



STATE OF ARIZONA  
ARIZONA STATE LIQUOR BOARD  
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DOUGLAS A. DUCEY  
Governor

CYNDY A. VALDEZ  
Board Chair

JOHN COCCA  
Director

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Arizona State Liquor Board Hearing Minutes  
December 3, 2015

Members Present: Cyndy Valdez - Chair, Bill Du Pont - Vice Chair, and Jim Carruthers  
Members Absent: Vikki Scarafiotti and Michael Troyan  
Counsel Present: Michael Raine, Assistant Attorney General  
Christopher Munns, Assistant Attorney General (available telephonically)  
Staff Present: Denise Bale, Board Administrator

**A. Call to Order**

The hearing of the Arizona State Liquor Board was called to order on December 3, 2015 at 10:00 a.m. with Ms. Valdez presiding.

**Roll Call**

Ms. Scarafiotti and Mr. Troyan were absent. All other members were present. A.R.S. § 4-111(D) was invoked, designating a panel of Ms. Valdez, Mr. Du Pont, and Mr. Carruthers.

**B. 10:00 a.m. Agenda: Review, consideration and action**

**1. Restaurant Liquor License No. 1207A291 - Original Application**

Penny G. Zimmerman  
Norma Jeans L.L.C.  
Monroe's Bar & Grill  
13014 North Saguaro Blvd. #101  
Fountain Hills, AZ 85268

Subsequent to this matter being scheduled for hearing, an application withdrawal has been filed with the Board. This matter is set for hearing because of Department protest and because the Town of Fountain Hills recommended disapproval. There is an interim permit in place. The Applicant, Penny Zimmerman, did not appear at the hearing and was not represented by counsel. Landon Loveland appeared on behalf of the Town of Fountain Hills. Assistant Attorney General Michael Raine appeared on behalf of the Department of Liquor Licenses and Control. Assistant Attorney General Christopher Munns, from the Solicitor General's Office, was available to provide independent legal advice to the Board. Mr. Raine stated the Department does not object to the application withdrawal. Mr. Loveland stated the Town of Fountain Hills does not object to the application withdrawal.

Motion to accept  
 application withdrawal - Du Pont  
 Seconded - Carruthers  
 Yay - Du Pont, Carruthers, Valdez  
 Nay - None  
 Abstained - None  
 Disposition - Application withdrawal accepted

Motion to terminate interim  
 permit effective immediately - Carruthers  
 Seconded - Du Pont  
 Yay - Carruthers, Du Pont, Valdez  
 Nay - None  
 Abstained - None  
 Disposition - Interim permit terminated

**2. Beer and Wine Store Liquor License No. 10103789 - Original Application**

Clare Hollie Abel, Agent  
 Wal-Mart Stores Inc.  
 Wal-Mart #4490 Fuel  
 2533 East Commerce Center Place  
 Tucson, AZ 85706

This matter is set for hearing because the City of Tucson recommended disapproval and due to public protest. Prior to the meeting, Board Chair Cyndy Valdez issued an Order designating a panel pursuant to A.R.S. § 4-111(D), to which the parties did not object. The Agent, Clare Hollie Abel, appeared at the hearing. Walmart Neighborhood Market Manager Kevin Newman and Tucson Chamber of Commerce Executive Director Michael Varney testified in support of the Applicant. Walmart Community Affairs Director Philip Serghini appeared in support of the Applicant. The City of Tucson was represented by Principal Assistant City Attorney Stacy Stauffer. Yolanda Herrera, spokesperson for Protestor Southside Neighborhood Association Presidential Partnership (SNAPP), Superintendent Steven Holmes, spokesperson for Protestor Sunnyside Unified School District (SUSD), and Protestor Oscar Medina testified in support of the City of Tucson. Francisco Morales, Director of School Safety and Security for SUSD, appeared in support of the City of Tucson.

Ms. Valdez disclosed that her employer is Golden Eagle Distributors, Inc. Walmart is one of their larger customers. Ms. Valdez stated that her employment and compensation is not dependent on the revenue of Golden Eagle Distributors. She is not an owner or shareholder of the company and she does not own stock. Ms. Valdez stated that she is familiar with Mr. Varney through the Tucson Chamber of Commerce. She sits on the Tucson Chamber Board. She does not feel that her affiliation with Golden Eagle Distributors or the Tucson Chamber of Commerce will impact her ability to be an impartial member of the Board. She is not inclined to recuse herself unless there are any objections. Ms. Stauffer stated that the City of Tucson has no objection. Ms. Abel stated that the Applicant has no objection. Ms. Abel made an opening statement. Ms. Stauffer waived an opening statement.

Ms. Abel called her first witness, Kevin Newman. Mr. Newman described the policies and procedures for alcohol sales. Walmart's point of sale system requires customer ID for alcohol sales. Cashiers are required to pass certification every year. The company has zero tolerance for underage sales. Ms. Stauffer cross-examined the witness. The fuel center is on the same property within 100 yards of the store. The fuel center is 744 square feet. There were questions from the Board.

Ms. Abel called her next witness, Michael Varney. Mr. Varney made a statement in support of Walmart's application. There were no questions for the witness.

Ms. Stauffer called Steven Holmes as her first witness. Mr. Holmes discussed the concerns of the school district with respect to the number of liquor licenses in the community. He referred to posters which were timely submitted to the Board as exhibits. Ms. Abel cross-examined the witness and there were questions from the Board.

Oscar Medina was called as the next witness. Mr. Medina made a statement about safety in the community and what he and his neighbors would like to see in their community. There were no questions from Ms. Abel or the Board.

Yolanda Herrera was called as the City's last witness. Ms. Herrera is the president of SNAPP. She discussed the challenges of SNAPP residents and referred to photographs which were timely submitted to the Board as exhibits. Ms. Abel cross-examined the witness and there were questions from the Board.

Ms. Abel made a closing statement. Ms. Stauffer made a closing statement. There was Board discussion. Ms. Stauffer asked what vote is required to carry a motion given that the City Council's vote was unanimous. Mr. Raine advised that two-thirds vote is required (A.R.S. § 4-201(J)).

Mr. Du Pont made a motion concerning Liquor License No. 10103789: Personal qualifications, I feel that Walmart has met all of the requirements to fulfill A.R.S. 4-203. Based upon location factors, the demographics of this neighborhood, the concerns of the school district, the concerns of the surrounding neighborhoods, limited or reduced police force, we find that the public convenience does not require that the best interest of this community will be served as required by A.R.S. 4-203(A) by granting the liquor license and the Board deny the application. I also want to mention that there is a liquor license for this corporation for the large neighborhood store on the same premises and the same parking lot.

Motion to deny license -	Du Pont
Seconded -	Carruthers
Yay -	Du Pont, Carruthers
Nay -	Valdez
Abstained -	None
Disposition -	License denied on location factors

#### **C. Minutes**

Motion to approve the	
November 5, 2015 minutes -	Carruthers
Seconded -	Du Pont
Yay -	Carruthers, Du Pont, Valdez
Nay -	None
Abstained -	None
Disposition -	November 5, 2015 minutes approved

#### **D. 2016 Hearing Schedule: Review, consideration and action**

Motion to approve the	
2016 Hearing Schedule -	Du Pont
Seconded -	Carruthers
Yay -	Du Pont, Carruthers, Valdez
Nay -	None
Abstained -	None
Disposition -	2016 Hearing Schedule approved

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

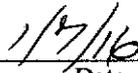
The next Board meeting is scheduled for January 7, 2016.

#### **F. Call to the Public**

None.

The Board adjourned at 11:20 a.m.

  
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Denise M. Bale  
Administrator of the  
Arizona State Liquor Board

  
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Date