

**MEMORANDUM**

**TO** Chief Treadway  
**FROM** Sgt. Matt Wright #704  
**DATE** April 1, 2014  
**REF** LIQUOR LICENSE APPLICATION – SERIES 10- FOR “Texaco”

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On April 1, 2014, I initiated an investigation into an application for a series 10 liquor license filed by David Michael Horne (Agent) and Alicia Ann Settles (Controlling Person) the new owners of the Milton Road Texaco. The Milton Road Texaco is located at 1601 S. Milton Road in Flagstaff. David and Alicia just purchased the business from the previous owner Joe Nackard. The liquor license application number being applied for is 10033190.

Joe Nackard has owned the business since 1996 when David Michael Horne started working there. The location has operated with a valid liquor license since that time. The current liquor license is a series 10 (Beer and Wine Store). The sale of the business to David Horne and Alicia Settles requires the current series 10 license to become inactive when the issuance of the new series 10 license is complete. I confirmed the business is just outside of 300 feet from the nearest elementary school measuring building edge to building edge. However, in recent years the school has constructed a fence around their property which now brings the school property line within 300 feet of the licensed premises. The state law requires that a licensed establishment be outside of 300 feet from the fenced recreational area of the nearest school. An exception to this law is found in Arizona Revised Statutes 4-207.C. This statute allows the transfer of a liquor license when a school or church moves within the 300 foot limit after the issuance of a valid liquor license. This rule also applies when the business maintains a valid liquor license through the transfer process. The applicants are currently operating under the old license until the new license is issued. I conferred with a State Liquor License and Control. It was confirmed that the issuance of the series 10 license would be allowable and “grandfathered” in due to state statute 4-207.C.

I spoke with David Horne who advised he and Alicia Settles have both attended the required liquor law training courses and provided proof. David said he and Alicia would be operating the day to day operations.

I conducted a local records and a public access check on David Michael Horne and Alicia Settles. No criminal record was found for Alicia Settles. David Michael Horne was arrested for criminal damage in 2004 by Coconino County Sheriff’s Department. No official charges were filed by the County Attorney’s Office. David said he was cited for furnishing tobacco to a minor

in April of 2013, after misreading the ID he was provided. He entered into and successfully completed a deferred prosecution program and the charge has been “set aside”.

As a result of this investigation, I do not oppose this application. Recommendation to Council would be approval.