

LIQUOR CONTROL COMMITTEE MEETING
October 19, 2016
1:30 P.M.

Present: Commissioner Piepkorn, Commissioner Gehrig, Police Chief Dave Todd,
City Auditor Steve Sprague
Absent: Director Environmental Health Grant Larson
Others Present: Rick Carik, Rick's; Dean Bachmeier, Buffalo Wild Wings, Jerry Maley,
Dave Glessner, Spirit Properties; Nancy Morris, Johnson Law Office,
Aaron Templin, Front Street Tap Room; John Bachman, VIP Room &
Catering; Lisa Meyers, Wurst; Dustin Mitzel, Happy Harry's; Robyn Litke
Sall, FCPH; concerned citizens and other members of the industry.

Meeting was called to order at 1:30 P.M.

1. Commissioner Piepkorn called the meeting to order and asked if there were any additions or corrections to the minutes of August 24, 2016. There were no additions or corrections to the minutes of August 24, 2016. Moved by Gehrig, seconded by Todd to approve the minutes of the August 24, 2016 meeting of the Liquor Control Board; all voted in favor, motion passed unanimously.
2. A. The first application to be considered today is for the issuance of a Class ABH-Limited alcoholic beverage license to Bridge Hospitality LLC d/b/a Hawthorne Suites by Wyndham to be located at 4014 17th Avenue South.

Moved by Gehrig seconded by Sprague to approve the issuance of a Class ABH-Limited alcoholic beverage license to Bridge Hospitality LLC d/b/a Hawthorne Suites by Wyndham to be located at 4014 17th Avenue South.

All voted in favor, motion carried.

B. The second application to be considered today is for the transfer of a Class GH alcoholic beverage license from Gordone's Inc. d/b/a VIP Room & Catering to Bachman Catering LLC d/b/a VIP Room & Catering to be located at 624 Main.

Moved by Gehrig seconded by Todd to approve the issuance of a Class GH alcoholic beverage license from Gordone's Inc. d/b/a VIP Room & Catering to Bachman Catering LLC d/b/a VIP Room & Catering to be located at 624 Main.

All voted in favor, motion carried.

3. Commissioner Gehrig received a request to discuss server training fees from Cally Musland. Ms. Musland explained she recently started a part time job as a server and was surprised to find out the City required all servers to attend server training. While she attended school she worked as a server and know the importance of not serving under age patrons. Where she worked previously she was not required to attend server

training classes. Ms. Musland questioned why they had to pay for a mandated class, what they were paying for, what the cost of the program is, are there grant funds used in this program, the history of server training and whether the City is making money from this program.

Robyn Litke Sall from Fargo Cass Public Health (FCPH) responded their agency received a grant to be used to help curb underage drinking and adult binge drinking. Some of those funds were directed to supplement and enhance the server training materials and provide new sources of information, for instance they spent \$15,000 on a new video, \$450 in driver's license guides, \$1,950 for on line software for renewals and the like. The grant ended on Sept 30, 2016. Robyn indicated there are other server training programs available FCPH and the community decided to invest in our own program so that it could be customized to local trends. Other programs like TIPS cost \$40 and the ND Safety Counsel program costs \$35, our cost of \$20 for a three-year certificate appears reasonable. The highest component is the salary to have an officer conduct the training. In addition, we have administration costs for scheduling the program, registration, issuing server training cards and the like. FCPH does not make a profit on conducting server training.

4. Sprague explained he has received a couple of requests to allow the sale of wine with the Class C license. This request stems from the cider product, cider is generally carried by the beer distributors and until last week Sprague thought cider was a form of beer. After consulting the State about ciders, he discovered that ciders are considered a wine product because of the ingredients used to make ciders. He also discovered that the beer distributors have licenses to distribute wine and the spirit distributors are selling beer products. The businesses that are using the Class C license have been selling ciders mostly because they were able to get the product from the beer distributors.

Lisa Meyers from Wurst explained that she has looked at all the other license categories and none will allow her to run her operation as she has been. The Class I requires 65% food sales, FA-RZ doesn't allow E permits, W has a food requirement and limits the beer sales. She commented she has a side room that can be reserved for parties, on occasion she will lose customers because she doesn't offer wine. She would like to be able to offer German wines, she reminded the board they have made changes to other classes of licenses.

Commissioner Piepkorn commented that this is not confusing, beer is beer. Commissioner Gehrig said the licenses are not a commodity, Chief Todd was concerned about unintended consequences.

Liquor Control Board minutes are available on line at:

<http://www.cityoffargo.com/Business/Licensing/Alcohollicensing/LiquorControlBoard/>

Aaron Templin, Front Street Tap Room, stated ciders are an exciting addition to the craft beer world. The current Class C license holders are selling ciders; it is a gluten free alternative to beer. He said he was not aware cider was not a beer and he assumed he would be able to sell what the other class C licenses are selling. He commented the Frothy Stache in Moorhead sells both beer and cider. The lines of product are being blurred.

Gehrig moved, Sprague seconded to look into creating or amending a license so it would be a wine on sale similar to the Class C for beer and the license types would be able to be combined. Voting in favor, Gehrig Sprague, voting against, Piepkorn and Todd, motion failed.

Jerry Maley indicated he is looking at a business that the class C with wine added would be the only fit for his business operation.

Moved by Gehrig, seconded by Sprague to review at the subcommittee, motion passed.

5. Sprague updated the Board complimentary service licenses, Nancy Morris stated there are potential conflicts with the State regarding service area, licensees would be responsible for all other provisions of alcohol licensing, the products to be served needed to be defined and that the product was provided free of charge to a patron, and that the service is adjunct to the primary business.

Sprague mentioned the content of a potential brown bag would be discussed tomorrow at the subcommittee meeting. Sprague also presented a proposed addition to the audit language, that language still needs to be vetted.

There being no further business to come before the Liquor Control Board, the meeting was adjourned at 2:25 p.m. **The next regular meeting will be held Wednesday, November 16, 2016 at 1:30 p.m. in the City Commission Room.**

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