

CARSON CITY LIQUOR AND ENTERTAINMENT BOARD

Minutes of the May 17, 2005, Meeting

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A meeting of the Carson City Liquor and Entertainment Board was held during the regularly scheduled Board of Supervisors session on Thursday, May 17, 2007, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, that began at 8:30 a.m.

PRESENT: Chairperson Marv Teixeira, Vice Chairperson Richard S. Staub, and Board Members Robin Williamson, Shelly Aldean, Pete Livermore, and Ken Furlong

STAFF PRESENT: Linda Ritter City Manager
Al Kramer Treasurer
Larry Werner Development Services Director/City Engineer
Melanie Bruketta Chief Deputy District Attorney
Nick Providenti Senior Accounting Manager
Cheryl Adams Purchasing and Contracts Manager
Ed Queihle Senior Deputy District Attorney
Ray Saylo Lieutenant
Katherine McLaughlin Recording Secretary
(BOS 5/17/07 Recording 8:43:50)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Agenda Report and/or supporting documentation. Staff members making the presentation are listed after the Department's heading. A recording of these proceedings is on file in the Clerk-Recorder's office. It is available for review and inspection during normal business hours.

Mayor Teixeira recessed the Board's of Supervisors session and immediately convened the Liquor and Entertainment Board. A quorum is present, including Member Furlong. For Minutes of the Board of Supervisors, see its folder for this date.

ACTION ON APPROVAL OF MINUTES (8:43:59) - None.

RECESS: (8:44:05) Mayor Teixeira called for a recess at 8:45 a.m. (8:46:59) He reconvened the meeting at 8:47 a.m. The entire Board was present, constituting a quorum.

4. TREASURER - Deputy Treasurer Beth Huck

A. ACTION TO APPROVE A FULL LIQUOR WHOLESALE DISTRIBUTOR LICENSE FOR VIN SAUVAGE, LLC, WITH ALAN SAUVAGE AND MARQUIS SAUVAGE AS MEMBERS AND LIQUOR MANAGERS, LOCATED AT 4050 WEST SUNSET ROAD, SUITE D, LAS VEGAS (8:47:11) - Alan Sauvage, Marquis Sauvage - Discussion between the Sauvages and Chairperson Teixeira indicated that the business is located in Las Vegas and distributes wine and Sake. Member Furlong indicated that the Sheriff's Office had conducted an investigation and had no objections at this time to their license. Chairperson Teixeira complimented them for coming to the area and doing business here. Member Staub moved to approve a full liquor wholesale distributor license for Vin

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Sauvage, LLC, with Alan Sauvage and Marquis Sauvage as members and liquor managers, located at 4050 West Sunset Road, Suite D, in Las Vegas; fiscal impact is \$1,000 for original new fee, \$575 for an investigation fee, and \$200 for a quarterly fee. Member Aldean seconded the motion. Motion carried 6-0. The Board welcomed them to the community and wished them success in the community.

B. ACTION TO DETERMINE, BASED UPON THE INVESTIGATION CONDUCTED BY THE SHERIFF'S DEPARTMENT AND EVIDENCE AND TESTIMONY PRESENTED BEFORE THE LIQUOR AND ENTERTAINMENT BOARD, WHETHER SUFFICIENT CAUSE EXISTS TO SCHEDULE A SHOW CAUSE HEARING FOR THE LIQUOR LICENSE HELD BY BHUPINDER S LALLY, DBA WINNIE LIQUOR (8:49:25) - Deputy Jarrod Adams, Bhupinder Lally, Chief Deputy District Attorney Melanie Bruketta, Phillip Haskins - Deputy Adams highlighted his report regarding the March 22 and 24 incidents, his contact with the District Attorney's office regarding these incidents, and his contact with a Steve Parkhurst who has applied for a liquor license at the establishment. He advised that neither Mr. Parkhurst nor Mr. Lally had filed a management agreement with the Treasurer or the Board. Notices regarding server training had purportedly been left with Shea Davis on March 22. He also advised the Board that the landlord, a Gretta Pearl, had purportedly told him that Mr. Lally's lease expires at the end of the month and that Mr. Parkhurst has signed a new lease. Mr. Parkhurst was not present. Mr. Lally indicated that Mr. Parkhurst is in San Diego "right now" when asked if Mr. Parkhurst was aware of the Board meeting. Member Furlong indicated his concurrence with Deputy Adams' report and the recommendation that an investigation is conducted.

Mr. Lally explained his acquisition of the business on August 26, 2006, his grandfather's illness and death, and his hiring of Mr. Davis and his father to operate the store during his absence due to his grandfather's health. He alleged that Mr. Davis and his father had failed to tell him about the citations. He purportedly called the District Attorney's office who had advised him of them. He immediately terminated Mr. Davis and his father. His family is now running the business. He alleged that he is against serving minors and does not allow minors in the alcohol aisle. He claimed that he ids any individual who is less than 40 years old. He asked Deputy Adams what he has observed when Mr. Lally is operating the business. He also advised the Board that he has signed up for server training. He does not support Mr. Davis' actions. He acknowledged that he is responsible for the license. He has sold the store and is now trying to resolve the situation. He purported to have three children of his own and had put "everything" into the business. He asked the Board to allow him to continue to operate the business until Mr. Parkhurst or Mr. Phillips, who is also interested in acquiring the business, can take over. Discussion indicated that Mr. Parkhurst was to have been present and was to sign the escrow papers today. Mr. Parkhurst has allegedly not contacted Mr. Lally and Mr. Lally has been unable to reach him. Discussion indicated that Mr. Lally had been under the assumption that he did not have to take server training unless there is a problem. This is allegedly the California requirement. He repeated his assertion that he had no knowledge of the citations and asked what could be done to ensure notification to the business owner in the future.

Member Furlong pointed out that the clerk, Mr. Davis, knew he had been arrested and that his father had been advised about the arrest.

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Discussion between Member Livermore and Mr. Lally indicated that in the "middle of March" Mr. Lally had placed the business on the market. Gary Garwald, a Bay Area, California, broker is allegedly his broker. Mr. Lally does not have a Nevada agent. Mr. Lally also alleged that he and Mr. Parkhurst had contacted Ms. Pearl about Mr. Parkhurst taking over the lease. Mr. Lally thought that they would sign the escrow papers and the management agreement at the same time. The lease would stay as it is. He was uncertain when the application and investigation for a liquor license would occur. Member Livermore explained that as a business owner/operator, he must protect his investment and is responsible for the acts of his employees. Mr. Lally concurred and indicated that it has been an expensive lesson for him. Discussion between Member Aldean and Mr. Lally indicated that Mr. Lally believed escrow was to have closed yesterday. He also believed that Mr. Parkhurst should have already applied for the liquor license. A management agreement does not exist. It was to have been signed after the escrow papers were signed.

Deputy Adams reiterated that Mr. Parkhurst had applied for a liquor license on May 9. His application is being investigated. Chairperson Teixeira indicated that a management agreement has not been signed. Member Staub questioned whether it would be possible to authorize the investigation without requiring the Sheriff to spend a lot of time conducting the investigation. He wished to keep the pressure on Mr. Lally to sell the business. He felt that without authorization of the investigation, Mr. Lally will not pursue the sale. Ms. Brukett opined that the Sheriff's investigation had been completed and that the Board could set any amount of time desired to hear the report--two weeks, 30 days. Mr. Lally felt that the Sheriff's investigation must prove that the incidents occurred. Mr. Lally also indicated his belief that the sale would be completed within 30 days.

(9:06:35) Mr. Haskin indicated that he is a three-year Carson City resident who specializes in acquiring businesses and "rehabbing" them. If the deal with Mr. Parkhurst falls through, he was willing and able to acquire the business within one week.

Chairperson Teixeira suggested that a motion be made that would bring the matter back to the Board in 30 days. This would provide adequate time to complete the sale. Member Williamson moved to find, based upon the investigation conducted by the Sheriff's Department, and evidence and testimony presented before the Liquor and Entertainment Board that sufficient cause exists to schedule a Show Cause Hearing on June 21 for the Liquor License held by Bhupinder S. Lally, dba Winnie Liquor. Member Livermore seconded the motion. Motion was voted and carried 5-1 with Member Furlong voting Naye.

OTHER MATTERS (9:09:05) - Member Furlong announced and recognized Deputy Adams' award as the Northern Nevada Officer of the Year for Alcoholic Crime Type Activities. Deputy Adams' involvement in DUI check points, underage drinking programs, etc., was noted. Board comments commended and congratulated Deputy Adams on the award. No formal action was required or taken on this matter.

(9:10:20) There being no other matters for consideration, Chairperson Teixeira adjourned the Liquor and Entertainment Board meeting.

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The Minutes of the May 17, 2007, Carson City Liquor and Entertainment Board meeting

ARE SO APPROVED ON June 21, 2007.

/s/
Marv Teixeira, Chairperson

ATTEST:

/s/
Alan Glover, Clerk-Recorder