

**PENNSYLVANIA LIQUOR CONTROL BOARD**  
**MEETING MINUTES**

**OCTOBER 20, 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](#)  
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**PUBLIC MEETING – 11:00 A.M**

Chris Herrington, Director of Legislative Affairs, announced that he would be performing the role of Board Secretary for the meeting, since Board Secretary John Stark was unavailable to participate.

**CALL TO ORDER** ..... *Chairman Holden*

Pledge of Allegiance to the Flag

**OLD BUSINESS**.....*Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the October 11, 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*

(1) **Dandee Marc, Inc.**  
64 South Broad Street  
Nazareth, Pennsylvania 18064-2117  
Restaurant Liquor License No. R-12756  
LID 38445

Request to Rescind  
Conditional Licensing  
Agreement

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

Board Member Negra asked Rod Diaz, Chief Counsel, to briefly explain this proposed action.

Mr. Diaz explained that the Licensee had entered into a conditional licensing agreement (CLA) with the PLCB in 2013. One of the conditions required the Licensee to place the license in safekeeping. The license was removed from safekeeping about a year ago, and the Licensee has been operating without any problems since that time. The Licensee is now asking that the CLA be rescinded so that it can continue operating.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Request to Rescind Conditional Licensing Agreement.

(2) **Engagement of Financial Advisors**

Board Member Negra again asked Rod Diaz, Chief Counsel, to explain this proposed action.

Mr. Diaz explained that this proposed action involves the Board's consideration of the securitization of its profits as a way to help with the Commonwealth's budget deficit, as requested by Governor Wolf. Mr. Diaz indicated that, in order to proceed, the PLCB will need to engage the services of financial advisors who have expertise in dealing with these type of matters. He further indicated that PFM Financial Advisors LLC ("PFM") is a company that provides financial advisory services, and there is already an existing contract between PFM and the Commonwealth's Office of Budget against which the PLCB may lawfully request services by way of a negotiated Statement of Work. Mr. Diaz stated that the total fee for PFM's services would be capped at \$300,000, with the hourly services rate being the same as what it currently is under the existing contract.

**Motion Made:** Board Member Negra made a motion to not engage the financial advisory services of PFM.  
**Seconded:** (No second was received for this motion.)

**New Motion Made:** Board Member Newsome made a motion to approve the proposal to engage the financial advisory services of PFM as presented.

**Seconded:** Chairman Holden

**Negative Vote:** Board Member Negra voted "no" on the motion made by Board Member Newsome.

**Board Decision:** Agreed (2-1 vote) to approve the proposal to engage the financial advisory services of PFM as presented.

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**(3) Engagement of Bond Counsel**

Board Member Negra once again asked Rod Diaz, Chief Counsel, to explain this proposed action.

Mr. Diaz explained that this proposed action also involves the Board’s consideration of the securitization of its profits as a way to help with the Commonwealth’s budget deficit, as requested by Governor Wolf. Mr. Diaz indicated that, in addition to financial advisory services, the PLCB will also need specialized legal advice to move forward, which will require that it seek representation from “bond counsel.” He further indicated that Eckert Seamans Cherin & Mellott, LLC (“Eckert Seamans”) can provide such services. Mr. Diaz stated that the PLCB already has an existing legal services contract with Eckert Seamans for intellectual property matters, and the PLCB has been very pleased with the work performed relative to those matters. He also stated that the PLCB’s current legal services contract with Eckert Seamans may lawfully be amended to include representation as “bond counsel.” The fee for these “bond counsel” legal services would be capped at \$300,000.

**Motion Made:** Board Member Negra made a motion to not engage the legal services of Eckert Seamans.

**Seconded:** (No second was received for this motion.)

**New Motion Made:** Board Member Newsome made a motion to approve the proposal to engage the “bond counsel” legal services of Eckert Seamans as presented.

**Seconded:** Chairman Holden

**Negative Vote:** Board Member Negra voted “no” on the motion made by Board Member Newsome.

**Board Decision:** Agreed (2-1 vote) to approve the proposal to engage the “bond counsel” legal services of Eckert Seamans as presented.

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

None

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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 was one personnel action presented for consideration.

**(1) Barbara Brennan – Removal**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve the Personnel Action.

*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) Philadelphia Distribution Center (DC1) Dock Repair** – Upon further inspection, it was determined that additional repairs to the loading dock area of DC1 where trailers are staged for loading/unloading is required from the original estimate approved by the Board on April 19, 2017.

Procured via PO 63016410 and 63016302 Amendments – VENDORS: **SJ Thomas Company and The Gordian Group Inc.** – **\$63,934.16 additional (estimated) cost.** Previous Board approval was \$76,719.91. Total cost of DC1 Dock Repair will be increased to \$140,654.07. This increase is offset by a decrease of \$122,994.25 for the DC1 Expansion Joint repair project totaling \$213,525.59 that the Board previously approved on April 19, 2017.

- (2) HVAC Service** – Provide unit inspections, preventative maintenance and corrective service to the heating ventilation and air conditioning system located within the Northwest Office Building.

Procured via Request for Quote #20170715 against DGS ITQ Statewide Contract #4400011716 – VENDOR: **McClure Company** – TERM: Nine (9) months for the period 12/01/2017 through 8/31/2018 to align with DGS Contract Validity Period – **\$69,631.00 estimated cost.** The RFQ was sent to all eight (8) qualified suppliers on the DGS ITQ Contract. Two (2) qualified suppliers attended the site visit with only one (1) qualified supplier submitting a quote.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Purchasing and Contracting Actions.

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Inter-Agency Charges:

None

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

None

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

None

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

None

**OTHER ISSUES**

Board Member Negra stated that despite his votes on the two actions related to the securitization of the PLCB’s profits, he pledges to continue working together towards that goal as requested by the Governor. He explained that he respects the majority, and he noted that his objection was based solely on the speed with which these matters are proceeding. Board Member Negra expressed that he would prefer a more measured approach.

Chairman Holden responded by noting that he appreciates Board Member Negra’s comments and his ongoing commitment to working together. Chairman Holden indicated that he has spoken with the Governor and is confident that the PLCB is in a good position to move forward at this time.

Board Member Newsome added that he feels the PLCB must move forward at this time because of the need for expertise, particularly in putting together a financial plan to reflect profitability. Board Member Newsome expressed that the Board is committed to working together to get the best possible deal for the PLCB and for the citizens of the Commonwealth.

**CITIZEN COMMENT/BUSINESS FROM THE FLOOR**

None

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**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.

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Chairman

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

ATTEST:

\_\_\_\_\_  
Secretary