

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES

WEDNESDAY, SEPTEMBER 23, 2020
TELEPHONE CONFERENCE MEETING

Tim Holden, Chairman
Mike Negra, Board Member
Mary Isenhour, Board Member
Michael Demko, 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

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 150,000 Pennsylvanians have been infected and sadly, approximately 8,000 have passed away. Chairman Holden also noted that the national death count has surpassed 200,000.

OLD BUSINESS..... *Secretary Stark*

A. Motion to approve previous Board Meeting Minutes of the September 2, 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 CounselRodrigo Diaz, Chief Counsel

- (1) **Mount Airy Restaurants, LLC** Request for Rescission of
 Restaurant Liquor License No. R-3012 Conditional Licensing Agreement
 LID 97475

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Member Isenhour indicated that the Board approved the conditional licensing agreement in question in December 2015 and that a request for rescission had since been received.

Board Decision: Unanimously agreed (3-0 vote) to approve request for rescission of conditional licensing agreement.

- (2) **Act3, LLC** Request for Modification of
 Restaurant Liquor License No. R-314 Conditional Licensing Agreement
 LID 65084

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve request for modification of conditional licensing agreement.

- (3) **Advisory Notice No. 26 (4th Revision)** Amendment to Advisory Notice

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Member Isenhour invited Chief Counsel Rodrigo Diaz to discuss the implications of the proposed Advisory Notice revision. Chief Counsel Diaz stated that Advisory Notice No. 26 was issued to provide guidance to the licensed industry during the COVID-19 emergency and that it has been updated periodically in accordance with guidance from the Governor’s office. The need for another revision is a result of modified guidance from the Governor’s office with regard to hours during which alcohol may be sold for on-premises consumption and the potential for licensee occupancy rate expansion from 25 percent to 50 percent. While most of the pertinent additional guidance can be found in a separate document, the revised Advisory Notice is linked to that document in order to facilitate licensee understanding of current rules.

Board Decision: Unanimously agreed (3-0 vote) to adopt Advisory Notice No. 26 as revised.

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(4) Updated Objection Criteria

For Information Only

Chief Counsel Diaz offered to address the subject of objection criteria and stated that the Liquor Code gives the Bureau of Licensing independent authority to object to licenses that are coming up for renewal. Having emphasized the inherent difference between objecting to license renewal and approving a license, the latter involving the delegation of authority, Chief Counsel Diaz indicated that it has been the convention of the Bureau of Licensing to publicly specify criteria pertinent to renewal objection by way of Board meetings. The update relevant to the present meeting concerns the fact that adjudicated citations associated with violations of orders related to COVID-19 provided by the Governor’s office may constitute grounds for objection. Chief Counsel Diaz affirmed that the Director of the Bureau of Licensing is not required to consider such violations when determining whether or not to object to license renewal, but suggested that, at the very least, warnings will likely be issued to licensees as a result of the updated criteria. Chief Counsel Diaz also reiterated the fact that a vote is not necessary for this type of agenda item.

Board Member Negra inquired as to whether or not the updated objection criteria would be available on the PLCB’s website and Chief Counsel Diaz confirmed that the information will be found within the website’s Licensing section.

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

- (1) **The Aging Room, LLC** (LID No. 103368)
33 Quail Acres Lane
North Strabane Township
Washington, Washington County

New & Requests for an Interior Connection with Another Business & Dual Employment – Limited Distillery

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve new license and requests for an interior connection with another business and dual employment.

- (2) **Conny Creek Brewing Company** (LID No. 103539)
270 West Water Street
Saxonburg, Butler County

New & Request for Interior Connections with Another Business – Brewery Storage

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve new license and request for interior connections with another business.

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- (3) **Mountain View Vineyard, Inc.** Limited Distillery Additional
AL-8 (LID No. 67814) Board-Approved Location
2365 Walters Road & Request for Interior
Jackson Township Connections with Other
Stroudsburg, Monroe County Businesses – Limited Distillery

Motion Made: Board Member Isenhour

Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve additional Board-approved location and request for interior connections with other businesses.

- (4) **Capital Gastropub, LLC**
R-9447 (LID No. 89919)
310 N. Second Street
Harrisburg, Dauphin County
Renewal – District 2

Motion Made: Board Member Isenhour

Seconded: Board Member Negra

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

- (5) **DBK 88, Inc.** Renewal – District 10
R-1850 (LID No. 70108) Case No. 2018-70108
5819 Rising Sun Avenue
Philadelphia, Philadelphia County
HOLD – 6/24/20 SESSION

Motion Made: Board Member Isenhour

Seconded: Board Member Negra

Chairman Holden asked if there was anybody on the line representing DBK 88, Inc.

The teleconference moderator confirmed that there were no callers.

Board Member Negra asked Office of Regulatory Affairs Director Tisha Albert to discuss this agenda item involving an offer-in-compromise which failed to materialize. Director Albert confirmed that this was presented as a nonrenewal matter to the Board at its June 24, 2020 Meeting, during which a decision was made to hold the item for negotiation of a conditional licensing agreement with offer-in-compromise terms which would require placement of the license in safekeeping and sale to a third party. The licensee was not willing to agree to such terms, therefore necessitating presentation to the Board of the agenda item a second time.

Board Decision: Unanimously agreed (3-0 vote) to refuse the renewal.

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(6) **KKB Enterprises, LLC** Renewal – District 5
D-3812 (LID No. 67473) Case No. 2019-67473
4706 Route 8, Storeroom #1
Hampton Township
Allison Park, Allegheny County

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Decision: Hold for conditional licensing agreement.

(7) **Limerick Dining Corp.** Renewal – District 4
R-20039 (LID No. 61120) Case No. 2018-61120
411 West Ridge Pike **HOLD – 7/15/20 SESSION**
Limerick Township
Limerick, Montgomery County

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Member Isenhour stated this agenda item involves a decision made by the Board in July 2020 to hold a matter for a conditional licensing agreement with offer-in-compromise terms. Director Albert confirmed that the licensee in this case was unwilling to consider an agreement involving the sale of the license, therefore the matter was being presented to the Board again.

Chairman Holden asked if there was anybody on the line representing Limerick Dining Corp.

The teleconference moderator confirmed that there were no callers.

Board Decision: Unanimously agreed (3-0 vote) to refuse the renewal.

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

Personnel Actions - There were 15 personnel actions presented for consideration.

- (1) **Magda Allmond – Removal**
- (2) **Luis Alvarado Flores – Affirm Removal**
- (3) **Jacob Anderson – Removal**
- (4) **Morgan Breghenti – Affirm Removal**
- (5) **Jamie Cuevas – Removal**
- (6) **Matthew Echevarria – Removal**

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- (7) **Rasheen Gilyard – Removal**
- (8) **Shawn Harvey – Removal**
- (9) **Timothy Heckard – Removal**
- (10) **Selina Jackson - Demotion**
- (11) **Neva Kear – Removal**
- (12) **Mary Lingenfelter – Removal**
- (13) **Roberto Marti – Affirm Removal**
- (14) **Tammy Stephens-Richardson - Demotion**
- (15) **Khalil White – Affirm 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) **Waste Removal Service for PLCB Distribution Centers** – The selected Contractor will provide the PLCB with waste disposal services for the PLCB’s distribution centers (“DC”) located in Philadelphia, Scranton, and Pittsburgh. The Contractor will be responsible for the hauling and disposal of damaged and/or unsellable merchandise from all PLCB DCs on both a regularly scheduled and as-needed basis. A majority of the unsellable product will be beverage alcohol.

Procured via RFQ #20200402 – **VENDOR: Miller Environmental Group, Inc.** – TERM: Three years for period 10/01/2020 through 09/30/2023 - **\$999,600.00 estimated cost.**

- (2) **Advertising Campaign for Alcohol Education** – To continue a comprehensive advertising campaign with messages aimed at preventing and reducing underage use of alcohol. The target audience is adults who influence minors aged twelve (12) to eighteen (18).

Procured via PO 63015545 Renewal Option to RFP Contract 20151021 – **VENDOR: Partnership of Packer, Oesterling & Smith (PPO&S)** – TERM: One year for the period 10/03/2020 through 10/02/2021 - **\$430,000.00 estimated cost.**

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Motion Made: Board Member Isenhour
Seconded: Board Member Negra

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

Inter-Agency Charges:

(1) Department of General Services (DGS) Employee Liability Insurance (Job 31) – Billing of \$71,656.98 for FY 2019-20 to reimburse DGS for employee liability insurance premiums. The billing represents the PLCB’s share of the insurance premiums based on personnel complements (25%) and 10-year claim loss experience (75%). The charge to the PLCB represents approximately 1.25% of the Commonwealth’s total employee liability premium cost of \$5.75 million.

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.

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

- 1. #4204 – 66 West Mill Street, Port Allegany
Amendment**
- 2. #23XX – 1014 Baltimore Pike, Springfield
New Store (Relocation of #2310)**
- 3. #5180 – 3521 Cottman Avenue, Philadelphia
Lease Termination / Default**

Motion Made: Board Member Isenhour
Seconded: Board Member Negra

Board Decision: Unanimously agreed (3-0 vote) to approve all Retail Operations actions.

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*From the Bureau of Product Selection Vacant, Director of Marketing & Merchandising
Tom Bowman, Director, Bureau of Product Selection*

VENDOR – ITEM NAME

BOARD ACTION REQUESTED

- | | |
|---------|--|
| Various | 1. Regular New Items Accepted |
| Various | 2. Regular PA New Items Accepted |
| Various | 3. Regular PA Preferred New Items Accepted |
| Various | 4. Regular Recommended Delist |

1. Regular New Items Accepted

BRAND NAME AND SIZE

REASON

Anheuser Busch LLC

- | | |
|---|---|
| Drinkworks Fireside Collection 12x50 mL | 8 |
| Drinkworks Top Shelf Collection Elijah Craig Old Fashioned
4x50 mL | 8 |

Harvest Ridge Winery

- | | |
|---|------|
| Harvest Ridge Winery Blue Hen Blue 750 mL | 3, 5 |
| Harvest Ridge Winery White No. 47 750 mL | 3, 5 |

Majestic W S USA Inc

- | | |
|---|----|
| Luna de Oro Original Margarita Wine Cocktail 750 mL | 18 |
| Luna de Oro Peach Margarita Wine Cocktail 750 mL | 18 |
| Luna de Oro Strawberry Margarita Wine Cocktail 750 mL | 18 |
| Nadia Pinot Noir 750 mL | 18 |
| Rancho La Gloria Peach Margarita Wine Cocktail 1.5 L | 18 |
| Rancho La Gloria Watermelon Margarita Wine Cocktail 1.5 L | 18 |

Pip Imports and Domestic LLC

- | | |
|---|----|
| Robert Willis Homestead Collection Cabernet Sauvignon Horse
Heaven Hills Washington 750 mL | 18 |
| Robert Willis Homestead Collection Chardonnay Horse Heaven
Hills Washington 750 mL | 18 |
| Robert Willis Homestead Collection Red Blend Horse Heaven
Hills Washington 750 mL | 18 |

Southern Glazers Wine and Spirits of PA

- | | |
|--|----|
| Paso Hills Vineyards Cabernet Sauvignon Paso Robles 750 mL | 18 |
| The Criminal Cabernet Sauvignon Alexander Valley 750 mL | 18 |
| The Criminal Chardonnay Russian River Valley 750 mL | 18 |
| The Criminal Red Wine Dry Creek Valley 750 mL | 18 |
| Wonderland Sauvignon Blanc Marlborough 750 mL | 18 |

The Wine Group Inc

- | | |
|---|----|
| Creative Juice Cabernet Sauvignon 1.5 L | 18 |
|---|----|

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Creative Juice Chardonnay 1.5 L	18
Creative Juice Merlot 1.5 L	18
Creative Juice Pinot Grigio Colombard 1.5 L	18

The Wine Merchant LTD

The Crusher Sauvignon Blanc 750 mL	3, 5
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RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular PA New Items Accepted

BRAND NAME AND SIZE **REASON**

Altered State Distillery

Altered State Barleywine Cask Rye Whiskey 750 mL	16
Altered State B-Side Bourbon 750 mL	16
Altered State B-Side Rye Whiskey 750 mL	16
Altered State Organic Black Bear Gin 750 mL	16
Altered State Organic White Mink Vodka 750 mL	16
Altered State Stout Barrel Bourbon 750 mL	16

Dead Lightning Distillery

Dead Lightning Local Legend Cherry Vodka 1 L	16
Dead Lightning Local Legend Grape Vodka 1 L	16
Dead Lightning Local Legend Lemon Vodka 1 L	16
Dead Lightning Local Legend Lime Vodka 1 L	16
Dead Lightning Local Legend Mango Vodka 1 L	16
Dead Lightning Local Legend Orange Vodka 1 L	16
Dead Lightning Local Legend Peach Vodka 1 L	16
Dead Lightning Local Legend Raspberry Vodka 1 L	16
Dead Lightning Local Legend Sweet Tea Vodka 1 L	16
Dead Lightning Local Legend Vodka 1 L	16

RECOMMENDED ACTION: We recommend the Board approve this action

3. Regular PA Preferred New Items Accepted

BRAND NAME AND SIZE **REASON**

6 Mile Cellars

6 Mile Cellars Derby Sangria 375 mL	17
6 Mile Cellars Molly's Rosé 375 mL	17
6 Mile Cellars Moscato Sparkling 375 mL	17

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Blue Ridge Estate Vineyard and Winery

Blue Ridge Estate Vineyard and Winery Inspiration 750 mL	17
Blue Ridge Estate Vineyard and Winery Peach Inspiration 750 mL	17
Blue Ridge Estate Vineyard and Winery Raspberry Inspiration 750 mL	17
Blue Ridge Estate Vineyard and Winery Tiffany Rosé Cuvée 750 mL	17

Buckingham Valley Vineyards LTD

The Spirit of Pennsylvania Brut Nature Dry Sparkling 750 mL	17
The Spirit of Pennsylvania Brut Sparkling 750 mL	17
The Spirit of Pennsylvania Cuvée Rosé Demi-Sec Sparkling 750 mL	17

Deerfoot Vineyards and Winery

Deerfoot Comfy Couch 750 mL	17
Deerfoot Country Red 750 mL	17
Deerfoot Goblin Alchemy Mead 500 mL	17

Flickerwood Wine Cellars

Flickerwood Wine Cellars Riesling 750 mL	17
Flickerwood Wine Cellars Ruby Z 750 mL	17

Hungry Run Wine Cellars

Hungry Run Wine Cellars Blackberry Lemon 750 mL	17
Hungry Run Wine Cellars Hard Tea Peach 750 mL	17
Hungry Run Wine Cellars Hard Tea Raspberry 750 mL	17
Hungry Run Wine Cellars Strawberry Watermelon 750 mL	17

Juniata Valley Winery Inc

Juniata Valley Winery Cat's Eye Niagara 750 mL	17
Juniata Valley Winery Cat's Eye Red 750 mL	17
Juniata Valley Winery Happy Sloth 750 mL	17
Juniata Valley Winery Red Headed Stepchild 750 mL	17

Nissley Vineyards

Nissley Vineyards Peach Kiss 375 mL	17
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Novosel LLC

Novosel Manipulation 750 mL	17
Novosel Plasma 750 mL	17

Robert Mazza Inc

Mazza Vineyards Bare Bones Moscato 750 mL	17
Mazza Vineyards Riesling 750 mL	17
Mazza Vineyards The Perfect Bubbly Sparkling 750 mL	17

Shadow Vineyard and Winery

Shadow Vineyard and Winery Orange Cat 750 mL	17
Shadow Vineyard and Winery Red Gate 750 mL	17

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Sorrenti Family Estate

Sorrenti Family Estate Arancia Rossa 750 mL	17
Sorrenti Family Estate Cranberry Blush 750 mL	17
Sorrenti Family Estate Raspberry Blush 750 mL	17
Sorrenti Family Estate Watermelon Rosé 750 mL	17

SpringGate Vineyard

SpringGate Vineyard Bubbly Blueberry Mello 375 mL	17
SpringGate Vineyard Bubbly Lemon Lime Mello 375 mL	17
SpringGate Vineyard Bubbly Peach Mello 375 mL	17
SpringGate Vineyard Bubbly Strawberry Mello 375 mL	17

Starr Hill Vineyard and Winery

Starr Hill Vineyard and Winery Bailey Road Red 750 mL	17
Starr Hill Vineyard and Winery Drunken Flamingo 750 mL	17
Starr Hill Vineyard and Winery Guilty Pleasure 750 mL	17
Starr Hill Vineyard and Winery Pineapple Paradise 750 mL	17

The Dandelion Winery Inc

The Dandelion Winery Inc Apple Pie 750 mL	17
The Dandelion Winery Inc Mixed Berry 750 mL	17
The Dandelion Winery Inc Peach Sangria 750 mL	17

Webb Winery LLC

Webb Winery William Semi-Sweet White 750 mL	17
Webb Winery Zoe Semi-Sweet Rosé 750 mL	17

Woody Lodge Winery LLC

Woody Lodge Winery Jack of Diamonds 750 mL	17
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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)

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- 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>Jim Beam Brands Co</u> Sauza Blue Tequila Reposado 1 L	320
<u>Keystone Importers LLC</u> Chateau de la Fort du Loup Chateauneuf du Pape Rouge 750 mL	98113
<u>Mount Nittany Vineyard and Winery</u> Mount Nittany Bergwein 750 mL	6909
<u>Remy Cointreau USA Inc</u> Mount Gay Black Barrel Rum 750 mL	7767
<u>Southern Glazers Wine and Spirits of PA</u> Rodney Strong Chardonnay Sonoma Coast 750 mL Rodney Strong Pinot Noir Sonoma Coast 750 mL	2271 1488
<u>The Wine Merchant LTD</u> Smoking Loon Malbec 750 mL	1192

EFFECTIVE DATE: The transference to closeout will become effective October 23, 2020

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

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OTHER ISSUES

Employee Recognition – 35 Years’ Commonwealth Service & Retirement.....Chairman Tim Holden

Lori Bornman - Chief, Labor Relations

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

Keith Ungen inquired as to the PLCB’s strategy with regard to holding three batches of a rare allocated bourbon and releasing it all at once this past summer. Mr. Ungen indicated that the product he wished to discuss was Buffalo Trace Stagg Jr. (item no. 34129) and stated that he wanted to know if this product was misplaced and subsequently discovered during an audit. Chairman Holden requested the participation of Bureau of Product Selection Director Tom Bowman in the discussion, and Director Bowman confirmed that the product had not been misplaced but was, in fact, acquired during a buying group trip to Kentucky and that a decision was made to hold the product to avoid problems associated with increased consumer traffic online. Director Bowman verified Mr. Ungen’s identification of the product and emphasized the decision of the Bureau of Product Selection to manage it in a very specific way based on circumstances related to the pandemic.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, October 7, 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.

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ADJOURNMENT

On a motion by Board Member Isenhour, seconded by Board Member Negra, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary