



STATE OF ARIZONA
 ARIZONA STATE LIQUOR BOARD
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JANICE K. BREWER
 Governor

J. D. GHELFI
 Board Chair

ALAN EVERETT
 Director

Arizona State Liquor Board Hearing Minutes
 November 3, 2011

Members Present: J.D. Ghelfi -Chair, Bill DuPont -Vice-Chair, Robin Cantrell, Tim Linden, Jim Carruthers, Mike Farley, Vikki Scarafiotti

Members Absent: None

Counsel Present: Keely Verstegen, Assistant Attorney General
 Mary Williams, Assistant Attorney General

Staff Present: Stefanie Murphy, Board Administrator

A. Call to Order

The hearing of the Arizona State Liquor Board was called to order on November 3, 2011 at 9:02 a.m. with Mr. Ghelfi presiding.

Roll Call

All board members were present.

B. Agenda: review, consideration and action

1. Restaurant Liquor License No. 12078791– Original Application

Paul Daniel Wicher, Agent
 Shark Bite, LLC
 Dirty Pelican Grill
 6718 E. Deer Valley Road #101-104
 Glendale, AZ 85310

This matter was set for hearing due to Department protest and because the City of Glendale recommended disapproval of the application. The applicant did not appear at the hearing and was represented by counsel, Harvey Yee. The City of Glendale was not present. Assistant Attorney General Keely Verstegen appeared on behalf of the Department of Liquor Licenses and Control. Chairman Ghelfi noted that a request to continue the hearing was filed by the applicant. There was no objection.

Motion to Continue -	Carruthers
Seconded -	DuPont
Yay -	DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	Ghelfi
Abstained -	None
Disposition -	Continued to the December 1, 2011 hearings

2. Beer & Wine Store Liquor License No. 10083258– Original Application

William Allen Adas, Agent

Adas Bros. Horticultural Management LLC
Desert Garden Center
10832 Double R Drive
Yucca, AZ 86438

This matter was set for hearing due to public protest. The applicant, William Adas, was present and was not represented by counsel. There were no public protestors present at the hearing. Assistant Attorney General Keely Versteegen was present to provide legal advice to the Board. Chairman Ghelfi noted that a request to continue the hearing was filed by the public protestor. Mr. Farley asked if an interim permit could be issued until the hearing and Chairman Ghelfi noted that permits are issued by the Department. Mr. Farley asked if the Board could vote against granting the request for continuance. Ms. Cantrell noted she would not support a motion to grant a continuance to January as requested but would support a 30 day continuance. Chairman Ghelfi made a motion to convene in executive session.

Motion to convene in executive session -	Ghelfi
Seconded -	Linden
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Convene in executive session

The Board convened in executive session at 9:14 a.m. and reconvened in open session at 9:17 a.m.

Chairman Ghelfi recommended a two week continuance to a telephonic special meeting to accommodate the public protestor's request.

Motion to Continue -	DuPont
Seconded -	Farley
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Continued to the November 17, 2011 (telephonic) hearings

3. Beer & Wine Store Liquor License No. 10073832- Agent Change/Acquisition of Control Application

Sukwi Kim, Agent
Amigo's Market LLC
Amigo's Market
9204 N. 7th Street #8-10
Phoenix, AZ 85020

This matter was continued from the September 1, 2011 and October 6, 2011 board hearings and was set for hearing because the City of Phoenix recommended disapproval of the application. The applicant was not present at the hearing and was not represented by legal counsel. Assistant City Prosecutor Nathan Watts appeared for Barbara Parascandola on behalf of the City of Phoenix. Assistant Attorney General Keely Versteegen was present to provide legal advice to the Board. Ms. Murphy verified proper notice and communication was sent to the parties regarding the hearing. Due to lack of appearance, a motion to deny the application was made by Mr. Farley.

Motion to deny -	Farley
Seconded -	DuPont
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	License denied

The Board proceeded to item #10.

4. Restaurant Liquor License No. 12078668- Original Application

Theresa June Morse, Agent
The Neutral Korner, LLC
The Neutral Korner Restaurant
3611 S. 16th Street
Phoenix, AZ 85040

This matter was set for hearing due to Department protest. The applicant, Bessie Santa Cruz, was present at the hearing and was not represented by counsel. Assistant Attorney General Keely Verstegen appeared on behalf of the Department of Liquor Licenses and Control. The applicant requested a continuance to the January 2012 hearings and noted that the establishment was not in operation. There was no objection.

Motion to continue -	Carruthers
Seconded -	Farley
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Continued to the January 12, 2012 hearings

5. Bar Liquor License No. 06020052- Person & Location Transfer Application

From:	To:
Charles Lawrence DeMun, Agent DeMuns LLC Demuns 202 N. Huachuca Boulevard Huachuca City, AZ 85616	Noreen Lynn Carrafa, Agent Doc Holliday's Saloon LLC Doc Holliday's Saloon 511 E. Allen Street Tombstone, AZ 85638

This matter was set for hearing because the City of Tombstone forwarded the application with no recommendation. The applicant, Noreen Carrafa, was present at the hearing and was not represented by Counsel. The City of Tombstone was not present. Assistant Attorney General Keely Verstegen was present to provide legal advice to the Board. Mr. Linden noted a potential conflict of interest as a distributor in Tombstone and asked to recuse himself from the hearing. Mr. Carruthers noted that he had not reviewed the materials for this hearing as it was not provided to him and asked if he should also recuse himself from the hearing.

Motion to convene in executive session -	Ghelfi
Seconded -	DuPont
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Convene in executive session

The Board convened in executive session at 9:33 a.m. and reconvened in open session at 9:46 a.m.

Mr. Carruthers reviewed the file and materials and proceeded with the hearing. Ms. Carrafa was sworn and testified. Ms. Carrafa described the old western bar theme at the proposed establishment and noted her background and experience in managing a bar. She further stated why she is capable, qualified and reliable to hold a liquor license, and that the public convenience requires and the best interest of the community will be substantially served by granting a liquor license to this location. Ms. Carrafa answered questions regarding the number of western themed bars in Tombstone and hiring and management plans at the proposed location. She further described her responsibilities at the former bar she worked at owned by her husband and the history regarding its closing. She further testified as to her appearance at the City Council meeting and her knowledge of a lawsuit filed against her husband.

Motion to convene in executive session -	Ghelfi
Seconded -	DuPont
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Farley, Scarafiotti

Nay -	None
Abstained -	None
Disposition -	Convene in executive session

The Board convened in executive session at 10:03 a.m. and reconvened in open session at 10:10 a.m.

Ms. Carrafa continued testimony regarding the application questionnaire completed, her experience as a bar manager and the lawsuit filed. There being no further questions or witnesses the Board began discussion. The Board members noted concerns regarding the lack of information regarding a lawsuit and issues with the City and the applicant's spouse.

Motion to grant -	Carruthers
Seconded -	Farley
Yay -	DuPont, Carruthers, Farley
Nay -	Ghelfi, Cantrell, Scarafiotti
Abstained -	None
Disposition -	Tie vote, no action

Board discussion continued. Mr. Carruthers made a motion to grant the liquor license based on the applicants prior training and experience as a manager, there being no violations at the bar in which she worked and noted that the location of the proposed establishment is not an issue.

Motion to grant -	Carruthers
Seconded -	Farley
Yay -	Ghelfi, DuPont, Carruthers, Farley
Nay -	Cantrell, Scarafiotti
Abstained -	None
Disposition -	License granted

6. Bar Liquor License No. 06040030- Person & Location Transfer Application

From:	To:
Kelly Roberta Haydon, Agent	Elliott Jon Glasser, Agent
Aurora Property & Management, LLC	CCLX, LLC
Kelly's Broad Street Brewery	CCLX
190 N. Broad Street	4305 E. State Highway 260, Ste 2
Globe, AZ 85501	Star Valley, AZ 85547

This matter was continued from the October 6, 2011 board hearings and is set for hearing because the Town of Star Valley failed to provide a recommendation. The applicant was not present at the hearing due to an injury and was represented by Counsel, Donna McDaniel. Assistant Attorney General Keely Versteegen was present to provide legal advice to the Board. Ms. McDaniel requested a continuance to the December hearings on behalf of the applicant. There was no objection.

Motion to continue -	Farley
Seconded -	Carruthers
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Continued to the December 1, 2011 hearings

Before proceeding, Chairman Ghelfi made a motion to convene in executive session.

Motion to convene in executive session -	Ghelfi
Seconded -	Farley
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None

Abstained - None
Disposition - Convene in executive session
The Board convened in executive session at 10:51 a.m. and reconvened in open session at 10:54 a.m.

The Board went back to item #3 to discuss a withdrawal of application filed by William Black, counsel for the applicant. The applicant was not present at the hearing. Ms. Cantrell made a motion not to reopen the case.

Motion to not reopen hearing- Cantrell
Seconded - Scarafiotti
Yay - Ghelfi, DuPont, Carruthers, Cantrell, Linden, Scarafiotti
Nay - Farley
Abstained - None
Disposition - Hearing was not reopened to consider the request for withdrawal of application filed. Denial of license remains.

The Board proceeded to item #8.

7. Restaurant Liquor License No. 12143174- Original Application

Alberto Castorena, Agent
LPTG3 LLC
Las Palapas Taco Grill
10747 S. Fortuna Road, Suite B
Yuma, AZ 85365

This matter was set for hearing due to Department protest. The applicant, Alberto Castorena, and Guillermo Castorena were present at the hearing and were not represented by counsel. Assistant Attorney General Mary Williams and Officer Robert Eaton appeared on behalf of the Department of Liquor Licenses and Control.

There was discussion regarding sales/privilege tax owed to the Arizona Department of Revenue. Alberto Castorena explained a banking issue that caused the business to fall behind in paying the taxes and noted a payment agreement with the Department of Revenue. Ms. Williams asked for the balance of the amount outstanding and documentation of the payment agreement. There was discussion regarding the questionnaire filed with the application and prior fines. Guillermo Castorena noted his training in liquor laws. Officer Eaton was called as witness and was sworn and testified. He discussed communications with the Department of Revenue regarding the outstanding balance owned and noted that that the applicant failed to disclose a violation on the application.

Mr. Farley recommended a two week continuance to a telephonic special meeting to allow the applicant an opportunity to obtain documentation of the payment agreement from the Department of Revenue.

Motion to Continue - Farley
Seconded - Carruthers
Yay - DuPont, Carruthers, Linden, Farley, Scarafiotti
Nay - Ghelfi, Cantrell
Abstained - None
Disposition - Continued to the November 17, 2011 (telephonic) hearings with documentation of the payment agreement due to the Department by Friday, November 11, 2011.

The Board proceeded to item #9.

8. Store Liquor License No. 09100276- Person & Location Transfer Application

From:
James C. Nutini, Agent
7-11 #21813K
3710 E. Grant Road
Tucson, AZ 85716

To:
Kevin Arnold Kramber, Agent
J&N Market, LLC
Santa Rita Market
1632 S. 4th Avenue

This matter was continued from the October 6, 2011 board hearings and was set for hearing because the City of South Tucson recommended disapproval of the application. The agent, Kevin Arnold Kramber, and the applicant, Linda Barakat, appeared at the hearing. The applicant was represented by counsel, Thomas Aguilera. Magdy Behman was present at the hearing to interpret for the applicant. Maher Rafati, store manager was also present. Assistant Attorney General Keely Verstegen was present to provide legal advice to the Board. Mr. Kramber, Ms. Barakat and Mr. Rafati were sworn and testified.

Mr. Kramber briefly touched on the market values of licenses, issues with the health department and training completed by the applicant and manager. The Board granted a motion made by Mr. Aguilera to consider Mr. Behman a qualified interpreter based on his experience. Ms. Barakat answered questions regarding management, staffing, hours of operation, violations and plans with the current series 6 license in place. Mr. Rafati described his background and training in liquor laws.

Motion to grant -	Linden
Seconded -	Farley
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	License granted

The Board recessed at 11:45 a.m. and reconvened at 11:58 a.m. and proceeded to item #7.

9. Liquor Store Liquor License No. 09100020- Person Transfer Application

From:	To:
Daniel Lee Rodarte Sr. Lee-Quor Inc. Lee's Liquor Drive In 1202 N. Stone Avenue Tucson, AZ 85705	Michael C. Montano, Agent J&M Liquors Inc. Wildcat Drive Thru Liquors 1202 N. Stone Avenue Tucson, AZ 85705

This matter was continued from the October 6, 2011 board hearings and was set for hearing due to public protest. The applicant, Jesus Borboa, was present at the hearing and was represented by counsel, Thomas Aguilera. Eddie Rodriguez, Certified Liquor Law Trainer, was also present. Assistant Attorney General Mary Williams was present to provide legal advice to the Board. There were no public protestors in attendance at the hearing. Mr. Borboa and Mr. Rodriguez were sworn and testified.

Mr. Rodriguez discussed liquor law training, preparation of the license application, meetings with the neighborhood association and an agreement reached to keep the area clean. Mr. Borboa discussed his business experience and the operating plan for the liquor store. He noted that Michael Montano will be agent for the liquor license and that the current employees have all received proper liquor training. He also discussed improvements to the store, security and signs. He noted that discussion with the neighborhood will continue and that no drug paraphernalia is sold at the store.

Motion to grant -	DuPont
Seconded -	Cantrell
Yay -	Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	License granted

10. Restaurant Liquor License No. 12078733- Original Application

Jesus Manuel Altamirano, Agent
Antars Sports Bistro, LLC

Antars Sports Bistro
9611 W. Camelback Road #101
Phoenix, AZ 85037

This matter was set for hearing due to Department protest and because the City of Phoenix recommended disapproval of the application. The applicant was not present and was represented by counsel, William Lally. Assistant Attorney General Keely Verstegen appeared on behalf of the Department of Liquor Licenses and Control. Chairman Ghelfi noted that the applicant filed a request to withdraw the application with stipulations. There was no objection.

Motion to grant withdrawal w/stipulations - DuPont
Seconded - Scarafiotti
Yay - Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay - None
Abstained - Carruthers
Disposition - Withdrawal of application granted with the following stipulations:

- 1) Applicant agrees to not file for any liquor license application nor requests any new interim permits for the above location in the future; and
- 2) Applicant agrees to immediately surrender the existing interim permit for the Antars Sports Bistro located at 9611 W. Camelback Road, #101, Phoenix, AZ 85037.

The Board proceeded to item #4.

C. Minutes

Motion to approve - Carruthers
Seconded - Cantrell
Yay - Ghelfi, Carruthers, Cantrell, Linden, Farley, Scarafiotti
Nay - None
Abstained - DuPont
Disposition - April 2011 minutes approved

Motion to approve - DuPont
Seconded - Carruthers
Yay - Ghelfi, DuPont, Carruthers, Cantrell, Linden
Nay - None
Abstained - Farley, Scarafiotti
Disposition - August 2011 minutes approved

Motion to approve - DuPont
Seconded - Cantrell
Yay - Ghelfi, DuPont, Carruthers, Cantrell, Linden
Nay - None
Abstained - Farley, Scarafiotti
Disposition - August 2011 executive minutes approved

Motion to approve - Carruthers
Seconded - Cantrell
Yay - Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley
Nay - None
Abstained - Scarafiotti
Disposition - September 2011 minutes approved

D. Guidelines regarding letters of authority designating spokespersons pursuant to A.R.S. 4-201(E)

Motion to approve w/amendments - Ghelfi

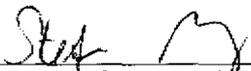
Seconded -
Yay -
Nay -
Abstained -
Disposition -

Scarafiotti
Ghelfi, DuPont, Carruthers, Cantrell, Linden, Farley, Scarafiotti
None
None
Guidelines approved with the following amendments: 1) Letters transmitted via email as an attachment will be accepted 2) Letter must be signed by the President or Vice President

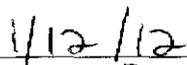
E. Call to the Public

None.

The Board adjourned at 1:37 p.m.



Stefanie Murphy
Administrator of the
Arizona State Liquor Board



Date