

**Minutes of the Durham ABC Board's Board Meeting
October 18th, 2022**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on the 18th day of October, 2022.

Board Chair Daniel Edwards called the meeting to order at 5:30 p.m.

In attendance were Board Chair Daniel Edwards, Board Member Gale Adland, Board Member Donald Lebkes, Board Member Frachele Scott, Board Member Ryan Urquhart, General Manager Lou Sordel, Assistant General Manager Deborah Warren, Human Resources Generalist Tristin Coleman, Interim Fiscal Service Director Rachel Wadsworth, Operations Manager Michael Mitchell and Board Attorney George Miller III were in attendance.

ALE Special Agent Tyler Pierce was virtually present via Zoom and civilian Frank Green.

Conflict of Interest Review and Declaration

Chair Edwards read the Board's Conflict of Interest Review and Declaration statement and asked Board members if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. All Board members verbalized that they have reviewed the agenda and do not have any conflicts.

Consent Item

The consent item approved was the September 20th, 2022 Board Meeting Minutes. Board Member Scott moved to approve the meeting minutes as presented. Board Member Lebkes seconded the motion. The Board approved unanimously.

Public Comment

Civilian Frank Green expressed an interest in listening in and watching, but has no public comment as his microphone was having issues.

Law Enforcement Report

Special Agent Pierce spoke to the Board, summarizing the significant arrests in Durham during the month of September 2022.

Over the last month, ALE agents conducted 30 ABC store checks, inspected 18 Mixed Beverage outlets, and conducted two alcohol education programs. Early in September, a patron at Carolina Food Mart located on 1002 Alston Avenue, was found ingesting crack cocaine in the parking lot. ALE agents arrested these individuals for possession of controlled substances within a 1,000 feet of school.

On September 9th, 2022, ALE agents executed a search warrant on a residence located on 1003 Alston Avenue, where they found an operation involving the illegal sale of alcoholic beverages without ABC permits. Durham that warrant, the individuals involved were charged for trafficking, possession of methamphetamine, and the sale of various alcoholic beverage related charges – including the transportation, possession, and sale of alcohol – as well as child endangerment and marijuana charges. Additionally, two firearms were seized during warrant, with one found in bed with a child.

Agent Pierce also described two incidents of larceny that occurred in Durham ABC Store 8 on September 10th, 2022 and September 13th, 2022. Investigated on September 14th, 2022, ALE agents reviewed several hours of surveillance footage and came to find a suspect, later identified as Caleb Stan, had stolen various bottles of tequila. The individual was charged on multiple counts, including misdemeanor larceny and possession of non-tax paid alcohol.

Store 10 Update

Mr. Sordel spoke to the Board on behalf of Mr. Paul Young. The final walkthrough for Store 10, the newest Durham ABC location on Highway 55, is underway; the contractor is finalizing a list of outstanding items. Those changes are estimated to be completed toward the end of the month (October 2022).

General Manager's Report

General Manager Lou Sordel presented the Board with the General Manager's Report, opening the floor for members of the staff to speak:

Human Resources Tristin Coleman

Mrs. Coleman provided the Board with a summary of the Harassment and Communication training for Store Managers and Assistant Managers.

The training's purpose was to outline the same message across both management leads, providing them the tools to reinforce this message to their respective teams via staff meetings. Mrs. Coleman stressed to the Durham ABC store leaders that harassment can come in many different forms, to document employee concerns, and that effective communication is key in these matters. She also challenged the managers to, in her words, "stop clerking and start managing" - not to wait for things to happen in the stores, but to be more alert and engaging within their team, keeping an eye on what is happening between their team members. She has also tasked all managers to hold staff meetings before the holiday kick off (prior to October 31st, 2022).

Mrs. Coleman reported that the feedback to this training has been great.

Mrs. Coleman also delved into the immense progress in hiring, pointing out that the first batch of new employees were all referrals from current team members. This, believes HR Resources Coleman, shows that our current staff is energized by the changes Durham ABC is making, enough to encourage people to join them in this company.

All of these employees have been interviewed thoroughly, passed a background check, passed a drug screen, and have partaken in an employee on-boarding with Operations Manager Michael Mitchell. Mrs. Coleman emphasized the importance of communication here, also, assuring the Board that every new hire coming to a store has been catered to the needs of that Store's manager and their store needs. On their part, the new hires have had positive feedback, said Mrs. Coleman, thanking her for a "seamless, smooth" entry into Durham ABC.

Assistant General Manager Deborah Warren

Assistant General Manager Warren shared several video presentations with the Board regarding key items:

Checking in with staff: From administration, to store management, to store associates, Ms. Warren is focused on assuring that all members of the staff are rested and prepared for the rush of the holiday season.

Cleveland Underground Whiskey Barrel Pick: Led by representative Vince McCarthy, several members of the Durham ABC team participated in an “uncommon” barrel pick of Cleveland Underground Whiskey. As opposed to barrels, the bottles will be bottled and shipped to Durham County ABC individually, and will feature decals with the Durham County ABC logo created by Visual Compliance Manager Izkuri Garcia-Banda.

Christmas stock delivery: Along with Operations Manager Michael Mitchell, Assistant General Manager Warren is highly focused on making sure that all stores have the appropriate stock they need to get through the rush of the holidays, including exclusive holiday items and gift sets.

September 2022 Financials

Interim Fiscal Director Services briefed the Board on details of the financial report:

Durham County ABC sales of \$4,991,135 for September increased \$681,049 or 15.80% compared to the prior year. By business line, Retail sales increased \$525,057 or 14.93% and MXB sales increased \$155,992 or 19.65%. Budgeted total sales for September were \$4,552,212 so there was a positive budget variance of \$438,923 or 9.64%

The September sales increase for Durham County ABC Board of 15.8% was ranked 3rd among the 9 comparative boards (Cumberland, Orange, Wake, Mecklenburg, New Hanover, Greensboro, Triad and Asheville.). The statewide increase was 12.43%.

Total September accrued Profit Distributions (based on Sales) were \$250,665 versus \$209,640 the prior year, an increase of \$41,025 or 19.57%.

Adjournment

Board Member Scott motioned to adjourn the meeting. Board Member Lebkes seconded the motion and the Board approved without objection, and the meeting was adjourned at 7:50 PM.

Approved by: _____



Daniel Edwards, Board Chair