

**PENNSYLVANIA LIQUOR CONTROL BOARD**  
**MEETING MINUTES**

**WEDNESDAY, AUGUST 31, 2016**  
**NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA**

Tim Holden, Chairman  
Michael Negra, Board Member  
Michael Newsome, Board Member  
John Metzger, Executive Director  
Charlie Mooney, Chief Operating Officer  
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](#)

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**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

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

A. Motion to approve the previous Board Meeting Minutes of the August 10, 2016 meeting.

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

**Board Decision:** Unanimously approved (3-0 vote) previous Board Minutes.

**PUBLIC COMMENT ON AGENDA ITEMS**

There was no comment on the printed agenda items.

**NEW BUSINESS**

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

(1) **BRAD A. SOMMERS**  
Appeal No. 28808

Petition for Review in State Civil  
Service Commission

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

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

**Board Decision:** Unanimously agreed (3-0 vote) – Do Not Petition for Review.

(2) **TRANSFEROR: KINGS OAK LANE, LLC** Application for Conversion of  
1001 North 2<sup>nd</sup> Street, Unit G Suspension to Fine  
Philadelphia, Pennsylvania 19123-1612  
Restaurant Liquor License No. R-1211  
LID 65228

**TRANSFEEE: SB BEER LLC**  
1001 North 2<sup>nd</sup> Street, Unit G  
Philadelphia, Pennsylvania 19123-1612  
Restaurant Liquor License No. R-1211  
LID 73313

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Conversion of Suspension to a Fine of \$1,000.00.

(3) **TRANSFEROR: MONTEZUMA OF ALTOONA, INC.** Application for Conversion of  
106 Sierra Drive Suspension to Fine  
Sierra North Plaza  
Altoona, Pennsylvania 16601-9341  
Restaurant Liquor License No. R-9443  
LID 63635

**TRANSFEEE: LA FIESTA MEXICAN BAR AND GRILL OF ALTOONA, INC.**  
3312 Pleasant Valley Boulevard  
Altoona, Pennsylvania 16602-4312  
Restaurant Liquor License No. R-9334  
LID 73284

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Conversion of Suspension to a Fine of \$3,000.00.

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- (4) **TRUTH LOUNGE, LLC** Application for Conversion of  
51-53 South 12<sup>th</sup> Street Suspension to Fine  
Pittsburgh, Pennsylvania 15203-1128  
Restaurant Liquor License No. R-12203  
LID 65929
- MISHTAYH, LLC**  
51-53 South 12<sup>th</sup> Street  
Pittsburgh, Pennsylvania 15203-1128  
Restaurant Liquor License No. R-12203  
LID 80659
- Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome
- Board Decision:** Unanimously agreed (3-0 vote) to Approve Conversion of Suspension to a Fine of \$2,000.00.
- (5) **BEANERS RESTAURANT, INC.** Request to Terminate Conditional  
208-212 Bridge Street Licensing Agreement  
Phoenixville, Pennsylvania 19460-3404  
Restaurant Liquor License No. R-927  
LID 58996
- Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome
- Board Decision:** Unanimously agreed (3-0 vote) to Terminate Conditional Licensing Agreement.
- (6) **JAID'S, INC.** Request to Rescind Conditional  
103 North Broadway Licensing Agreement  
Wind Gap, Pennsylvania 18091-1209  
Restaurant Liquor License No. R-20297  
LID 43446
- Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome
- Board Decision:** Unanimously agreed (3-0 vote) to Rescind Conditional Licensing Agreement.
- (7) **1234 UDS, INC.** Proposed Sixty-Day Extension of  
2351 Noblestown Road Operating Authority Pending Sale  
Pittsburgh, Pennsylvania 15205-4138 and Transfer of the License  
Restaurant Liquor License No. R-2050  
LID 56125

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

**Board Decision:** Unanimously agreed (3-0 vote) to Grant an Additional Sixty Days of Operating Authority.

*From the Bureau of Licensing ..... Jerry Waters, Director of Regulatory Affairs  
Tisha Albert, Director, Bureau of Licensing*

(1) **373 Management, LLC** Person-to-Person Transfer &  
t/a Olde Towne Bakery & Café Request to Conduct Another  
R-15717 (LID No. 80595) Business on the Licensed  
373 East Main Street Premises – Restaurant  
Somerset, Somerset County

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Request to Conduct Another Business on the Licensed Premises.

(2) **A-Sai Corporation** Request for Interior Connections  
R-15186 (LID No. 72705) with Another Business –  
39 East Main Street Restaurant  
Plymouth, Luzerne County

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

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

(3) **Acme Markets, Inc.** “Intermunicipal” Double  
R-8237 (LID No. 73373) Transfer & Requests for Interior  
39 Leopard Road Connections with Another  
Tredyffrin Township Business & to Conduct Another  
Paoli, Chester County Business on the Licensed  
Premises – Restaurant

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Requests for Interior Connections with Another Business and to Conduct Another Business on the Licensed Premises.

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- (4) **Concession Solutions, LLC**  
**t/a Ryan's Deli**  
E-5150 (LID No. 73386)  
707 Route 739  
Blooming Grove Township  
Lords Valley, Pike County

“Intermunicipal” Double  
Transfer & Requests for Interior  
Connections with Another  
Business & to Conduct Another  
Business on the Licensed  
Premises – Eating Place  
Malt Beverage

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Requests for Interior Connections with Another Business and to Conduct Another Business on the Licensed Premises.

- (5) **Culloo Entertainment, LLC**  
R-7650 (LID No. 73152) Case No. 16-9077  
1209 Vine Street  
Philadelphia, Philadelphia County

Double Transfer & Request to  
Conduct Another Business on the  
Licensed Premises – Restaurant

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Request to Conduct Another Business on the Licensed Premises.

- (6) **D & J Susquehanna, Inc.**  
E-1194 (LID No. 73217)  
1639-43 West Susquehanna Avenue  
Philadelphia, Philadelphia County

Person-to-Person Transfer &  
Requests for Interior  
Connections with Another  
Business & to Conduct Another  
Business on the Licensed  
Premises – Eating Place Malt  
Beverage

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Requests for Interior Connections with Another Business and to Conduct Another Business on the Licensed Premises.

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(7) **Darrenkamp’s Mt. Joy Market, Inc.**  
R-2008 (LID No. 72954) Case No. 16-9073  
945 East Main Street  
Rapho Township  
Mount Joy, Lancaster County

“Intermunicipal” Double  
Transfer & Request for Interior  
Connections with Another  
Business – Restaurant

**Motion Made:** Board Member Negra made a Motion to Refuse Transfer and Interior  
Connection with Another Business

**Seconded:** Board Member Newsome

Chairman Holden asked if there is anyone present for Darrenkamp’s.

Susan Deely, Esq., of the Devine Law Offices, indicated that she represents Darrenkamp’s, and she asked that the Board provide its reasoning for its decision.

Chairman Holden indicated that he would defer to Rod Diaz, Chief Counsel, to provide the reasoning.

Mr. Diaz explained that the application was being denied because it involves a violation of the “tied-house” restrictions found in the Liquor Code. He indicated that the evidence presented at the evidentiary hearing established that Darrenkamp’s is part of a cooperative, and one of the parties to the cooperative holds an interest in a distributor license. He further indicated that Darrenkamp’s receives certain benefits and discounts on purchases as a result of being part of the cooperative. As such, this would involve the exchange of something of value between licensees of different classes. Mr. Diaz also added that this issue has already been addressed by a court and that the Board’s decision is consistent with what the court said.

Ms. Deely asked Mr. Diaz whether he was referring to Nells Inc. v. Pennsylvania Liquor Control Board, Case No. 11-0954 (C.P. Berks February 11, 2011), and Mr. Diaz confirmed that he was referring to the Nells case. Ms. Deely asserted that the Nells case is distinguishable from the present case. She explained that, in Nells, the distributor was a shareholder of the cooperative, Associated Wholesalers, Inc. (“AWI”), which owned and controlled the Applicant; whereas, in this case, Darrenkamp’s is simply a member of a cooperative, and no control is being exercised over Darrenkamp’s by the cooperative and/or the distributor.

Mr. Diaz responded by explaining that, just as in Nells, where there was found to be an exchange of something of value between the members of AWI based on the ability to purchase items in bulk at lower prices, there is a similar exchange of something of value between Darrenkamp’s and the other members of the cooperative in this case. Mr. Diaz further indicated that he understands that Darrenkamp’s may disagree with the Board’s interpretation of the law, but that this is, nonetheless, the basis for the

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Board's decision.

**Board Decision:** Unanimously agreed (3-0 vote) to Refuse Transfer and Interior Connection with Another Business.

(8) **FC&G, Inc.** Extension of License &  
**t/a Summit Cigar** Request for Interior  
R-2867 (LID No. 66168) Connections with Another  
215 Clark Avenue Business – Restaurant  
Clarks Summit, Lackawanna County

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

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

(9) **FCS631921, LLC** Double Transfer & Request for  
R-15914 (LID No. 73095) Interior Connections with  
141 South Potomac Street Another Business – Restaurant  
Waynesboro, Franklin County

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

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

(10) **FCS651921, LLC** “Intermunicipal” Double  
E-3461 (LID No. 80854) Transfer & Request for Interior  
378 North Main Street Connections with Another  
Mercersburg, Franklin County Business – Eating Place  
Malt Beverage

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

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

(11) **Island Hospitality Management V, LLC** Request to Sell Other Items on the  
H-6515 (LID No. 72716) Licensed Premises – Hotel  
401 West Waterfront Drive  
West Homestead, Allegheny County

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Request to Sell Other Items on the Licensed Premises.

- (12) **Lee's Hoagie House of Horsham, LLC** Renewal – Eating Place  
E-4990 (LID No. 65831) Case No. 16-9070 Malt Beverage  
870-872 Easton Road  
Horsham Township  
Horsham, Montgomery County

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

**Board Decision:** Hold for a Conditional Licensing Agreement by Board Member Negra.

- (13) **Lee's Hoagie House of Horsham, LLC** Renewal – Transporter for  
IB-4421 (LID No. 71145) Case No. 16-9071 Hire Class B  
870 Easton Road  
Horsham Township  
Horsham, Montgomery County

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

**Board Decision:** Hold for a Conditional Licensing Agreement by Board Member Negra.

Chairman Holden asked Jerry Waters, Sr., Director of Regulatory Affairs, why there are two different cases involving this same Licensee. Mr. Waters explained that one case involves an eating place retail dispenser license, and the other case involves a transporter-for-hire license.

- (14) **WHI Cranberry Management, LLC** Request to Sell Other Items on the  
**t/a Pittsburgh North Courtyard by Marriott** Licensed Premises – Hotel  
H-6528 (LID No. 72937)  
150 Cranberry Woods Drive  
Cranberry Township  
Cranberry Township, Butler County

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Request to Sell Other Items on the Licensed Premises.



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- (15) **WHI Pittsburgh North Management, LLC**  
**t/a Pittsburgh North Marriott**  
H-6529 (LID No. 72944)  
100 Cranberry Woods Drive  
Cranberry Township  
Cranberry Township, Butler County
- Requests for Interior Connections with Another Business & to Sell Other Items on the Licensed Premises – Hotel

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Requests for Interior Connections to Another Business and to Sell Other Items on the Licensed Premises.

- (16) **Weis Markets, Inc.**  
R-11752 (LID No. 81048)  
2150 Bumble Bee Hollow Road  
Upper Allen Township  
Mechanicsburg, Cumberland County
- “Intermunicipal” Double Transfer & Requests for Interior Connections with Another Business & to Conduct Another Business on the Licensed Premises – Restaurant

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Requests for Interior Connections with Another Business and to Conduct Another Business on the Licensed Premises.

- (17) **Weis Markets, Inc.**  
R-20074 (LID No. 81271)  
1133-1141 York Road  
Warminster Township  
Warminster, Bucks County
- “Intermunicipal” Double Transfer & Requests for Interior Connections with Another Business & to Conduct Another Business on the Licensed Premises – Restaurant

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Transfer and Requests for Interior Connections with Another Business and to Conduct Another Business on the Licensed Premises.

- (18) **2335, Inc.**  
**t/a Degen’s Restaurant**  
R-172 (LID No. 9252) Case No. 16-9028  
743 East Market Street  
York, York County
- Renewal – District 2

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

**Board Decision:** Hold for a Conditional Licensing Agreement by Board Member Negra

- (19) **Bootphilly, LLC** Renewal & Amusement Permit –  
R-6143 (LID No. 65779) Case No. 16-9046 District 10  
1131 South Broad Street  
Philadelphia, Philadelphia County

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Renewal and Amusement Permit with Existing Conditional Licensing Agreement.

- (20) **King's Bar & Grill, Inc.** Renewal – District 5  
R-741 (LID No. 47825) Case No. 15-9142  
11 Fleet Street  
Rankin  
Braddock, Allegheny County

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

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

- (21) **Profer, Inc.** Renewal – District 2  
**t/a Helen's Tavern**  
R-3249 (LID No. 48024) Case No. 16-9033  
131 West Main Street  
Upper Leacock Township  
Leola, Lancaster County

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

**Board Decision:** Hold by Board Member Negra for a Conditional Licensing Agreement Offer-in-Compromise Terms.

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

Personnel Actions

- (1) Paul D'Alessandro – Affirm Removal
- (2) Kellum Dietz – Affirm Removal
- (3) Eric Haas - Removal
- (4) Shane Killion - Removal
- (5) Colin Mansberry – Affirm Removal
- (6) Douglas Meyers – Affirm Removal
- (7) Melissa Monticue - Removal
- (8) Sean Morrison – Removal
- (9) Shayla Mummert – Removal
- (10) Tina Myles – Demotion
- (11) Amir Rashid – Affirm Removal
- (12) James Reason - Removal
- (13) Stacy Simmons – Affirm Removal
- (14) Matthew Venneri – Removal

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

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

*From the Bureau of Accounting & Purchasing ..... John Stiles, Director of Finance  
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing*

- (1) **Hearing Examiner Services** – Represent the Board in the capacity of a hearing examiner for administrative hearings conducted in the Commonwealth of Pennsylvania regarding matters which the Board shall adjudicate as required.

Procured via sole source – **VENDOR:** Angel L. Ortiz – **TERM:** One (1) year – \$150,000.00 estimated cost.

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- (2) **Waste & Corrugated Cardboard Removal** – Provide hand pick-up service to remove waste & corrugated cardboard from approximately one hundred sixty-five (165) Fine Wine & Good Spirits stores in Philadelphia, Bucks, Chester, Delaware and Montgomery counties.

Procured via BPA 63014351 Option Year – VENDOR: Modern Recycling Services – TERM: One (1) year – \$415,324.00 estimated cost.

- (3) **Zebra Scanner Guns** – Provide fifty (50) Zebra MC9200 scanner guns for the Philadelphia Distribution Center (DC1). Additional scanner guns are needed by DC1 as they begin to pick to pallet in concert with pick to belt operations. Due to Act 39, the increased volumes of Fine Wine & Good Spirits store orders & new Wine Expanded Permit orders plus the increase in put away, re-warehousing and inventory tasks require more equipment to fulfill the receipt, storage, picking and shipping operations.

Procured via DGS Statewide Contract #4400011828 – VENDOR: ePlus – \$84,063.00 estimated cost.

- (4) **Drafting and Design Services** – Provide architect and engineering services as well as supplement existing in-house drafting and design services to produce permit plans for refurbished or new stores and other projects as needed.

Procured via Invitation for Bid #260314 – VENDOR: Hammel Associates Architects – TERM: Two (2) years – \$79,975.00 estimated cost. Seven (7) other bids were received: Eldon R. Stoltzfus Architect – \$183,865.00; Stiffler McGraw Architects – \$235,370.00; LeFevre Funk Architects Inc. – \$250,452.00; Fedetz & Martin Associates, PC – \$312,565.00; The Larson Architectural Group, Inc. – \$312,990.00; SAA Architects, Inc. – \$340,367.00; HHSDR Architects/Engineers – \$1,556,680.00.

- (5) **Final Renewal of Material Handling System Maintenance Agreement for Philadelphia Distribution Center** – Onsite preventative, corrective, and emergency service to existing equipment and maintain a spare parts inventory.

Procured via PO 63011123 Option Year – VENDOR: Dematic Corporation – TERM: Eighteen (18) months – \$1,545,117.74 estimated cost.

- (6) **Oracle Software License Expansion** – Provides for a five (5) year agreement with DLT for Oracle base and middle tier products that provides unlimited licensing for three (3) years.

Procured via DGS Statewide Contract #4400004713 – VENDOR: DLT Solutions – TERM: Five (5) years – \$6,249,582.33 estimated cost.

- (7) **Reconfiguration of Philadelphia Distribution Center Racking** – Provide additional racking with installation plus reconfiguration of existing racking to create additional locations at the Philadelphia Distribution Center (DC1). The previous Board approval of \$60,158.73 to reconfigure DC1's racking was not utilized because Prevailing Wage rates were not quoted as required by Commonwealth Procurement Code.

Procured via Sole Source – VENDOR: Frazier Industrial Company – TERM: One (1) month – \$99,610.98 estimated cost.

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

Chairman Holden asked if there were any questions regarding these proposed actions, but no questions were raised.

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Purchasing and Contracting Actions.

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

1. **#3518 – 1762 Keyser Oak Avenue, Scranton Amendment**
2. **#4034 – 1008 Wyoming Avenue, Wyoming Amendment**
3. **#5120 – Academy Plaza, 3246 Red Lion Road, Philadelphia Amendment**

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

Chairman Holden asked if there were any questions regarding these proposed actions, but no questions were raised.

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

*From the Bureau of Product Selection .....Dale Horst, Director of Marketing & Merchandising  
Joseph Puhalla, Director, Bureau of Product Selection*

**1. Regular New Items Accepted**

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Diageo Americas Inc</u> Singleton 12 Year Old Scotch 750 ML	3
<u>Doen Zhumir Importers and Distributors Inc</u> Zhumir Makeba Pina Colada 750 ML	14

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**The Edrington Group USA LLC**

The Macallan Double Cask 12 Year Old Scotch 750 ML 3

**Heaven Hill Distilleries Inc**

Burnett's Ruby Red Grapefruit Vodka 1.75 L 3

Larceny Bourbon 1.75 L 3

**Majestic Wine and Spirits USA Inc**

Chinaco Blanco Tequila 750 ML 10

The Glenrothes Bourbon Cask Reserve 750 ML 10

**Sutter Home Winery**

Tres Agaves Margarita Mix 1 L 4

**Treasury Chateau and Estates**

Stellina di Notte Pinot Grigio 750 ML 1

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

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**2. Regular New Items Accepted Revisions**

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<b>Pricing</b>	
<u>Diageo Americas Inc</u>	
Smirnoff Sourced Cranberry Apple Vodka 750 ML	10
Smirnoff Sourced Pineapple Vodka 750 ML	10
Smirnoff Sourced Ruby Red Grapefruit Vodka 750 ML	10
<b>Vendor Correction</b>	
<u>Terroir Wine Group</u>	
Lobetia Organic Rose 750 ML	11,14
Lobetia Organic Tempranillo 750 ML	11

RECOMMENDED ACTION: We recommend the Board approve this action

**3. Regular PA New Items Accepted**

<u>BRAND NAME AND SIZE</u>	<u>REASON</u>
<u>Hidden Still Spirits</u>	
Mad Crayfish Vodka 750 ML	8
Screw Head Shine Corn Whiskey 750ML	8
<u>Manatawny Still Works</u>	
Manatawny Still Works Keystone Whiskey 750 ML	8
<u>Midstate Distillery</u>	
Midstate Distillery Corn Whiskey Pennsylvucky Moonshine 750 ML	8
Midstate Distillery Shakey Jake’s Premium White Rum 750 ML	8

RECOMMENDED ACTION: We recommend the Board approve this action

**4. Regular Recommended Delist Retail Reductions January 2017**

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Diageo Americas Inc</u>	
Smirnoff Sorbet Light Pineapple Coconut 750 ML	7520
Smirnoff Sorbet Light Raspberry Pomegranate Vodka 750 ML	6267
Smirnoff Sours Green Apple Vodka 750 ML	8330

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Smirnoff Sours Watermelon Vodka 750 ML 8340

**Jim Beam Brands Co**

Pinnacle Ruby Red Grapefruit Flavored Vodka 70 Proof 750 ML 9925

**Majestic Wine and Spirits USA Inc**

Glendronach Single Malt Scotch Highland 15 Year Old 92 Proof Revival 750 ML 34112

Agave Underground Anejo Tequila 750 ML 7936

Agave Underground Reposado Tequila 750 ML 7935

Agave Underground Silver Tequila 750 ML 7965

EFFECTIVE DATES: January 2, 2017 through April 2, 2017. The transference to closeout will become effective October 3, 2016.

RECOMMENDED ACTION: We recommend the Board approve this action

**5. Regular Recommended Delist Retail Reductions January 2017 Revision**

**BRAND NAME AND SIZE**

**CODE**

**Cancellation of Delist**

**Palm Bay Imports Inc**

Darnley's View London Dry Gin 750 ML 9066

EFFECTIVE DATE: The transference to closeout will not be made.

RECOMMENDED ACTION: We recommend the Board approve this action

**6. Luxury One Time Buys**

**BRAND NAME AND SIZE**

**Aventine Imports**

Talamonti Cerasuolo d'Abruzzo 2015 750 ML

**Capital Wine & Spirits**

Francis Ford Coppola Director's Movie Label Jaws Chardonnay 2015 750 ML

Francis Ford Coppola Director's Movie Label King Kong Cabernet Sauvignon 2014 750 ML

Francis Ford Coppola Director's Movie Label Wizard of Oz Merlot 2014 750 ML

Mer Soleil Silver 2014 750 ML

Whistle Pig Single Barrel Cask Strength Rye Whiskey 10 Year Old 116 Proof 750 ML

Whistle Pig Single Barrel Cask Strength Rye Whiskey 10 Year Old 118.2 Proof 750 ML



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Whistle Pig Single Barrel Cask Strength Rye Whiskey 10 Year Old 118.9 Proof 750 ML

Whistle Pig Single Barrel Cask Strength Rye Whiskey 10 Year Old 119.1 Proof 750 ML

**David Bowler Wines**

Eric Texier Petillant Naturel Rouletabulle Dry 2015 750 ML

**Kermit Lynch**

Giuseppe Quintarelli Amarone della Valpolicella Classico 2007 750 ML

Giuseppe Quintarelli Bianco Secco Ca del Merlo Veneto 2015 750 ML

Giuseppe Quintarelli Bianco Secco Ca del Merlo Veneto 2015 Magnum 1.5 L

Giuseppe Quintarelli Rosso Ca del Merlo Veneto 2008 750 ML

Giuseppe Quintarelli Valpolicella Classico Superiore 2008 750 ML

**Opera Wine Imports**

Tenuta di Ceppaiano Violetta Toscana 2010 750 ML

**Skurnik Wines**

Domaine G. Roumier Chambolle Musigny 1er Cru Les Cras 2014 750 ML

Domaine G. Roumier Chambolle Musigny Pinot Noir 2014 750 ML

Domaine G. Roumier Grand Cru Bonnes Mares Pinot Noir 2014 750 ML

Domaine G. Roumier Morey St Denis 1er Cru Clos de la Bussiere 2014 750 ML

**Southern Wine and Spirits**

Clos de Tart Grand Cru Pinot Noir 2014 750 ML

Mollydooker Caber Sauvignon The Maitre D 2015 750 ML

Mollydooker Girl on the Go Sparkling Verdelho NV 750 ML

Mollydooker The Boxer Shiraz 2015 750 ML

Mollydooker The Scooter Merlot 2015 750 ML

Mollydooker Two Left Feet Blend 2015 750 ML

**The Wine Merchant**

Chalk Hill Estate Red 2013 750 ML

Chateau Paillet Quancard Cadillac Cotes de Bordeaux Magnum 2012 1.5 L

J. J. Prum Riesling Auslese Wehlener Sonnenuhr 2015 750 ML

J. J. Prum Riesling Auslese Wehlener Sonnenuhr Goldkapsel 2015 750 ML

J. J. Prum Riesling Bernkasteler Lay Auslese Goldkapsel 2015 750 ML

J. J. Prum Riesling Graacher Himmelreich Auslese Goldkapsel 2015 750 ML

J. J. Prum Riesling Kabinett Graacher Himmelreich 2015 750 ML

J. J. Prum Riesling Kabinett Wehlener Sonnenuhr 2015 750 ML

J. J. Prum Riesling Spatlese Wehlener Sonneuhr 2015 750 ML

J. J. Prum Riesling Spatlese Zeltinger Sonnenuhr 2015 750 ML

**Vintage Imports**

Cune Gran Reserva Rioja 2010 750 ML

**Wegandt Metzler Importing**

Giornata Barbera 2015 750 ML

Giornata French Camp Aglianico 2013 750 ML

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Giornata II Campo Rosso Sangiovese 2014 750 ML  
Holloran Bednarik Pinot Noir 2012 750 ML  
Holloran Stafford Hill Pinot Noir 2014 750 ML  
Holloran Willamette Valley Pinot Noir 2013 750 ML

**Wine Twist**

Chateau de Gaure Oppidum Chardonnay 2013 750 ML  
Chateau de Gourdon Cotes du Rhone 2012 750 ML  
Dame De Coeur Merlot 2010 750 ML

**Winebow**

Bruno Trapan Istrian Malvazija Ponente 2015 750 ML  
Lapierre Marcel Morgon 2015 750 ML

RECOMMENDED ACTION: We recommend the Board approve this action

**7. Luxury One Time Buy Revision**

**BRAND NAME AND SIZE**

**Retail Revision**

**Southern Wine and Spirits**

Ferrari Carano Siena 2013 750 ML

RECOMMENDED ACTION: We recommend the Board approve this action

**8. Chairman's Selection Recommended Approvals**

**BRAND NAME AND SIZE**

**Global Wines**

A-muse Special Collection Moscato d'Asti DOCG 2015 750 ML  
Bernard Reverdy et Fils Sancerre Blanc AOC 2015 750 ML

**Majestic Wine and Spirits**

Chateau Barouillet Or Extreme Monbazillac 2014 750 ML  
Claudie Peguet Vire Clesse Chardonnay 2015 750 ML

**Piccola Cantina**

Daniele Soave DOC 2015 750 ML

RECOMMENDED ACTION: We recommend the Board approve this action

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## **9. E Commerce Exclusive Items**

### **BRAND NAME AND SIZE**

#### **Majestic Wine and Spirits**

Elijah Craig Barrel Proof Bourbon 750 ML  
Nikka Taketsuru Pure Malt 17 Year 86 Proof 750 ML  
Nikka Taketsuru Pure Malt 21 Year 86 Proof 750 ML

#### **The Wine Merchant**

Elk Cove Roosevelt Pinot Noir 2014 750 ML  
Gryphus Chardonnay 2015 750 ML  
Marilyn Meritage Napa Valley 2014 750 ML  
Marilyn Merlot Napa Valley 2014 750 ML  
Norma Jeane Merlot 2015 750 ML

#### **Vine Street Imports**

Alvaro Palacios Finca Dofi Priorat 2013 750 ML  
Giuseppe Mascarello Monprivato Barolo 2010 750 ML  
Giuseppe Mascarello Monprivato Barolo 2011 750 ML  
Montepeloso Eneo IGT Super Tuscan 2012 750 ML  
Montepeloso Nardo IGT Super Tuscan 2012 750 ML  
Montepeulciano Gabbro IGT Super Tuscan 2012 750 ML

RECOMMENDED ACTION: We recommend the Board approve this action

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

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Bureau of Product Selection / Marketing Actions.

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

**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statement of Net Position  
(Unaudited)**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>Assets:</b>		
Current Assets:		
Cash	\$ 19,962,868	\$ 20,209,922
Investments-Short Term	275,395,461	241,702,180
Accounts and Claims Receivable (Net)	1,567,938	1,333,108
Inventory - Merchandise (Net)	244,158,953	230,093,160
Inventory - Operating Supplies	491,962	201,448
Prepaid Expenses	-	3,766,222
	541,577,182	497,306,040
Total Current Assets		
Fixed Assets:		
Land	322,973	322,973
Buildings	19,557,620	19,557,620
Leasehold Improvements	757,962	757,962
Machinery and Equipment	51,584,832	44,477,826
Computer Software - Internally Generated	20,559,499	29,639,452
	92,782,886	94,755,833
Total Fixed Assets		
Less: Accumulated Depreciation/Amortization	53,564,994	57,727,927
	39,217,892	37,027,906
Net Fixed Assets		
Total Assets	\$ 580,795,074	\$ 534,333,946
Total Deferred Outflows - Pension (Note 4)	93,191,449	31,038,537
<b><u>Liabilities and Net Position</u></b>		
<b>Liabilities:</b>		
Current Liabilities:		
Trade Accounts Payable	\$ 256,513,494	\$ 253,125,319
Other Accounts Payable	13,003,109	12,338,533
Accrued Payroll-Related Expenses	26,249,581	24,129,512
Workers' Compensation Liability (Note 6)	7,771,965	7,816,604
Due to Other Funds	4,842,657	2,128,444
	308,380,806	299,538,412
Total Current Liabilities		
Noncurrent Liabilities:		
Other Accounts Payable - OPEB (Note 5)	90,178,113	76,652,554
Workers' Compensation Liability (Note 6)	39,287,287	42,109,251
Net Pension Liability (Note 4)	449,175,699	362,685,050
Compensated Absences	19,506,861	20,092,247
	598,147,960	501,539,102
Total Noncurrent Liabilities		
Total Liabilities	906,528,766	801,077,514
Total Deferred Inflows - Pension (Note 4)	5,636,121	3,002,223
<b>Net Position:</b>		
Invested in Capital Assets, net of related debt	39,217,892	37,027,906
Unrestricted	(277,396,256)	(275,735,160)
<b>Total Net Position</b>	<b>\$ (238,178,364)</b>	<b>\$ (238,707,254)</b>

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**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For The Month Ending June 30, 2016 and June 30, 2015**  
**(Unaudited)**

	June 2015-16	June 2014-15 (As Adjusted*)
Sales Net of Taxes	\$ 154,668,262	\$ 145,672,000
Cost of Goods Sold	106,344,011	100,447,044
<b>Gross Revenue from Sales</b>	<b>48,324,251</b>	<b>45,224,956</b>
Operating Expenses:		
Purchasing, Storage & Transportation	1,165,012	1,392,211
Stores' Operations & Supervision	23,681,369	31,327,714
Central Administrative Support	4,342,723	6,759,731
Comptroller Operations	1,325,913	317,964
Commonwealth-Provided Services (Note 2)	(350,228)	1,099,120
Total	30,164,789	40,896,740
<b>Operating Income</b>	<b>18,159,462</b>	<b>4,328,216</b>
Nonoperating Revenues (Expenses):		
Enforcement Fines	135,446	135,712
Interest Income	133,852	40,344
License Fees	1,117,686	989,676
Miscellaneous Income	868,624	1,019,177
Administrative Law Judge	(219,755)	(213,091)
Legal	(316,792)	(364,144)
Licensing & Investigations	(753,902)	(1,324,515)
Total	965,159	283,159
<b>Income Before Operating Transfers</b>	<b>19,124,621</b>	<b>4,611,375</b>
Operating Transfers Out:		
PSP Enforcement (Note 3)	2,007,773	2,038,565
<b>Income After Enforcement/Before Other Transfers</b>	<b>17,116,848</b>	<b>2,572,810</b>
Other Operating Transfers Out:		
General Fund Appropriations (Note 3)	25,000,000	-
Drug and Alcohol Programs (Note 3)	2,500,000	1,671,957
Total	27,500,000	1,671,957
<b>Change in Net Position</b>	<b>(10,383,152)</b>	<b>900,853</b>
Total Net Position - Beginning	(227,795,212)	(239,608,107)
Total Net Position - Ending	<b>\$ (238,178,364)</b>	<b>\$ (238,707,254)</b>
Liquor tax	27,827,869	25,778,712
State Sales Tax	10,843,891	10,030,681
Local Tax	687,257	652,912
<b>Taxes remitted to Dept.of Revenue PTD</b>	<b>\$ 39,359,017</b>	<b>\$ 36,462,305</b>

\* Amounts reported in previously published interim statements adjusted to recognize retroactive monthly allocation of FY 2014-15 Pension, Workers' Compensation and OPEB year-end accounting valuation actual expenses and restatement of beginning net position due to implementing GASB 68.

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**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For The Twelve Months Ending June 30, 2016 and June 30, 2015**  
**(Unaudited)**

	2015-16	2014-15
Sales Net of Taxes	\$ 1,937,884,590	\$ 1,862,269,904
Cost of Goods Sold	1,332,285,510	1,281,139,778
<b>Gross Revenue from Sales</b>	<b>605,599,080</b>	<b>581,130,126</b>
Operating Expenses:		
Purchasing, Storage & Transportation	20,786,373	18,432,810
Stores' Operations & Supervision	368,991,819	365,489,234
Central Administrative Support	68,517,809	69,683,255
Comptroller Operations	5,817,092	4,713,987
Commonwealth-Provided Services (Note 2)	9,715,113	11,290,527
Total	473,828,206	469,609,813
<b>Operating Income</b>	<b>131,770,874</b>	<b>111,520,313</b>
Nonoperating Revenues (Expenses):		
Enforcement Fines	1,892,032	1,975,832
Interest Income	892,769	429,542
License Fees	12,884,473	12,315,087
Miscellaneous Income	3,467,757	3,694,696
Administrative Law Judge	(2,490,903)	(2,543,018)
Legal	(3,358,611)	(3,570,359)
Licensing & Investigations	(15,110,336)	(14,497,769)
Total	(1,822,819)	(2,195,989)
<b>Income Before Operating Transfers</b>	<b>129,948,055</b>	<b>109,324,324</b>
Operating Transfers Out:		
PSP Enforcement (Note 3)	26,091,122	25,726,488
<b>Income After Enforcement/Before Other Transfers</b>	<b>103,856,933</b>	<b>83,597,836</b>
Other Operating Transfers Out:		
General Fund Appropriations (Note 3)	100,000,000	80,000,000
Drug and Alcohol Programs (Note 3)	3,328,043	1,671,957
Total	103,328,043	81,671,957
<b>Change in Net Position</b>	<b>528,890</b>	<b>1,925,879</b>
Total Net Position - Beginning, 2014-15 Restated	(238,707,254)	(240,633,133)
Total Net Position - Ending	<b>\$ (238,178,364)</b>	<b>\$ (238,707,254)</b>
Liquor tax	348,055,772	334,413,695
State Sales Tax	135,581,351	130,193,126
Local Tax	8,687,993	8,493,412
<b>Taxes remitted to Dept. of Revenue YTD</b>	<b>\$ 492,325,116</b>	<b>\$ 473,100,233</b>

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**OTHER ISSUES**

*Announcement for Ratification of a Board Action..... Chairman Holden*

The following Board Action was decided by Chairman Tim Holden, Member Mike Negra and Member Michael Newsome since the Board’s last public meeting:

At the August 10, 2016 public meeting the Board issued an order denying an Economic Development Restaurant Liquor License (“EDR”) to 201 Main Street, LLC. An appeal of this decision had to be filed by August 30, 2016 which was prior to the next public Board Meeting on August 31, 2016. 201 Main Street, LLC, in an August 17, 2016 letter to the Board, submitted a Motion for Reconsideration.

On August 24, 2016 the Board unanimously agreed (3-0 vote) by means of Notational Voting to deny the Motion for Reconsideration.

**CITIZEN COMMENT/BUSINESS FROM THE FLOOR**

Board Member Negra, referencing the financial report, offered his congratulations to the PLCB’s executive staff and employees on a great year, and he thanked everyone for their efforts.

There were no citizen comments offered.

**NEXT BOARD MEETING**

**The next meeting of the PLCB will be a formal meeting on Wednesday, September 14, 2016 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 Newsome, the meeting was adjourned.

The foregoing actions are hereby officially approved.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

ATTEST:

\_\_\_\_\_  
Secretary