



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

TROY L. CAMPBELL
Board Chair

TRACY UFFELMAN
Director

Arizona State Liquor Board Hearing Minutes
October 7, 2021

Members Present: Troy L. Campbell – Chair, Lynn Shulman – Vice Chair, Jill Pernice and Matt Roemer

Members Absent: None

Counsel Present: Michael Raine, Assistant Attorney General
Monique Coady, Independent Advisor to the Board

Staff Present: Denise Bale, Board Administrator
Arlene Moreno, Interim Board Administrator

A. Call to Order

The hearing of the Arizona State Liquor Board was called to order on October 7, 2021, at 9:00 a.m. with Mr. Campbell presiding via Google Meet. Other Board members, staff, and all parties participated either by Google Meet or telephonically.

Roll Call

All members were present. Mr. Roemer was introduced as the newest member of the Board.

B. 9:00 a.m. Agenda: Review, consideration and action

1. Bar Liquor License No. 06100174, Application No. 119787 – Owner Transfer Application

H.J. Lewkowitz, Agent
Lucky's LLC
Love Cabaret
5822 E. Speedway
Tucson, AZ 85712

This matter was continued from the September 9, 2021 hearings for Board discussion and vote. This matter was set for hearing because the City of Tucson recommended disapproval. Andrea Lewkowitz and J. Michael Murray appeared on behalf of the Applicant. Principal Assistant City Attorney Shilpa Hunter-Patel appeared on behalf of the City of Tucson. There was Board discussion about the Applicant's capability, qualifications and reliability.

Ms. Pernice made a motion:

Mr. Chairman, I move that we find that the Applicant is not capable, qualified and reliable as required in A.R.S. section 203(A) and that the Board deny this application for a person

transfer based on the facts that we recently discussed. That Applicant has not demonstrated that he is capable, qualified and reliable based on the testimony that we heard from the witnesses at the last meeting. The issues with the community that Vice Chairman Shulman mentioned. Mr. Cooper's visible absence from participating and resolving some of those issues, and also a lot of the unresolved challenges that have come up in the short time that he has been owner of that location.

Motion to deny application -	Pernice
Seconded -	Shulman
Yay -	Pernice, Shulman, Campbell
Nay -	None
Abstained -	Roemer
Disposition -	Application denied

2. Craft Distiller Liquor License, Application No. 148175 - Original Application

Carson Robert Clouston, Agent
Colt BBQ & Spirits
2970 N. Park Boulevard
Prescott Valley, AZ 86351

This matter was continued from the September 9, 2021 hearings. This matter is set for hearing because of Department protest based on violation of A.R.S. § 4-203(A) Capability, Qualifications, Reliability. The Applicant, Colt BBQ & Spirits, and its Agent, Carson Robert Clouston, appeared at the hearing and were represented by Camila Alarcon. Assistant Attorney General Michael Raine appeared on behalf of the Department of Liquor Licenses and Control (Department). Assistant Attorney General Monique Coady was available to provide independent legal advice to the Board.

Ms. Alarcon called her witness, Carson Clouston. Mr. Clouston is a 1099 contractor of construction work for Colt BBQ & Spirits. In the past year, he has been contracted to build up their Village of Oak Creek location. He has completed some steel work for them, built a couple of smokers, and performed some contracting work for their newest location in the downtown square of Prescott. He works 40-60 hours a week in this capacity for Colt BBQ & Spirits. The name of his distilling company is CX2 Spirits LLC and the name of the brand is Working Man. Distilling spirits is Mr. Clouston's passion. Brenda Clouston, the owner of Colt BBQ & Spirits, is his mother. The terms of purchasing the distillery equipment was a trade for his work on the Oak Creek location.

Mr. Raine questioned Mr. Clouston about his business plan for purchasing the distillery from his mother and how he intends to produce and promote his product. There were Board questions about his DUI's, driving on a suspended license, purchasing the distillery as a trade for 200 hours of work, and past experience with running a liquor licensed business.

Mr. Raine called his witness, Detective Risa Williams. Det. Williams has worked for the Department for ten years and has worked in trade practice for five years. Det. Williams had conversations with Mr. Clouston about his planned operation, documentation of purchasing the business, and divestment. The divestment issues Det. Williams described are the same business name, the same business phone number as her restaurant, the same address, no lease, and no separate bank account. Ms. Alarcon questioned Det. Williams. There were questions from the Board. Ms. Shulman made a motion.

I move that we find the Applicant is not capable, qualified and reliable as required by A.R.S. 4-203(A) based upon not having the proper paperwork to show that there's 100% control of the Applicant and the necessary documents that should be produced in a normal course of business. And that we find the public convenience does meet the best interest of the community, so the location is not a factor in the decision.

Motion to deny application -	Shulman
Seconded -	Pernice
Yay -	Shulman, Pernice, Campbell, Roemer
Nay -	None
Abstained -	None
Disposition -	Application denied

Motion to break for five minutes and reconvene at 10:50 a.m. -	Campbell
Seconded -	Shulman
Yay -	Campbell, Shulman, Pernice, Roemer
Nay -	None
Abstained -	None
Disposition -	Recess for five minutes and reconvene at 10:50 a.m.

3. Restaurant Liquor License No. 1207B125, Application No. 131725 - Acquisition of Control Application

Jeffrey Craig Miller, Agent
 Ardor Concepts LLC
 Golden Margarita
 330 E. Roosevelt Street
 Phoenix, AZ 85004

The Applicant, Ardor Concepts LLC, and its Agent, Jeffrey Craig Miller, were represented by Peter H. Schelstraete. Assistant Attorney General Michael Raine appeared on behalf of the Department. Assistant City Prosecutor Alexandra Lange appeared on behalf of the City of Phoenix. Assistant Attorney General Monique Coady was available to provide independent legal advice to the Board.

Mr. Campbell and Mr. Roemer disclosed that they had another time commitment preventing them from participating in the scheduled hearing past 12:00 p.m. Mr. Schelstraete's preference was to continue the matter in its entirety. Ms. Lange does not object to continuing the matter to a regularly scheduled meeting or a special meeting. Due to a lack of quorum of the Board after 12:00 p.m., the hearing will be continued until the next regularly scheduled board meeting, on November 4, 2021.

Motion to continue the hearing to the next meeting of the Board -	Campbell
Seconded -	Shulman
Yay -	Campbell, Shulman, Pernice, Roemer
Nay -	None
Abstained -	None
Disposition -	Hearing continued to the next meeting of the Board

C. Minutes: Review, Consideration and Action

Motion to approve minutes of August 5, 2021 -	Shulman
Seconded -	Campbell
Yay -	Shulman, Campbell, Pernice
Nay -	None
Abstained -	None
Disposition -	Minutes of August 5, 2021 approved

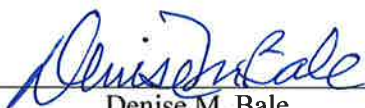
D. Reports on Current Events, Matters of Board Procedure, Requests and Items for Future Agenda

The next Board meeting is scheduled for November 4, 2021. Ms. Pernice will not be present. Two matters are set for hearing. Mr. Campbell asked Board members if they would consider moving the December 2 meeting to December 9 in order to provide more time for hearings. There were no objections or conflicts with changing the date of the December meeting. The Department's new Director, Tracy Uffelman, will attend a future meeting. Mr. Raine will provide training on Title 4 changes at a future meeting.

E. Call to the Public

None.

Motion to adjourn meeting -	Shulman
Seconded -	Pernice
Yay -	Shulman, Pernice, Campbell, Roemer
Nay -	None
Abstained -	None
Disposition -	Meeting adjourned at 11:11 a.m.



Denise M. Bale
Administrator of the
Arizona State Liquor Board



Date