein states that he agrees that it should go back to staff.*

*Rex Leath echoes those sentiments.*

*Erika McConnell states that she is hearing that the Board would like the staff to explore this issue regarding potential fines to drive compliance and bring more information to the board in February.*

*Bob confirms that is what is being asked.*

● **EXECUTIVE SESSION UNDER AS 44.62.310(c)(2): Criminal History Reports 11:19am**

*Bobby Evans moves to go into executive session to discuss some personal matters for the accusation and executive session items of the agenda. Licenses 3021, and 1206 will be discussed.*

*Glenn Brady seconds the motion.*

*None opposed. Motion carries.*

*Bob Klein requests that the staff stay, but that everyone else leave the room.*

- A. 3021 Alaska Seafood Grill: Seward Lodging III, LLC**  
1321 4<sup>th</sup> Avenue; Seward  
**License: Restaurant or Eating Place**  
From: Charles Jackson (100%) to ZPA, LLC (100%)

**Transfer of controlling interest.**

Local governing body action: City of Seward does not protest

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

● **ACCUSATIONS**

**11:51am**

- A. 1206 V.F.W. Post #4352: Ragnar Myking Post #4352**  
3113 Tongas Avenue; Ketchikan  
**License: Club**

**Public Solicitation**

Bob Klein states that the Board is out of executive session.

11:50am

Glenn Brady moves to approve the transfer of license 3021.

Rex Leath seconds the motion.

None opposed. Motion carries.

Regarding the accusation served on license 1206, Glenn Brady motions to adopt the staff recommendation and assess a \$1,000 penalty.

Sarah Erickson seconds

No discussion.

None opposed. Motion carries.

● **INFORMAL CONFERENCES**

11:51am

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

**TAB 6**

**Denial of 2017/2018 license renewal application.**

McConnell explains the situation with 5358. Because the license was expired and the renewal was denied, an informal conference is requested. The board can reconsider its November action and reinstate and renew. Aaron Martin with The Perfect Cup is available via phone.

Leath asks if the taxes were paid before or after September 5, 2018. Mr. Martin states that he paid at the end of 2017, but that he hadn't paid enough taxes so he paid the balance after September 5.

Brady asks if 5358 had been reissued. McConnell confirmed.

Klein proffers action to reconsider November 2017 action.

Brady motions to reconsider denial.

Evans seconds.

No discussion.

None opposed. Motion carries.

Brady motions to renew with appropriate penalties. Erika McConnell reads 3 AAC 304.147 and states that there will be a \$200 fee.

Seconded by Erickson.

No discussion.

None opposed. Motion carries.

● **LICENSING & EDUCATION REPORT**

11:57am

**TAB 7**

Sarah Oates requests that the Board provide clear guidance to the staff regarding requests from licensees to share licensed premises spaces in specific scenarios. She requests that the Board consider whether or not to allow for multiple manufacturing licenses, held by the same licensee, to shared licensed premises areas with each other for manufacturing, packaging, and storage purposes.

The Board members decide to consider the next tab, since this question pertains to it.

● **BOARD CONSIDERATION**

- A. 5019, 5387, and 5511 Denali Brewing Company:** Twister Creek, LLC      **12:01pm**      **TAB 8**  
37083 South Talkeetna Spur Road (Talkeetna); Matanuska-Susitna Borough  
**Licenses: Brewery, Distillery, and Winery**

**AB-14: Licensed premises diagram changes requesting shared spaces for multiple licenses.**

*Sassan Mossanen, Denali Brewing Company licensee, identifies himself for the record and provides a summary to the Board about his proposed changes, including the requested expansion of the tasting room. He states that a customer would be limited to the sampling limits prescribed in law for each license type.*

*Glenn Brady moves to approve the premises diagrams.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

*The Board members discuss whether they want to allow for the licensee to provide alcohol to customers up to the limits for each license type set forth in the statutes and regulations.*

*Sassan Mossanen describes how his staff will track the amount of alcohol that is provided to each customer.*

*Harriet Milks states that the legislature clearly considered that there would be limits to the amount of alcohol that may be provided to customers by manufacturers.*

*Sassan Mossanen states that he takes a very strict interpretation to the entertainment prohibitions for manufacturers. He adds that 93% of the products that he produces are sold to a wholesaler.*

*Bob Klein states that now the issue is whether a licensee would have limits on the amount of alcohol that it may serve through each manufacturing license in the tasting room. He states that there is a lot of contention between beverage dispensary license holders and manufacturing license holders regarding tasting rooms.*

*Glenn Brady echoes Bob Klein's statements and states that this is an issue that is ripe for further consideration very soon.*

*Rex Leath states that even if these get separated out into three different facilities, the same safety factors still exist. He states if it's safely being managed, then it eliminates many of his concerns.*

*Glenn Brady states that for him it's less of a concern than safe operation and more to the consideration of business impacts.*

- B. 5725 King Street Brewing Company:** King Street Brewing, LLC      **12:23pm**      **TAB 9**  
9050 King Street; Anchorage  
**License: Winery**

**New license application; request for shared licensed premises areas with brewery license 5595 (same licensee and DBA).**

Local governing body action: pending Municipality of Anchorage

Background investigations: pending

*Sarah Oates states that this is essentially the exact same scenario as the Denali Brewing Company licenses, except that this is for a new license.*

*Sara Erickson moves to approve the license with delegation.*

*Glenn Brady seconds the motion.*

*Glenn Brady states that this is an issue that is ripe for discussion, and that this will remain generally an open issue.*

*None opposed. Motion carries.*

*Sarah Oates asks whether the Board would like to schedule a discussion regarding the issue of sampling privileges in a shared tasting room for the next meeting or for the February meeting.*

*Bob Klein states that he would like to have something scheduled for the February meeting, when Ms. Erickson will be present.*

*Rex Leath states that he would like to ensure that the industry drives the regulation, not that the regulation drive the industry.*

**C. New license applications; request for shared licensed premises areas for different applicants/licenses. 12:34pm TAB 10**

- 1. 5714 The Odom Corporation:** The Odom Corporation  
6300 Changepoint Drive; Anchorage  
**License: Wholesale – General**

**New license application.**

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

- 2. 5717 Southern Glazer's of AK:** Southern Glazer's Wine and Spirits of Alaska, LLC  
6300 Changepoint Drive; Anchorage  
**License: Wholesale – General**

**New license application.**

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

*Sarah Oates states that the two licensees are requesting to have overlapping licensed premises areas, and that many wholesale licenses across the state currently operate in this manner. She states that major public health and safety concerns are mitigated by the fact that these are wholesale licenses that cannot sell to the public or allow for consumption of alcohol on the premises, and the licensees understand that any violation that takes place on the shared licensed area would be a violation of both licenses.*

*Randy Halter, The Odom Corporation licensee, identifies himself for the record and provides testimony to the Board regarding the fact that the current licenses held by these entities across the state have operated in this manner for years.*

*Glenn Brady moves to approve both licenses with delegation (as requested).*

*Motion is seconded*  
*None opposed. Motion carries.*

- D. 790 Nugget Restaurant:** DPJT, Inc. 12:42pm TAB 11  
600 Airport Road, Suite A; Sitka  
**License: Beverage Dispensary**  
From: JD & PR Colton and JP & TE Colton

**Request for reinstatement and renewal; transfer of ownership.**  
Local governing body action: City & Borough of Sitka does not protest  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete  
Temporary has been issued.

*Glenn Brady moves to reinstate, renew, and approve the transfer.*  
*Rex Leath seconds the motion.*  
*None opposed. Motion carries.*

- E. 2935 ReHaru:** HK, Inc. 12:43pm TAB 12  
1231 E Dimond Bouelvard; Anchorage  
**License: Restaurant or Eating Place**  
From: Hi Chun Kang DBA Haru

**Request for reinstatement and renewal; transfer of ownership and location.**  
Local governing body action: pending Municipality of Anchorage  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

*Glenn Brady moves to reinstate, renew, and approve the transfer with delegation.*  
*Bobby Evans seconds the motion.*  
*None opposed. Motion carries.*

- F. 3077 Panda Restaurant:** Panda Restaurant, Inc. 12:44pm TAB 13  
605 E Northern Lights Boulevard; Anchorage  
**License: Restaurant or Eating Place**  
From: Kyong Stearns (25%), Meiying Zhao (25%), and Jinsong Zhao (50%)  
To: Jinsong Zhao (75%), Yong Qi Cao (12.5%), and Zhimin Zhao (12.5%)

**Request for reinstatement and renewal; transfer of controlling interest.**  
Local governing body action: Municipality of Anchorage does not protest  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

*Glenn Brady moves to reinstate, renew, and approve the transfer.*  
*Bobby Evans seconds the motion.*  
*None opposed. Motion carries.*

- G. Transfers of ownership and DBA changes; public hearing to consider** 12:45pm TAB 14  
**Municipality of Anchorage protests to 2017/2018 license renewal applications.**

1. **4123 Ding How Mongolian BBQ:** Ding How, LLC  
1241 Muldoon Road; Anchorage  
**License: Restaurant or Eating Place**  
From: Kenny H Lee & Jong R Lee DBA Ding How Restaurant

**Transfer of ownership and DBA change.**

Local governing body action: pending Municipality of Anchorage response for transfer  
Approvals: Department of Labor, Department of Revenue  
Background investigations: pending

**Municipality of Anchorage protests the license renewal due to unpaid taxes.**

2. **4529 Samurai Sushi:** Samurai Sushi, LLC  
1265 Muldoon Road; Anchorage  
**License: Restaurant or Eating Place**  
From: Kenny H Lee & Jong R Lee DBA Samurai Sushi Garden

**Transfer of ownership and DBA change.**

Local governing body action: pending Municipality of Anchorage response for transfer  
Approvals: Department of Labor, Department of Revenue  
Background investigations: pending

**Municipality of Anchorage protests the license renewal due to unpaid taxes.**

*Erika McConnell states that during the 2016 renewal period, both renewals were protested due to unpaid taxes. Due to the situation at the beginning of 2017, protests were never brought to board and the licenses were issued in 2017. Transfer applications were received and returned because final corrections were never received in 2017, and resubmitted in 2018. Due to the board never considering the renewal protest, Erika McConnell suggests upholding the protests with a 30 day abeyance and that the board approve the transfers with delegation but clarifying that the approval of the transfers is moot if the protests are not lifted, but the approval with delegation will be effective if the protests are lifted.*

*Bob Klein asks if there should be a single motion or multiple.*

*Erika McConnell suggests that it be done in separate motions due to complexity of the action necessary.*

*Bob Klein states that the first motion is to uphold with 30-day abeyance.*

*Bobby Evans so moves to uphold the protest with a 30-day abeyance.*

*Rex Leath seconds.*

*McConnell provides clarification that the taxes in question from 2016 are still due.*

*No objection. Motion carries.*

*Harriet Milks asks if the motion will indicate that the taxes must be paid in 30 days.*

*Bob Klein confirms the motion as stated above.*

*Rex Leath moves to approve transfers with delegation pending the payment of the required taxes.*

*Seconded by Bobby Evans.*

*No objection. Motion carries.*

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

12:49pm

TAB 15

**Reconsideration of license renewal application.**

*Sara Erickson moves to reconsider the approval of the renewal, uphold the protest, and deny the renewal with a 90-day abeyance.  
Glenn Brady seconds the motion.  
None opposed. Motion carries.*

- I. 4694 Bear Tooth Theatrepub:** Film-On Productions, LLC **12:52pm**      **TAB 16**  
1230 W 27<sup>th</sup> Avenue; Anchorage  
**License: Beverage Dispensary**  
From: Moreland Properties, LLC No DBA; 2550 Spenard Road

**Transfer of ownership and location, and DBA change; request for alternating premises under 3 AAC 304.225.**

Local governing body action: pending Municipality of Anchorage  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

*Glenn Brady moves to approve the license transfer with delegation and the alternating premises request.  
Sara Erickson seconds the motion.  
None opposed. Motion carries.*

● **LUNCH BREAK** **1:00pm**

● **BOARD CONSIDERATION**

- J. New license applications; licensee request for restrictions on licenses.** **2:08pm**      **TAB 17**

- 1. 5723 Matanuska Brewing Company:** Anchorage Alehouse, LLC  
2830 C Street; Anchorage  
**License: Package Store**

**New license application.**

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

- 2. 5724 Matanuska Brewing Company:** Eagle River Alehouse, LLC  
11901 Old Glenn Highway (Eagle River); Anchorage  
**License: Package Store**

**New license application.**

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

*Bob Klein states that he has tied house concerns with the requested restriction, which would be a federal violation.*

*The Board members discuss whether the requested restrictions would be in the public interest.*

*Rex Leath states that the licensee already has the right to restrict what he sells on his own.*

*Glenn Brady states that if the Municipality of Anchorage does request that restrictions be placed on the licenses, then those requests would come before the Board.*

*Matt Tomter, applicant, identifies himself for the record and states that his intent to have a growler bar for the two locations that would only serve their own beer.*

*Bob Klein states that the request for these licenses is far too restrictive.*

*Glenn Brady asks whether Mr. Tomter has had any discussions regarding these restrictions with the community councils. Matt Tomter states that the Midtown Community Council has approved his license with those conditions in place.*

*Glenn Brady states that what the licensee is proposing here is outside of anything that's been done, and sets a precedent that makes him uncomfortable. He recommends that Mr. Tomter work with the Municipality and the community councils on this issue.*

*Matt Tomter requests that the restriction be placed on the licenses as long as they are at those locations.*

*Bob Klein states that this request is something that should be done through the Municipality's special land use permit process.*

*Matt Tomter states that he can work on that, and that these licenses will not get approved without restrictions on them.*

*Glenn Brady moves to approve the licenses with delegation.  
Rex Leath seconds the motion.*

*Sara Erickson states that the licensee claims in his letter that this is not a good community in which to have another liquor license.*

*Matt Tomter clarifies that the intent is to only serve growlers to go.*

*None opposed. Motion carries.*

## ● RECREATIONAL SITE LICENSE RENEWAL APPLICATIONS

**A. 4969 Fireweed Meadows:** Kyllonen Enterprises, Inc.  
72749 Milo Fritz Avenue; Kenai Peninsula Borough

**2:29pm**

**TAB 18**

*Erika McConnell states that this golf course is 1,555 yards in one direction but has tees on both ends of each green so that the course can be played both ways. She asks whether the Board considers the yardage from both directions of the course to be included in the total yardage for purposes of meeting the 2,950-yard requirement to obtain a golf course license. She states that it is her recommendation that a rec site license is not appropriate for this business.*



*Bob Klein states that it seems to him that his alternatives are that he bring his golf course into compliance and apply for another kind of license, or go out of business.*

*Rex Leath states that it looks to him like the licensee is stating that the golf course is reversible just so that it meets the requirements for a golf course license.*

*Glenn Brady moves to approve the renewal of this recreational site license one final time, pending eligibility and qualification for golf course licensure or going out of business.  
No second.*

*Sara Erickson moves to not renew this license under this recreational site usage.  
Bobby Evans seconds the motion.  
Motion carries, 3-2 (Glenn Brady and Bob Klein vote No).*

## ● NEW RECREATIONAL SITE LICENSE APPLICATIONS

**A. 5711 The Old Tower Bar @ Eaglecrest:** South of the Bridge, LLC                      **2:41pm**                      **TAB 19**  
3000 Fish Creek Road; Juneau  
**License: Recreational Site**

### **New license application.**

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

*Erika McConnell states that she does not believe that a ski resort meets the requirements for a rec site license.*

*Bobby Evans moves to deny (the application).  
Sara Erickson seconds the motion.*

*Glenn Brady asks how this is different than the Arctic Valley license from the last meeting.*

*Erika McConnell states that it does not appear to be very different than the Arctic Valley licenses, except that this is an application for a new license.*

*Sara Erickson states that that's why she seconded this motion – because she is done with issuing rec site licenses when it seems like establishment doesn't meet the requirements and going through this process. She adds that she approved the Arctic Valley renewal because it was going to be such a major impact on the community.*

*Glenn Brady states that the facts around the two licenses are very different – the other license was a long-standing establishment, whereas this is a new license.*

*Rex Leath states that the differentiation between the two licenses is that the ABC Board had historically approved the renewal of the other license numerous times.*

*Bob Klein states that the Board has been very hesitant to grant any new rec site licenses that don't very specifically follow the law.*

*None opposed. Motion carries.*

● **PUBLIC HEARINGS – PROTESTS**

- A. 5629 Midnite Mine:** Midnight Mine, LLC **2:49pm** **TAB 20**  
308 Wendell Avenue; Fairbanks  
**License: Beverage Dispensary – Duplicate**

**New license application.**

Pending: Department of Environmental Conservation

Background investigations: complete

**City of Fairbanks protests pending issuance of Certificate of Occupancy.**

*Glenn Brady moves to rescind the former approval with delegation, and uphold the protest with a 90-day abeyance to have the protest lifted.*

*Bobby Evans seconds the motion.*

*None opposed. Motion carries.*

- B. 5678 Staybridge Suites – Anchorage:** JPK TR Anchorage, LLC **2:50pm** **TAB 21**  
200 Calais Drive; Anchorage  
**License: Beverage Dispensary – Tourism**

**New license application.**

Background investigations: complete

**Municipality of Anchorage protests pending certification from the Department of Health & Human Services and a special land use permit approved by the Assembly.**

*Glenn Brady moves to rescind the former approval with delegation, and uphold the protest with a 90-day abeyance.*

*Sara Erickson seconds the motion.*

*None opposed. Motion carries.*

● **PUBLIC HEARINGS – OBJECTIONS**

- A. 1242 Willow Tree Inn:** Paul G Brannon Testamentary Trust U/W, LLC **2:51pm** **TAB 22**  
513 Wood River Road; Dillingham  
**License: Beverage Dispensary**  
From: Alaska '49, LLC

**Transfer of ownership.**

Local governing body action: pending City of Dillingham

Approvals: Department of Revenue

Background investigations: pending

**Department of Labor, Workers' Compensation objects for failure to make timely payments.**

*Glenn Brady moves to deny the transfer with a 30-day abeyance, noting that if the objection is lifted within that 30 days, that there are other pending approvals that would need to be received.*

*Bobby Evans seconds the motion.*

*None opposed. Motion carries.*

- B. 4742 Thibodeaus Liquor:** Thibodeaus Market, Inc. **2:54pm**      **TAB 23**  
No premises; Juneau  
**License: Package Store**  
From: Glacier Hwy, LLC DBA Glacier Hwy, LLC; 6525 Glacier Highway

**Transfer of ownership and location, and DBA change.**

Local governing body action: pending City & Borough of Juneau

Approvals: Department of Revenue

Pending: Department of Environmental Conservation

Background investigations: complete

**Department of Labor, Employment Security objects due to non-compliance.**

*Sarah Oates states that the staff has received notice from the Department of Labor, Employment Security that the transferor has come into compliance.*

*Glenn Brady moves to approve with delegation.*

*Sara Erickson seconds the motion.*

*None opposed. Motion carries.*

● **SECURITY INTEREST TRANSFERS & INVOLUNTARY RETRANSFERS**

- A. 447 N/A:** David McGivney **2:55pm**      **TAB 24**  
No premises; Juneau  
**License: Beverage Dispensary**  
From: Alaska Promotions, LLC, No DBA

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

Local governing body action: pending City and Borough of Juneau

Approvals: Department of Labor

Pending: Department of Revenue

Background investigations: pending

*Glenn Brady moves to approve the transfer with delegation.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

- B. 3969 Tony's Sports Bar:** JNJ, Inc. **2:56pm**      **TAB 25**  
537 Gaffney Road, Suite #1; Fairbanks  
**License: Beverage Dispensary**  
From: JSR, Inc.

**Transfer of ownership with security interest agreement.**

Local governing body action: pending City of Fairbanks

Approvals: Department of Labor, Department of Revenue

Background investigations: complete

*Glenn Brady moves to approve the transfer with delegation.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

- C. 4232 The Spur:** JNJ, Inc. **2:57pm** **TAB 26**  
537 Gaffney Road; Fairbanks  
**License: Beverage Dispensary**  
From: JSR, Inc.

**Transfer of ownership with security interest agreement.**

Local governing body action: pending City of Fairbanks  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

*Glenn Brady moves to approve the transfer with delegation.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

● **NEW RESTAURANT OR EATING PLACE – PUBLIC CONVENIENCE LICENSE APPLICATIONS**

- A. 5712 Addie Camp:** Addie Camp, LLC **2:58pm** **TAB 27**  
43540 Kleeb Loop; Soldotna  
**License: Restaurant or Eating Place – Public Convenience**

**New license application.**

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

*Glenn Brady moves to approve the license with delegation.*

*Sara Erickson seconds the motion.*

*None opposed. Motion carries.*

● **NEW & TRANSFER BEVERAGE DISPENSARY – DUPLICATE LICENSE APPLICATIONS**

- A. 5638 Palmer City Alehouse:** Palmer Alehouse, LLC **2:59pm** **TAB 28**  
320 E Dahlia Avenue; Palmer  
**License: Beverage Dispensary – Duplicate**  
From: Matthew Tomter (50%) and Steven Dike (50%) to Steven Dike (100%)

**Transfer of controlling interest.**

Local governing body action: pending City of Palmer  
Approvals: Department of Labor, Department of Revenue  
Background investigations: complete

*Glenn Brady moves to approve the applications for licenses 5638 and 5716 with delegation.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

- B. 5716 Palmer City Alehouse:** Palmer Alehouse, LLC **2:59pm** **TAB 29**  
320 E Dahlia Avenue; Palmer  
**License: Beverage Dispensary – Duplicate**

**New license application.**

Local governing body action: pending City of Palmer  
Pending: Department of Environmental Conservation  
Background investigations: complete

*Action taken with previous tab.*

- C. 5721 Bear Tooth Grill:** Film-On Productions, LLC **3:00pm** **TAB 30**  
1230 W 27<sup>th</sup> Avenue; Anchorage  
**License: Beverage Dispensary – Duplicate**

**New license application.**

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

*Glenn Brady moves to approve with delegation.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

● **THIRD WAIVERS OF MINIMUM OPERATING REQUIREMENTS**

- A. 795 Oaken Keg #1806:** Carr-Gottstein Foods Co. **3:01pm** **TAB 31**  
600 E Northern Lights Boulevard; Anchorage

*Glenn Brady moves to approve the waiver.*

*Glenn Brady amends his motion to approve the third request for a waiver with the notification that this will be the final approval.*

*Bobby Evans seconds the motion.*

*None opposed. Motion carries.*

- B. 2587 The Moose Caboose:** Copper River & Northwest Limited, Inc. **3:04pm** **TAB 32**  
Lot 1 Block 88 Cordova Airport; Cordova

*Glenn Brady moves to approve the third waiver request with the notification of final approval.*

*Rex Leath seconds the motion.*

*None opposed. Motion carries.*

● **REGULATIONS**

**A. Proposed Regulations Projects**

**2. Board Requests**

**3:05pm**

*No recommendations from the Board members.*

Glenn Brady asks whether the Board should make a communication to the legislature regarding the need for the Title 04 reform that has been years in the making, just to stress the importance of that.

Sara Erickson states that this is such a splintered legislature, that it's unlikely that anything will pass through during this session. She adds that the Board should move forward through regulation projects at this time.

Erika McConnell suggests that she draft a letter for the Board's signature that will be sent to all sixty legislators after the election, that encourages legislators to take action on Title 04 during this session.

Bob Klein suggests that this discussion would be appropriate in December, once it knows who the legislators are.

Glenn Brady states that he likes the director's recommendation to draft a letter for the Board's consideration regarding a comprehensive reform of Title 04.

## **B. Open Regulations Projects**

- |                                 |   |                      |
|---------------------------------|---|----------------------|
| <b>1. Bona Fide Restaurant</b>  | <b>3:16pm</b>   | <b><u>TAB 36</u></b> |
| <b>Status:</b>                  | Public comment period closed September 7, 2018                          |                      |
| <b>Potential Board Actions:</b> | Vote to adopt; OR<br>Substantially amend and put out for public comment |                      |

Bobby Evans moves to adopt (the regulations project).

Glenn Brady seconds the motion.

Rex Leath asks for the clarification of "entrees" in paragraph (2) of the regulation.

Erika McConnell states that the establishments should be serving meals, and not just snacks and beverages, and "entrée" implies a meal.

Glenn Brady references 18 AAC 31.040 and asks whether a licensed establishment under this definition meets the Department of Environmental Conservation definition of a food preparation facility.

Bob Klein responds that yes, this is an FB-1.

Erika McConnell reads 18 AAC 31.040 for the record.

None opposed. Motion carries.

- |   |   |                      |
|---|---|----------------------|
| <b>2. Security Interest Transfers / Involuntary Retransfers</b> | <b>3:21pm</b>   | <b><u>TAB 37</u></b> |
| <b>Status:</b>  | Public comment period closed June 1, 2018                               |                      |
| <b>Potential Board Actions:</b>                                 | Vote to adopt; OR<br>Substantially amend and put out for public comment |                      |

Erika McConnell summarizes the regulation, tabled from previous meeting. She provides an example of how and why a security interest transfer and involuntary retransfer are completed.

Erika McConnell goes on to state that the current regulations provide guidance on the requirements for "step two" but do not discuss the requirements as related to the original transfer with security interest. She states that the proposition separates security interest steps and proposes two restrictions that

*have not been specified thus far. The first restriction specifies that transferor and transferee must be completely separate individuals/entities and must be 100% different to prevent possible misuses. She states that the second restriction specifies that when there is a security interest held in regards to a license, the original transferee may not transfer the license again while the original transferor retains a security interest. She goes on to state that there was a public comment received for this regulation that mentioned, perhaps an exception should be made in the case of the death of licensee. It is possible that new transferee may need to retain security interest to the original transferor because in situations where a death occurs, the individuals who are executing the estate may not be able to satisfy the debts immediately.*

*The Board members discuss the public comments received for this project, specifically regarding amending the language to make an exception in 3 AAC 304.106 when there has been a death of a licensee, and revising the 30-day operating requirement to be 240 hours for consistency with the statutory change.*

*Glenn Brady states that these are complicated transfers, asks how often this occurs, and asks what problem are they trying to fix.*

*Erika McConnell states that the first transfer requirements are vague in the current regulation, licensees believe a security interest is present when it isn't finalized. It's best to have regulations that are understandable by individuals reading the statutes.*

*Sarah Erickson thanks Erika McConnell for explaining the statute and states that the statute language appears unclear.*

*Bob Klein states that the 3<sup>rd</sup> party transfer language is difficult to find.*

*Erika McConnell refers to 3 AAC 304.106(d) in the proposed amendment which states that a license for which a security interest is held may not be transferred except when the security interest is satisfied.*

*Glenn Brady states that Mr. Coffey's public statement regarding the statute is relevant, asks if the board should consider revisions suggested.*

*Harriet Milks states that Erika McConnell and she reviewed the letter but that if the death provision is added it will need to go out for public comment again. She goes on to state that the changes that they found relevant were incorporated into the new draft.*

*Erika McConnell clarifies that there was some change of language for 3 AAC 304.106(a)(3) that provided clarity and was adopted. She goes on to say that if there is incorrect language regarding the specific documents needed, the Department of Law will clarify.*

*Erika McConnell goes on to state that it is possible to revise the draft to include the previously mentioned exception for the death of a licensee in retaining a security interest and revise the language in 3AAC 304.106(a)(3) to reflect the new operating requirement (240 hours instead of 30, 8 hour days) and put the regulation back out for public comment.*

*Harriet Milks clarifies that the board could change the 30, 8 hour days to 240 hours without reposting for public comment; but that including the provision for the death of a licensee would make it necessary to re-post.*

*Erika McConnell and Bob Klein discuss possible changes suggested by Mr. Coffey.*

*Harriet Milks states that a break could occur so that Erika McConnell could highlight possible changes.*

*Bob Klein states a concern that Mr. Coffey's comments should be considered.*

*Erika McConnell states that his comments have been posted with the regulation since August.*

*Bob Klein suggests that caution be used regarding how the comments are considered.*

*Harriet Milks states that this problem has occurred for years and that it's possible that the board could request Erika McConnell highlight the suggested changes and bring the language back to a subsequent meeting for a vote to re-post for public comment.*

*The Board members request that the director draft amended language that reflects the discussion, and bring it to the next meeting for consideration as to whether it should go back out for public comment.*

- 3. Deadline for Reinstatement and Renewal** **3:41pm** **TAB 38**  
**Status:** Public comment on revised draft closed October 10, 2018  
**Potential Board Actions:** Vote to adopt; OR  
Substantially amend and put out for public comment

*Bobby Evans moves to adopt (the regulations project).  
Glenn Brady seconds the motion.  
None opposed. Motion carries.*

- 4. Wine Auction Permit; Seasonal Licenses; Operating Requirements; Local Governing Body Protests** **3:47pm** **TAB 39**  
**Status:** Public comment closed October 10, 2018  
**Potential Board Actions:** Vote to adopt; OR  
Substantially amend and put out for public comment

*Glenn Brady moves to adopt the wine auction permit regulation project.  
Sara Erickson seconds the motion.  
None opposed. Motion carries.*

*Glenn Brady moves to adopt the recommended changes (in the seasonal licenses regulation project).  
Rex Leath seconds the motion.  
None opposed. Motion carries.*

*The Board members discuss the possibility of setting a limit to the number of years that a licensee can operate only to meet the minimum operating requirements.  
Glenn Brady moves to adopt (the operating requirements regulation project).  
Rex Leath seconds the motion.  
None opposed, motion carries.*

*Bobby Evans moves to adopt (the local governing body protests regulation project).  
Sara Erickson seconds the motion.  
None opposed. Motion carries.*

● **NEXT ABC BOARD MEETING** **4:14pm**

Agenda deadline for December 17-18, 2018, meeting: November 30, 2018

*Bob Klein states that the next meeting will take place in Anchorage.*

● **ADJOURN** **4:15pm**



Minutes prepared by:

A handwritten signature in black ink, appearing to read "Mikal Milton", with a large, sweeping flourish extending to the right.

---

Mikal Milton  
Records and Licensing Supervisor

Minutes reviewed by:

A handwritten signature in black ink, appearing to read "Erika McConnell", written in a cursive style.

---

Erika McConnell  
Director