



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

J. D. GHELFI  
Board Chair

ALAN EVERETT  
Director

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Arizona State Liquor Board Hearing Minutes  
March 6, 2014

Members Present: J.D. Ghelfi - Chair, Bill DuPont – Vice-Chair, Vikki Scarafiotti, Robin Cantrell, Jim Carruthers

Members Absent: Tim Linden

Counsel Present: Sarah Selzer, Assistant Attorney General  
Diana Rasner, Assistant Attorney General

Staff Present: Denise Bale, Board Administrator

**A. Call to Order**

The hearing of the Arizona State Liquor Board was called to order on March 6, 2014 at 10:01 a.m. with Mr. Ghelfi presiding.

**Roll Call**

Mr. Linden was absent. All other board members were present.

**B. Agenda: review, consideration and action**

**1. Liquor Store Liquor License No. 09050002 - Agent Change/Acquisition of Control**

Kultar Singh Sandhu  
Kirpa LLC  
Beverage Palace  
1930 Thatcher Blvd.  
Safford, AZ 85546

Subsequent to this matter being scheduled for hearing, a motion to withdraw application has been filed with the Board. This matter was continued from the February 6, 2014 hearings. This matter was set for hearing because the City of Safford recommended disapproval of this application and due to Department protest. This matter was also set for hearing due to public protest. The applicant, Kultar Singh Sandhu, did not appear at the hearing and was represented by counsel, H.J. Lewkowitz. Assistant Attorney General Sarah Selzer appeared on behalf of the Department of Liquor Licenses and Control. Assistant Attorney General Diana Rasner, from the Solicitor General's Office, was present and available to provide independent legal advice to the Board.

Ms. Selzer stated the Department did not object to the withdrawal of the application. Mr. Ghelfi stated the City Council and Public Protestor Richard Ortega, who is also a member of the City Council, do not object to the withdrawal of the application.

Motion to accept withdrawal -	DuPont
Seconded -	Carruthers
Yay -	DuPont, Carruthers, Ghelfi, Cantrell, Scarafiotti
Nay -	None
Abstained -	None
Disposition -	Withdrawal of application granted

**2. Beer and Wine Store Liquor License No. 10076436 - Original Application**

Kim Kwiatkowski, Agent  
 Circle K Stores Inc.  
 Circle K Store #3447  
 975 N. 7th Street  
 Phoenix, AZ 85006

The Applicant, Circle K Stores Inc., appeared at the hearing through its counsel, David Cisiewski. Walter Crutchfield, Suzy Peel, Police Officer Joe Clure, and Reverend Jarrett Maupin were sworn and testified on behalf of the Applicant. Potential public protestor, Steve Dreiseszun, was present at the hearing and was sworn. No other public protestors were present.

Mr. Ghelfi stated a Prehearing Motion to Prohibit Invalid Protestors had been filed by Mr. Cisiewski with the Board. Mr. Cisiewski requested that protests from Dirk Leverant, Jon Goodell, Shane P. Smith, and Steve Dreiseszun be invalidated because the protest letters do not comply with the requirements prescribed in A.R.S. § 4-201(E). The written protest from Kevin Patterson was not contested. Mr. Ghelfi allowed the Leverant protest and the Goodell protest. Mr. Ghelfi stated the Smith protest was invalid and would not be included in the record. There was a question about the address of the Dreiseszun protest. Mr. Ghelfi made a motion to convene in executive session to receive legal advice.

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

The Board convened in executive session at 10:16 a.m. and reconvened in open session at 10:19 a.m.

Mr. Ghelfi noted that a P.O. Box does not qualify as a street address and unless Mr. Dreiseszun's residence is within one mile of the proposed location, his protest was invalid and would not be included in the record.

Mr. Cisiewski described the negotiations between the Applicant and the neighborhoods. Mr. Cisiewski stated this application was brought to the Board without opposition from the City, police department and neighborhood organizations. Mr. Cisiewski called his first witness, Suzy Peel, Real Estate Development Manager for Circle K. Ms. Peel discussed the meetings Circle K has held with neighborhood organizations and interested parties over the last two years. She said there have been in excess of twelve meetings with all of the neighborhood organizations relative to this project where issues related to crime, alcohol sales, security measures, traffic around the building, landscaping, driveway location, scope of project and several other concerns were discussed at length. Ms. Peel described the agreement between Circle K and the neighborhood organizations that collectively supported the project. Mr. Cisiewski moved to admit an agreement between Circle K Stores Inc., Roosevelt Action Association, Inc., and Garfield Organization and a letter from Roosevelt Action Association. There being no objection, Mr. Ghelfi admitted the exhibits.

Mr. Cisiewski called his second witness, Reverend Jarrett Maupin. Rev. Maupin is a Baptist minister and head of the Progressive Christian Coalition. Rev. Maupin grew up in the area. He discussed his involvement with the neighborhood organizations, churches, schools and community events. He described the concessions made by Circle K and expressed a positive outlook on the plans for this new store.

The next witness was Officer Joe Clure of the Phoenix Police Department. Officer Clure discussed the improved security measures of this store including wider aisles, additional cameras and better lighting, which will enhance crime prevention. Officer Clure described Operation Beer Garden which is a cooperative program between Circle K and the police department. Circle K developed the program to prevent beer theft.

Walter Crutchfield was the fourth witness. Mr. Crutchfield is a partner at Vintage Partners, a development company that has projects throughout the state. He is also a resident of the Roosevelt Historic District as are all of his children. The genesis of this project came from the Roosevelt Action Association. He discussed how this project is a model for community revitalization.

Mr. Cisiewski called Ms. Peel to address security measures and management practices to prevent underage sales. Ms. Peel discussed point-of-sale system, requiring the cashier to swipe an ID for all alcohol sales. She also described a nationwide practice of accountability and zero tolerance for underage sales.

There was Board discussion concerning the improvement to the neighborhood, the time and effort spent in building relationships between the community and corporate partners, and the unique written agreement between Circle K and the neighborhoods with respect to products that will not be sold at this location.

Mr. DuPont made a motion concerning Liquor License No. 10076436: I move that based on the training the corporation provides; based on the POS system; based on its working relationship with the police department, community representatives, and the City representatives, I move that we find the Applicant is capable, qualified and reliable as required by A.R.S. § 4-203. And based upon community support you have received working with the community for the past two years; the change in architecture, which I will congratulate you on that; working with the complaints of the neighborhood and trying to reduce those concerns; working on new types of crime fighting measures; looking at the traffic study and paying for a traffic study and resolving those issues, we find the public convenience requires that the best interest of the community will be served as required by A.R.S. § 4-203 by granting the liquor license and the Board grant the application.

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

### **C. Minutes**

Motion to approve the February 6, 2014 minutes -	Carruthers
Seconded -	Cantrell
Yay -	Carruthers, Cantrell, Ghelfi, Scarafiotti
Nay -	None
Abstained -	DuPont
Disposition -	February 6, 2014 minutes approved

Motion to approve the February 6, 2014 Executive Session minutes -	Cantrell
Seconded -	Scarafiotti
Yay -	Cantrell, Scarafiotti, Ghelfi, Carruthers
Nay -	None
Abstained -	DuPont
Disposition -	February 6, 2014 Executive Session minutes approved

### **D. Reports on Current Events, Matters of Board Procedure, Requests and Items for Future Agenda**

None.

**E. Call to the Public**

Ms. Bale attempted to locate Steve Dreiseszun who had expressed a desire to address the Board.

The Board adjourned at 11:19 a.m.

At 11:24 a.m., Mr. Ghelfi asked for a motion to re-convene when Mr. Dreiseszun entered the Board Hearing Room.

Motion to re-convene and reopen agenda item letter E -	DuPont
Seconded -	Cantrell
Yay -	DuPont, Cantrell, Scarafiotti, Ghelfi, Carruthers
Nay -	None
Abstained -	None
Disposition -	Call to the Public reopened

Steve Dreiseszun addressed the Board. He has been a resident of the F.Q. Story Historic District for 39 years and has been a neighborhood leader for several years. Mr. Dreiseszun discussed his concerns with the Circle K stores in his neighborhood.

The Board re-adjourned at 11:28 a.m.

  
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Denise M. Bale  
Administrator of the  
Arizona State Liquor Board

  
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Date