

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES
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WEDNESDAY, APRIL 14, 2021
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*

Board Secretary John K. Stark indicated that a quorum of the Board was present and Chairman Holden called the meeting to order.

Pledge of Allegiance to the Flag

Chairman Holden made an opening statement thanking everyone for their continued cooperation as meetings continue to be held telephonically and encouraged everyone to take precautions with regard to the public health crisis.

OLD BUSINESS..... *Secretary Stark*

A. Motion to approve previous Board Meeting Minutes of the March 24, 2021 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

PUBLIC COMMENT ON 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) **Borough of Bessemer** Municipal Petition for Exemption
Case No. 20-NE-08 from Liquor Code Statute Regarding
Amplified Sound

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve noise exemption from April 14, 2021 through April 14, 2022.

- (2) **Cleaning Beer Dispensing System** Proposed Regulatory Change

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chief Counsel Rodrigo Diaz explained that the Board’s regulations generally require licensees to clean beer lines once every seven days. A trade organization had requested that the frequency of such cleaning be changed from once every seven days to once every fourteen days. The Board was amenable to this request and regulations were drafted to reflect the modification with regard to the frequency of required cleaning. Licensees would still be required, however, to maintain clean dispensary systems regardless of how often cleaning occurs. Though various comments were received after the proposed regulations were published, among them a request for clarification as to what defines cleaning and the methods to be used, the draft regulations were not modified based on the fact that a licensee is subject to citation if lines are not clean. Chief Counsel Diaz stated that should the final form regulation be approved by the Board, it would then be published and forwarded to the Independent Regulatory Review Commission for its review and approval or disapproval.

Board Decision: Unanimously agreed (3-0 vote) to approve the proposed regulation.

- (3) **Giant Food Stores** Request to Sell Wine-Infused Ice
Cream – Request For
Reconsideration

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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Chief Counsel Diaz explained that, at the Board’s last meeting, a request that wine expanded permits holders be granted permission to sell wine-infused ice cream for off-premises consumption had been addressed. He indicated that the aforementioned request was submitted on behalf of Giant Food Stores though similar requests had been received and not presented to the Board. Since such a product is considered a wine beverage on the federal level, wine-infused ice cream is subject to all rules which generally apply to wine sales (e.g., the product must be stored on licensed premises and no more than three liters can be sold for off-premises consumption in a single transaction). Since the Board had not approved the original request, Chief Counsel Diaz stated that a request for reconsideration was being presented, the basis of which is the fact that the product in question is not an ancillary product and can currently be sold legally in Pennsylvania. Chief Counsel Diaz then affirmed that his office would recommend authorizing all wine expanded permit holders to sell wine-infused ice cream for off-premises consumption should the Board approve the request for reconsideration.

Board Member Isenhour, following Board Member Negra’s motion to approve sales by all restaurant liquor licensees who also hold wine expanded permits to sell wine-infused ice cream for off-premises consumption, emphasized the importance of this product being contained within licensed areas and subsequently stated that she would not support requests to expand licensed areas which are associated with sales of the product. She then suggested that approving the Board action would benefit Pennsylvania businesses and the economy.

Chairman Holden stated that he agreed with Board Member Isenhour’s comments and the Board action would therefore be approved unanimously.

Board Decision: Unanimously agreed (3-0 vote) to approve sales of wine-infused ice cream for off-premises consumption by all holders of wine expanded permits.

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

(1) **James Leo Brennan, Jr.** Conditional Licensing Agreement
t/a Limerick Hive New & Request for Dual
(LID Nos. 98670 and 98759) Case No. 20-9019 Employment – Brewery &
548 Main Street Brewery Pub
Honesdale, Wayne County

HOLD – 3/10/21 SESSION

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve renewal and request for dual employment with conditional licensing agreement.

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- (2) **Cairn Club, LLC** “Intermunicipal” Double
C-2401 (LID No. 100451) Case No. 20-9046 Transfer - Club
1005 Cathedral Road, P. O. Box 691
Bryn Athyn, Montgomery County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to refuse the intermunicipal double transfer.

Board Member Negra requested information regarding the rules regarding the definition of a “corporation” as well as the rules and regulations to which club licensees must adhere. Chief Counsel Rodrigo Diaz stated that what is relevant today is how long this particular entity has been in existence. Chief Counsel Diaz stated that the Liquor Code defines a club “as a group of individuals associated together, not for profit.”

Chief Counsel Diaz further explained that the relevant portion of the Liquor Code requires that a club must establish that the club has been in existence for a certain amount of time. For example, a corporation for non-profit established under Pennsylvania business laws must be in business for at least one year. All others have to be in existence for at least 10 years. This is a Limited Liability Company which is similar to a corporation, but is not a corporation. Because it is not a “corporation,” this establishment would need to have been in existence for a longer period of time, in the same way that a partnership does not fall into the strict definition of a corporation and so would have to prove it had been in existence for a longer period of time.

Board Member Negra asked if the entity would have to be a 501(C)(3). Chief Counsel Diaz responded that the company would have to file under the applicable statutes to be a business or non-profit corporation, but it would not have to be a 501(C)(3) entity.

Board Member Negra made a motion to refuse the transfer application and Chairman Holden asked if there was anyone on the call representing the applicant. The teleconference moderator confirmed that there was a caller. Mr. Ken Butera, who represents the establishment in question, stated that the company had received the 501(C)(3) status, which information he stated was presented at a hearing. He stated that the Liquor Code predates the LLC revisions to the Business Corporation Code. Mr. Butera opined that for every other retail licensee, the applicant can be a limited liability corporation and so he questions the distinction for this club applicant. Mr. Butera stated that he is unsure what the difference is other than the corporate form. Chief Counsel Diaz responded that it is the corporate form that matters under the Liquor Code and that Mr. Butera is correct that the Liquor Code was written prior to the changes in the corporate law. Further, the Liquor Code does not contemplate LLCs and the Board cannot ignore what the statute actually says. Chief Counsel Diaz stressed that it is not a question of being a non-profit; rather, the difference is the form of the entity. This is how the Board saw it and also how the hearing examiner saw it.

Mr. Butera stated that under the business corporation laws, forms are interchangeable and this information was presented to the hearing examiner along with a brief. Mr. Butera questioned why the PLCB is holding his client to a corporate form when the corporation law states it is

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not necessary. Chief Counsel Diaz stated the question is not whether an LLC can be a club licensee; rather, it is a question of how long the applicant establishment has existed.

Following this discussion, Member Isenhour seconded Member Negra’s motion and Chairman Holden agreed. Chairman Holden also noted to Mr. Butera that his client has appellate rights and any questions about those rights can be addressed to Chief Counsel Diaz.

- (3) **Golden Arch Management, Inc.** Appointment of Manager – Hotel
t/a Clarion Hotel & Conference Center
H-38129 (LID No. 92390) Case No. 20-9061
148 Sheraton Drive
Fairview Township
New Cumberland, York County **HOLD 4/14/2021**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to hold for Conditional Licensing Agreement

- (4) **Hawkeye Distributors, Inc.** Extension of License &
D-3787 (LID No. 85404) Request for Interior Connections
1100-1150 South Main Street with Another Business –
Hanover Township Distributor
Hanover Township, Luzerne County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (5) **Hotel Fulton, LLC** Request for Hearing After
R-11736 (LID No. 67257) Case No. 20-9044 Revocation - Restaurant
637 North Plum Street
Lancaster, Lancaster County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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- (6) **Sardaar Shibe, Inc.** Double Transfer & Request for Interior Connections with Another Business - Restaurant
R-7030 (LID No. 100270) Case No. 20-9062
701 State Street
Erie, Erie County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve the double transfer and request for interior connections with another business, and to rescind the Conditional Licensing Agreement

- (7) **The Winery at Wyndridge Farm, LLC** Requests to De-License Areas, for Interior Connections with Another Business & to Sell Other Items on the Licensed Premises – Limited Winery
LK-380 (LID No. 67978)
885 South Pleasant Avenue
York Township
Dallastown, York County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve the requests to de-license areas, for interior connections with another business, and to sell other items on the licensed premises.

- (8) **4311 Main License, LLC** Renewal – District 10
t/a 4311 Main
R-8136 (LID No. 83480) Case No. 2020-83480
4309-4311 Main Street
Philadelphia, Philadelphia County **HOLD 4/14/2021**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to hold for an amended Conditional Licensing Agreement.

- (9) **CHKM, LLC** Conditional Licensing Agreement
R-4369 (LID No. 72675) Case No. 2020-72675
4630 Umbria Street
Philadelphia, Philadelphia County
Renewal – District 10

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Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (10) **Jason Cold Beer, Inc.** Renewal – District 10
R-13491 (LID No. 65029) Case No. 2018-65029
1644 Wharton Street
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

Chairman Holden asked if there were any representatives of the licensee on the call. The teleconference moderator confirmed there were none.

- (11) **Venue Lounge, LLC** Renewal – District 10
R-7882 (LID No. 56921) Case No. 2020-56921
222 Market Street
Philadelphia, Philadelphia County **HOLD 4/14/2021**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to hold for an amended Conditional Licensing Agreement.

- (12) **Youngblood's Grandstand, Inc.** Conditional Licensing Agreement
t/a Russen's Sports Bar Renewal – District 9
R-2163 (LID No. 60891) Case No. 2019-60891
201 River Street
Olyphant, Lackawanna County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve the renewal with a new 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 22 personnel actions presented for consideration.

- (1) **Marcia Blackwell – Affirm Removal**
- (2) **Aaron Buchko – Affirm Removal**
- (3) **Yasmeen Burch – Affirm Removal**
- (4) **Stanley Butler - Removal**
- (5) **Alisha Carpenter – Affirm Removal**
- (6) **Jane Chase – Removal**
- (7) **Colt Coleman – Removal**
- (8) **Nathan Edmonds – Affirm Removal**
- (9) **Landon Harper – Removal**
- (10) **Roger Hart - Removal**
- (11) **Kiara Haynes – Affirm Removal**
- (12) **Bryant Heard - Removal**
- (13) **Marcell Henry – Demotion**
- (14) **Leal Jackson – Affirm Removal**
- (15) **Sarah Lodato - Removal**
- (16) **Kevin McGuire – Removal**
- (17) **Donald McKee – Removal**
- (18) **Teri Ozog – Affirm Removal**
- (19) **Dominic Stumpo – Affirm Removal**
- (20) **Joseph Vangas – Affirm Removal**
- (21) **Christopher Voyk – Affirm Removal**
- (22) **Niya Yuille-Jacob – Affirm Removal**

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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, Executive Director
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **PLCB Regulatory Affairs System (PLCB+)** – The purpose of Amendment No. 2 is to renew Contract for an additional three years and update per named user rate for the duration of extension. This procurement action also includes a bucket of professional service hours for PLCB to use as they are needed for production support issues and enhancements.

Procured via Amendment No. 2 to Contract 20121101 – VENDOR: **Computronix USA, Inc.** – TERM: Three years for period 5/31/2021 through 5/30/2024 - **\$1,472,895.00 estimated cost.**

- (2) **Retail Merchandising Suite Production Support and Enhancement Consulting Services Renewal** – To continue support, maintenance, and enhancement consulting services for PLCB’s Oracle retail environment that includes tools like inventory management, pricing, and promotions.

Procured via PO 63013717 Renewal Option to RFP Contract 20143025 – VENDOR: **Deloitte Consulting LLP** – TERM: One year for the period 6/22/2021 through 6/21/2022 - **\$2,085,356.70.** Individual position rates have increased 0.3% from last year’s renewal cost.

- (3) **Microsoft Enterprise Azure** - Additional funds required to pay for services through the end of May 2021. Includes E-Commerce environments; development, testing and production; E-Commerce resources and services in Azure; Synapse data analytics effort; backups of our NWOB virtual servers; and product images stored for Marketing in Azure Files.

Procured via DGS Contract #4400018548 – VENDOR: **CDW-G** – TERM: 1 ½ months for period 4/15/2021 through 5/31/2021 - **\$120,660.28 estimated cost.**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

Inter-Agency Charges:

- (1) **Integrated Enterprise System (IES) Billing (Job 920)** – The net billing of \$1,453,670.96 is to reimburse the Executive Offices for the PLCB’s estimated share of costs for the Commonwealth’s integrated ERP system (SAP) for FY 2020-21. This net amount includes a \$177,869.19 credit for the true-up of the FY 2019-20 billing. The PLCB’s net billing represents 4.5% of the total \$32.1 million billed out for the Commonwealth’s costs for the SAP ERP system, which was a decrease of \$734,395 (-33.6%) from last year’s billing of \$2,188,066.

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The Bureau of Financial Management and Analysis has reviewed these charges and determined that they are reasonable based on billing methodology and previous experience.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

From the Office of Retail Operations.....Michael Demko, Executive Director

- (1) **#3518 – 1762 North Keyser Avenue, Scranton
Amendment**
- (2) **#3601 – New Holland Shopping Center, 681 Main Street, New Holland
Amendment**
- (3) **#3602 – 252 North Queen Street, Lancaster
Amendment**
- (4) **#4106 – 2067 Lycoming Creek Valley Road, Williamsport
Amendment**
- (5) **#4301 – Sharon Center City Shopping Center, 120 South Water Street, Sharon
Amendment**
- (6) **#5145 – 5235 Frankford Avenue, Philadelphia
Amendment**
- (7) **#5195 – City Avenue Shopping Center, 7702 City Avenue, Philadelphia
Amendment**
- (8) **#5403 – 141 North Railroad Street, Tamaqua
Amendment**
- (9) **#3305 – 410 Main Street, Reynoldsville
Closing**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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From the Bureau of Product SelectionTom Bowman, Director of Product Selection

VENDOR – ITEM NAME

BOARD ACTION REQUESTED

Various
Various
Various

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

1. Regular New Items Accepted

BRAND NAME AND SIZE

REASON

Anheuser Busch LLC

Drinkworks Large Pour Margaritas 4x100 mL Variety Pack	9
Drinkworks Wandering Vine 12x50 mL Variety Pack	9

Majestic W S USA Inc

Photograph Cabernet Sauvignon North Coast 750 mL	18
Photograph Chardonnay Central Coast 750 mL	18
Photograph Pinot Noir Central Coast 750 mL	18
Rancho La Gloria Strawberry Margarita Wine Cocktail 750 mL	18

The Wine Group

Franzia Fruity Red Sangria 3 L	18
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Vivino Selections

Il Casato Rose Pinot Grigio della Venezia 750 mL	18
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RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular PA New Items Accepted

BRAND NAME AND SIZE

REASON

Pennsylvania Pure Distilleries

Boyd and Blair Blood Orange Cosmo Cocktail 40 Proof 4x200 mL	16
Boyd and Blair Cocktails 4x200 mL Variety Pack	16
Boyd and Blair The Lavender Martini Cocktail 40 Proof 4x200 mL	16

RECOMMENDED ACTION: We recommend the Board approve this action

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**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

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Majestic W S USA Inc</u>	
Gaze Blueberry Pomegranate Moscato 375 mL Aluminum Bottle	829
Gaze Coconut Water Chardonnay Moscato 375 mL Aluminum Bottle	830
Gaze Green Tea Moscato 375 mL Aluminum Bottle	831
Gaze Kombucha Moscato 375 mL Aluminum Bottle	832
<u>SMT Acquisitions LLC</u>	
Invivo X SJP Sauvignon Blanc Marlborough 750 mL	98261
<u>TGE LLC</u>	
Copa Di Vino Cabernet Sauvignon Willamette Valley 187 mL	170
Copa Di Vino Chardonnay Willamette Valley 187 mL	171
Copa Di Vino Merlot Willamette Valley 187 mL	172
Copa Di Vino Moscato Willamette Valley 187 mL	175
Copa Di Vino Pinot Grigio Willamette Valley 187 mL	173
Copa Di Vino Riesling Willamette Valley 187 mL	174
Copa Di Vino White Zinfandel Willamette Valley 187 mL	176
Pulpoloco Sangria Madrid 250 mL	177
<u>The Wine Merchant LTD</u>	
Radio Boka Tempranillo 750 mL	98640
<u>Vintage Imports Inc</u>	
Whitehall Lane Tre Leoni Napa Valley 750 mL	8180

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Vivino Selections Inc

JP Azeitao Rose Lisboa 750 mL

98427

EFFECTIVE DATE: The transference to closeout will become effective May 14, 2021

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, April 28, 2021 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.

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The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary