

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

**WEDNESDAY, FEBRUARY 13, 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](#)

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**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 – Erik Larson – Wholesale Operations

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

A. Motion to approve the previous Board Meeting Minutes of the January 30, 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.

No comments.

**NEW BUSINESS**

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

(1) **CITY OF JOHNSTOWN**  
Case No. 18-NE-15

Municipal Petition for Exemption  
from the Liquor Code Statute  
Regarding Amplified Sound

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to Approve the Petition for Exemption for the period February 13, 2019 to February 13, 2020.

- (2) **CITY OF JOHNSTOWN** Municipal Petition for Exemption  
Case No. 18-NE-16 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 February 13, 2019 to February 13, 2020.

- (3) **Pat & Tammy, Inc.** Proposed Conditional Licensing  
3891 Brighton Road Agreement to Allow for the  
Pittsburgh, Pennsylvania 15212-1670 Renewal of the Liquor  
Restaurant Liquor License No. R-10692 License  
LID 50340

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

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

- (4) **ALP Holding Corporation** Request for Rescission or  
2901-05 Maple Avenue Modification of Conditional  
Altoona, Pennsylvania 16601-0000 Licensing Agreement  
Restaurant Liquor License No. R-14532  
LID 60491

**Motion Made:** Board Member Negra

Motion by Member Negra to Approve the Request to Remove the License from Safekeeping.

**Seconded:**

Chairman Holden asked if there was anyone present from the Licensee and Mr. Louis Grillo stood and said he would like to thank the Board for their decision. Chairman Holden stated he should wait until the vote is taken. He stated he had discussed the mater with legal counsel and Regulatory Affairs and he could not second the motion.

**Board Decision:** No Action.

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- (5) **900 Diamond, Inc.** Appeal of Adjudication and Order  
901-903 West Diamond Street of Administrative Law Judge  
Philadelphia, PA 19122-1318  
License No. R-8250/LID 61837  
Citation No. 18-0423

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

Deputy Chief Counsel Fox described items 5 and 7 on the legal agenda as appeals by Licensees from Administrative Law Judge (ALJ) decisions. In both cases, Licensees are appealing the charge of not having at least 400 square feet of serving area.

Licensees filed timely appeals. The cases involve the same attorney, same ALJ, and the same argument as in the past 23 similar cases. In both cases, and for the same reasons as provided in the prior 23 cases, Chief Counsel recommends affirming the ALJ's decision. Member Negra asked if any of the licenses were grandfathered, Attorney Fox replied none were grandfathered.

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

- (6) **S & V 5934, Inc.** Appeal of Adjudication and Order  
5934 Market Street of Administrative Law Judge  
Philadelphia, PA 19139-3149  
License No. R-11181/LID 66451  
Citation No. 17-1048C

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

Deputy Chief Counsel Fox described that this appeal was for one of the two counts included in this citation. Although the count being appealed was for not having at least 400 square feet of serving area, Licensee had signed a waiver, admitting guilt and relinquishing its appeal rights. The waiver was accepted by the Administrative Law Judge ("ALJ"). Based on this executed waiver the Chief Counsel recommends the ALJ decision be affirmed.

**Board Decision:** Unanimously agreed (2-0 vote) to Dismiss the Appeal and Affirm the Administrative Law Judge.

- (7) **Amy 3241, Inc.** Appeal of Adjudication and Order  
3241 Kensington Avenue of Administrative Law Judge  
Philadelphia, PA 19134-1935  
License No. R-1148/LID 73002  
Citation No. 18-0399

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

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

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- (8) **Joseph W. Troutman, Sr.** Petition for Allowance of Appeal  
153 Main Street to Supreme Court  
Bradford, Pennsylvania 16701-2171  
Hotel Liquor License No. H-6232  
LID 63618  
Docket No. 1385 C.D. 2017 (Commonwealth Court)

**Motion Made:** Board Member Negra

Chief Counsel Rod Diaz stated that this matter involves a nuisance bar for which the Board did not renew the license. Upon appeal by Licensee, the common pleas court reversed the Board and Commonwealth Court affirmed that decision. As the common pleas court has full discretion to weigh the evidence as they see it, it is Chief Counsel's opinion that the PLCB would not prevail on appeal with the Supreme Court. Member Negra asked if the old citations due to the slowness of the ALJ processing had an impact and Chief Counsel indicated the common pleas court considered them stale history and discounted them.

**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to Not File a Petition for Allowance of Appeal to the Supreme Court.

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

- (1) **Club Essie's, Inc.** Request for Hearing After  
C-5338 (LID No. 68484) Case No. 18-9087 Revocation - Club  
302 Market Street  
Middletown, Dauphin County

**Motion Made:** Board Member Negra

**Seconded:** Chairman Holden

Chairman Holden asked if there was anyone present from Club Essie. No response.

**Board Decision:** Unanimously agreed (2-0 vote) to Affirm Administrative Revocation.

- (2) **Bar-B-Corp.** Renewal – District 8  
**t/a Good Old Days Tavern**  
R-16818 (LID No. 24349) Case No. 2018-24349  
501 East Street  
Bloomsburg, Columbia County

**Motion Made:** Board Member Negra

**Seconded:**

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

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- (3) **Clinton J. Lewis Lodge No. 201 IBPOE of W** Renewal – District 11  
CC-3680 (LID No. 3487) Case No. 2017-3487  
809 Lake Street  
Bristol, Bucks County
- Motion Made:** Board Member Negra  
**Seconded:**
- Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.
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- (4) **Tall Cedars, Inc.** Renewal – District 6  
R-16689 (LID No. 18140) Case No. 2018-18140  
108 Main Street, P. O. Box 136  
Donegal, Westmoreland County
- Motion Made:** Board Member Negra  
**Seconded:**
- Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.
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- (5) **Terri Associates, Inc.** Renewal – District 8  
**t/a Montour Beverages**  
D-490 (LID No. 4298) Case No. 2018-4298  
1001-05 Broad Street  
Montoursville, Lycoming County
- Motion Made:** Board Member Negra  
**Seconded:**
- Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.
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- (6) **White Twp. Inn & Lanes, Inc.** Renewal – District 6  
**t/a White Township Inn**  
R-17867 (LID No. 18976) Case No. 2018-18976  
2518 Clayton Road  
White Township  
Beaver Falls, Beaver County
- Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to Approve Renewal with Existing 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) **Rahshi Baker – Removal**
- (2) **Antonio Bazemore - Removal**
- (3) **Shawna Coleman – Affirm Removal**
- (4) **Brandon Deloatch – Affirm Removal**
- (5) **Anthony Gressley – 5 – Day Suspension**
- (6) **Charles Koberlein - Removal**
- (7) **Cody McAndrew - – Rescind Removal**
- (8) **Kathleen McWhirter – 10 – Day Suspension**
- (9) **Julio Sanchez – Affirm Removal**
- (10) **Iman Williams – Affirm 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 Ravindraraj, Director, Bureau of Accounting & Purchasing  
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

The Purchasing and Contract Administration Division hereby submits the following list of procurements of goods and services for Board approval:

- (1) **Marketing and Media Buying Services** – This is to combine the creative and media buying functions for both Fine Wine & Good Spirits (FWGS) and Alcohol Education’s needs. Historically, this agency has used a separate media buying contract and has had separate “Marketing” (FWGS) and Alcohol Education advertising and public relations contracts. Consolidating these efforts will result in consistent reporting of media buying and potential economies of scale should be realized.

Procured via Request for Proposal – **VENDOR: Tierney Communications** – Term: Three Years – **\$40,000,000.00 estimated cost.**

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FW&GS				
	Year One	Year Two	Year Three	Contract Term
Media Buying	\$ 7,810,000.00	\$ 8,591,000.00	\$ 9,450,000.00	\$ 25,851,000.00
Marketing Support	\$ 6,309,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 10,309,000.00
Contract Totals	\$ 14,119,000.00	\$ 10,591,000.00	\$ 11,450,000.00	\$ 36,160,000.00
Alc Ed				
	Year One	Year Two (PPOS ends 10/20 w/out ext.)	Year Three	Contract Term
Media Buying	\$ 1,000,000.00	\$ 1,100,000.00	\$ 1,140,000.00	\$ 3,240,000.00
Marketing Support	\$ -	\$ 100,000.00	\$ 500,000.00	\$ 600,000.00
Contract Totals	\$ 1,000,000.00	\$ 1,200,000.00	\$ 1,640,000.00	\$ 3,840,000.00
Contract Totals				
	Year One	Year Two	Year Three	Contract Term
	March/April 2019-2020	March/April 2020-2021	March/April 2021-2022	
Media Buying	\$ 8,810,000.00	\$ 9,691,000.00	\$ 10,590,000.00	\$ 29,091,000.00
Marketing Support	\$ 6,309,000.00	\$ 2,100,000.00	\$ 2,500,000.00	\$ 10,909,000.00
Contract Totals	\$ 15,119,000.00	\$ 11,791,000.00	\$ 13,090,000.00	\$ 40,000,000.00

- (2) **Philadelphia Distribution Center HVAC Repair Services** – Two critical repairs are needed at the Philadelphia Distribution Center. Replacement of the existing, non-functioning air conditioning unit which cools offices containing staff computers and most critically the server rack plus cleaning, sanitizing and deodorizing the HVAC duct system.

Procured via PO 63015476 Amendment – VENDOR: **Core Mechanical, Inc.** – \$38,404.00 for AC replacement plus \$20,829.00 for HVAC duct cleaning for a total **\$59,233.00 estimated cost.**

- (3) **Point of Service (POS) Production Support and Enhancement Consulting Services** – To migrate from a customized Microsoft-based gift card processor that is currently in a production Microsoft environment to a custom Java-based processor that provides the same functionality.

Procured via PO 63013714 Change Request – VENDOR: **SkillNet Solutions, Inc.** – TERM: 11 weeks – **\$190,800.00 estimated cost** (1,590 hours @ \$120.00 per hour).

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to Accept All Procurement Actions.

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Inter-Agency Charges:

- (1) **Office of Administration – Enterprise Data Center (EDC)** – Billing of \$61,410.46 for the PLCB’s service request (#6553) for the 2018-19 annual renewal support cost for EDC to host the following applications: #147- Internet Portal, #148 – eCommerce (FWGS), #3133 SUSE/Redhat Migration, rack space and PAI SSL certificates.
- (2) **Department of Auditor General** – FY 2018-19 second quarter billing of \$797,253.87 from the Department of the Auditor General. The billing is \$51,064.22 (-6.0%) less than last year’s second quarter billing of \$848,318.09.

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. **#0206 – 409 Chartiers Avenue, McKees Rocks Amendment**
- 2. **#2210 – 5070 Jonestown Road, Harrisburg Amendment**

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

**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>Castle Brands USA Corp</u> Goslings Stormy Diet Ginger Beer Non-Alcoholic Beverage 6 - 355 ML	9, 14
<u>Deluxe Imports LLC</u> Leadslingers Fighting Spirit Rye Whiskey 750 ML	5, 15



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**LeVecke Corporation**

Conciere Bourbon 750 ML	18
Conciere Tequila Silver 750 ML	18

**North Wales Wines**

Barefoot Cellars Cabernet Sauvignon On Tap 3 L	1, 2, 3
Barefoot Cellars Chardonnay On Tap 3 L	1, 2, 3
Barefoot Cellars Moscato On Tap 3 L	1, 2, 3
Barefoot Cellars Pinot Grigio On Tap 3 L	1, 2, 3
Barefoot Cellars Pinot Noir On Tap 3 L	1, 2, 3
Barefoot Cellars Rose On Tap 3 L	1, 2, 3

**Palm Bay International**

Porta Vita Bianco 750 ML	18
Porta Vita Rosato 750 ML	18
Porta Vita Rosso 750 ML	18

RECOMMENDED ACTION: We recommend the Board approve this action

**2. Regular PA Preferred New Items Accepted**

<b><u>BRAND NAME AND SIZE</u></b>	<b><u>REASON</u></b>
<b><u>Flickerwood Wine Cellars Inc</u></b>	
Flickerwood Wine Cellars Grandview White Niagara 750 ML	17
Flickerwood Wine Cellars Sleepy Hollow Red 750 ML	17
Flickerwood Wine Cellars Sweet Angel Red 750 ML	17
<b><u>Natrona Bottling Company</u></b>	
Red Ribbon Birch Beer 355 ML	8, 14
Red Ribbon Cola 355 ML	8, 14
Red Ribbon Pennsylvania Punch 355 ML	8, 14

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

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- 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>Midstate Distillery Inc</u>	
Midstate Distillery Shakey Jake’s Premium White Rum 750 ML	1663
 <u>Pernod Ricard</u>	
Beefeater London Dry Gin 50 ML	5041
 <u>Philadelphia Distilling</u>	
Bluecoat Gin 50 ML	4141
 <u>The Wine Group</u>	
Cupcake Moscato D’Asti 3 - 187 ML	2277

EFFECTIVE DATE: The transference to closeout will become effective March 15, 2019

**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**

*Transfer of Lottery Funds*.....*Michael Demko, Director of Finance*

Requesting Board authorization to transfer from the State Stores Fund to the General Fund lottery commissions of \$336,673.05 earned during the 2nd quarter of fiscal year 2018-19.

**Motion Made:** Board Member Negra  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to Approve the Transfer of \$336,673.05 to the General Fund.

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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, February 27, 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.

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Chairman

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Member

ATTEST:

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Secretary