

MINUTES  
REGULAR MEETING OF  
LAKEWOOD LIQUOR AND FERMENTED MALT BEVERAGE  
LICENSING AUTHORITY

May 22, 2003

Regular Meeting of the Lakewood Liquor and Fermented Malt Beverage Licensing Authority was held on this date in the City Council Chambers.

ITEM 1. CALL TO ORDER

Chairman Taake called the meeting to order at 7:00 p.m.

ITEM 2. ROLL CALL Fred Taake – presiding  
Kristina Hansson  
Douglas Monsoor  
Lorri Stevens

Absent: Stan Wisneski

Also present: Paul Kennebeck, Deputy City Attorney  
Richard Miller, Attorney at Law

Full and timely notice of this meeting had been given and a quorum was present.

ITEM 3. NEW APPLICATION

Retail Liquor Store License  
Jason Murphy, Inc., dba Alameda Liquor, Inc.  
319 S. Sheridan Blvd.

Deputy City Attorney Kennebeck stated that two sets of petitions had been submitted to the City to show the positive needs and desires of the adult inhabitants of the neighborhood. After being reviewed, the first set of petitions was deemed unacceptable because they appeared to be written by the same hand. Mr. Kennebeck also stated that the Liquor Inspector, Lenora Moore, conducted a follow up investigation on the second set of petitions and discovered that several people, who were listed as signing, did not sign and a number of listed addresses didn't exist. Mr. Kennebeck asked the Authority to continue this hearing so he can refer this matter over to the Police Department. If they determine that some type of fraud was committed, the City will oppose the issuance of this license based on bad moral character.

Jason Murphy, 319 S. Sheridan Blvd., appeared before the Authority and was sworn in. He testified that he is a second-year law student and has a clear understanding that the documents submitted with this application must be absolutely valid. Mr. Murphy stated that he did not collect these signatures and has an Affidavit signed and notarized by the individual who circulated the petitions. He too wished to continue the hearing so he could sort the situation out and make sure everything is in order.

Mr. Monsoor moved to continue the hearing on the retail liquor store license application for Jason Murphy, Inc., dba Alameda Liquor, Inc. to a date certain of July 24, 2003. The motion was seconded and with those present voting Aye, THE MOTION TO CONTINUE THE HEARING CARRIED.

ITEM 4. GENERAL BUSINESS

(A) Issue a summary suspension against:

Hotel & Restaurant License  
Hector & Alma Rosa Sanchez, dba Cazadores Mexican Restaurant  
1080 S. Wadsworth Blvd.

Attorney Kennebeck stated that this request is "ex parte" meaning the other party is unaware of this. This is allowed under the liquor code as long as a full hearing is conducted within a two-week period. Mr. Kennebeck said the liquor code provides for an emergency suspension of 15 days against a licensee if that licensee is guilty of a deliberate and willful violation of any applicable law or regulation or, that the public health, safety, or welfare requires such emergency action. The City is also asking for a hearing date of June 5, 2003.

Attorney Kennebeck stated that a number of drug sales have occurred at this establishment over a one and one-half year period. This drug activity is a violation of liquor violation 47-900A, Conduct of Establishment.

Edgar Loar, Sergeant with the Lakewood Police Department, appeared before the Authority and was sworn in. Sergeant Loar testified that he is a supervisor assigned to the West Metro Drug Task Force. The Front Range Task Force began an investigation approximately 20 months ago. Two informants speaking of a large cocaine and marijuana distribution ring being brokered out of Cazadores precipitated the investigation.

Sergeant Loar testified that drug transactions and sales listed on the complaint occurred both inside the restaurant and outside in the restaurant's parking lot. He provided the Authority with details of the drug transactions that were monitored by him and other members of the task force. Cazadores became the central meeting place for the three brothers who were the head of the drug ring. Sergeant Loar stated that many of the individuals targeted in this investigation were friends of the owner, Hector Sanchez, and that there is a direct tie between the three brothers and Hector Sanchez. He stated that both Hector and Alma are absentee owners and are in fact, running a restaurant in Texas.

In response to questions from the Authority, Sergeant Loar stated that neither the owners nor the manager were arrested at the conclusion of this investigation. He also stated that this investigation culminated in the latter part of April of 2003 with 19 indictments being handed out and another 15 indictments to follow. He believes the drug trafficking being conducted out of Cazadores has been stopped with the issuance of the indictments.

The Liquor Authority entered into a discussion amongst themselves. Attorney Miller instructed the Authority that this is not a conduct of premises case as it's postured, but a summary suspension and they have to look at that statute. He stated that the Authority has to find deliberate and willful conduct on the part of the licensee, or the activity is ongoing and constitutes an imperative danger to the public health, safety, and welfare.

Mr. Monsoor felt that based on Sergeant Loar's testimony, there is probable cause to hold a show cause hearing for the suspension or revocation of the license, but the issue of public welfare is a moot point and therefore a summary suspension should not be issued. The drug trafficking operation has been shut down, indictments have been issued, and arrests have been made.

Ms. Hansson felt that there has been a willful and deliberate violation of the liquor code in that the licensees have chose to be absent for an extended period of time and allowed this activity to happen.

Mr. Taake felt that the manager, who is an agent of the licensee, should have been aware of the illegal activity being conducted on the premises and in turn the owners should have been aware of the illegal activity being conducted on their premises.

Ms. Hansson moved that there has been a willful and deliberate violation of the regulation regarding conduct of establishment and that a summary suspension be served upon Hector & Alma Rosa Sanchez, dba Cazadores Mexican Restaurant, effective May 23, 2003, and that a show cause hearing be held on June 5, 2003. The motion was seconded and with the vote being 3 Ayes, and 1 Nay (Mr. Monsoor), THE MOTION TO SUMMARILY SUSPEND THE LICENSE AND HOLD A SHOW CAUSE HEARING CARRIED.

(B) Notice of objection to issuance of a permanent liquor license and complaint against the temporary liquor license

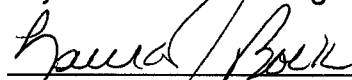
Hotel & Restaurant License  
Surges, Inc., dba Surges Bar & Grill  
11475 W. Colfax Ave.

Attorney Kennebeck stated the president of the corporation has had a series of driving under the influence charges and driving while alcoholically impaired charges. He is currently on probation in California. On April 4, 2003, he was arrested for another D.U.I. after leaving Surges Bar & Grill. The City feels this string of events is under the province of bad moral character and is grounds to object to the issuance of a permanent liquor license and revocation of the temporary permit.

Ms. Hansson moved to hold to a date certain of July 10, 2003, the complaint and order to show cause hearing for Surges, Inc., dba Surges Bar & Grill, 11475 W. Colfax Ave. The motion was seconded and with those present voting Aye, THE MOTION TO ISSUE A COMPLAINT CARRIED.

ITEM 5. ADJOURNMENT

There being no further business to come before the Authority, Chairman Taake adjourned the meeting at 8:45 p.m.

  
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Laura Bock, Liquor Licensing Clerk