



STATE OF ARIZONA
 ARIZONA STATE LIQUOR BOARD
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 Website: www.azliquor.gov/liquor_board.asp

JANICE K. BREWER
 Governor

J. D. GHELFI
 Board Chair

ALAN EVERETT
 Director

Arizona State Liquor Board Hearing Minutes
 August 7, 2014

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

Members Absent: None

Counsel Present: Sarah Selzer, Assistant Attorney General
 Christopher Munns, 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 August 7, 2014 at 10:00 a.m. with Mr. Ghelfi presiding.

Roll Call

All members were present.

B. Agenda: review, consideration and action

1. Restaurant Liquor License No. 12083498 - Original Application

Jerad Edwin Pennington
 The Ginger House
 29 Acoma Blvd. South
 Lake Havasu City, AZ 86403

This matter was set for hearing because the Department of Liquor Licenses and Control ("Department") is protesting the application. There is an interim permit in place. The applicant, Jerad Pennington, was present and was represented by counsel, Peter Schelstraete. Assistant Attorney General Sarah Selzer appeared on behalf of the Department. Investigator Mike Sanchez appeared on behalf of the Department. Assistant Attorney General Christopher Munns, from the Solicitor General's Office, was present and available to provide independent legal advice to the Board. Mr. Schelstraete requested a continuance because counsel had been retained the day before the hearing and he needed additional time to prepare the case for hearing. Ms. Selzer stated the Department objects to the continuance. The application was filed with the Department eight months ago and there is an interim permit in place which has been extended numerous times. There was Board discussion.

Motion to continue to the September Board meeting -	Valdez
Seconded -	Du Pont
Yay -	Valdez, Du Pont, Carruthers, Colquitt
Nay -	Ghelfi, Cantrell, Scarafiotti
Abstained -	None
Disposition -	Continued to the September Board meeting

2. Liquor Store Liquor License No. 09070593 - Person Transfer Application

Thankor S. Patel, Agent
Liquor Cabinet Inc.
Monte Vista Liquors
2209 N. 16th Street
Phoenix, AZ 85006

Rod M. Aranki, Agent
JRR Associates LLC
Monte Vista Liquors
2209 N. 16th Street
Phoenix, AZ 85006

This matter is set for hearing because the City of Phoenix recommended disapproval. There is an interim permit in place. The Applicant, Rod M. Aranki, was present and was represented by counsel, Harvey Yee. Mr. Aranki was sworn and testified. Assistant City Prosecutor Jessica Breedlove appeared on behalf of the City of Phoenix. Detective Gabriella Westfall appeared as witness for the City of Phoenix and was sworn and testified.

Mr. Yee disclosed two exhibits that were not obtained prior to the deadline and discussed the report written by Det. Westfall. Mr. Aranki discussed the purchase of Monte Vista Liquors by JRR Associates LLC. A-1 Liquor Wheel is owned by the Aranki family. Mr. Aranki testified that he has never been cited for selling alcohol to an underage person, for selling alcohol to an obviously intoxicated person or for selling alcohol after the legal drinking hour. Mr. Aranki described the incident involving a gun in the store.

Ms. Breedlove questioned Mr. Aranki about his employment at A-1 Liquor Wheel including citations that were issued in 2003, 2006 and 2010. There was objection by Mr. Yee and questions by the Board. Ms. Breedlove presented documents to refresh Mr. Aranki's recollection of the events. Mr. Yee objected to the presentation of the documents.

The Board recessed from 10:53 to 11:01 a.m. to allow Mr. Yee an opportunity to review the documents.

Ms. Breedlove requested clarification of whether she could ask specific questions about the incidents described in the documents she was presenting.

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

The Board convened in executive session at 11:05 a.m. and reconvened in open session at 11:15 a.m.

The Board asked about the police incidents that occurred at A-1 Liquor Wheel while Mr. Aranki was manager. There were questions about the structure of his family business, responsibilities of the store managers and other liquor licensed businesses with which Mr. Aranki had an interest.

Detective Westfall is the liquor and abatement detective in the Mountain View Precinct of the Phoenix Police Department. Det. Westfall discussed her interview and subsequent visit with Mr. Aranki regarding the violations at A-1 Liquor Wheel and the incident involving a gun in the store. Mr. Yee questioned Det. Westfall about her interview with Mr. Aranki and her report. Mr. Yee and Ms. Breedlove made closing statements.

The Board recessed from 12:24 to 12:34 p.m.

There was Board discussion.

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

The Board convened in executive session at 12:59 p.m. and reconvened in open session at 1:01 p.m.

Ms. Valdez made a motion regarding Liquor Store License No. 09070593. Based upon the following factors: the Applicant, Mr. Aranki, has considerable business experience including over ten years in managing a business with a liquor license. In two of such businesses, is the Three Hermanes and Rocky's Quick Mart, there were no liquor violations. Additionally, during the ten plus years of managing the A-1 Liquor Wheel, only two violations are noted under his management. One was in '06, in which Mr. Aranki testified he took corrective action by sending the employee to training, and regarding the 2010 incident, he provided us a plausible explanation as to what occurred. Mr. Aranki has completed the Basic and Management Liquor Law Training. He has also taken some measures to increase security at the location by installing the security cameras and longer counters separating the liquor. Based on these factors, I move that we find that the Applicant is capable, qualified and reliable as required by A.R.S. § 4-203(A) and that the Board grant this application for a person transfer.

Motion to grant application -	Valdez
Seconded -	Du Pont
Yay -	Valdez, Du Pont, Ghelfi, Carruthers
Nay -	Scarafiotti, Colquitt, Cantrell
Abstained -	None
Disposition -	License granted

The Board recessed from 1:09 to 1:28 p.m.

3. Bar Liquor License No. 06070666 - Person and Location Transfer Application

Randy D. Nations, Agent	James George Romesburg
Gizmo's LLC	007 Pub, LLC
Gizmo's Sports Bar & Grill	007 Pub
46639 N. Black Canyon Highway #1-5	4330 W. Union Hills, B-007
New River, AZ 85087	Glendale, AZ 85308

This matter is set for hearing due to public protest. The Applicant, James Romesburg, was present and was represented by counsel, Harvey Yee. Mr. Romesburg was sworn and testified. Julie Goodwin, Courtney Woodard and Frank Damone appeared as witnesses for the Applicant and were sworn. There were no public protestors present at the hearing.

Mr. Romesburg discussed his background of 42 years in the food and beverage business. Mr. Romesburg has held liquor licenses in three states: Indiana, California and Arizona. He held liquor licenses in Indiana for ten years and had no violations. He held liquor licenses in California for two years and had no violations. Mr. Romesburg has been in Arizona since 1984 and has held several liquor licenses. He picked the location for 007 Pub because there are no neighborhood bars in the area. He is planning to build the bar after the license is approved. Mr. Yee explained that his witnesses all live within one mile and the only other Series 6 license is located at a golf course. Mr. Yee described the community support including the other neighbors who are in attendance at the hearing.

Mr. Du Pont made a motion regarding Liquor License #06070666. As to personal qualifications, based on 42 years of experience in the food business; 10 liquor licenses; a possibility of only 2 violations in the 42 year period; the applicant has gone through the training here in the Arizona area; there is no criminal history; no concerns from the police department; and the Mayor and Council voted approval, I move that we find the applicant is capable, qualified and reliable as required by A.R.S. § 4-203(A). And that based upon the location, that there is a substantial number of businesses that support it; the residents of the area within a one mile radius have sent letters of support and have appeared before the Board in support; that there is no question or concerns about public saturation because there is only one other liquor license within a one mile radius; that there seems to be an outreach of neighborhood

support, we find that the public convenience does requires and the best interest of this community will be served as required by A.R.S. § 4-203 by granting this liquor license and that the Board grant this application.

Motion to grant application -	Du Pont
Seconded -	Scarafiotti
Yay -	Du Pont, Scarafiotti, Valdez, Ghelfi, Carruthers, Colquitt, Cantrell
Nay -	None
Abstained -	None
Disposition -	License granted

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

The September meeting will be held in Phoenix.

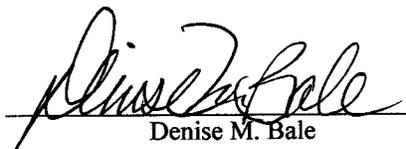
D. Board Will Consider Making Board Members Available To Discuss Title 4 and Board Procedures

There are no requests at this time.

E. Call to the Public

None.

The Board adjourned at 1:44 p.m.


Denise M. Bale
Administrator of the
Arizona State Liquor Board


Date