

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES

OCTOBER 11, 2017

NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA

Tim Holden, Chairman
Mike Negra, Board Member
Michael Newsome, 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 Stark announced that Chairman Holden would be participating in the meeting by telephone and that Board Member Newsome would be leading the meeting since Chairman Holden was not physically present.

CALL TO ORDER*Board Member Newsome*

Pledge of Allegiance to the Flag

OLD BUSINESS.....*Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the September 27, 2017 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously approved (3-0 vote) previous Board Minutes.

PUBLIC COMMENT ON AGENDA ITEMS

There was no public comment on the printed agenda items.

NEW BUSINESS

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

None

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

(1) **Bedford Elks Country Club, Inc.** New & Requests to Conduct
(LID No. 85095) Other
937 South Richard Street Businesses on the Licensed
Bedford Township Premises & Dual Employment –
Bedford, Bedford County Privately-Owned Public Golf
Course Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve New Privately-Owned
Public Golf Course Restaurant Liquor License and Requests to Conduct
Another Business on the Licenses Premises and Dual Employment.

(2) **Chestnut Center City Liquors, LLC** Auction License – New &
(LID No. 85304) Case No. 17-9052 Request for Dual Employment –
1214-16 Chestnut Street Restaurant
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve New Restaurant Liquor
License and Request for Dual Employment.

(3) **Morey’s Beverage, Inc.** Request to be Engaged in
t/a Morey’s Beverage Another Business – Distributor
D-3920 (LID No. 40887)
254 Allegheny Boulevard
Brookville, Jefferson County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to be Engaged in
Another Business.

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- (4) **Zing Beer, LLC** Double Transfer & Requests for
t/a Zing Beer an
D-967 (LID No. 84645) Interior Connection with Another
1005 South Bee Street Business & Permission to Retain
Green Tree Other Employment – Distributor
Pittsburgh, Allegheny County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve Double Transfer and Requests for an Interior Connection with Another Business and to Retain Other Employment.

- (5) **McGovern and Delves, LLC** Conditional Licensing Agreement
t/a Gas Station Kitchen & Bar Renewal – District 2
R-18818 (LID No. 66032) Case No. 2016-66032
288 East Main Street
Hummelstown, Dauphin County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve Renewal with New Conditional Licensing Agreement.

- (6) **R & G, Inc.** Renewal – District 5
t/a Lefty's in the Strip
R-19951 (LID No. 56072) Case No. 2017-56072
2021 Penn Avenue
Pittsburgh, Allegheny County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve Renewal with Existing Conditional Licensing Agreement.

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- (7) **The Rock Entertainment, LLC** Renewal – District 5
R-305 (LID No. 70812) Case No. 2017-70812
2623-2625 Penn Avenue
Pittsburgh, Allegheny County

Motion Made: Board Member Negra
Seconded:

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

- (8) **Star Social Club** Renewal – District 3
C-601 (LID No. 642) Case No. 2017-642
212 East Market Street
West Chester, Chester County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Member Newsome asked if there was anyone present for the Applicant/Licensee, but there was no response.

Board Decision: Unanimously agreed (3-0 vote) to Refuse Renewal.

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

Personnel Actions

There were 12 personnel actions presented for consideration.

- (1) **Angel Brodie – Affirm Removal**
- (2) **Mardi Brown – Affirm Removal**
- (3) **Janelle Durfee – Affirm Removal**
- (4) **Christopher Felice – Removal**
- (5) **Anthony Freeman – Affirm Removal**

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- (6) **Shafi Fleming – Affirm Removal**
- (7) **John Hannon – Removal**
- (8) **Ian Kay – Removal**
- (9) **Jennifer Quain – Affirm Removal**
- (10) **Christian Reid – Affirm Removal**
- (11) **James Salter – Removal**
- (12) **Lakisha Warren – Removal**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve all Personnel Actions.

*From the Bureau of Accounting & Purchasing Oren Bachman, Director of Finance
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **Zapfix Software Support for Linux Renewal** – Provide support for Zapfix software that automates testing of the entire retail system which will save PLCB resources and time.

Procured via DGS Statewide Contract #440007199 – VENDOR: **Dell Marketing** – TERM: One (1) year – **\$240,000.00 estimated cost** which represents a .25% decrease over last year’s cost of \$240,602.90.

- (2) **IBM Software Support** – Provide software subscription and support for ecommerce platform (IBM Websphere Commerce Managed) including on-premise and/or IBM hosting, patches, and updates to solution as well as the ability to open a ticket with support during the term of the agreement. Developer and integration tools are included in these subscriptions and are being discontinued in separate IBM software maintenance renewals.

Procured via DGS Statewide Contract #440007363 – VENDORS: **IBM Corporation** – TERM: One (1) year – **\$264,000.00 estimated cost.**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve all Procurement Actions.

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Inter-Agency Charges:

- (1) **Department of General Services (DGS) Vehicle Purchases (Job 66)** – Billing of \$54,750.00 for the purchase of two 2017 Ford T250 Transit vans for the PLCB’s Region 1 Facilities Maintenance Office. This purchase replaces a pair of high mileage vehicles from the PLCB’s fleet of 48 owned vehicles.

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: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve the Inter-Agency Charges.

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

- 1. **#0252 – 4643 Centre Avenue, Pittsburgh Amendment**
- 2. **#09XX – 7 Buttonwood Drive, Yardley New Store (Replacing #0921)**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve all Retail Operations Actions.

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

1. Regular New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>North Wales Wines</u>	
Gallo Family Vineyards Sweet Apple 750 ML	3
Gallo Family Vineyards Sweet Berry 750 ML	3
Gallo Family Vineyards Sweet Peach 750 ML	3
Gallo Family Vineyards Sweet Pineapple 750 ML	3

RECOMMENDED ACTION: We recommend the Board approve this action

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2. Regular New Items Accepted Revision

BRAND NAME AND SIZE

REASON

PRICING

Jim Beams Brands Co

Bowmore 12 yr Single Malt Scotch 750 ML

10

RECOMMENDED ACTION: We recommend the Board approve this action

3. Regular PA Spirits New Items Accepted

BRAND NAME AND SIZE

REASON

Mingo Creek Craft Distillers LLC

Liberty Pole Spirits Peated Bourbon Whiskey 750 ML

8

Liberty Pole Spirits Bourbon Whiskey 750 ML

8

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

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4. Regular Recommended Delist November 2017

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>North Wales Wine</u> Barefoot Shiraz 1.5 L	9360

EFFECTIVE DATE: The transference to closeout will become effective October 30, 2017

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (3-0 vote) to Approve all Bureau of Product Selection / Marketing Actions.

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

None

OTHER ISSUES

Board Member Newsome noted the Governor’s recent announcement about monetization of the PLCB’s future profits as a mechanism for funding the Commonwealth’s budget deficit. He indicated that the PLCB would be issuing a press release regarding its ongoing efforts relative to this issue later in the day.

Board Member Negra added that the PLCB will be conducting a legal review and due diligence regarding the feasibility of the monetization plan. He stated that the Board understands the urgency of the budget situation the Commonwealth is currently facing, but that it also wants to be prudent in making sure that this plan can work legally and have long-term viability. He further indicated that the PLCB would be seeking legal and financial advice from persons well-versed in these types of matters.

Chairman Holden also added that he has talked to the Governor about this matter and has expressed that the PLCB is committed to working together with him to do what is in the best interests of the Commonwealth. Chairman Holden further indicated that everyone involved understands the significance of the financial situation that needs to be addressed.

Board Member Negra, along with Board Member Newsome and Chairman Holden, also joined in offering their condolences and bests wishes to the persons and businesses impacted by the recent, tragic events that have occurred throughout our country and in other areas of the world. Among other events, they specifically noted the wildfires occurring in California, which have directly impacted persons and businesses within the wine and spirits industry.

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CITIZEN COMMENT/BUSINESS FROM THE FLOOR

None

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, November 1, 2017 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 Board Member Newsome, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary