



STATE OF ARIZONA
ARIZONA STATE LIQUOR BOARD
800 WEST WASHINGTON, 5TH FLOOR
PHOENIX, AZ 85007
Website: www.azliquor.gov

KATIE HOBBS
Governor

TROY L. CAMPBELL
Board Chair

BEN HENRY
Director

Arizona State Liquor Board Hearing Minutes
October 5, 2023

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

Members Absent: Victoria Yarbrough

Counsel Present: Deanie Reh, Assistant Attorney General
Linda Bergevin, Assistant Attorney General
Roberto Pulver, Assistant Attorney General, Independent Advisor to the Board

Staff Present: Denise Bale, Board Administrator
Christina Saget, Interim Board Administrator

A. Call to Order

The hearing of the Arizona State Liquor Board was called to order on October 5, 2023, at 9:02 a.m. with Mr. Campbell presiding. Google Meet was utilized for facilitating the meeting. Board members, staff, and all parties participated either online or telephonically. Board members were asked if they have, or a relative who has, a substantial interest or a remote interest with any of the matters on the agenda. Each member declared that he/she did not have a conflict of interest with any matters on the agenda.

Roll Call

Ms. Yarbrough was absent. All other members were present.

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

1. Denial of Application of BYOB Exemption, DLLC Case No. 23-001113

Kandies Cabaret Private Gentlemen's Club
Robert Wallace, Agent
Wallace Group, LLC
3790 Grand Avenue
Phoenix, AZ 85019

This matter is set for hearing because of Respondent's appeal of the Director's denial of a BYOB exemption request. The denial is based on violations of A.R.S. § 4-244.05 and A.A.C. R19-1-324(A)(3)(c). Kimberly A. Eckert appeared on behalf of the Appellant, Wallace Group, LLC doing business as Kandies Cabaret Private Gentlemen's Club. Assistant Attorney General Linda Bergevin appeared on behalf of the Department of Liquor Licenses and Control. Assistant Attorney General Roberto Pulver was present as an independent adviser to the Board.

Appellant's BYOB Exemption for the premises at 3790 Grand Avenue in Phoenix expired on July 22, 2023. Appellant filed a new application for a BYOB exemption on May 8, 2023. On June 16, 2023, the Chief of Investigations provided Appellant a preliminary notification that this application was denied. On August 17, 2023, the Director of the Department of Liquor Licenses and Control provided Appellant with a final notice that the application for a BYOB exemption had been denied. On August 25, 2023, Counsel for Appellant filed Appeal of Decision of Director to Arizona Liquor Board, requesting a hearing on the denial of the application. A hearing before the Arizona Liquor Board was set for October 5, 2023.

On October 2, 2023, Counsel for the Department filed Motion to Refer Appeal of Denial of BYOB Exemption to the Office Of Administrative Hearings ("OAH"). Counsel for Appellant filed its Response, on October 2, 2023, and agreed the BYOB Exemption appeal should be sent to and heard by OAH. The following day, Counsel for the Department filed its Reply to Appellant's Response.

Chair Campbell asked each of the parties to confirm their position of recommending this case for referral to the Office of Administrative hearings to gather facts and determine findings of facts, conclusion and law. Ms. Bergevin confirmed that it is still the Department's position that this matter should be referred to OAH for the gathering of facts, and finding of facts and conclusion of law. Ms. Eckert confirmed that as well. There was no further discussion by Board members.

Motion to move DLLC Case No. 23-001113, Kandies Cabaret to the Office of Administrative Hearings -	Shulman
Seconded -	David
Yay -	Campbell, Shulman, Pernice, David
Nay -	None
Abstained -	None
Disposition -	DLLC Case No. 23-001113, Kandies Cabaret, referred to the Office of Administrative Hearings

D. Minutes: Review, Consideration and Action

Motion to approve minutes of September 14, 2023 -	David
Seconded -	Shulman
Yay -	David, Campbell, Shulman, Pernice
Nay -	None
Abstained -	None
Disposition -	Minutes approved

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

Reports included OAH procedures and timeframe, economic impact of licensees and events such as the Super Bowl, matters scheduled for the next meeting, call to the public will remain on the agenda, and Ms. Bale's retirement.

F. Call to the Public

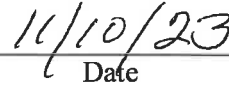
Thomas Aguilera commented on the rising number of alcohol related deaths in the country and the important work of the Liquor Board.

Motion to adjourn meeting -
Seconded -
Yay -
Nay -
Abstained -
Disposition -

Pernice
Shulman
Shulman, David, Campbell, Pernice
None
None
Meeting adjourned at 9:22 a.m.



Denise M. Bale
Administrator of the
Arizona State Liquor Board



Date