



TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

MINUTES

THURSDAY, APRIL 26, 2018

11:00 a.m.

The April meeting of the Tennessee Alcoholic Beverage Commission was held on Thursday, April 26, 2018, in Nashville, Tennessee. Chairman Skiles, Commissioner Jones, and Commissioner Harb Roberts were present. In attendance on behalf of TABC staffs were the following: Director Byrd, Assistant Director Blair, CLEO Tubbs, Keith Hollingshead-Cook, Mark Reineke, Joshua Stepp, Christopher Dowell, Nancy Townsend, Nichelle Dorroh, and Coty Shadowens.

1. REVIEW/APPROVAL OF THE MARCH 22, 2018, COMMISSION MEETING MINUTES

Discussion/Action Taken: Commissioner Jones moved for approval of the minutes and Commissioner Roberts seconded the motion. The motion passed with three ayes.

Director Byrd requested that two housekeeping items be heard out of order. Director Byrd commented that the Petition for Declaratory Order was withdrawn by the Petitioner and Director Byrd commented that the applicant - Natchez Hills Vineyard requested additional time to evaluate this issue in the context of a new law.

2. RETAIL MATTERS

**1. TOPSIDE WINE & SPIRITS (LICENSE NO. 3576)
LOUISVILLE, TENNESSEE (BLOUNT COUNTY)**

Applicant:	Topside Wine & Spirits LLC	
Member(s):	<u>Before (%)</u>	<u>After (%)</u>
	Teena Tipton, 50	Teena Tipton, 5
	Dustin Tipton, 50	Tavin Schram, 50
		Tad Schram, 45

Retail package store licensee no. 3576 located at 2037 Topside Rd., Louisville, TN 37777 is requesting Commission approval for a change in LLC members and member interest. Tavin Schram and Tad Schram are acquiring 95% ownership in the business and Teena Tipton will retain 5% interest in the LLC. The TABC staff recommends approval of this request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Jones



moved for approval and the motion was seconded. The motion passed with three ayes.

**2. TOTAL WINE SPIRITS BEER & MORE
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Applicant: Tennessee Fine Wines & Spirits, LLC

The applicant was conditionally approved on January 25, 2018¹, for the issuance of a retail package store license to do business at 11370 Parkside Dr., Knoxville, TN 37934. Due to construction delays the applicant requested and received an initial 30 day extension by staff that extends the conditional approval through May 25, 2018. The applicant is now before the Commission to request a second extension period of thirty days. If approved, the applicant's conditional approval will be extended through June 25, 2018. The TABC staff recommends approval of this request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval. Attorney Bill Hubbard was present on behalf of the applicant and noted the construction has been expedited. Commissioner Jones moved for approval of the extension through June 25, 2018, and the motion was seconded. The motion passed with three ayes.

**3. POPLAR PIKE WINES AND LIQUORS (LICENSE NO. 4070)
GERMANTOWN, TENNESSEE (SHELBY COUNTY)**

Applicant: Poplar Pike Wines and Liquors LLC

Member(s):	<u>Before (%)</u>	<u>After (%)</u>
	Frank Wesley Truett, 92	Frank Wesley Truett, 100
	Ed Truett, 4	
	Anne Truett, 4	

Retail package store licensee no. 4070 doing business at 9330 Poplar Pike, Germantown, TN 38139 is requesting approval of a change in LLC members and member interest. Frank Wesley Truett has acquired the ownership shares previously held by Ed Truett and Ann Truett. The TABC staff recommends approval of the request.

¹ The application was conditionally approved on January 25, 2018, subject to the following: agent report, inspection & acknowledgment of rules & regulations, certificate of occupancy, license fee, and responsible vendor certification.



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Roberts moved for approval and the motion was seconded. The motion passed with three ayes.

**4. MILLINGTON LIQUOR STORE (LICENSE NO. 3893)
MILLINGTON, TENNESSEE (SHELBY COUNTY)**

Applicant: U & J Inc.
Shareholder(s): Before (%) After (%)
Ushaben Patel, 100% Bharatbhai P. Patel, 100%

The retail package store licensee (no. 3893) doing business at 5073 Navy Rd., Millington, TN 38053 is requesting approval for a change in shareholders. If approved, Bharatbhai Patel will acquire 100% ownership in the corporation from his daughter, Ushaben Patel. The TABC staff recommends approval of the request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Jones moved for approval and the motion was seconded. The motion passed with three ayes.

**5. LIQUOR WORLD
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

Applicant: Rita Patel Inc.
Shareholder(s): Rita Patel and Mahendra Patel

Current d/b/a name: Bacchus Fine Wine & Liquors
Proposed d/b/a name: Liquor World

Current location: 1940 N. Jackson St., Tullahoma, TN 37388
Proposed location: 1816 N. Jackson St., Tullahoma, TN 37388

Retail package store licensee no. 4132 has two requests before the Commission. The first request is to change its d/b/a name to Liquor World. The second request is to relocate the package store to 1816 N. Jackson St., Tullahoma, TN 37288. The TABC staff recommends approval of the d/b/a name change and the staff recommends conditional approval of the location change subject to receipt of the certificate of occupancy and a TABC inspection.



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and noted there were two requests for this item. Director Byrd recommended approval of the d/b/a name change. Commissioner Jones moved for approval and Commissioner Roberts seconded the motion. The motion passed with three ayes. Director Byrd recommended conditional approval of the location change subject to the certificate of occupancy and TABC inspection. Commissioner Jones moved for approval and the motion was seconded. The motion passed with three ayes.

6. BUSTER'S LIQUORS & WINES (LICENSE NO. 0262) MEMPHIS, TENNESSE (SHELBY COUNTY)

Applicant: Romulus Corporation

Shareholder(s): Before
Romulus M. Hammond, and Gay Hammond Irrevocable Life Insurance Trust dated March 7, 2007; 80.24%
Romulus M. Hammond III, Living Trust dated April 10, 2007; 19.76%

After
Romulus M. Hammond and Gay Hammond Irrevocable Life Insurance Trust dated March 7, 2007, 80.24%
The Romulus Hammond Family Trust f/b/o Gay Hammond, 19.76%

Before the Commission is a request for approval of a change in shareholders in Romulus Corporation, the retail package store licensee located at 191 South Highland St., Memphis, TN 38111. After the death of Mr. Romulus M. Hammond III in July 2017, the interest of the Romulus M. Hammond III Living Trust was transferred to The Romulus Hammond Family Trust f/b/o Gay Hammond. The TABC staff recommends approval of the change.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and Commission Counsel, Joshua Stepp, provided clarification on the requested change. Director Byrd recommended approval of the request. Commissioner Harb Roberts moved for approval of the change and the motion was seconded. The motion passed with three ayes.

7. DISCOUNT PACKAGE STORE



KINGSPORT, TENNESSEE (SULLIVAN COUNTY)

Applicant: Matthew Glass

Current: John D. Cox d/b/a John B. Dennis Pkg Store (license no. 0946)

Proposed: Matthew Glass d/b/a Discount Package Store

Before the Commission is a request for approval of a retail package store licensee to be located at 2716 N. John B. Dennis Hwy, Kingsport, TN 37660. Applicant is purchasing the business from the existing owner² and will lease the premises from landlord, John D. Cox. Applicant's spouse is employed by a TABC licensed wholesaler. Based on the specific facts³ of this application it is the opinion of TABC staff that applicant's spouse does not have an indirect interest in the wholesaler. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

a. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and addressed the legal issue before the Commission. Director Byrd provided an overview of the issue and applicable statutes. A discussion was held. Attorney Will Cheek, the applicant, and applicant's spouse were present. In response to question from the Commission, Director Byrd recommended the applicant provide Commission with factual basis for why the license should be granted and recommended the matter be continued one month. A discussion was held and as part of the discussion, Attorney Will Cheek addressed the Commission on this matter and noted that applicant's spouse is not interested in operating the store and that her job is not related to selling alcohol to a liquor store. Mr. Cheek also noted the spouse does not receive stock options from her employment. In response to a question from the Commission Will Cheek commented he was in communication with Hank Hildebrand and that he is aware of the issue. Commissioner Roberts inquired if the spouse would be willing to sign an affidavit and Mr. Cheek indicated she would be willing to do so. Director Byrd recommended the matter be continued one month. Commissioner Roberts moved to continue the matter to May 2018 and the motion was seconded. The motion passed with three ayes. Later in the meeting, Director Byrd notified the Commission that applicant's spouse would be willing

² In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.

³ The applicant's spouse receives a salary and 401(k) but does not receive any commission or other share of the proceeds and no stock options. The applicant's spouse is not a manager and has no managerial duties.



to surrender the permit card and resign from her employment. Will Cheek requested to be heard on the matter and commented that the applicant believed the sale of the business would fall through if this matter was continued another month. The Commission discussed whether spouse's resignation from her employment would be necessary at this time. Based on comments from the Commission Director Byrd then recommended conditional approval of the application subject to receipt of an affidavit satisfactory to staff on this issues expressed by staff and the Commission and the license fee. Commissioner Jones moved for approval of the request subject to the stipulations stated by Director Byrd and the motion was seconded. The motion for conditional approval passed with three ayes.

8. FRANKLINS WINE AND SPIRITS LEBANON, TENNESSEE (WILSON COUNTY)

Applicant: Franklins Wine and Spirits, Inc.
Shareholder(s): Aruna Meraiya,⁴ 100%

Before the Commission is a request for approval of a new retail package store to be located at 3961 Lebanon Rd., Lebanon, TN 37087. The applicant will lease the premises from Franklin Market Realty Inc. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy
- b. TABC inspection which includes an acknowledgment of rules & regulations
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to conditional items (a) – (c). Commissioner Jones moved for approval subject to receipt of any missing items. The motion was seconded and it passed with three ayes.

9. CORNER WINE & SPIRITS FRANKLIN, TENNESSEE (WILLIAMSON COUNTY)

Applicant: Magnum Wines, LLC
Member(s): Ranjanben M. Patel⁵, 65%

⁴ Aruna Meraiya also owns J & L Liquors One Inc. d/b/a J and L Liquors (license no. 4170) located at 322 Hester Dr., White House, TN 37188.



Hemang R. Patel, 35%

Current licensee: Jai Guru Development of Franklin LLC d/b/a Corner Wine and Spirits (license no. 3780)
Proposed licensee: Magnum Wines, LLC d/b/a Corner Wine & Spirits

Before the Commission is a request for approval of a retail package store licensee to be located at 1110 Hillsboro Rd., Ste. 120, Franklin, TN 37064. The applicant is purchasing the business from the existing owner⁶ and the landlord has agreed to the assignment of the lease to the new owner. The TABC staff recommends approval of this request subject to receipt of the following items:

- ~~a. agent report~~
- b. TABC inspection which includes an ack. of rules & regulations
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to conditional items (b) and (c). Director Byrd noted that the agent report has been completed. Commissioner Jones moved for approval subject to receipt of any missing items. The motion was seconded and it passed with three ayes.

10. MAIN STREET LIQUOR LOBELVILLE, TENNESSEE (PERRY COUNTY)

Applicant: Lobelville Liquor & Wine Inc.
Shareholder(s): Ghansyham Patel, 100%

Before the Commission is a request for approval of a new retail package store to be located at 65 N. Main St., Lobelville, TN 37097.⁷ The applicant is leasing the premises from landlord, Lobelville Investment Holding Inc. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy

⁵ Ranjanben Patel is also an owner of Radhe Radhe Bal, LLC d/b/a Del Rio Wine & Spirits (license no. 3791) located at 111 Del Rio Pike, Franklin, TN 37064.

⁶ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.

⁷ Staff confirmed that the city of Lobelville meets the definition of municipalities as defined in T.C.A. 57-3-101(a)(14) which requires a population of at least 925 persons by the federal census of 1950 or any subsequent federal census. Lobelville has a population of 897 people today, but in the 1980 census had 993 people which meets the definition.



- b. TABC inspection & acknowledgment of rules & regulations
- c. responsible vendor certification
- d. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to receipt of conditional items (a) through item (e). Commissioner Harb Roberts moved for conditional approval of the request subject to receipt of any missing items and the motion was seconded. The motion passed with three ayes.

11. MONTEREY DISCOUNT LIQUOR & WINE MONTEREY, TENNESSEE (PUTNAM COUNTY)

Applicant: TYAG, Inc.
Shareholder(s): Vishnubhai K. Patel, 50%
Vitthalbahi M. Patel, 50%

Before the Commission is a request for approval of a new retail package store to be located at 702B N. Chestnut St., Monterey, TN 38574. Applicant will lease the premises from Ashkar Properties, Inc. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- ~~a. agent report~~
- b. certificate of occupancy
- c. TABC inspection which includes an acknowledgment of rules & regulations
- d. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to conditional items (b), (c) and (d). Director Byrd noted the agent report had been completed. Commissioner Harb Roberts moved for conditional approval of the request subject to receipt of any missing items and the motion was seconded. The motion passed with three ayes.

3. WINERY MATTERS

1. NATCHEZ HILLS VINEYARD (SF-9) NASHVILLE, TENNESSEE (DAVIDSON COUNTY)



Applicant: JKO Enterprises Inc.⁸
Member(s): James Odom (51%) and Karen A. Odom (49%)

Satellite facility licensee no. 9 is requesting approval to expand its premises at 900 Rosa Parks Blvd., Nashville, TN 37208. The licensee is located in approximately 825 square feet at the Nashville Farmer's Market and the proposed expanded area, for the limited purpose of service and consumption, would include practically the entire Farmer's Market, including the market house, 7th Avenue patio, 8th Avenue patio, farm sheds and garden center within the gated perimeter. The requested expanded premises are already occupied by other tenants and/or are common areas which are not exclusive to the applicant. The space in which the applicant is authorized to sell wine is not being expanded, only the space in which the wine can be served and consumed. The TABC staff is of the opinion that the Commission does not have the statutory authority to approve this request and recommends this request be denied.

Discussion/Action Taken: Director Byrd noted that the applicant requested this item be continued another month. This matter was not heard at the April meeting.

2. COREY IPPOLITO WINERY AND WEDDING VENUE BLOUNTVILLE, TENNESSEE (SULLIVAN COUNTY)

Applicant: DaneBeez Corporation
Shareholder(s): Kenneth Nickle, 50%
Carla Nickle, 50%

Before: Kevin W. and Nancy J. Corey d/b/a Corey Ippolito Winery (W-45)
After: DaneBeez Corporation d/b/a Corey Ippolito Winery and Wedding Venue

The applicant is requesting approval for the issuance of a winery license at 533 Rogers Oakdale Pvt. Drive, Blountville, TN. The applicant is leasing the premises from the former owners of the winery, Kevin and Nancy Corey. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. license fee

⁸ JKO Enterprises Inc. also holds satellite facility license no. 3 at 4225 Whites Creek Pike, Nashville, TN 37189. The winery (W-78) for JKO Enterprises Inc. is located at 109 Overhead Bridge Rd., Hampshire, TN 38461.



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to the license fee. Commissioner Harb Roberts moved for approval subject to receipt of the missing item and the motion was seconded. The motion passed with three ayes.

4. DISTILLERY/BREWERY

1. BRUSHY MOUNTAIN DISTILLERY LLC PETROS, TENNESSEE (MORGAN COUNTY)

Applicant: Brushy Mountain Distillery LLC
Member(s): Brushy Mountain Group LLC
Member(s): Peter Waddington, 81%
Brian May, 19%

Applicant is requesting approval of a manufacturer's license to do business at 9182 Highway 116, Petros, TN 37845. The Morgan County Economic Development Board Inc. is leasing the premises to the business. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. ~~agent report~~
- b. ~~TABC inspection which includes an ack. of rules & regulations~~
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request. Director Byrd noted that item (a) and (b) had been completed. Commissioner Jones motioned for approval subject to the receipt of the license fee and the motion was seconded. The motion passed with three ayes.

2. ELK RIVER DISTILLERY FRANKEWING, TENNESSEE (LINCOLN COUNTY)

Applicant: Elk River Distillery LLC
Member(s): Robert Lott

Applicant is requesting approval of a manufacturer's license to do business at 192 McBurg Delrose Rd., Frankewing, TN 38459. Dr. Lott is the owner of the real property where the distillery will be located and is leasing the premises to the



LLC. The TABC staff recommends conditional approval of the request subject to receipt of the following items:

- a. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request. Commissioner Jones motioned for approval subject to the receipt of the license fee and the motion was seconded. The motion passed with three ayes.

3. BIG RIVER DISTILLING COMPANY, LLC (LICENSE NO. 114) MEMPHIS, TENNESSEE (SHELBY COUNTY)

Applicant: Big River Distilling Company LLC
Member: Distilled Spirits, LLC, 100%

<u>Current (%)</u>	<u>Proposed (%)</u>
Stephen W. Tanzer, 50%	Robert J. Delpriore, 30%
Robert J. Delpriore, 34%	Hill Creek Holdings, LLC, 45%
Frank L. Watson Jr., 16%	Frank L. Watson, Jr. Revocable Trust 2014, 15%
	Robert C.M. Williams (McCauley), 10%

Manufacturer licensee no. 114 doing business at 802 Royal Avenue, Memphis, TN 38107, is requesting approval for changes in LLC members and member interest in Distilled Spirits, LLC, the 100% owner of licensee, Big River Distilling Company, LLC. Robert C.M. Williams is being added as a new owner. Additionally, Stephen Tanzer intends to transfer his interest to Hill Creek Holdings, LLC and Frank Watson intends to transfer his interest to the Frank Watson, Jr., Revocable Trust 2014. The TABC staff recommends approval of these changes.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Harb Roberts moved for approval of the changes to the ownership structure and the motion was seconded. The motion passed with three ayes.

5. MISCELLANEOUS

A. Determination of Action Regarding Petition for Declaratory Order submitted by The Wine Group



Discussion/Action Taken: Director Byrd noted this item had been withdrawn by The Wine Group. This matter was not heard at the April meeting.

B. SB2518/HB1540⁹ UPDATE and DISCUSSION

Discussion/Action Taken: Assistant Director Blair updated the Commission on the bill HB1540 which had been assigned Public Chapter 783. Assistant Director Blair provided an overview of each of the sections and discussed the provisions dealing with the package store moratorium and whether or not the Commission would be interested in considering whether to delegate to staff the authority to deny licenses under these circumstances. Director Byrd commented that the staff wanted to raise the issue but that a decision was not necessary at this time.

C. RLPS UPDATE

Discussion/Action Taken: Director Byrd updated the Commission in this item. Director Byrd provided a breakdown on the number and type of licenses issued in RLPS.

D. ENFORCEMENT UPDATE

Discussion/Action Taken: Director Byrd introduced the matter and requested CLEO Tubbs update the Commission on this item. CLEO Tubbs updated the Commission on the law enforcement actions and training within the previous month. Attorney Hollingshead-Cook updated the Commission on several significant cases from the past year including summary suspensions, license suspensions due to sales to minors, and a significant forfeiture case.

6. NEXT MEETING –Thursday, May 24, 2018, at 1:00 p.m. (meeting time moved to 1:00 p.m.)

*The Audit Committee Meeting will immediately follow the Commission meeting on May 24, 2018.

7. UPCOMING MEETINGS

- Thursday, May 24, 2018, at 1:00 p.m. (Audit Committee Meeting to follow the regular meeting)

Discussion/Action Taken:

⁹ <http://wapp.capitol.tn.gov/apps/BillInfo/Default.aspx?BillNumber=HB1540&GA=110>



- The May 24th meeting time was moved to 1:00 p.m. The audit committee meeting will follow the regular meeting on May 24th.
- The June meeting date was set for Thursday, June 28, 2018, at 1:00 p.m.
- The July meeting date was tentatively set for Thursday, July 26, 2018, at 1:00 p.m.

**APPROVED FOR ENTRY UPON THE MINUTE BOOKS OF THE TENNESSEE ALCOHOLIC
BEVERAGE COMMISSION THIS THE 24th DAY OF MAY 2018.**



COMMISSIONER



CLAYTON BYRD, DIRECTOR

