

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

WEDNESDAY, JULY 18, 2018

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

Board Member Newsome announced that Chairman Holden would not be present at the meeting and that he would be presiding over the meeting in Chairman Holden's absence.

CALL TO ORDER*Member Newsome*

Pledge of Allegiance to the Flag

OLD BUSINESS.....*Secretary Stark*

A. Motion to approve previous Board Meeting Minutes of the June 27, 2018 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

B. Announcement by the Chairman for Ratification of a Board Action.

The following Board Action approved on June 29, 2018, was decided by Notational Voting after the adjournment of the Board's last public meeting.

Chairman Holden, Member Negra and Member Newsome unanimously agreed (3-0 vote) to purchase a 1000 KVA 480V replacement transformer from Lex Electric Co., Inc. for the Philadelphia Distribution Center #1 at a cost of \$69,845.00 for the unit and installation.

PUBLIC COMMENT ON AGENDA ITEMS

There was no public comment on the printed agenda items.

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NEW BUSINESS

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

(1) **EAST HEMPFIELD TOWNSHIP** Municipal Petition for
Case No. 18-NE-08 Exemption from the
Statute Regarding
Amplified Sound

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 vote) to Approve the Noise Exemption from
July 18, 2018 to July 18, 2019.

(2) **CONEMAUGH TOWNSHIP** Municipal Petition for
Case No. 18-NE-09 Exemption from the
Statute Regarding
Amplified Sound

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 vote) to Approve the Noise Exemption from
July 18, 2018 to July 18, 2021.

(3) **DSD Entertainment, Inc.** Request to Rescind
254-256 South 12th Street Conditional Licensing
Philadelphia, Pennsylvania 19107-5638 Agreement
Restaurant Liquor License No. R-7680
LID 63643

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

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(4) **TRANSFEROR: Magtat Corporation** Application for
10 Old Clairton Road Conversion of
Pittsburgh, Pennsylvania 15236-3923 Suspension to Fine
Restaurant Liquor License No. R-1144
LID 9808

TRANSFeree: Sheetz, Inc.
1000 Clairton Boulevard
Pittsburgh, Pennsylvania 15236
Restaurant Liquor License No. R-1144
LID 91951

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 vote) to Approve Conversion of Suspension to a Fine of \$12,000.00.

(5) **Marvis Leaf** Proposed Conditional
t/a Frank’s Place Licensing Agreement to
400 South 7th Street Allow for the Renewal
Reading, Pennsylvania 19602-2413 of the Liquor License.
Restaurant Liquor License No. R-11873
LID 15208

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

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

(1) **532 Perkiomen View, LLC** Person-to-Person Transfer &
H-2919 (LID No. 91042) Case No. 18-9044 Request for Dual Employment –
532 Gravel Pike Hotel
Perkiomen Township
Graterford, Montgomery County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

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- (2) **Chuang Xin, LLC** Double Transfer - Restaurant
t/a Ocean Harmony Restaurant
R-6609 (LID No. 90141) Case No. 18-9037
937-939 Race Street
Philadelphia, Philadelphia County
- Motion Made:** Board Member Negra
Seconded: Board Member Newsome
- Board Decision:** Unanimously agreed (2-0 vote) to Approve Transfer.
- (3) **Fehl Brothers, Inc.** Appointment of Manager –
t/a Mousetrap Restaurant
R-17069 (LID No. 27199) Case No. 18-9032
9212 Steubenville Pike
Robinson Township
Bulger, Washington County
- Motion Made:** Board Member Negra
Seconded: Board Member Newsome
- Board Decision:** Unanimously agreed (2-0 vote) to Approve Appointment of Manager.
- (4) **Kennie’s Markets, Inc.** Extension of License & Requests
t/a Kennie’s Markets for Interior Connections with
R-19072 (LID No. 86630) Another Business & to Conduct
440 North Main Street Another Business on the Licensed
Spring Grove, York County Premises – Restaurant
- Motion Made:** Board Member Negra
Seconded: Board Member Newsome
- Board Decision:** Unanimously agreed (2-0 vote) to Approve Extension of License and Request for Interior Connections with Another Business, Subject to Removal of Bulk Sales of Meat.
- (5) **LPS Hospitality Company** Appointment of Manager - Hotel
t/a Comfort Suites
H-6172 (LID No. 61671) Case No. 17-9079
120 Plaza Drive
Hemlock Township
Bloomsburg, Columbia County

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Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 vote) to Approve Appointment of Manager.

- (6) **204 Verbeke Restaurant, LLC** Conditional Licensing Agreement
t/a Shady McGrady's Renewal – District 2
R-11042 (LID No. 58793) Case No. 2016-58793
204 Verbeke Street **HOLD – 6/6/18 SESSION**
Harrisburg, Dauphin County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

- (7) **562-66 S. 19th, Inc.** Renewal – District 2
t/a Double D Neighborhood Bar & Grill
R-5634 (LID No. 38818) Case No. 2018-38818
562-66 South 19th Street
Harrisburg, Dauphin County

Motion Made: Board Member Negra
Seconded:

Board Decision: Hold for an Amended Conditional Licensing Agreement.

- (8) **Nathan S. Avery** Renewal – District 2
t/a Penn Manor Beverage
D-302 (LID No. 49887) Case No. 2018-49887
472 North George Street
Millersville, Lancaster County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

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- (9) **Maloney Brothers’ Pub, LLC** Conditional Licensing Agreement
R-11913 (LID No. 50143) Case No. 2018-50143 Renewal – District 4
1009 Lancaster Avenue
Lower Merion Township
Bryn Mawr, Montgomery County

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

- (10) **PNK Head House, LLC** Renewal – District 10
R-1959 (LID No. 66919) Case No. 2016-66919
421 South 2nd Street
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded:

Board Decision: Hold for an Amended Conditional Licensing Agreement.

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

Personnel Actions:

There were 17 personnel actions presented for consideration.

- (1) **Tara Bell – Affirm Removal**
- (2) **Janee Darty – Removal**
- (3) **Drew Dayton – Removal**
- (4) **Jose Fernandez – Affirm Removal**
- (5) **Geraldine Hall – Removal**
- (6) **Jennifer Harden – Removal**
- (7) **Natalie Hornfeck – Affirm Removal**

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- (8) **Stephanie Kuhn – Affirm Removal**
- (9) **Tracy Maguire – Removal**
- (10) **Charmaine McPherson – Affirm Removal**
- (11) **Samantha Mickavicz – Removal**
- (12) **Nicole Moore – Removal**
- (13) **Elijah Murray – Removal**
- (14) **Dorcas Rosembert – Removal**
- (15) **Denise Shaak – Affirm Removal**
- (16) **Jerome Tigani – Affirm Removal**
- (17) **Robin Walker – Affirm Removal**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 vote) to Approve 16 Personnel Actions;
Hold by Board Member Negra on Personnel Action #6.

*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) **Marketing Plan and Creative Advertisement Development** – Due to continuing PLCB modernization initiatives that are driven by significant legislative changes, Tierney & Partners, Inc. original contract is being amended to increase by \$6,621,000.00 and also to lift the annual spending cap contained in the contract.

Procured via Amendment No. 1 to Contract No. 20150706 – **VENDOR: Tierney & Partners, Inc.– \$6,621,000.00 estimated cost.**

- (2) **Cisco Switches Hardware Refresh** – Provide 350 Cisco Power Over Ethernet switches. The ethernet switches currently used in Point-of-Sale stores were installed in 2010/11 and are nearing end-of-life (EOL). When support ends in 2019, software or security updates and break/fix support will no longer be available from the manufacturer. This purchase is to upgrade/replace the second-half of the EOL switches. The first half of the switches were upgraded/replaced in FY 17/18.

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Procured via DGS Statewide Contract #4400011887 – VENDOR: **ePlus Technology Inc.** – **\$438,900.00 estimated cost.**

- (3) **Furniture for Store #4632** – Center table and wall units for relocation of standard Fine Wine & Good Spirits Store #4632 to premium in North Wales.

Procured via DGS Statewide Contract #4400013989 – VENDOR: **TC Millwork** – **\$96,242.93 estimated cost.**

- (4) **Furniture for Store #4654** – Center table and wall units for new premium Fine Wine & Good Spirits Store #4654 in Norristown.

Procured via DGS Statewide Contract #4400013989 – VENDOR: **TC Millwork** – **\$106,165.65 estimated cost.**

- (5) **Steel Shelving for Store #4654** – Steel shelving for new premium Fine Wine & Good Spirits Store #4654 in Norristown.

Procured via DGS Statewide Contract #4400016767 – VENDOR: **Kent Fixtures Corp.** – **\$51,930.53 estimated cost.**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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

Inter-Agency Charges:

- (1) **Department of General Services (DGS) Procurement Services (Job 917)** – Estimated billing of \$146,831.50 for FY 2017-18 to reimburse DGS for procurement service costs. The billing is allocated based on PLCB usage of DGS’s state-wide contracts and purchasing cards. The PLCB’s portion represents slightly more than 1.5% of DGS’s total billed amount of \$9.56 million to Commonwealth agencies.
- (2) **Department of Auditor General (AG)** – This billing is for \$659,450.49 from the Auditor General’s Office for the fourth quarter of FY 2017-18. The billing is based on the actual AG services (audit hours) for April and May/2018 and estimated hours for June/2018. This brings the total FY 2017-18 AG billings to \$2,910,908 for a \$158,474 (-5%) decrease from last years billings.

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 (2-0 vote) to Approve all Inter-Agency Charges.

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

- 1. #8296 – 2300 Vartan Way, Harrisburg
Relocation (Harrisburg Training Academy)**
- 2. #0266 – 521 Beaver Street, Sewickley
Rebrand**

Motion Made: Board Member Negra
Seconded: Board Member Newsome

Board Decision: Unanimously agreed (2-0 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 Selection*

1. Regular New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Banfi Products Corp</u>	
Riunite Sangria 750 ML	2,3,5
Riunite Sangria 3 L	2,3,5
<u>Capital Wine and Spirits Inc</u>	
1,000 Stories Gold Rush Red Blend 750 ML	5
BR Cohn North Coast Pinot Noir 750 ML	2
CA 6 Locations Red Blend 750 ML	2
Castello del Poggio Moscato 750 ML	3,9,13
Castello del Poggio Sweet Red 750 ML	3,9,13
Rutherford Ranch Napa Valley Merlot 750 ML	5
Seven Deadly Red 750 ML	2
<u>Castle Brands USA Corp</u>	
Robert Burns Single Malt Scotch Whisky 750 ML	11
<u>CBL Wine Company LLC</u>	
Rotation Cabernet Sauvignon 750 ML	11
<u>Constellation Wines U S</u>	
Copper & Thief Cellarmasters Red Aged in Whiskey Barrel 750 ML	5
<u>Heaven Hill Distilleries Inc</u>	
Elijah Craig Small Batch Bourbon 94 Proof 375 ML	3

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Kobrand Corp

Maboroshi Junmai Ginjo Sake 300 ML 4,14

Majestic W S USA Inc

Hahn Central Coast Merlot 750 ML 2

Josh Cellars Paso Robles Cabernet Sauvignon Reserve 750 ML 2

Josh Cellars Pinot Gris Columbia Valley 750 ML 2

Le Charmel Pinot Noir 750 ML 14

Leese Fitch Firehouse Red Blend 750 ML 11

Leese Fitch Sauvignon Blanc 750 ML 11

Plungerhead Petite Sirah 750 ML 11

Ryder Estate Central Coast Sauvignon Blanc 750 ML 11

The Calling Russian River Valley Chardonnay 750 ML 11

The Calling Russian River Valley Pinot Noir 750 ML 11

Moet Hennessy USA Inc

Newton Skyside Cabernet Sauvignon 750 ML 11

Newton Skyside Chardonnay 750 ML 11

North Wales Wines

Barefoot Bubbly Brut Rose 4 – 187 ML 2

Barefoot Bubbly Brut Rose 750 ML 2

Barefoot Rose 4 – 187 ML 2

Edna Valley Rose 750 ML 2

J Vineyards Black Label Pinot Noir 750 ML 2

J Vineyards Pinot Gris 750 ML 2

Paterno Imports LTD

Markham Merlot Napa Valley 750 ML 5

Pernod Ricard USA

Smooth Ambler Contradiction Bourbon 100 Proof 750 ML 8

Southern Wine Spirits PA

Carmel Winery Selected Cabernet Sauvignon 750 ML 5,13

Gerard Bertrand Cap Insula Red Blend 750 ML 2,14

Jeunesse Chardonnay 750 ML 3,5

Pessimist Red Blend 750 ML 2

Red Truck Merlot 750 ML 11

Rodney Strong Upshot Red Blend 750 ML 5

Stella Rosa Red 750 ML 2,3

Whitehall Lane Napa Valley Merlot 750 ML 2

Whitehall Lane Tre Leoni Red Blend 750 ML 2

Sutter Home Winery Inc

Charles & Charles Rose 750 ML 2

Menage a Troi Lavish Merlot 750 ML 2

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Sutter Home Rose 4 - 187 ML	2
Sutter Home Rose 750 ML	2
<u>The Wine Group Inc</u>	
Imagery Cabernet Sauvignon 750 ML	11
<u>The Wine Merchant LTD</u>	
Robert Hall Paso Robles 750 ML	11
<u>Takara Sake USA Inc</u>	
Hana Flavored Sake White Peach 750 ML	2,5,12

RECOMMENDED ACTION: We recommend the Board approve this action.

2. Regular PA Spirits New Items

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Heritage Spirits LLC</u>	
Lititz Springs Pennsylvania Gin 90 Proof 750 ML	8
Lititz Springs Pennsylvania Vodka 80 Proof 750 ML	8
Stoll and Wolfe Distillery American Whiskey 86 Proof 750 ML	8
<u>Social Still LLC</u>	
Freakshow Straight Bourbon Whiskey 84 Proof 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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3. Regular Recommended Delist

BRAND NAME AND SIZE

CODE

Old Republic Distillery Inc

Old Republic Distillery Love Potion 750 ML

2134

EFFECTIVE DATE: The transference to closeout will become effective August 20, 2018.

Motion Made: Board Member Negra
Seconded: Board Member Newsome

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, August 1, 2018, 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.

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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