

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES

WEDNESDAY, SEPTEMBER 25, 2019
NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA

Tim Holden, Chairman
Mike Negra, Board Member
Mary Isenhour, Board Member
Charlie Mooney, Executive Director
John Stark, Board Secretary

[Office of Chief Counsel](#)
[Bureau of Licensing](#)
[Bureau of Human Resources](#)
[Bureau of Accounting & Purchasing](#)

[Office of Retail Operations](#)
[Bureau of Product Selection](#)
[Financial Report](#)
[Other Issues](#)

PUBLIC MEETING – 11:00 A.M

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

CALL TO ORDER *Chairman Holden*

Pledge of Allegiance to the Flag - Rose Mary Reed – Executive Assistant

OLD BUSINESS.....*Secretary Stark*

A. Motion to approve the previous Board meeting minutes of the September 11, 2019 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

There was no public comment on the printed agenda items.

NEW BUSINESS

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

None

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

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

(1) **Acme Markets, Inc.** Double Transfer & Requests for
t/a The Frosted Mug Interior Connections with
R-11913 (LID No. 98507) Another Business & to Rescind
829 Montgomery Avenue Conditional Licensing
Lower Merion Township Agreement - Restaurant
Penn Valley, Montgomery County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

(2) **CHR Corp.** “Intermunicipal” Double
t/a Rutters #96 Transfer & Request for Interior
R-15962 (LID No. 98381) Connections with Other
20 Commerce Drive Businesses - Restaurant
Armagh Township
Milroy, Mifflin 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) **Giant Eagle, Inc.** Person-to-Person Transfer &
R-13205 (LID No. 97246) Request for Interior Connections
18511 Smock Highway with Another Business –
Vernon Township Restaurant
Meadville, Crawford 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.

(4) **Giant Food Stores, LLC** Extension of License &
R-1607 (LID No. 93819) Request for Interior Connections
300 Lincoln Avenue with Another Business –
East Stroudsburg, Monroe County Restaurant

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Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Extension of License and Request for Interior Connections with Another Business.

- (5) **JAI Radhey Corporation** Double Transfer & Request for Interior Connections with Another Business - Restaurant
R-17798 (LID No. 99327)
360 Main Street
Luzerne, Luzerne 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.

- (6) **Sheetz, Inc.** Auction License – New & Request for Interior Connections with Another Business – Restaurant
t/a Sheetz #10
(LID No. 98879)
1330 Moore Street
Huntingdon, Huntingdon County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve New License and Request for Interior Connections with Another Business.

- (7) **Sheetz, Inc.** “Intermunicipal” Double Transfer & Request for Interior Connections with Another Business - Restaurant
t/a Sheetz #339
R-4847 (LID No. 99657)
765 Benner Pike
College Township
State College, Centre 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.

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- (8) **Sheetz, Inc.** “Intermunicipal” Double
t/a Sheetz #475 Transfer & Request for Interior
R-11704 (LID No. 98462) Connections with Another
120 Southridge Plaza Business - Restaurant
College Township
State College, Centre 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.

- (9) **Sheetz, Inc.** Double Transfer & Request for
t/a Sheetz #521 Interior Connections with
R-20135 (LID No. 99580) Another Business - Restaurant
2000 Ehrman Road
Cranberry Township
Cranberry Township, Butler 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.

- (10) **TH Minit Markets, LLC** Double Transfer & Request for
t/a Turkey Hill Minit Market #89 Interior Connections with
R-16089 (LID No. 96184) Case No. 19-9027 Another Business - Restaurant
216 Pike Street
Port Carbon, Schuylkill County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for Conditional Licensing Agreement.

- (11) **VGX Beverages, LLC** Extension of License &
t/a VGX Beverages Request for Interior Connections
R-16264 (LID No. 71253) with Another Business –
1205 East Center Street Restaurant
Mahanoy City, Schuylkill County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Extension of License and Request for Interior Connections with Another Business.

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- (12) **Whole Foods Market Group, Inc.** Double Transfer & Request for Interior Connections with Another Business - Restaurant
R-7652 (LID No. 98847)
5700 Penn Avenue
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 Connections with Another Business.

- (13) **Wilbos, Inc.** Additional Brewery Storage Location & Request for an Interior Connection with Another Business – Brewery Storage
(LID No. 98079)
117 West Broad Street
Quakertown, Bucks County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Additional Brewery Storage Location and Request for an Interior Connection with Another Business.

- (14) **614 Blue Moon, Inc.** Renewal – District 10
R-13735 (LID No. 52019) Case No. 2018-52019
614 South 55th Street
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from 614 Blue Moon, Inc. There was no response.

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

- (15) **Alibis Spirits & Eatery, Inc.** Conditional Licensing Agreement
R-17096 (LID No. 68710) Case No. 2019-68710
10 North Pitt Street
Carlisle, Cumberland County
Renewal – District 1

HOLD – 7/31/19 SESSION

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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- (16) **Bartlett, Traynor & London, LLC** Request to Extend Temporary
t/a Harrisburg Midtown Arts Center Operating Authority Under
R-4643 (LID No. 61720) Conditional Licensing
1110 North 3rd Street Agreement - Restaurant
Harrisburg, Dauphin County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to
Extend Temporary Operating Authority Under the
Conditional Licensing Agreement Until October 31, 2019.

- (17) **Ralph N. Cialella, Jr.** Renewal – District 6
R-15584 (LID No. 68465) Case No. 2018-68465
423 West Washington Street **HOLD – 7/31/19 SESSION**
New Castle, Lawrence County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden asked if there was anyone present from Ralph N. Cialella, Jr. There was no response.

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

- (18) **Jollie’s Live, Inc.** Conditional Licensing
R-8992 (LID No. 66580) Case No. 2018-66580 Agreement
822 North Broad Street Renewal – District 10
Philadelphia, Philadelphia County **HOLD – 6/5/19 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

- (19) **TJ Land, Inc.** Renewal – District 7
t/a Hootinanny **HOLD – 7/31/19 SESSION**
R-13716 (LID No. 55961) Case No. 2017-55961
226 Market Street
St. Marys, Elk County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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Chairman Holden asked if there was anyone present from TJ Land, Inc. There was no response.

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

(20) Wilson Restaurant Corporation Renewal – District 5
t/a Jodi B’s Restaurant
R-16104 (LID No. 17772) Case No. 2019-17772
140 Forest Hills Plaza
Forest Hills
Pittsburgh, Allegheny County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold

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

Personnel Actions

There were 8 personnel actions presented for consideration.

- (1) William Carney – Affirm Removal**
- (2) Stephanie Cudby – Affirm Removal**
- (3) Taylor Deutsch – Affirm Removal**
- (4) Nancy Gandy Silver - Removal**
- (5) Nyesha Henry – Affirm Removal**
- (6) Eric Lee – Affirm Removal**
- (7) Ashley Mason – Affirm Removal**
- (8) Temikio Thompson – Affirm Removal**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

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

Procurement Actions:

- (1) **Waste and Corrugated Cardboard Removal Renewal** – Provide hand pickup service to remove waste and corrugated cardboard from approximately 170 Fine Wine & Good Spirits stores in Philadelphia, Bucks, Chester, Delaware and Montgomery counties.

Procured via BPA 63014351 Option Year 4 – VENDOR: **Modern Recycling Services** – TERM: One year - **\$410,326.00 estimated cost.**

- (2) **Strategic Retail Staffing Model** – Provide guidance to the PLCB in identifying key performance indicators in its Enterprise Resource Planning data, as well as insight into industry best practices to help allocate sales force accordingly. Additionally, the agency would like recommendations for applying industry best practices (methodologies and technologies) to assist in projecting adequate staffing needs.

Procured via Request for Quote #20190225 – VENDOR: **McKinsey & Company, Inc.** – TERM: One year – **\$959,200.00 estimated cost.** No other quotes were received.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

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

Inter-Agency Charges:

None

From the Office of Retail OperationsCarl Jolly, Director of Retail Operations

None

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

1. Regular New Items Accepted

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Anheuser Busch LLC</u> Drinkworks Classic Collection Cuban Daiquiri 4x50 mL	12
<u>Banfi Products Corp</u> Sartori Love Story Pinot Grigio 750 mL	3, 9, 11

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Constellation Brands Inc

Crafters Union Pinot Grigio 375 mL	3, 5
Crafters Union Red Blend 375 mL	3, 5
Crafters Union Rose 375 mL	3, 5
The Dreaming Tree Rose 750 mL	18

DAndrea W L Imports

Ohishi Japanese Whisky Aged in Brandy Casks 10 Years Old 750 mL	10
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Majestic Wine and Spirits

Underwood Rose Can 375 mL	3, 5
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North Wales Wines

Brick and Vine Cabernet Sauvignon 750 mL	18
Brick and Vine Chardonnay 750 mL	18
Brick and Vine Pinot Noir 750 mL	18
Brick and Vine Red Blend 750 mL	18

SMT Acquisitions LLC

Invivo X SJP Sauvignon Blanc Marlborough 750 mL	5, 7, 9, 19
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Southern Wine Spirits PA

Box Wize Cabernet Sauvignon 3 L	18
Box Wize Chardonnay 3 L	18
Box Wize Pinot Grigio 3 L	18
Box Wize Pinot Noir 3 L	18
Box Wize Rose 3 L	18

Sutter Home Winery Inc

Sutter Home Cabernet Sauvignon 500 mL	18
Sutter Home Chardonnay 500 mL	18
Sutter Home White Zinfandel 500 mL	18

The Wine Group Inc

Bucket List Cabernet Sauvignon 750 mL	18
Bucket List Chardonnay 750 mL	18
Bucket List Moscato 750 mL	18
Bucket List Pink Moscato 750 mL	18
Bucket List Pinot Grigio 750 mL	18
Bucket List Rose 750 mL	18

The Wine Merchant LTD

House Wine Brut Bubbles 375 mL	3, 5
House Wine Rose Bubbles 375 mL	3, 5

RECOMMENDED ACTION: We recommend the Board approve this action

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2. Regular PA Spirits New Items

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>McLaughlin Distillery</u>	
McLaughlin Distillery 3799 Bourbon Whiskey 750 mL	16
McLaughlin Distillery Apple Pie Moonshine 750 mL	16
McLaughlin Distillery Hokie Pokie Pineapple Lime Moonshine 750 mL	16
McLaughlin Distillery Hoochie Coochie Tea and Lemon Flavored Moonshine 750 mL	16
McLaughlin Distillery Not Your Momma’s Joe Coffee Moonshine 750 mL	16
McLaughlin Distillery Sewickley Vodka 750 mL	16
McLaughlin Distillery Sexi Mamacita Strawberry Peach Moonshine 750 mL	16
 <u>Strange Quark Distilling LLC</u>	
Quantum Spirits Grapefruit Liqueur with Lemon Soda Gift Set 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

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Bacardi USA Inc</u>	
St Germain Elderflower Liqueur 200 mL	8834

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C Jacquin Et Cie Inc

Original Bartenders Cocktail Cosmo 750 mL	2355
Original Bartenders Cocktail Long Island Iced Tea 750 mL	2356
Original Bartenders Cocktail Margarita 750 mL	2352
Original Bartenders Cocktail Mojito 750 mL	2182
Original Bartenders Cocktail Pina Colada 750 mL	2354
Original Bartenders Cocktail Strawberry Margarita 750 mL	2353

DAndrea W L Imports

Ohishi Whisky Aged in Brandy Casks 750 mL	35106
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Majestic W S USA Inc

Leese Fitch Cabernet Sauvignon 750 mL	5937
Leese Fitch Chardonnay 750 mL	2112

North Wales Wines

Alamos Torrontes 750 mL	9713
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Treasury Wine Est Amer Co

Sledgehammer Cabernet Sauvignon 750 mL	2169
Sledgehammer Forged Red 750 mL	2170
Sledgehammer Pinot Noir 750 mL	2171
Sledgehammer Zinfandel 750 mL	2172

EFFECTIVE DATE: The transference to closeout will become effective October 25, 2019

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

Employee Recognition – Years of Service.....*Charlie Mooney, Executive Director*

Carl M. Jolly – Director of Retail Operations: 35 years of Commonwealth Service

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CITIZEN COMMENT/BUSINESS FROM THE FLOOR

Board Member Negra asked to be recognized and gave the following statement:

Mr. Chairman, yesterday you and Member Isenhour signed the UFCW and ISSU contract agreements. I decided to not sign the contract and I would like to take this opportunity to explain my decision. I see this as a bad deal for the agency. Employee wages will rise 16.75 percent, compounded to 18 percent over the next four years, almost twice the rate of inflation. Medical benefit costs will not rise to the employee but will cost the agency \$50.00 per employee per pay period. I'm all in and have been for years to increase the wages of our starting salaries to be more competitive and improve retention. A reasonable, affordable wage increase makes sense. That offer, like all others from the PLCB was rejected. The PLCB share of this \$1 billion over four-year Commonwealth-wide contract is estimated to be over \$10 million per year. Yes, we have made more money for the Commonwealth over the past couple of years but they have taken more money from the agency over the past couple of years as well. That's not going to change. It's about what we can afford as an agency and as taxpayers. The \$10 million must come from somewhere. I seriously doubt the Budget office will volunteer to take \$175.1 million next year so that we can maintain our current level of profitability. So that means operational efficiencies are imperative as we move forward as we also strive to maintain competitive pricing. And this is my other issue. We attempted to negotiate various operational changes in this contract only to be stonewalled. We still pay time and a half or an additional \$3.00 or \$1.00 per hour on Sundays depending on when the employee was hired. Sunday pay, across the retail spectrum, is considered a normal work day. There are many examples regarding the lack of negotiation that occurred in this current labor cycle. Keep in mind that the cost of this contract will keep on keeping on and be added to no matter if times are good or bad.

Three years ago I signed the contracts as I thought they took into account taking care of employees and the agency. It was a more balanced contract. I could not, however, in good conscience vote for or sign this agreement. Thanks for allowing me the opportunity to present my position.

Following Board Member Negra's statement, Chairman Holden affirmed that he believes the contract represents a good deal for employees, especially considering the fact that it has been a record year in terms of net income. Chairman Holden suggested that perhaps clerks and other store employees deserve the most credit for the success, seeing as it is they who encounter the public every day and it would only seem reasonable to ensure that store personnel benefit from the increased net income.

Board Member Isenhour essentially agreed with the Chairman, stating that she was proud to have signed the contract and that she believes the raise is well-deserved.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, October 9, 2019 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 Negra, seconded by Board Member Isenhour, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary