

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

WEDNESDAY, JANUARY 15, 2020

NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA

Tim Holden, Chairman
Mike Negra, Board Member
Mary Isenhour, 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 – Angela Schaul – Retail Operations

OLD BUSINESS..... *Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the December 18, 2019 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Previous Board Minutes.

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

The following Board Action approved on December 23, 2019 was decided by Notational Voting after the adjournment of the Board’s last public meeting on December 18, 2019.

Chairman Holden, Member Negra and Member Isenhour agreed (3-0 vote) to approve a license transfer with requests for interior connections with another business on the licensed premises for:

City Axe, LLC t/a Lumberjaxes
2 Sedgwick Street
Pittsburgh, PA 15209
LID 97278, License No. R-5421, Case No. 19-9067

Chairman Holden confirmed that a notational vote regarding the aforementioned Board Action had taken place, but the vote was not ratified.

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PUBLIC COMMENT ON AGENDA ITEMS

There was no public comments on the printed agenda items.

NEW BUSINESS

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

- (1) **Big D Restaurants, LLC** Appeal from the Adjudication and Order of Administrative Law Judge
Citation No. 18-1843

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chief Counsel Rodrigo Diaz explained that the case at issue involves a citation which Licensee received for storing alcohol off of its licensed premises. On appeal, Licensee argued that the search conducted by the Liquor Control Enforcement officer who discovered alcohol located on a second floor was illegal and that therefore evidence should be suppressed. Chief Counsel Diaz then indicated that transcripts associated with the case reveal that access to the second floor was clearly granted and for this reason the decision of the Administrative Law Judge should be affirmed.

Board Decision: Unanimously agreed (3-0 vote) to Affirm Administrative Law Judge.

- (2) **Plains Township** Municipal Petition for Exemption from Liquor Code Statute Regarding Amplified Sound
Case No. 19-NE-22

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Noise Exemption from January 15, 2020 to January 15, 2025.

- (3) **Cleaning Beer Dispensing Systems** Proposed Regulatory Change

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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Chief Counsel Diaz stated that the PLCB’s Regulations currently require beer lines to be cleaned every seven days and that a request to increase the length of time between cleanings to fourteen days had been received from two industry groups. In addition to effecting conformity with the industry standard, Chief Counsel Diaz indicated that the proposed regulatory change will clarify that the regulation applies to all licensees serving draft beer. Chief Counsel Diaz then stated that if the Board approves the regulation, it will subsequently be sent to the Office of Attorney General as well as the Independent Regulatory Review Commission and made available for public comment.

Board Member Negra inquired as to whether or not wine taps would be affected by the regulation and Chief Counsel Diaz responded by affirming that the regulatory change applies only to beer taps. Since the regulation concerns qualities which are specific to beer, Chief Counsel Diaz indicated that a separate regulation would be necessary for the cleaning of wine taps and that his office would look into such a proposal should the need arise.

Board Decision: Unanimously agreed (3-0 vote) to Approve Proposed Regulatory Change.

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

(1) **BFS Foods, Inc.**
t/a BFS Foods 41
R-11374 (LID No. 100942)
270 East Roy Furman Highway
Franklin Township
Waynesburg, Greene County

**REQUEST FOR
RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business – Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.

(2) **Dennis J. Barrett, Jr.**
t/a Wildwood 2
R-17179 (LID No. 72866) Case No. 19-9029
2489 Curwensville–Grampian Highway
Pike Township
Grampian, Clearfield County

Renewal – Restaurant
HOLD – 10/9/19 SESSION

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Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from Dennis J. Barrett, Jr. Attorney Francis X. O'Brien stood up and stated that he represents a potential buyer of this license and has been attempting to establish a deal. Attorney O'Brien affirmed his awareness of Licensee's need to submit a report to the Department of Revenue and then suggested an anticipation that proceeds from the sale of the license will satisfy anything owed to the agency. Chief Counsel Diaz responded to Attorney O'Brien by stating that this case can be submitted for reconsideration in two weeks as the lack of clearance from the Department of Revenue does not currently allow for settlement.

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

- (3) **Brewery Acquisition Operations, LLC** New & Request for Interior
t/a Pennsylvania Libations Connections with Other
(LID No. 100803) Businesses – Brewery Storage
1700 Penn Avenue, Unit A
Pittsburgh, Allegheny County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve New Application & Request for Interior Connections with Other Businesses.

- (4) **CCH Erie, LLC** Renewal - Restaurant
t/a Cannon's Chophouse
R-14172 (LID No. 93212) Case No. 19-9076
7165 Peach Street
Summit Township
Erie, Erie County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from CCH Erie, LLC. There was no response.

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

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- (5) **Creskide Management Group, LLC** Extension of License &
D-3453 (LID No. 93146) Requests for Interior
2175 Big Sewickley Creek Road Connections with Another
Economy Borough Business & to be Engaged in
Sewickley, Beaver County Another Business – Distributor

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Extension of License & Requests for Interior Connections with Another Business & to be Engaged in Another Business.

- (6) **Elk Mountain Winery, LLC** Request to Sell Other Items on the
LK-296 (LID No. 99570) Licensed Premises – Limited
24670 Bennetts Valley Highway Winery
Route 255
Jay Township
Weedville, Elk County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to Sell Other Items on the Licensed Premises as Previously Approved.

- (7) **FOURBOYSILOVETWO, LLC** Double Transfer - Restaurant
t/a The Sylvania Social Club
R-15101 (LID No. 97272) Case No. 19-9038
215 Main Avenue
Hawley, Wayne County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Transfer.

- (8) **James City Bar and Grill, LLC** Renewal - Restaurant
t/a James City Bar and Grill
R-16250 (LID No. 86659) Case No. 19-9071
162 New Jersey Avenue, P. O. Box 134
Highland Township
James City, Elk County

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

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from James City Bar and Grill, LLC. There was no response.

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

- (9) **Portch Tea, LLC** (LID No. 101248)
3502 Main Road East
Upper Milford Township
Emmaus, Lehigh County
- New & Request to Conduct
Another Business on the
Licensed Premises – Limited
Winery

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve New Application & Request to Conduct Another Business on the Licensed Premises.

- (10) **Rinku Corporation**
R-12845 (LID No. 81606)
204 Northampton Street
Easton, Northampton County
- Request to Sell Other Items on the
Licensed Premises - Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to Sell Other Items on the Licensed Premises Previously Approved for Retail Licensees.

- (11) **Sheetz, Inc.**
t/a Sheetz #22
R-13994 (LID No. 100234)
208 Haynes Street
Johnstown, Cambria County
- REQUEST FOR RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business – Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.

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- (12) **Sheetz, Inc.**
t/a Sheetz #27
R-16782 (LID No. 100664)
1500 Graham Avenue
Windber, Somerset County
- REQUEST FOR RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business – Restaurant
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.
- (13) **Sheetz, Inc.**
t/a Sheetz #99
E-5197 (LID No. 99890)
325 Freeport Street
New Kensington, Westmoreland County
- REQUEST FOR RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business – Eating Place
Malt Beverage
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.
- (14) **Sheetz, Inc.**
t/a Sheetz #299
R-13424 (LID No. 100790)
1931 Butler Pike
Springfield Township
Grove City, Mercer County
- REQUEST FOR RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business - Restaurant
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.
- (15) **Sheetz, Inc.**
t/a Sheetz #343
R-15301 (LID No. 99544)
1101 O’Neill Highway
Dunmore, Lackawanna County
- REQUEST FOR RECONSIDERATION**
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business – Restaurant

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Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.

(16) **Sheetz, Inc.**
t/a Sheetz #451
R-18585 (LID No. 99689)
11104 Grindstone Hill Road
Antrim Township
Greencastle, Franklin County

REQUEST FOR RECONSIDERATION
“Intermunicipal” Double
Transfer & Requests for
Interior Connections with
Another Business & to Rescind
Conditional Licensing Agreement
Agreement – Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Requests for Interior Connections with Another Business & to Rescind Conditional Licensing Agreement with Revised Plans.

(17) **Sheetz, Inc.**
t/a Sheetz #549
R-20874 (LID No. 100943)
249 Pittsburgh Road
Butler Township
Butler, Butler County

REQUEST FOR RECONSIDERATION
“Intermunicipal” Double
Transfer & Request for Interior
Connections with Another
Business - Restaurant

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Reconsider and Approve Transfer & Request for Interior Connections with Another Business with Revised Plans.

(18) **Chris’ Bar, Inc.**
t/a Ann’s Chophouse
R-9810 (LID No. 59002) Case No. 2019-59002
2783 South Park Road
Bethel Park, Allegheny County

Renewal – District 5

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for Conditional Licensing Agreement.

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- (19) **Crossroads II, Inc.** Renewal – District 5
t/a Hotel Crossroads
H-4377 (LID No. 49206) Case No. 2019-49206
1502 Saxonburg Boulevard
West Deer Township
Tarentum, Allegheny County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Chairman Holden asked if there was anyone present from Crossroads II, Inc. There was no response.
- Board Decision:** Unanimously agreed (3-0 vote) to Refuse Renewal.
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- (20) **HS Lounge, LLC** Conditional Licensing Agreement
Renewal – District 5
R-9945 (LID No. 66688) Case No. 2019-66688
4257 Verona Road
Penn Hills Township
Verona, Allegheny County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to Approve Renewal with Conditional Licensing Agreement.
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- (21) **M & B Enterprises of Blair County, Inc.** Conditional Licensing Agreement
t/a Budget Beverage Renewal – District 1
D-3622 (LID No. 49280) Case No. 2019-49280
524 Crescent Road
Altoona, Blair County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to Approve Renewal with Conditional Licensing Agreement.
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- (22) **Rusty’s Pittsburgh Sports Bar, LLC** Conditional Licensing Agreement
Renewal – District 5
R-16514 (LID No. 67378) Case No. 2019-67378
3630 Library Road
Castle Shannon, Allegheny County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour

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

(23) **Sherry Distributors, Inc.** Renewal – District 7
ID-520 (LID No. 8569) Case No. 2019-8569
812 Water Street
Meadville, Crawford County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for Conditional Licensing Agreement.

(24) **Ronald W. Swan, Jr.** Renewal – District 7
t/a Swanny's
R-6402 (LID No. 45961) Case No. 2019-45961
1206 East 8th Street
Erie, Erie County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from Ronald W. Swan, Jr. There was no response.

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

(25) **TC North Shore, LLC** Conditional Licensing Agreement
t/a 380 North Shore Drive Renewal – District 5
R-14539 (LID No. 81274) Case No. 2019-81274
380 North Shore Drive
Pittsburgh, Allegheny County **HOLD – 11/13/19 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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(26) William E. Zimmerman
t/a Tiffany Lounge
R-9286 (LID No. 24990) Case No. 2019-24990
58-60 East Independence Street
Shamokin, Northumberland County

Renewal – District 3

**HOLD – 10/17/19 SESSION &
12/18/19 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for Conditional Licensing Agreement.

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

There were 24 personnel actions presented for consideration.

- (1) Ronald Balfour – Removal**
- (2) Kalif Bilal – Affirm Removal**
- (3) Matthew Broxmeyer – Affirm Removal**
- (4) Chase Butler – Affirm Removal**
- (5) Katrina Clifton - Demotion**
- (6) Kiana Cooley – Affirm Removal**
- (7) Joseph Eddy - Removal**
- (8) Jermaine Elliott – Removal**
- (9) Taylor George – Removal**
- (10) Aje Gore – Affirm Removal**
- (11) Fayola Johnson – Affirm Removal**
- (12) Karisma Johnson - Removal**
- (13) Robert McIlmurray -Affirm Removal**
- (14) Tiffany Moyer – Affirm Removal**
- (15) Danielle Nuzzo – Affirm Removal**
- (16) Tanazia Owens – Affirm Removal**

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- (17) **Cheyenne Pena – Affirm Removal**
- (18) **Gilberto Perez – Affirm Removal**
- (19) **Kayla Perry - Demotion**
- (20) **Jazmine Phillips – Affirm Removal**
- (21) **Chelita Pittman – Removal**
- (22) **Jacob Sailer – Removal**
- (23) **Nakisha Whitfield – Affirm Removal**
- (24) **Marques Wright - Removal**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

Procurement Actions:

- (1) **Managed Print Services** – Single price maintenance contract for 450 standard Lexmark printers in Regions #2 and #3 stores. Toner, maintenance parts, and labor are included in the fixed price and PLCB will only be responsible for paper. Printers will be monitored constantly, and toner will be sent to stores before it is needed. This monitoring will reduce downtime due to printer failure.

Procured via Contract #4400010872 – **VENDOR: Edwards Business Systems** – **TERM:** Twenty-eight months - **\$361,413.90 estimated cost.**

- (2) **NWOB Snow Removal and Salting Services** – Provide snow plowing, removal, and salting services for the NWOB’s eleven parking lots.

Procured via Invitation for Bid #260352 – **VENDOR: C and Z Construction** – **TERM:** One year - **\$150,000.00 estimated cost.**

- (3) **Corrugated Cardboard Shipping Boxes and Inserts** – Furnish corrugated cardboard shipping boxes and corrugated cardboard inserts to be used by the PLCB to pack bottles of wine and spirits at the PLCB’s E-Commerce Fulfillment Center and all Fine Wine & Good Spirits stores throughout the Commonwealth.

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Procured via Invitation for Bid #260350 – VENDOR: **Bell Containers** – TERM: One year - **\$400,000.00 estimated cost.**

- (4) **SUSE Software Subscription and Support Renewal** – This is for software subscription and support renewal for several SUSE packages. This allows PLCB to obtain any patches or updates to the software and the ability to open tickets with support. These items are required to continue use of the software.

Procured via DGS Contract #4400018548 – VENDOR: **CDW-G** – TERM: One year – **\$439,617.38 estimated cost.** (This represents a 2.43% increase from last year’s cost of \$429,171.58.)

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

Inter-Agency Charges:

None

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

- 1. **#0907 – Edgewood Village Shopping Center, 635 Heacock Road, Yardley Amendment**
- 2. **#2301 – Lawrence Park Industrial Center, 629 Park Way, Broomall Amendment**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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 Selection*

1. Regular New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Anheuser Busch LLC</u>	
Drinkworks Home Bar Variety Sampler Pack 16x50 mL	8
<u>Capital Wine and Spirits Inc</u>	
Bar Dog Cabernet Sauvignon 750 mL	1, 6, 7
Bar Dog Pinot Noir 750 mL	1, 6, 7

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Francis Coppola Diamond Collection Rose 750 mL	2, 3
Francis Coppola Director's Cut Cinema Red Blend 750 mL	2, 3
King Estate Pinot Noir Willamette Valley 750 mL	3, 6, 11
Skrewball Peanut Butter Whiskey 750 mL	1, 2, 12
The Whistler Blue Note Single Malt Irish Whiskey 7 Year Old 750 mL	5, 6
Writer's Tears Double Oak Irish Whiskey 750 mL	3, 5
<u>Diageo North America</u>	
Smirnoff Zero Sugar Infusions Cucumber and Lime Vodka 750 mL	2, 3
Smirnoff Zero Sugar Infusions Strawberry and Rose Vodka 750 mL	2, 3
Smirnoff Zero Sugar Infusions Watermelon and Mint Vodka 750 mL	2, 3
<u>Duckhorn Wine Co</u>	
Decoy Rose 750 mL	1, 2, 3, 4
<u>The Edrington Group USA LLC</u>	
Brugal 1888 Rum 750 mL	5, 10
<u>Fetzer Vineyards</u>	
1000 Stories Prospectors Proof Cabernet Sauvignon 750 mL	1, 3
<u>Majestic Wine and Spirits</u>	
Cherry Pie Pinot Noir Tri County California 750 mL	1, 6, 11
Harken Chardonnay 750 mL	1, 11
Layer Cake Bourbon Barrel Aged Cabernet Sauvignon 750 mL	1, 3
Layer Cake Jampacked Red Blend 750 mL	1, 3
Line 39 Chardonnay 750 mL	1, 3
Line 39 Red Blend 750 mL	1, 3
<u>North Wales Wines</u>	
Barefoot Fruitscato Strawberry Moscato 750 mL	2, 3
Barefoot Fruitscato Watermelon Moscato 750 mL	2, 3
Storypoint Cabernet Sauvignon 750 mL	7
Storypoint Chardonnay 750 mL	7
Storypoint Pinot Noir 750 mL	7
<u>Paterno Imports LTD</u>	
The Federalist Liberty Bell Cabernet Sauvignon 750 mL	2, 3
<u>Pio Imports LLC</u>	
Elmo Pio Black Cherry Moscato 750 mL	2, 3, 9, 12
Elmo Pio Mango Moscato 750 mL	2, 3, 9, 12
Elmo Pio Peach Moscato 750 mL	2, 3, 9, 12

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Pip Imports and Domestics LLC

Centerstone Pinot Noir Willamette Valley 750 mL 4, 6

Sazerac Company Inc

Fireball Cinnamon Whisky 200 mL 2, 3

Sazerac North America Inc

Barton 1792 Distillery Chocolate Bourbon Ball Cream Liqueur 750 mL 2, 12

Southern Glazers Wine and Spirits of PA

Altered Dimension Cabernet Sauvignon Columbia Valley 750 mL 7

Altered Dimension Sauvignon Blanc Columbia Valley 750 mL 7

Bota Box Nighthawk Black Lush Pinot Noir 3 L 1, 3

Bota Box Nighthawk Gold Vibrant Sauvignon Blanc 3 L 1, 3

Bully Hill Vineyards Sweet Walter Cherry 750 mL 1, 3, 6

Bully Hill Vineyards Sweet Walter Pineapple 750 mL 1, 3, 6

Carmenet Cabernet Sauvignon Vintner's Reserve 750 mL 10

Dry Creek Vineyard Cabernet Sauvignon 750 mL 6, 11

Evolution Pinot Noir 750 mL 4, 11

Evolution Riesling 750 mL 4, 11

Flat Top Hills Cellars Cabernet Sauvignon 750 mL 1, 4, 7

Flat Top Hills Cellars Chardonnay 750 mL 1, 4, 7

Jam Cellars Jam Cabernet Sauvignon 750 mL 3

Luna di Luna Pinot Grigio 1.5 L 3, 9

Luna di Luna Red Blend 1.5 L 3, 9

Mercer Family Vineyards Mercer Bros Cabernet Sauvignon 750 mL 4, 11

Noble Vines Marquis Red Blend 750 mL 10

Z Alexander Brown Chardonnay Santa Lucia 750 mL 1, 3

Z Alexander Brown Tri County Pinot Noir 750 mL 1, 3

Sutter Home Winery Inc

Bieler Family Born to Run Cabernet Sauvignon 750 mL 18

Bieler Family Born to Run Rose 750 mL 18

Menage a Trois Limelight Pinot Grigio 3x187 mL 2, 3

Menage a Trois Gold Chardonnay 3x187 mL 2, 3

Menage a Trois Red 3x187 mL 2, 3

The Wine Group Inc

Ava Grace Vineyards Red Blend 750 mL 1, 3

Ava Grace Vineyards Sauvignon Blanc 750 mL 1, 3

Chloe Vineyards Cabernet Sauvignon 750 mL 1, 3

Imagery Estate Winery Pinot Noir 750 mL 1, 3

Imagery Estate Winery Sauvignon Blanc 750 mL 1, 3

The Wine Merchant LTD

Big Smooth Cabernet Sauvignon Lodi 750 mL 11

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Chalk Hill Chardonnay Sonoma Coast 750 mL	11
The Crusher Cabernet Sauvignon 750 mL	11
The Crusher Pinot Noir 750 mL	11

Treasury Wine Estates

Beringer Bros Bourbon Barrel Aged Cabernet Sauvignon 750 mL	2, 3
Beringer Bros Tequila Barrel Aged Sauvignon Blanc 750 mL	2, 3

Q Tonic LLC

Q Spectacular Grapefruit Mixer Non Alcohol 4x198 mL	2, 3, 12
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Verity Wine Partners

Folly of the Beast Pinot Noir 750 mL	4, 11
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RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular New Item Accepted Revision

BRAND NAME AND SIZE

REASON

Cape Classics Inc

Domaine Paul Buisse Touraine Sauvignon Blanc 750 mL	11, 14, 19
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Note: Went to Board on 12-18-19 with incorrect pricing

RECOMMENDED ACTION: We recommend the Board approve this action

3. Regular PA Preferred New Items Accepted

BRAND NAME AND SIZE

REASON

MHW LTD

Holla Paw Paw Vodka 750 mL	16
Holla Peanut Butter Vodka 750 mL	16

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

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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

4. Regular Recommended Delist

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Capital Wine and Spirits</u>	
Charles Smith Vino Pinot Grigio 750 mL	2515
Clayhouse Malbec 750 mL	6322
Clayhouse Syrah 750 mL	2203
Coppola Rosso and Bianco Shiraz 750 mL	9943
Glenora Niagara White 1.5 L	4305
Kinky Blue Liqueur 750 mL	7470
Middle Sister Rebel Red 750 mL	3773
Prairie Cucumber Vodka Organic 750 mL	1560
Vila Nova Red Blend 750 mL	1589
<u>Constellation Wines U S</u>	
Blackstone Cabernet Sauvignon 750 mL	7202
Ravage Dark Red Blend 750 mL	2035
Rex Goliath Chardonnay 1.5 L	3252
Rex Goliath Pinot Grigio 1.5 L	3255
<u>Diageo Americas Inc</u>	
Captain Morgan Black Spiced Rum 1.75 L	5416
Smirnoff Vodka 100 Proof 750 mL	4517
Tanqueray Sterling Vodka 750 mL	7631
<u>Fetzer Vineyards</u>	
Fetzer Anthony's Hill Merlot 1.5 L	8962
Frontera Red Blend After Midnight 750 mL	1598
Little Black Dress Pinot Noir 750 mL	2219
<u>Halo Wines and Spirits</u>	
eLunes Moscato and Strawberries 750 mL	7540

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Heaven Hill Distilleries Inc

Burnett's Ruby Red Grapefruit Vodka 1.75 L 1547

Jim Beam Brands Co

DeKuyper Hazelnut Liqueur 750 mL 8798

Effen Black Cherry Vodka 750 mL 5895

Leonard Kreusch Inc

Pflucken Riesling Sweet 750 mL 1584

Majestic W S USA Inc

Alacran Tequila Blanco 750 mL 8920

Carpineto Dogajolo White 750 mL 3524

MHW LTD

Holla Cinnamon Vodka 750 mL 15983

Holla Lemon's End Vodka Pouch 750 mL 98086

Michael Skurnik Wines

The Pinot Project Pinot Noir 750 mL 1978

North Wales Wines

Barefoot Merlot 4x187 mL 8927

Dancing Bull Zinfandel 750 mL 6632

Edna Valley Cabernet Sauvignon 750 mL 5084

Edna Valley Merlot 750 mL 6547

Edna Valley Pinot Noir 750 mL 8481

Frei Brothers Merlot 750 mL 9032

Gallo Family Vineyards Cabernet Sauvignon 1.5 L 4842

Gallo Family Vineyards Pinot Noir 1.5 L 8212

Ghost Pines Chardonnay 750 mL 3957

Naked Grape Merlot 3 L 9493

Naked Grape Moscato 3 L 8499

Redwood Creek Chardonnay 1.5 L 6637

Redwood Creek Pinot Noir 1.5 L 9232

Tisdale Pinot Noir 750 mL 3410

Turning Leaf Cabernet Sauvignon 750 mL 8517

Turning Leaf Chardonnay 750 mL 7937

Vin Vault Malbec 3 L 1416

Palateur Imports LLC

Charles Tort Cotes du Rhone Old Vines 750 mL 2076

Palm Bay Imports Inc

Cavit Merlot 750 mL 8977

Paterno Imports LTD

The Federalist Chardonnay 750 mL 2016

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Pernod Ricard USA

Malfy Con Limone Gin 750 mL 1558

Piedmont Distillers Inc

Midnight Moon American Whiskey 750 mL 2556

Pip Imports

Gerberas Garnacha 750 mL 2494

Premier Innovations Group

Clique Vodka 750 mL 6036

The Gin Foundry 750 mL 2040

Proximo Spirits Inc

Three Olives Coconut Water Vodka 750 mL 7766

Sazerac Company Inc

Firefly Apple Pie Moonshine 750 mL 7769

Peligroso Cinnamon Tequila Liqueur 750 mL 8329

Rich and Rare Canadian Whisky Reserve 1.75 L 1300

Southern Glazers Wine and Spirits of PA

Bivio Pinot Grigio 750 mL 2498

Bota Box Shiraz 3 L 9991

Carl Reh Riesling 750 mL 4267

Duke Straight Bourbon Whiskey Small Batch 750 mL 36486

Forty Creek Canadian Whisky 750 mL 3948

Gnarly Head Red Blend 750 mL 5257

Hazlitt 1852 Vineyards Schooner White 750 mL 2264

Inkberry Shiraz Cabernet Sauvignon 750 mL 7808

Irony Pinot Noir 750 mL 9565

Listel Rose 750 mL 2045

Mouton Cadet White 1.5 L 7008

Popcorn Chardonnay 750 mL 2270

Stoli Group USA LLC

Cenote Tequila Blanco 750 mL 2541

Cenote Tequila Reposado 750 mL 2540

Sutter Home Winery

Bandit Chardonnay 500 mL 3457

Menage a Trois Sauvignon Blanc 750 mL 7214

Sutter Home Riesling 750 mL 3127

Tres Agaves Tequila Reposado 750 mL 6613

The Wine Group Inc

Big House Cardinal Zin Zinfandel 3 L 3461

Chloe Red No 249 North Coast 750 mL 9144

Cupcake Vineyards Malbec 750 mL 3687

Fish Eye Merlot 1.5 L 8528

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The Wine Merchant LTD

Beach House Sunset Red 750 mL	6673
Sebastiani Pinot Noir 750 mL	4985

Treasury Wine Estates

Beringer Main and Vine Dry Rose 1.5 L	2530
Beringer Main and Vine Moscato 1.5 L	3102
Chateau St Jean Sauvignon Blanc 750 mL	6793
Rosemount Estate Shiraz 750 mL	5935
Sterling Vineyards Chardonnay 750 mL	6700

Vintage Imports Inc

True Myth Cabernet Sauvignon 750 mL	1479
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W J Deutsch Sons LTD

Yellow Tail Rose Sparkling 750 mL	6053
Yellow Tail Smooth Red Blend 1.5 L	9848

Wine of Japan Import Inc

Shirayuki Sake 1.8 L	4178
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Winebow Inc

Pitu Cachaca 1 L	323
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EFFECTIVE DATE: The transference to closeout will become effective February 14, 2020

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

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

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statement of Net Position
(Unaudited)**

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 78,913,223	\$ 86,118,974
Investments - short term	309,579,077	252,159,401
Accounts and claims receivable, net	3,393,400	2,164,523
Due from other funds - Note 9	-	-
Merchandise inventories, net	234,803,317	229,926,418
Operating supplies	219,121	348,009
Prepaid expenses	<u>1,307,218</u>	<u>940,084</u>
Total current assets	<u>628,215,356</u>	<u>571,657,409</u>
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable capital assets:		
Building	20,875,220	20,875,220
Leasehold improvements	341,826	612,301
Machinery and equipment	48,954,176	49,420,745
Intangibles - internally generated software	<u>23,273,438</u>	<u>28,174,461</u>
Less: accumulated depreciation	<u>64,368,646</u>	<u>70,448,295</u>
Net depreciable capital assets	<u>29,076,014</u>	<u>28,634,432</u>
Total non-current capital assets	<u>29,398,987</u>	<u>28,957,405</u>
Total assets	<u>\$ 657,614,343</u>	<u>\$ 600,614,814</u>
Total deferred outflows of resources - Notes 5, 6	\$ 163,446,631	\$ 88,390,800
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	\$ 343,639,933	\$ 303,205,188
Other accounts payable	31,447,624	26,559,711
Accrued expenses	19,972,604	18,580,169
OPEB - Note 6	8,994,000	11,976,000
Self-insurance, workers' compensation - Note 7	8,193,938	10,637,029
Due to other funds - Note 9	6,458,580	5,114,225
Due to fiduciary funds - Note 9	2,494,856	2,212,901
Due to other governments - Note 9	<u>687,892</u>	<u>610,267</u>
Total current liabilities	<u>421,889,427</u>	<u>378,895,490</u>
Non-current liabilities:		
OPEB - Note 6	507,769,000	781,379,000
Self-insurance, workers' compensation - Note 7	48,841,124	47,949,448
Net pension liability - Note 5	549,491,336	456,637,473
Compensated absences - Note 1	<u>21,598,132</u>	<u>20,809,984</u>
Total non-current liabilities	<u>1,127,699,592</u>	<u>1,306,775,905</u>
Total liabilities	<u>\$ 1,549,589,019</u>	<u>\$ 1,685,671,395</u>
Total deferred inflows of resources - Notes 5, 6	\$ 334,998,836	\$ 98,038,959
<u>NET POSITION</u>		
Net investment in capital assets	\$ 29,398,987	\$ 28,957,405
Deficit	<u>(1,092,925,868)</u>	<u>(1,123,662,145)</u>
Total net position	<u>\$ (1,063,526,881)</u>	<u>\$ (1,094,704,740)</u>

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**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Month Ending December 31, 2019 and December 31, 2018
(Unaudited)**

	<u>2019-20</u>	<u>2018-19</u>
Sales net of taxes	\$ 270,950,899	\$ 267,862,597
Cost of goods sold	(180,889,849)	(179,336,329)
Gross profit from sales	<u>90,061,050</u>	<u>88,526,268</u>
Operating (expenses):		
Retail operations	(32,882,606)	(35,291,788)
Marketing & merchandising	(1,764,472)	(1,883,373)
Supply chain	(788,361)	365,004
Wholesale operations	(148,372)	(151,334)
Information technology services	(2,374,713)	(2,405,241)
Regulatory affairs	(1,600,577)	(1,657,719)
Administration	(1,108,650)	(1,092,178)
Finance	(243,737)	(293,506)
Board & secretary	(289,446)	(294,494)
Legal	(311,912)	(289,533)
Commonwealth provided services - Note 2	<u>(1,281,799)</u>	<u>(1,085,609)</u>
Total	<u>(42,794,645)</u>	<u>(44,079,771)</u>
Operating profit	47,266,405	44,446,497
Other operating revenues (expenses):		
Enforcement fines	89,651	144,832
License fees	3,348,921	3,283,298
Miscellaneous income	369,550	200,532
Administrative law judge	<u>(235,528)</u>	<u>(224,093)</u>
Total	<u>3,572,594</u>	<u>3,404,569</u>
Total operating income	50,838,999	47,851,066
Miscellaneous revenues (expenses):		
Interest income	360,926	418,551
Other	<u>3,500</u>	<u>-</u>
Total	<u>364,426</u>	<u>418,551</u>
Income before operating transfers	51,203,425	48,269,617
Operating transfers out:		
PSP enforcement - Note 3	(2,731,002) <u>(2,731,002)</u>	(2,362,745) <u>(2,362,745)</u>
Net Income from operations	48,472,423	45,906,872
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	48,472,423	45,906,872
Total net position - beginning	<u>(1,111,999,304)</u>	<u>(1,140,611,612)</u>
Total net position - ending	<u>\$ (1,063,526,881)</u>	<u>\$ (1,094,704,740)</u>
Liquor tax	48,896,069	47,662,337
State Sales Tax	19,238,586	18,747,667
Local Tax	1,154,062	1,105,666
Taxes remitted to Dept.of Revenue YTD	<u>\$ 69,288,717</u>	<u>\$ 67,515,670</u>

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Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Six Months Ending December 31, 2019 and December 31, 2018
(Unaudited)

	<u>2019-20</u>	<u>2018-19</u>
Sales net of taxes	\$ 1,171,027,759	\$ 1,133,896,125
Cost of goods sold	<u>(795,284,326)</u>	<u>(769,822,517)</u>
Gross profit from sales	375,743,433	364,073,608
Operating (expenses):		
Retail operations	(187,966,788)	(199,197,494)
Marketing & merchandising	(5,575,117)	(8,930,546)
Supply chain	(4,033,660)	(3,572,230)
Wholesale operations	(817,888)	(921,975)
Information technology services	(14,044,549)	(15,514,425)
Regulatory affairs	(9,538,809)	(10,677,343)
Administration	(6,102,222)	(7,021,407)
Finance	(1,631,356)	(1,760,346)
Board & secretary	(1,667,511)	(2,299,255)
Legal	(1,824,875)	(1,810,492)
Commonwealth provided services - Note 2	<u>(7,337,774)</u>	<u>(6,568,599)</u>
Total	<u>(240,540,549)</u>	<u>(258,274,112)</u>
Operating profit	135,202,884	105,799,496
Other operating revenues (expenses):		
Enforcement fines	880,010	923,255
License fees	18,122,931	18,733,108
Miscellaneous income	1,786,764	1,757,029
Administrative law judge	<u>(1,434,657)</u>	<u>(1,406,632)</u>
Total	<u>19,355,048</u>	<u>20,006,760</u>
Total operating income	154,557,932	125,806,256
Miscellaneous revenues (expenses):		
Interest income	2,998,685	2,685,929
Other	<u>3,500</u>	<u>-</u>
Total	<u>3,002,185</u>	<u>2,685,929</u>
Income before operating transfers	157,560,117	128,492,185
Operating transfers out:		
PSP enforcement - Note 3	(15,900,302) <u>(15,900,302)</u>	(15,890,026) <u>(15,890,026)</u>
Net income from operations	141,659,815	112,602,159
Statutory Transfers:		
General fund - Note 4	(100,000,000)	(100,000,000)
Drug and alcohol programs - Note 4	-	-
Total	<u>(100,000,000)</u>	<u>(100,000,000)</u>
Change in net position	41,659,815	12,602,159
Total net position - beginning	<u>(1,105,186,696)</u>	<u>(1,107,306,899)</u>
Total net position - ending	<u>\$ (1,063,526,881)</u>	<u>\$ (1,094,704,740)</u>
Liquor tax	209,921,885	202,941,070
State Sales Tax	82,579,136	79,807,386
Local Tax	5,241,154	5,022,466
Taxes remitted to Dept.of Revenue YTD	<u>\$ 297,742,175</u>	<u>\$ 287,770,922</u>

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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 \$331,166.62 and incentives of \$47,923.71 earned during the 2nd quarter of fiscal year 2019-20. The total amount requested to transfer is \$379,090.33.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Transfer of Lottery Funds.

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

None.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, January 29, 2020 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 Isenhour, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary