

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

LISTEN TO THE RECORDING

WEDNESDAY, MARCH 23, 2022

NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA 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

OLD BUSINESS.....*Secretary Stark*

- A. Motion to approve previous Board Meeting Minutes of the March 9, 2022 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

PUBLIC COMMENT ON AGENDA ITEMS

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

On behalf of The Rutter’s Company, Tyler Eshelman, Associate General Counsel, commented in person regarding Bureau of Licensing agenda item No. 1: Retail Licensees – CBD. Mr. Eshelman stated that the Pennsylvania Department of Agriculture adopted FDA regulations on CBD (cannabidiol) as an ingredient in food (it is not a permitted ingredient); however, the Department of Agriculture is not currently directing that edible CBD products be removed from sales floors of any retail food licensees. He stated that no enforcement actions are being taken by Department of Agriculture investigators; rather, their reports are simply noting non-compliance.

Mr. Eshelman further noted that in 2021, this Board authorized 26 items containing CBD, including some edible products, to be located on a PLCB-licensed premise and sold from a PLCB-licensed register. Recently, the Department of Agriculture has requested that the PLCB revoke or rescind any

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

prior orders or notices regarding CBD being located on licensed premises or sold from licensed registers.

Mr. Eshelman claimed that PLCB Counsel acknowledges that the CBD products are not on licensed premises or sold from such licensed registers and that the PLCB has no authority to regulate non-licensed areas. In light of PDA's request, PLCB Counsel proposed qualifying items rather than a full revocation of prior orders or notices relating to this topic, suggesting that every CBD product sold on licensed premises remain subject to regulation enforceable by the Department of Agriculture and other agencies. The Department of Agriculture does not approve of this qualification. He continued by saying that The Rutter's Company, and the industry generally, would recommend that the Board follow PLCB Counsel's advice, and insist on the addition of any qualifying language to the orders as it relates to the sale of edible CBD products on licensed premises.

Speaking for Rutters, Mr. Eshelman opined that to act otherwise on this matter would result in an absurd situation where a premises might have a licensed location where CBD products could not be sold and an unlicensed location where CBD products are sold, creating confusion for the customer. He insisted this situation could be magnified in a location where maybe a portion of the building is licensed, and another portion is unlicensed and CBD could only be sold at certain registers. Mr. Eshelman concluded by saying, if the Board does take action to revoke its prior orders and notices related to the sales of edible CBD on licensed premises, that Rutters would suggest that there be a one week delay for when that order would take effect so that any licensees that are affected by the revocation of prior orders and notices can take action to relocate or remove CBD edible products from the licensed premises,

Chairman Holden then called on John Howard, Chief Counsel for the Department of Agriculture.

John Howard thanked Mr. Holden and offered a little bit of clarification, saying that the Department of Agriculture first became aware of this issue when the Board issued the Advisory Notice No. 9, 11th Revision in December which stated that Distributors and Importing Distributors may engage in the sale of the following three specific items: edible cannabidiol (CBD) gummies, alcoholic beverages that contain CBD, and supplements. The Department of Agriculture's only action at that point in time was to remove anything that said that these items are legally sold.

Mr. Howard noted that at that time the Department of Agriculture was not aware of the June 21st action that had also requested the retail sale of edible CBD items. He then added that the Department of Agriculture has been annotating inspection reports as "non-compliant" anytime edible CBD's are found at retail locations. However, while the Department of Agriculture notes violations, it doesn't mean they take enforcement actions. For some of those violations they grant corrective action and some they do not.

Mr. Howard further stated that the Department of Agriculture never asked PLCB not to run them through any registers, because the Department of Agriculture does not have any control over that. He then expressed that what Department of Agriculture was asking is that any publications that are put out to the public do not give the impression that these items are legally sold. He clarified by saying that the Department of Agriculture is not concerned about non-edible items, only edible products.

Mr. Howard then used an example to highlight the confusion, stating that his department had received a memo from a legal publication that stated that CBD items were now a legal product in Pennsylvania. He ended by saying that the fact that the Department of Agriculture is not taking immediate enforcement action doesn't change that agency's position. The Department of Agriculture still follows

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

FDA guidelines and rules and requests that the Board not publicize anything that states that these items are legal.

Chairman Holden then yielded to PLCB Chief Counsel Rodrigo Diaz, noting that Chief Counsel Diaz had attended a meeting with Tisha Albert, the Director of Regulatory Affairs, and various legislative leaders to discuss this issue. He asked if Mr. Diaz could summarize the meeting.

Chief Counsel Diaz started by mentioning that John Howard had also been present at the meeting and they had conversed on the topic. Chief Counsel stated, as mentioned by the two previous speakers, the PLCB did have an Advisory Notice which referred to beer distributors, and technically not to The Rutter's Company. Specifically, Advisory Notice No. 9 referred to distributors and importing distributors who need permission to sell anything other than alcohol.

As a result of the Board adopting an amendment to Advisory Notice No. 9 which had specifically allowed the sale of certain consumables containing CBD, the Department of Agriculture reached out to PLCB, pointing out the legal issues associated with that. They provided the PLCB the case law and a summary as to why it is very problematic for anyone to sell these items legally in Pennsylvania. Mr. Diaz noted that the Department of Agriculture followed up with a request that PLCB amend Advisory Notice No. 9 to eliminate references to edible CBD products.

Chief Counsel Diaz reminded the Board that they had held off on voting for the amendment for a couple of Board meetings to give Rutters, other interested parties and the Legislature an opportunity to express concerns and to answer any questions. He noted however that the Department of Agriculture is still making the same request and the legal issues are as the Department of Agriculture had described them. One of the items as part of the Legal meeting was the adoption of Revised Advisory Notice No. 9 without references to CBD. In addition, one of the items under the Licensing portion of the meeting is whether to allow consumables containing CBD for sale on the licensed premise. Again, it's not as formal as an Advisory Notice, but the results of the Board decision are published in a public meeting. So, the same legal issues are going to be present there. He finished by saying that the Board would be considering these two items during this Board meeting

Chairman Holden indicated he was satisfied with Rodrigo Diaz's explanation, but he asked if any of the other Board members had any comments. Board Member Mary Isenhour said she did not. Board Member Mike Negra indicated that he wanted Mr. Diaz to confirm that essentially the sale of consumable CBD products, not including oils, is illegal in the state of Pennsylvania.

Rodrigo Diaz confirmed that it was, based on what the Department of Agriculture has told the Board and that it is a matter in Agriculture's purview. He added that it is not his call to make; however, those who can make the call have stated that it's illegal.

Christopher Reed, General Counsel for The Rutter's Company, called in to follow up on Tyler Eshelman's comments. Mr. Reed stated he was unable to attend in person today. He then went on to highlight the conversation with Counsel for PLCB as well as the Department of Agriculture. While the position of the Department of Agriculture on these items that they are not permitted is noted, he also noted that the Department of Agriculture is not taking any action and the Department of Agriculture is asking the PLCB to act. He continued by saying it is the Department of Agriculture's position that any type of qualifying language to the Board's orders or notices is unacceptable to the Department of Agriculture, even though that qualifying language was proposed by PLCB's Counsel. Mr. Reed then expressed his opinion that the request or position of Counsel for the Department of Agriculture should not outweigh any proposed language that the Counsel for the PLCB has proposed. With regard to confusion, Mr. Reed said that this action by the Board would create even more confusion in the retail

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

marketplace and asked that the PLCB follow Counsel’s guidance with respect to proposed language deemed acceptable to qualify any type of order or notice relative to edible CBD and allow the Department of Agriculture, if opted to regulate, to do so.

Chairman Holden thanked and addressed Mr. Reed. Chairman Holden stated that based on the conversation with PLCB Chief Counsel, it is clear that PLCB has no choice in the matter because it’s a violation of the law.

Chief Counsel Diaz asked to elaborate on the discussion he had with Department of Agriculture and mentioned conversation about putting in a caveat that would say that the PLCB approval does not supersede anybody else’s approval and when it comes to food items, the Department of Agriculture should be consulted. During that conversation, Department of Agriculture pointed out that putting the caveat would be misleading. The concern of the Department of Agriculture was that to include a caveat would suggest that there is a way to get to “yes” and there is no way to get to “yes” on this product.

Said another way, a caveat suggests that there is some scenario where the sale of CBD consumable products would be legal. The Department of Agriculture stated there is no way to get to legal right now. Chief Counsel Diaz stated that he was in agreement with Agriculture and stated that to put that caveat in there would not have been sufficient. It would be misleading and would not be sufficient to address the concerns of the Department of Agriculture.

Chairman Holden expressed empathy for the representatives from The Rutter’s Company and stated there will be a public vote in a minute. However, after hearing from PLCB Chief Counsel, the Board does not have any choice. Mr. Reed’s comments were appreciated.

NEW BUSINESS

From the Office of Chief CounselRodrigo Diaz, Chief Counsel

- | | |
|---|--|
| <p>(1) Cheer’s Entertainment and Sport Lounge, Inc.
 409 Mulberry Street
 Coraopolis, Pennsylvania 15108-1605
 Restaurant Liquor License No. R-16690
 LID 41301
 Transfer pending to Firebirds Woodfire Grill
 R-16690 LID 109481 Alleghany County</p> | <p>Application for Conversion of
 Suspension to Fine</p> |
|---|--|

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

Board Member Negra requested background from Chief Counsel. Mr. Diaz explained that under the Liquor Code, when a license is being transferred to a new owner and the current owner has a suspension of license that has not yet been served, the new licensee has one of two options: the new licensee could either agree to serve the suspension upon acquiring the license or the new licensee could petition the Board to convert the unserved suspension into a monetary fine. The Board has established regulations which set forth what the minimum amount of fine per day would be for those who opt to convert the suspension into a fine. In this case, the licensee has been cited for not operating with a valid health permit and for violating the ban on indoor smoking. The current licensee has not served two days of a suspension. Under PLCB Regulations, the minimum fine the Board could impose would be \$1,000.00 per day or \$2,000.00.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve the application for conversion of suspension to a \$2,000 fine.

(2) Millcreek Township
Case No. 22-NE-02

Municipal Petition for Exemption
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 the municipal petition for exemption from Liquor Code Statute regarding amplified sound from May 16, 2022 through May 16, 2027.

(3) Advisory Notice No. 9 (12th Revision)

Revision of Advisory Notice

Board Member Negra solicited Rodrigo Diaz for comments. Rodrigo Diaz stated the proposal before the Board reflects an Advisory Notice where references to edible CBD products have been removed.

Board Member Negra apologized for any confusion and mentioned that the Board tried to get to “yes” as best as possible, but said that unfortunately there isn’t a way to do that in his opinion.

Board Member Isenhour echoed comments of both Chairman Holden and Board Member Negra that PLCB does not have a choice.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve the Revision of Advisory Notice No. 9.

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

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

(1) Retail Licensees – CBD Consumables Request to Rescind

Rodrigo Diaz stated that this agenda item is for Rutter’s specifically, but he had nothing further to add.

Board Member Negra stated that there was a request by counsel for Rutter’s for a delay in enforcement. He noted that the PLCB does not engage in enforcement, but he requested that the PLCB reach out to BLCE who is aware of the current scenario. He continued by saying that he hoped that, much like what the BLCE did with the Governor’s declaration, BLCE would walk softly during this time and give people time to make the adjustment. PLCB can’t use an official Board action to legalize something that is not legal. Hopefully BLCE and PLCB staff could come up with a timeline to change any displays that are necessary.

Chairman Holden agreed with Board Member Negra that PLCB should coordinate with BLCE and see what happens.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to rescind its prior approval of the sale of CBD consumables by retail licensees.

After the vote, Chairman Holden commented that PLCB would contact the Pennsylvania State Police Liquor Code Enforcement to let them know about the action taken during this meeting and to talk to them about a transition time, but conceded that the Board could not set the transition time.

(2) KTM II Supermarkets, LLC “Intermunicipal” Double
R-11489 (LID No. 104417) Case No. 21-9064 Transfer & Request for Interior
170 Forty Foot Road Connections with Another
Hatfield Township Business - Restaurant
Hatfield, Montgomery County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

(3) New Holland Coffee Company, LLC New & Request to Conduct
(LID No. 108541) Another Business on the Licensed
56 North Broad Street Premises - Brewery
Lititz, Lancaster County

Motion Made: Board Member Negra

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

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve new license and request to conduct another business on the licensed premises.

- (4) **Pike Township Sportsmen’s Association** Extension of License &
CC-4986 (LID No. 3788) Request to Conduct Another
860 Hill Church Road Business on the Licensed
Pike Township Premises – Catering Club
Oley, Berks County

Motion Made: Board Member Negra

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve extension of license and request to conduct another business on the licensed premises.

- (5) **Unlimited Hangout, LLC** Double Transfer & Request for an
R-12988 (LID No. 109626) Interior Connection with
719 East Street Another Business - Restaurant
Pittsburgh, Allegheny County

Motion Made: Board Member Negra

Seconded: Board Member Isenhour

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

- (6) **7100 Dicks, Inc.** Renewal – District 10
R-15474 (LID No. 81866) Case No. 2020-81866
7100 Dicks Avenue
Philadelphia, Philadelphia County

Motion Made: Board Member Negra

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to hold for conditional licensing agreement.

- (7) **Belfast Corp.** Renewal – District 4
H-3533 (LID No. 34175) Case No. 2020-34175
5784 Sullivan Trail
Plainfield Township
Nazareth, Northampton County

Motion Made: Board Member Negra

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

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to hold for conditional licensing agreement.

- (8) **Double D's, LLC** Conditional Licensing Agreement
t/a Double D's Renewal – District 7
R-10881 (LID No. 61843) Case No. 2021-61843
4020 Route 27, P. O. Box 81 **HOLD – 2/23/22 SESSION**
Pittsfield Township
Garland, Warren County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (9) **Double LL Bar and Grille, LLC** Conditional Licensing Agreement
R-17966 (LID No. 82943) Case No. 2021-82943 Renewal – District 1
901 North Spring Street
Everett, Bedford County **HOLD – 1/26/22 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (10) **Estate of Joan Rocco** Conditional Licensing Agreement
Anna Rager, Executrix Renewal – District 1
Joseph Rocco, Jr., Executor
t/a Rocky's Tavern **HOLD – 2/9/22 SESSION**
H-3404 (LID No. 6828) Case No. 2021-6828
718 Maple Avenue
Johnstown, Cambria County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

- (11) **Mifflin RRT Corporation** Conditional Licensing Agreement
R-8161 (LID No. 53891) Case No. 2021-53891 Renewal – District 5
Duquesne Village Shopping Center
1840 Homeville Road
West Mifflin, Allegheny County **HOLD – 1/26/22 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (12) **Mindful Ventures, LLC** Conditional Licensing Agreement
R-168 (LID No. 69326) Case No. 2020-69326 Renewal – District 10
117-121 Chestnut Street
Philadelphia, Philadelphia County **HOLD – 2/9/22 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (13) **Moniuszko Singing Society** Conditional Licensing Agreement
C-726 (LID No. 688) Case No. 2021-688 Renewal – District 7
1209 Reed Street
Erie, Erie County **HOLD – 2/9/22 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (14) **Ramlor, Inc.** Renewal – District 3
t/a The Stork Hotel
H-3156 (LID No. 38434) Case No. 2021-38434
301 South 8th Street
Reading, Berks County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

- (15) **Wacky Zaki, Inc.** Conditional Licensing Agreement
R-1542 (LID No. 64664) Case No. 2020-64664 Renewal – District 10
10002-04 Verree Road
Philadelphia, Philadelphia County **HOLD – 2/9/22 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (16) **Rogue Dawg Ventures, LLC** New Tavern Gaming License
H-4733 (LID No. 83784)
128 Main Street
Tidioute, Warren County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve a new tavern gaming license.

Chairman Holden noted that this is the 71st tavern gaming license issued in the 10-year-old program.

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

Personnel Actions

There were 16 personnel actions presented for consideration.

- (1) **Talib Adams – Removal**
- (2) **Dorothy Baker – Affirm Removal**
- (3) **Samuel Clark – Removal**
- (4) **Thomas Corbett – 5-Day Suspension**
- (5) **Thomas Franch – Affirm Removal**
- (6) **Denise Freeman – Removal**
- (7) **Kari Harmon – Affirm Removal**
- (8) **Emily Hoch – Affirm Removal**

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

- (9) **Victor Leandry-Irizary – Affirm Removal**
- (10) **Tracey Leddy - Removal**
- (11) **Jasmine Mason – Removal**
- (12) **Bridgette Miller – Affirm Removal**
- (13) **Saniah Ray – Affirm Removal**
- (14) **Lesla Sweat – Affirm Removal**
- (15) **John Walter - Removal**
- (16) **Cache Wilson – Affirm 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, Executive Director
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **Shopping Carts Renewal** – Provide two-tiered shopping carts with PLCB artwork on the handles to be used by customers in all FWGS stores. Individual orders will be placed against this total on an as needed basis.

Procured via BPA 63021084 Option Year One – **VENDOR: Total Cart Management USA Inc.**
– **TERM:** One year for period 4/1/2022 through 3/31/2023 - **\$155,000 estimated cost.**

- (2) **Store Backroom Refresh** - This project is a backroom refresh to all stores, licensee service centers and the E-Commerce location. This project will add personnel lockers and combination locks for employee use. It will also replace or add a lunch/break table and chairs along with a microwave. We will also add a wall mounted corkboard for store announcements.

Procured via Multiple DGS Contracts - **\$349,330.29 estimated cost** (Lockers & pad locks - \$222,080.65; Corkboards - \$22,927.40; Tables & Chairs - \$48,284.04; and Microwaves - \$56,038.20).

- (3) **Northwest Office Building (NWOB) Penthouse Wall Repairs** - This project is needed to repair the damaged and crumbling brick exterior of the NWOB penthouse walls. This damage is the result of water infiltration. This project will include updated caulking and new flashing to prevent future damage to the walls.

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

Procured via DGS Job Order Contracting (JOC) Program – **VENDOR: Lobar Associates Inc. and The Gordian Group Inc. - \$60,595.34 estimated cost** (Lobar Associates Inc. construction cost - \$57,902.85; and The Gordian Group Inc. Administrative fees - \$2,692.49).

- (4) **Zebra Scan Guns** – This purchase is to buy 61 scan guns with accessories and extended service agreement for use the at the Licensee Service Centers in support of the New Horizon project.

Procured via DGS Contract #4400017907 – **VENDOR: CDW-G - \$126,241.86 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) **Office of Administration – IT Shared Services** – Billing of \$1,386,350 for the FY 2021-22 Q3 billing for OA’s IT Enterprise Technology Essential Services. This billing is for enterprise-wide infrastructure, network, security, enterprise data center (EDC) and service desk costs. The PLCB’s charge represents 2.1% of the total \$66.2M OA- IT Shared Services billing. The FY 2021-22 billings for Q1-Q3 total \$2.95 million and are \$1.53 million (107%) more than last year.

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

Board Member Negra commented that this would be the 4th meeting in a row that they were waiting for documentation to verify the charge from the Office of Administration – IT Shared Services, which the Board still did not have.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

Chairman Holden commented that he didn’t know how many times this item needed to be turned down, when all the Board wants is an explanation.

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

- (1) **#0297 – Village Shopping Center, 1874 Homeville Road, West Mifflin Exercise Option**
- (2) **#2606 – 140 Walnut Bottom Road, Uniontown Exercise Option**
- (3) **#0303 – 163 Third Street, Leechburg Amendment**

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

- (4) **#3603 – Columbia Shopping Center, 36 South 18th Street, Columbia Amendment**
- (5) **#09XX – Trainers Corner, 224 North Westend Boulevard, Quakertown Temporary Store (Remodel of #0920 Quakertown)**
- (6) **#0920 – Quakertown Plaza, 1465 West Broad Street, Quakertown (Refresh / Remodel)**
- (7) **#6509 – 208 Countryside Plaza, Mt. Pleasant (Relocation / Consolidation w / #6506)**

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 SelectionTom Bowman, Director of Product Selection

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

VENDOR – ITEM NAME

Various
 Various
 Various
 Various

BOARD ACTION REQUESTED

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

1. Regular New Items Accepted

BRAND NAME AND SIZE

REASON

Pernod Ricard USA

Jameson Orange Irish Whiskey 50 mL

2, 7, 12

RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular PA New Items Accepted

BRAND NAME AND SIZE

REASON

Blackbird Distillery

727 Spirits Apple Dumpling Cream
 Liqueur 750 mL

16

727 Spirits Iced Coffee Cream Liqueur
 750 mL

16

727 Spirits Orange Creamsicle Cream
 Liqueur 750 mL

16

Crooked Creek Distillery

Crooked Creek Distillery G Gin 1 L

16

Crooked Creek Distillery R Rum 1 L

16

Crooked Creek Distillery V Vodka 1 L

16

David's Distillery

Yo Cuz Vodka 750 mL

16

Lancaster Distilleries LLC

Roaring Brook Bourbon 750 mL

16

Pennsylvania Distilling Company

Dewey's No 69 Small Batch Bourbon
 Whiskey 750 mL

16

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

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
Pennsylvania Distilling American Single Malt Whiskey 750 mL	16
Pennsylvania Distilling Frontier Explorer's Gold Rum 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 PA New Items Accepted Revision

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Doan Gang Distillery LLC</u>	
Doan Distillery Quakerade Classic Lemon Vodka 4x355 mL Cans	16
Doan Distillery Quakerade Mango Vodka 4x355 mL Cans	16
Doan Distillery Quakerade Peach Vodka 4x355 mL Cans	16
Doan Distillery Quakerade Pink Grapefruit Vodka 4x355 mL Cans	16
Doan Distillery Quakerade Strawberry Vodka 4x355 mL Cans	16

NOTE: Sent to board 2-23-2022 with incorrect pricing

RECOMMENDED ACTION: We recommend the Board approve this action

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

4. Regular Recommended Delist

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Arundel Cellars Inc</u>	
Arundel Cellars Pink Caboose Pink Catawba Lake Erie 750 mL	2312
<u>Brown Forman Corp</u>	
Korbel Sweet Cuvee California Champagne 4x187 mL	35120
<u>Drevfus Ashby Inc</u>	
Joseph Drouhin Laforet Pinot Noir Bourgogne 750 mL	4546
<u>Holy Water Distillery LLC</u>	
Croswater Premium Craft Aged Rum 750 mL	98208
NOTE: Croswater Premium Craft Aged Rum 750 mL will not get clearance pricing	
<u>Majesitc W S USA Inc</u>	
Vina Pomal Crianza Rioja 750 mL	98960
<u>North Wales Wines</u>	
Martin Codax Ergo Tempranillo Rioja 750 mL	9147
Taylor Lake Country Soft Red 1.5 L	8810

EFFECTIVE DATE: The transference to closeout will become effective April 22, 2022

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

OTHER ISSUES

Enterprise Resource Planning (ERP).....Michael Demko, Executive Director

At Chairman Holden’s request, Elizabeth Brassell, PLCB Director of Policy and Communications, summarized the following three additional expenditures under the existing Oracle contract under the ERP project for the last two years. Two of the expenditures are related to the successful Go Live of Release 1 in January 2022. First there was a need to spend an additional \$795,000.00 due to a time delay from the original Go Live date of November 2021. The PLCB prioritized a successful implementation over an expedient implementation, which added an additional \$475,000.00 in expenditures.

Due to a struggle to hire additional resources with the appropriate IT expertise and experience, extended Oracle HyperCare support has been implemented and contracted out. Additionally, \$480,000.00 is being

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

spent for a data management project that will be incorporated into the ERP to build processes to ensure the integrity of data across platforms.

Enterprise Resource Planning (ERP) Release 1 Go Live Delay/Execution. Release 1 was originally scheduled to go live in November 2021 but was re-planned to go live in January 2022 to provide sufficient time and dedicated attention to training, user acceptance testing and cutover planning activities in advance of system cutover. Release 1 went live successfully in January 2022, but the project delay incurred additional costs totaling \$475,000 to be paid to Oracle. This amount increased total spend for the Release 1 Build, Test and Deploy effort from \$6.214 million to \$6.689 million.

ERP Release 1 Extended Hypercare. Due to PLCB IT resource shortages and ongoing hiring challenges preventing PLCB from hiring staff with sufficient experience and expertise, PLCB needed to contract with Oracle for extended hypercare support for up to eight weeks after the initial 30-day hypercare period. Such costs are capped at \$320,000.

ERP Data Governance Support. Despite PLCB's best efforts over the last 18 months to establish and hire a Director of Data Governance, we have been unable to hire personnel with sufficient experience and expertise in establishing a data governance strategy and organization. Given ERP requirements for data governance roles/responsibilities and data standards, PLCB engaged Oracle in a three-month effort to complete this work, for a total spend of \$480,000.

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

None

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, April 13, 2022 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.

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

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