

**Minutes of the Durham ABC Board's Board Meeting
July 19th, 2022**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on the 19th day of June, 2022.

Board Chair Daniel Edwards called the meeting to order at 5:31 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, Visual Compliance Manager Ikzuri K. Garcia-Banda, Board Attorney George Miller III, and Operations Manager of Mixed Beverage Michael Mitchell.

ALE Special Agent Sean Hamilton was virtually present via Zoom.

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 June 21st, 2022 Board Meeting Minutes. Board Member Adland moved to approve the meeting minutes as presented. Board Member Lebkes seconded the motion. The Board approved unanimously.

Public Comment

No members of the public were in attendance. No public comments were made.

Law Enforcement Report

Agent Hamilton provided the Board with news of their participation in the National Integrated Ballistic Information Network (NIBIN). NIBIN is "a federal database program where law enforcements uploads images of projectiles and shell casings pertaining to crime scenes and seized weapons," explained Agent Hamilton. Thus far, three of the firearms seized by Durham County law enforcement have been linked to unsolved aggravated assaults in Durham, leading to additional leads as to who may be involved in the shooting. Chair Edwards congratulated Agent Hamilton on this new development.

There were no further questions presented at the time.

Project Updates

General Manager Sordel spoke to the Board regarding the progression of the new store opening on Highway 55:

Paving of the last section of the driveway is almost complete. The electrical inspection has been completed. The HVAC inspection has been completed. The contractor has provided Durham ABC with an

anticipated date of completion for the certificate of occupancy: August 22nd, 2022. The projected opening of the new location is August 22nd, 2022.

Gale Adland and Don Lebkes State Conference Report

Board Member Adland and Board Member Lebkes provided the Board with personal insight regarding their experience attending the **State Conference**. Ms. Adland opened the discussion about the allocation of liquor for the small Boards of North Carolina, versus the allocation of liquor to the bigger Boards in the state. She explained that, to her understanding with data provided during the meeting, 80% of liquor allocation goes to the top selling boards in the state (an approximate 20% of the Boards) because those Boards do 80% of the business. This has created a point of contingency with smaller Boards, who are eager to fill their stores with more liquor. The ABC Commission would like all ABC Boards across the state to see 95-98% of the product that they order, explained Ms. Adland. Hence, the Commission encourages smaller Boards to order in a way that they would be able to get most of what is in their order. The staff of these Boards, however, are intent on ordering what they can to keep their shelves full and their liquor flowing. Therein lies the miscommunication between General Managers of these smaller Boards and the ABC Commission, theorized Ms. Adland.

The Board briefly discussed the benefits of being a control state versus alcohol sales being privatized. Board Member Lebkes made a key point of Durham ABC's Grant process, and how it is one of the major advantages of North Carolina being a control state. Mr. Lebkes emphasized how much Durham ABC is giving back directly to the community of Durham via its grants. As Mr. Lebkes noted, North Carolina is the only state (out of all 17 controlled states in the United States) who contributes those funds back locally. Board Member Lebkes elaborated that in every other controlled state those funds are given back to the federal government, while North Carolina has local control. This allows local counties, like Durham County ABC, to use those funds for alcohol rehabilitation, or alcohol education, etc.

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:

Visual Technology Manager Ikzuri K. Garcia-Banda presented the Board with a summary of her meeting with Chris Elkins, Vice President of Durham Magazine. Ms. Garcia-Banda and Ms. Elkins sat down to discuss the status of Durham ABC's Grant Program. Together they discussed several ways in which Durham ABC can expand the awareness of the grant program by publishing stories, advertisements, and sponsoring local non-profits through Durham Magazine, exposing its causes and benefits to the magazine's vast, local audience.

Human Resources Generalist Tristin Coleman discussed an initiative to hire part-time Warehouse staff, in hopes of accommodating a two-shift system in the Durham County ABC Warehouse. With the demand present, Mrs. Coleman has been working with Malon Chase, Durham County ABC's Purchasing & Logistics Manager, to find and interview candidates who are a good fit with Mr. Chase's team. Mrs. Coleman is also excited to announce the shift in hiring to promoting within. Keeping communication with Store Managers and Assistant Store Managers for each store, they have identified several part-time staff members who are a reliable part of their teams, and who were eager to make the shift to full-time employment. Store management is excited about this step in hiring, as well as the promoted staff members. Mrs. Coleman assured the Board that all follow-ups have proven efficient thus far.

Assistant General Manager Deborah Warren briefed the Board and staff on her experience attending the State Conference.

In lieu of a descriptive financial presentation, Mr. Sordel updated the Board on several financial documents for the month.

Mixed Beverage Delivery and Updates

Operations Manager of Mixed Beverage Michael Mitchell introduced himself to the Board, detailing his extensive career in Durham ABC. General Manager Sordel updated the Board with an update of Mixed Beverage delivery:

Many of the accounts taking deliveries during June’s soft start (a free of charge initiative) have dropped the service once Durham ABC implemented a cost. Mr. Sordel and Mr. Mitchell agree that most of the accounts in Mixed Beverage expressed apprehension with the charge of \$200.00 per delivery. With this feedback, General Manager Sordel expressed his consideration to drop the price to \$100.00 per delivery. Mr. Sordel reminded those present that Durham ABC had already dropped the dollar limit that orders would have to meet before they qualified for delivery from \$3,000.00 to \$1,000.00.

Mr. Sordel presented the Board a diagram of projected profits if Durham ABC did indeed lower the delivery fee in Mixed Beverage from \$200.00 to \$100.00, and why he is certain this price drop will be a good step forward in the near future.

Adjournment

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

Approved by:  _____

Daniel Edwards, Board Chair