

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

WEDNESDAY, MAY 15, 2019

NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA

Tim Holden, Chairman
Mike Negra, Board Member
Charlie Mooney, Executive Director
John Stark, Board Secretary

[Office of Chief Counsel](#)
[Bureau of Licensing](#)
[Bureau of Human Resources](#)
[Bureau of Accounting & Purchasing](#)

[Office of Retail Operations](#)
[Bureau of Product Selection](#)
[Financial Report](#)
[Other Issues](#)

PUBLIC MEETING – 11:00 A.M

Board Secretary John K. Stark indicated that a quorum of the Board was present and Chairman Holden called the meeting to order.

CALL TO ORDER *Chairman Holden*

Pledge of Allegiance to the Flag – Ron Newmaster, Wholesale Operations

OLD BUSINESS.....*Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the May 1, 2019 meeting.

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Previous Board Minutes.

PUBLIC COMMENT ON AGENDA ITEMS

The Board has reserved 10 minutes for Public Comment on printed agenda items.

NEW BUSINESS

From the Office of Chief Counsel*Rodrigo Diaz, Chief Counsel*

Chief Counsel Rodrigo Diaz explained that Advisory Notice #10, which is regarding trade practices, has not been revised since 2012. He stated that Chief Counsel's Office has updated the advisory notice to specifically address items that have been brought to its attention since that time.

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Adopt the Revisions.

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (1) **BOROUGH OF MARIETTA** Municipal Petition for Exemption
Case No. 19-NE-08 from the Liquor Code Statute
Regarding Amplified Sound

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve the Petition for
Exemption for the period May 15, 2019 to May 15, 2022.

- (2) **Labor Temple Assn. of Canonsburg Penna** Appeal of Adjudication and Order
15-17 South Central Avenue of Administrative Law Judge
Canonsburg, Pennsylvania 15317
License No. C-2543
LID 1307
Citation No. 17-1579

Motion Made: Board Member Negra

Executive Deputy Chief Counsel Michelle Fox explained that Licensee was cited for six counts relating to gambling, three violations under Local Option Small Games of Chance Act and three violations under the Liquor Code. The Administrative Law Judge sustained two counts, sustained one count as to certain dates, dismissed two counts, and decided one count on a different legal basis.

The Bureau of Liquor Control Enforcement filed a timely appeal for the two counts that were dismissed and the one count that was decided on a different legal basis.

The facts of this case are similar to a citation that was in front of the Board about a month ago, Fulton Athletic Club. That case involved an expired Small Games of Chance license. As the Board decided in that case, if the Small Game of Chance License has expired, then the club was not operating as a “club licensee” under the definition found in the Local Option Small Games of Chance Act and thus, cannot be found in violation of charges relating to the Act. Therefore, the Administrative Law Judge’s dismissal of those counts was valid.

As for the count that was decided on a different legal basis, that was valid as well because the Administrative Law Judge had noticed the problem and asked the parties if he could substitute the right sections of the Crimes Code instead of citing Licensee under the Local Option Small Games of Chance Act. Both parties agreed he had the authority to do so. Therefore, any issue regarding the substitution were waived.

Thus, the Office of Chief Counsel sees no error and recommends affirming the Administrative Law Judge’s decision.

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Affirm Administrative Law Judge.

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*From the Bureau of LicensingTisha Albert, Director of Regulatory Affairs
Barbara Peifer, Director, Bureau of Licensing*

(1) **Duritzas Enterprises, Inc.** Request to Conduct Another
t/a Shop N’ Save Business on the Licensed
R-14253 (LID No. 95223) Premises - Restaurant
617 West Pike Street
Canonsburg, Washington County

Motion Made: Board Member Negra

Chairman Holden asked if there was anyone present for the Licensee. No response.

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Refuse Request to Conduct Another Business on the Licensed Premises.

(2) **JennJess, LLC** “Intermunicipal” Double
t/a Big Pauly’s Sports Bar Transfer & Request for Dual
R-16654 (LID No. 95191) Case No. 19-9015 Employment - Restaurant
1403 Old Butler Road
Shenango Township
New Castle, Lawrence County

Motion Made: Board Member Negra

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Transfer and Request for Dual Employment.

(3) **TanishRushi Realty, LLC** New & Requests for
(LID No. 93662) Case No. 19-9022 Secondary Service Area &
6305-6307 Columbia Boulevard Interior Connections with
South Centre Township Another Business - Hotel
Bloomsburg, Columbia County

Motion Made: Board Member Negra

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve New Hotel; Refuse Requests for Secondary Service Area and Interior Connections with Another Business.

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- (4) **Two Farms, Inc.** Double Transfer & Request for
t/a Royal Farms Interior Connections with
R-36860 (LID No. 92155) Case No. 18-9083 Another Business - Restaurant
145 North MacDade Boulevard
Glenolden, Delaware County

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve the Transfer and Request for Interior Connections with Another Business.

- (5) **12Market4, LLC** Renewal – District 10
R-497 (LID No. 72626) Case No. 2018-72626
124 Market Street
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Renewal with Existing Conditional Licensing Agreement.

- (6) **Bartlett, Traynor & London, LLC** Conditional Licensing
t/a Harrisburg Midtown Arts Center Agreement
R-4643 (LID No. 61720) Renewal – District 2
1110 North 3rd Street
Harrisburg, Dauphin County

**HOLD – 12/19/18 SESSION &
3/26/19 SESSION**

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Renewal with New Conditional Licensing Agreement.

- (7) **Brian, Inc.** Renewal – District 10
R-4998 (LID No. 72293) Case No. 2018-72293
5007 Frankford Avenue
Philadelphia, Philadelphia County

Motion Made: Board Member Negra

Board Decision: Member Negra Requested a Hold for an Amended Conditional Licensing Agreement.

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- (8) **Raul Ortiz** Conditional Licensing Agreement
t/a Silver Dollar Bar Renewal – District 3
R-10255 (LID No. 57313) Case No. 2017-57313
356 South 4th Street
Reading, Berks County
HOLD – 3/13/19 SESSION & 5/1/19 SESSION

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Renewal with Conditional Licensing Agreement.

- (9) **Seng Heng, Inc.** Renewal – District 10
R-1063 (LID No. 56856) Case No. 2018-56856
5747-49 Christian Street
Philadelphia, Philadelphia County

Motion Made: Board Member Negra

Chairman Holden asked if there was anyone present for the Licensee. No response.

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Refuse Renewal.

- (10) **Scott E. Zimmerman** Conditional Licensing Agreement
Candi D. Zimmerman Renewal – District 2
t/a Zimmerman’s Wholesale
D-3545 (LID No. 47930) Case No. 2018-47930
3304 William Penn Highway
Fermanagh Township
Mifflintown, Juniata County
HOLD – 3/26/19 SESSION

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve Renewal with Conditional Licensing Agreement.

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*From the Bureau of Human Resources Jason Lutcavage, Director of Administration
Jennifer Haas, Director, Bureau of Human Resources*

Personnel Actions

There were 10 personnel actions presented for consideration.

- (1) **James Aye – Removal**
- (2) **Jackson Brower – Removal**
- (3) **Sade Cahoe – Removal**
- (4) **Ayana Cobb – Affirm Removal**
- (5) **Amanda Cunningham – Removal**
- (6) **Riley Dessino – Affirm Removal**
- (7) **Wolfgang Hendrickson – Affirm Removal**
- (8) **Deja Kidd – Removal**
- (9) **Devon Lawrence - Removal**
- (10) **Kyle Przepierski – Removal**

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve all Personnel Actions.

*From the Bureau of Accounting & Purchasing Michael Demko, Director of Finance
Koppolu Ravindraraaj, Director, Bureau of Accounting & Purchasing
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **IBM Websphere Commerce Integration Staff Augmentation** – Provide a block of hours for IBM Websphere Commerce (WSC) subject matter experts to assist with the configuration/integration between our back-end WSC Commerce application and the front-end Adobe Assets and Sites Cloud-based software for our new E-Commerce site project.

Procured via DGS Contract #4400014660 – **VENDOR: OST, Inc.** – **TERM:** Six months – **\$550,000.00 estimated cost.**

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(2) PA Compute Services (PACS) Renewal – Provide storage space for five server environments.

Procured via DGS Contract #4400014635 – VENDOR: **UNISYS** – TERM: One year for period July 1, 2019 through June 30, 2020 - **\$1,015,726.32 estimated cost.** This is a 2.4% decrease from last year’s cost of \$1,040,297.52.

(3) Hearing Examiner Services – Represent the Board in the capacity of a hearing examiner.

Procured via Sole Source – VENDOR: **Jodi Isenberg** – TERM: One year - **\$150,000.00 estimated cost.**

Motion Made: Board Member Negra

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve All Items.

Inter-Agency Charges:

(1) Department of Auditor General – FY 2018-19 third quarter billing of \$746,037.16 from the Department of the Auditor General. The Auditor General’s YTD billings are now \$2.262 million or \$105,390 (-7.0%) less than last year.

The Bureau of Financial Management and Analysis has reviewed these charges and determined that they are reasonable based on billing methodology and previous experience.

Motion Made: Board Member Negra

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Accept All Inter-Agency Charges.

From the Office of Retail Operations..... Carl Jolly, Director of Retail Operations

**(1) #8412 – #8296 – #8756 – 6345 Flank Drive, Harrisburg
Relocation / Consolidation (Region 2 Retail Offices / TMOD Training / CO Help Desk)**

Motion Made: Board Member Negra

Seconded: Chairman Holden

Board Decision Unanimously agreed (2-0 vote) to Approve Retail Operations Recommendation.

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*From the Bureau of Product SelectionDale Horst, Director of Marketing & Merchandising
Tom Bowman, Director, Bureau of Product Selection*

1. Regular New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Bacardi USA Inc</u>	
Martini and Rossi Prosecco 4 Pack 748 ML	2, 3, 5
<u>Banfi Products Corp</u>	
Sartori Love Story Rose 750 ML	10
<u>North Wales Wines</u>	
Dark Horse Brut Rose Sparkling 375 ML	18
Dark Horse Brut Sparkling 375 ML	18
Dark Horse Pinot Grigio 375 ML	18
Dark Horse Pinot Noir 375 ML	18
Dark Horse Rosé 375 ML	18
Dark Horse Sauvignon Blanc 375 ML	18
Gallo Family Vineyards Sweet Grape 750 ML	3
<u>Serralles USA LLC</u>	
Don Q Anejo Puerto Rico Rum 750 ML	3
<u>Southern Wine Spirits PA</u>	
14 Hands Bubbles Cans 12- pk tray 375 ML	18
14 Hands Hot to Trot Smooth Red Blend Cans 12- pk tray 375 ML	18
14 Hands Pinot Grigio Blend Cans 12- pk tray 375 ML	18
14 Hands Rose Cans 12- pk tray 375 ML	18
Relax Bubbles 750 ML	2, 3
Relax Pink Rose 750 ML	2, 3

RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular Pa Preferred New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Philadelphia Distilling</u>	
Bluecoat Elderflower Gin 750 ML	16
<u>University Wine Company</u>	
U-Freeze Wine Slush Sub-Zero Sangria 750 ML	17
U-Freeze Wine Slush Glacial Grape 750 ML	17

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RECOMMENDED ACTION: We recommend the Board approve this action

New Items – Recommended Listings

Reason Codes

1. Strong marketing support
2. High brand recognition
3. Line/Size extension of successful brand
4. Trade up opportunity
5. Growing category
6. Growing segment
7. National rollout
8. Niche item / Limited distribution
9. High dollar profit potential
10. Trade out
11. High quality for the value
12. Innovative product/flavor
13. High sales through other PLCB channels (Luxury, Online, SLO)
14. Underrepresented category/segment
15. Hole in selection – consumer/store requests
16. PA Spirits
17. PA Wines
18. Licensee only
19. Probationary listing

3. Regular Recommended Delist

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Constellation Wines US</u>	
Vendange Chardonnay California 1 L	6042
<u>Crutch LLC</u>	
Off the Rail Blended Whiskey 80 Proof 1 L	9862
Off the Rail Tequila Gold 80 Proof 1 L	9754
Off the Rail Tequila Silver 80 Proof 1 L	9491
<u>Sazerac Company Inc</u>	
JP Wiser's Triple Barrel Rye Blended Canadian Whisky 750 ML	7747
<u>Sutter Home Winery</u>	
Bandit Cabernet Sauvignon California 1 L	4653
Bandit Chardonnay California 1 L	8613
Bandit Merlot California 1 L	9003
Bandit Pinot Grigio California 1 L	4654
<u>Vintage Imports Inc</u>	
Sileni Nano Sauvignon Blanc Marlborough 187 ML	1226

EFFECTIVE DATE: The transference to closeout will become effective June 17, 2019

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Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to Approve all Bureau of Product Selection/Marketing Actions.

FINANCIAL REPORT *Michael J. Burns, Comptroller Operations, Office of Budget*

None.

OTHER ISSUES

None.

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

None.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, June 5, 2019, beginning at 11:00 A.M. Prior to the public meeting, there will be an Executive Session to discuss matters of personnel and to engage in non-deliberative informational discussions, some of which are regarding actions and matters which have been approved at previous public meetings.

ADJOURNMENT

On a motion by Board Member Negra, seconded by Chairman Holden, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

ATTEST:

Secretary