

**PENNSYLVANIA LIQUOR CONTROL BOARD  
MEETING MINUTES**

**WEDNESDAY, JULY 15, 2020  
TELEPHONE CONFERENCE MEETING**

Tim Holden, Chairman	<a href="#">Office of Chief Counsel</a>	<a href="#">Office of Retail Operations</a>
Mike Negra, Board Member	<a href="#">Bureau of Licensing</a>	<a href="#">Bureau of Product Selection</a>
Mary Isenhour, Board Member	<a href="#">Bureau of Human Resources</a>	<a href="#">Financial Report</a>
Charlie Mooney, Executive Director	<a href="#">Bureau of Accounting &amp; Purchasing</a>	<a href="#">Other Issues</a>
John Stark, Board Secretary		

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*Notice: Anyone who wishes to comment on a printed agenda item prior to official action being taken must make that known to the Chairman or the Board Secretary in advance.*

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**PUBLIC MEETING – 11:00 A.M**

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

Pledge of Allegiance to the Flag

Chairman Holden made an opening statement thanking everyone for their continued cooperation and understanding as the PLCB is dealing with COVID-19 and the need to meet in this telephonic fashion. Chairman Holden stated that we still face a very serious health crisis. As of today, approximately 96,671 Pennsylvanians have been infected and sadly, approximately 6,931 have passed away.

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

A. Motion to approve previous Board Meeting Minutes of the June 24, 2020 meeting.

Motion Made: Board Member Isenhour  
Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve previous Board Minutes.

**PUBLIC COMMENT ON AGENDA ITEMS**

The Board has reserved 10 minutes for Public Comment on printed agenda items.

The teleconference moderator confirmed that there were no callers with comments.

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**NEW BUSINESS**

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

- (1) **City of Johnstown** Municipal Petition for Exemption  
Case No. 20-NE-04 from Liquor Code Statute  
Regarding Amplified Sound

Chief Counsel Rodrigo Diaz stated this is a request for noise exemption from the City of Johnstown. There are two requests from the City of Johnstown on the Agenda for today’s meeting. This application designated a location on Main Street as the proposed exempted area. Municipalities can ask to be exempted from the Liquor Code statutes that deal with amplified music by petitioning the Board with a designated exempted area. A hearing is subsequently held within the proposed exempted area in order to allow the public an opportunity to comment or respond to the petition. The findings are then brought before the Board for review.

With regard to this Agenda item, this is the second request for a specific area within the City of Johnstown. A hearing was held during which no protests were received, and the police indicated there were no complaints. If the Board is inclined to grant this request, a second request is usually granted for a three-year period.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve noise exemption from July 15, 2020 through July 15, 2023.

- (2) **City of Johnstown** Municipal Petition for Exemption  
Case No. 20-NE-05 from Liquor Code Statute  
Regarding Amplified Sound

Chief Counsel Rodrigo Diaz stated this is the second application for noise exemption from the City of Johnstown. This application designated Bridge Street as the proposed exempted area. A public hearing was held, during which no protests were received. If the Board is inclined to approve this request, the approval would be for a three-year period.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve noise exemption from July 15, 2020 through July 15, 2023.

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- (3) **City of Franklin** Municipal Petition for Exemption  
Case No. 20-NE-09 from Liquor Code Statute  
Regarding Amplified Sound

Chief Counsel Rodrigo Diaz stated this is the second request for noise exemption from the City of Franklin. This application designated the City of Franklin's business district as the proposed exempted area. A public hearing was held, during which no protests were received, and the police indicated that no complaints had been filed. This is the City's second request; therefore, the approval would be for a three-year period.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve noise exemption from July 31, 2020 through July 31, 2023.

- (4) **City of Lock Haven** Municipal Petition for Exemption  
Case No. 20-NE-10 from Liquor Code Statute  
Regarding Amplified Sound

Chief Counsel Rodrigo Diaz stated this is the second request for noise exemption from the City of Lock Haven. The application designated the entire City of Lock Haven as the proposed exempted area. A public hearing was held, during which no protests were received, and the police indicated that no complaints had been filed. A second request is usually granted for a three-year period.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve noise exemption from July 31, 2020 through July 31, 2023.

- (5) **Conemaugh Township** Municipal Petition for Exemption  
Case No. 20-NE-11 from Liquor Code Statute  
Regarding Amplified Sound

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Chief Counsel Rodrigo Diaz stated this is the third request for noise exemption filed by the City of Johnstown. The application designated a specific location on Frankstown Road as the proposed exempted area. A public hearing was held, during which no protests were received. During the hearing, the police indicated that one previous complaint had been filed; however, it was determined to be unfounded. Therefore, the police have no issue with the request. Third requests are usually granted for a five-year period.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve noise exemption from July 15, 2020 through July 15, 2025.

(6) **PLCB v. Burns**

Petition for Allowance of Appeal to Supreme Court

Chief Counsel Rodrigo Diaz stated this agenda item is the result of a Right-to-Know request filed by Representative Burns, in which Mr. Burns requested a list of the total number of restaurant liquor licenses available for auction in each county throughout Pennsylvania. The Board denied this request under the trade secret exemption and the confidential proprietary information and internal and predecisional information exemptions, due to the fact that the PLCB had not yet auctioned the licenses.

The concern was if this information were to be made available, it would adversely affect the prices for the auction and for people who are trying to sell their licenses in those counties. The Office of Open Records (OOR) disagreed with the PLCB's denial of the request, which resulted in the PLCB appealing the OOR's decision to Commonwealth Court. The appeal resulted in an unreported opinion in which the Commonwealth Court agreed with the OOR.

The question now is whether the PLCB should file a Petition for Allowance of Appeal to the Pennsylvania Supreme Court. The Board had expressed the concern that releasing this information would have a negative effect on the marketplace for licenses and for the auctioning of licenses, which is to the detriment of the Commonwealth. Chief Counsel Diaz stated that an argument can be made that the Commonwealth Court ignored the Supreme Court decision in *Cloonan*. This case did not deal specifically with open records, but it did acknowledge that the Board should be seen as a business and not just a governmental function. Therefore, the Board has the need to look at things a little bit differently than other government agencies. The Commonwealth Court did not agree; however, the Supreme Court may see it otherwise. The Supreme Court takes very few cases.

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

**Board Decision:** Unanimously agreed (3-0 vote) to file a Petition for Allowance of Appeal to the Pennsylvania Supreme Court.

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(7) **Orion Restaurant Group, III, Inc.**  
**t/a Tally Ho Tavern**  
205 West 4<sup>th</sup> Street  
Bethlehem, PA 18015-1501  
License No. R-8825  
LID: 68341  
Citation No. 17-0671

Appeal of the Adjudication and  
Order of Administrative Law  
Judge

Chief Counsel Rodrigo Diaz stated this is a citation that was issued to the licensee for violating the conditions of their conditional licensing agreement. The previous owner of the licensed establishment had entered into the agreement and the current owners had adopted the agreement. Specifically, the licensee failed to properly document the date, time and employee’s name of all outdoor patrols, thus violating the conditions of the agreement. When the Bureau of Liquor Code Enforcement (BLCE) asked to review the patrol records, the licensee was unable to provide them. The licensee was cited and subsequently filed an appeal with the Office of Administrative Law Judge (ALJ). The ALJ sustained the citation and, on appeal to the Board, the licensee argues two things: there is insufficient evidence to sustain the citation and the conditional licensing agreement is unconstitutional.

As to the latter issue, an agency cannot decide if their enabling statutes are constitutional or unconstitutional; therefore, this argument is moot. The Commonwealth Court held in the past that conditional licensing agreements are constitutional. As for the evidence, the officer testified at the hearing that BLCE was at the licensed establishment, they looked for the records and they were not there. There is sufficient evidence for the ALJ to have found that the BLCE had established its case. The Office of Chief Counsel recommends the Board sustains the citation.

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

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

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

(1) **Brownie’s Par Four, Inc.**  
R-1150 (LID No. 9810) Case No. 19-9096  
7173 Ogontz Avenue  
Philadelphia, Philadelphia County

Requests for Hearing After  
Revocation and *Nunc Pro Tunc* –  
Renewal & Extension of  
Safekeeping - Restaurant

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**Motion Made:** Board Member Isenhour

Chairman Holden asked if there was anyone on the line representing Brownie's Par Four, Inc.

The teleconference moderator confirmed there were no callers.

**Seconded:** Board Member Negra

Board Member Negra stated that, by affirming the administrative revocation, the license will be refused.

Chairman Holden noted that there is no tax clearance and so the Board may not approve the licensee's request.

**Board Decision:** Unanimously agreed (3-0 vote) to affirm the administrative revocation.

- (2) **Denithorne Brothers, Inc.** Renewal - Restaurant  
R-11532 (LID No. 29470) Case No. 19-9090  
845 Interchange Road  
Franklin Township  
Lehighon, Carbon County

**Motion Made:** Board Member Isenhour

**Seconded:** Board Member Negra

**Board Decision:** Unanimously agreed (3-0 vote) to approve the renewal subject to filing applications and fees for validation and extension of safekeeping, and to remove Vincent Denithorne.

- (3) **5131 G & D, Inc.** Conditional Licensing Agreement  
R-253 (LID No. 88991) Case No. 2018-88991 Renewal – District 10  
5131 Woodland Avenue  
Philadelphia, Philadelphia County **HOLD – 6/3/20 SESSION**

**Motion Made:** Board Member Isenhour

**Seconded:** Board Member Negra

**Board Decision:** Unanimously agreed (3-0 vote) to approve the renewal with conditional licensing agreement.

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- (4) **Limerick Dining Corp.** Renewal – District 4  
R-20039 (LID No. 61120) Case No. 2018-61120  
411 West Ridge Pike  
Limerick Township  
Limerick, Montgomery County
- Motion Made:** Board Member Isenhour  
**Seconded:** Board Member Negra
- Board Decision:** Unanimously agreed (3-0 vote) to hold for conditional licensing agreement and offer-in-compromise.
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- (5) **McFadden’s Pittsburgh, LLC** Conditional Licensing Agreement  
**t/a McFadden’s** Renewal – District 5  
R-12633 (LID No. 57758) Case No. 2019-57758  
211 North Shore Drive  
Pittsburgh, Allegheny County
- Motion Made:** Board Member Isenhour  
**Seconded:** Board Member Negra
- Board Decision:** Unanimously agreed (3-0 vote) to approve the renewal with a new conditional licensing agreement.
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- (6) **Pocono Restaurant, Inc.** Conditional Licensing Agreement  
**t/a Amber Steakhouse** Renewal – District 9  
R-16812 (LID No. 34706) Case No. 2019-34706  
HC 1, Box 312  
Pocono Township  
Mount Pocono, Monroe County
- Motion Made:** Board Member Isenhour  
**Seconded:** Board Member Negra
- Board Decision:** Unanimously agreed (3-0 vote) to approve the renewal with 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 13 Personnel Actions presented for consideration.

- (1) **Brandy Bishop - Removal**
- (2) **Danielle Bormonaite – Removal**
- (3) **Calvin Butler - Removal**
- (4) **Shayla Dukes – Affirm Removal**
- (5) **Erica Fields – Removal**
- (6) **Sierra Johnson – Removal**
- (7) **Hans Lissefeld - Removal**
- (8) **Zahkee Ranell-Corley – Removal**
- (9) **Deborah Sibbering – Affirm Removal**
- (10) **Anthony Sirmons – Removal**
- (11) **Amanda Staso – Removal**
- (12) **Taliyah Thompson – Affirm Removal**
- (13) **Jonathon Williams - Removal**

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

**Board Decision:** Unanimously agreed (3-0 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:

- (1) **Oracle Enterprise Resource Planning (ERP) Blueprint.** Under the PLCB’s existing contract purchase agreement No. 63017408 with Oracle, Oracle’s Retail Global Business Unit, subcontracting in part to Deloitte Consulting LLP, will provide services, software as a service (SaaS) and software licensing sufficient to support definition, design and architecture of a new Oracle cloud-based ERP for the PLCB. This Blueprint project will result in an actionable plan and schedule for further



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implementation of the new ERP over the next two to three years. The ERP Blueprint will allow the PLCB to explore and commit to IT and organizational infrastructure improvements to transform from a traditional retail model to a wholesale, distribution and retail-focused business; standardize wholesale and retail business processes and financial reporting according to industry best practices and out-of-the-box functionality; eliminate costly and resource-intensive system customizations; benefit from cloud-based software updates; more efficiently manage inventory acquisition, allocation and sell-through; improve master data management; standardize reporting; and achieve greater wholesale and retail efficiencies.

Costs associated with the 20-week Blueprint project include \$5,194,649 for consulting services (inclusive of \$1,414,649 for access to Oracle retail applications cloud services) and \$487,900.47 for access to Oracle financials and supply chain applications cloud services, for a total expenditure of **\$5,682,549.07**. These costs are already funded through the Board's Jan. 17, 2018, approval of the Oracle contract and will be deducted from the approximately \$12 million remaining of the \$25 million total spending authorization.

ERP project phases subsequent to Blueprint will require additional contracted commitments with Oracle for services, SaaS, software licensing and hardware throughout ERP implementation.

**Motion Made:** Board Member Isenhour

**Seconded:** Board Member Negra

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

Inter-Agency Charges:

- 1) Department of General Services (DGS) Vehicle Purchases (JOB 66)** – Billing of \$61,780.00 to reimburse DGS for the purchase of two Ford Transit 250 vehicles (\$30,890.00 each) for the PLCB. These vehicles were purchased to replace high-mileage vehicles in the Pittsburgh and Wilkes-Barre Facilities Maintenance shops.

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 Isenhour

**Seconded:** Board Member Negra

**Board Decision:** Unanimously agreed (3-0 vote) to approve the Inter-Agency Charge.

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*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 Selection*

**VENDOR – ITEM NAME**

**BOARD ACTION REQUESTED**

Various  
Various  
  
Various

1. Regular New Items Accepted
2. Regular PA Preferred New Item Accepted
3. Regular Recommended Delist

**1. Regular New Items Accepted**

**BRAND NAME AND SIZE**

**REASON**

**Constellation Brands Inc**

Kim Crawford Rosé 375 mL	18
Meiomi Rosé 750 mL	18
Robert Mondavi Private Selection Cabernet Sauvignon 375 mL	18
Robert Mondavi Private Selection Cabernet Sauvignon Aged in Bourbon Barrels 375 mL	18
Robert Mondavi Private Selection Chardonnay 375 mL	18
Robert Mondavi Private Selection Chardonnay Aged in Bourbon Barrels 375 mL	18
Robert Mondavi Private Selection Merlot Aged in Rum Barrels 375 mL	18
Ruffino Prosecco 375 mL	18
Ruffino Prosecco 750 mL	18
Simi Cabernet Sauvignon 375 mL	18
Simi Chardonnay 375 mL	18

**Southern Glazers Wine and Spirits of PA**

Clontarf 1014 Classic Blend Irish Whiskey 80 Proof 1.75 L	10
Relax Riesling 1.5 L	2, 3, 10, 19

RECOMMENDED ACTION: We recommend the Board approve this action

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**2. Regular PA Spirits New Items**

<b><u>BRAND NAME AND SIZE</u></b>	<b><u>REASON</u></b>
<b><u>Southern Glazers Wine and Spirits of PA</u></b> Stateside Black Label Bourbon 80 Proof 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
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

**3. Regular Recommended Delist**

<b><u>BRAND NAME AND SIZE</u></b>	<b><u>CODE</u></b>
<b><u>Fetzer Vineyards</u></b> Concha y Toro Casillero del Diablo Pinot Grigio 750 mL	5676
<b><u>Southern Glazers Wine and Spirits of PA</u></b> Clontarf Irish Whiskey 80 Proof 750 mL	4925

EFFECTIVE DATE: The transference to closeout will become effective August 14, 2020.

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

**Board Decision:** Unanimously agreed (3-0 vote) to approve all Product Selection actions.

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

None

**OTHER ISSUES**

None

**CITIZEN COMMENT/BUSINESS FROM THE FLOOR**

Patty Smith questioned why the Board refused the first and second agenda items for the Bureau of Licensing.

Chairman Holden stated that the first agenda item, Brownie’s Par Four, Inc., was refused due to a tax issue. The Board is not allowed to renew any licenses that have outstanding tax issues to the Commonwealth of Pennsylvania.

Chief Counsel Rodrigo Diaz stated that the second agenda item, Denithorne Brothers, Inc., was not refused, but was approved.

**NEXT BOARD MEETING**

**The next meeting of the PLCB will be a formal meeting on Wednesday, August 5, 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 Isenhour, seconded by Board Member Negra, the meeting was adjourned.

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The foregoing actions are hereby officially approved.

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Chairman

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Member

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Member

ATTEST:

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Secretary