

SCANNED

**Minutes of the Durham ABC Board's Board Meeting
July 18th, 2023**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on the 18th day of July 2023.

Board Member Donald Lebkes called the meeting to order at 5:32 p.m. Mr. Lebkes stood in for Chairman Edwards.

In attendance were Board Member Donald Lebkes, Board Member Gale Adland, Board Attorney George Miller III, General Manager Lou Sordel, Assistant General Manager Deborah Warren, Human Resources Generalist Tristin Coleman, and Operations Manager Michael Mitchell. ALE Special Agent Tegan Gross, from ABC Law Enforcement joined us via Zoom. Board Members, Frachele Scott and Ryan Urquhart also joined us via zoom.

Conflict of Interest Review and Declaration

Board Member Donald Lebkes 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. From the public we had Theresa Tate joined the meeting.

Consent Item

The consent item approved was from the June 20th 2023 Board Meeting Minutes. The Board approved the June 20th, 2023 minutes unanimously. Board Member, Frachele Scott moved to approve the June 20, 2023 minutes and Board Member, Gail Adland seconded the motion.

Public Comment

There was no public comment.

Board Member, Donald Lebkes addressed the public and asked if anyone was present and if they had any comments. Theresa Tate from the public joined the meeting after the Enforcement report and she stated she had no comments or questions at this time.

ALE Special Agent Tegan Gross

North Carolina Alcohol Law Enforcement Summary of Activities during June 2023

ALE Special Agent Tegan Gross mentioned that they have hired four full time ALE Special Agents and they have visited each of our Durham County ABC stores to introduce themselves and give them updated contact information incase stores need their assistance.

Summary of June Inspections:

There were 15 checks at DCABC Stores

ABC Outlet Inspections MBX: 14

ABC Outlet Inspections Other: 8

Alcohol Education Classes: 12

ABC Violations submitted to ABCC: 2

Total Arrests: 11

Total Charges at Permitted Outlets: 18

Total Charges at Non- Permitted Outlets: 3

Total Misdemeanor Charges: 16

Total Felony Charges: 6

On Tuesday, June 6, 2023, Agents received a phone call from a Durham Police Officer. The Officer advised there was a male subject in the PVA of Compare Foods selling alcoholic beverages. Agents arrived at the location and spoke with the owner. Agents advised the owner he could not sell alcoholic beverages without permits. The owner was charged with sell without permits and the remaining property was seized, which was 40 malt beverages.

On Thursday, June 8, 2023, Agents were conducting proactive enforcement at Joy Mart. Agents noticed a possible hand-to-hand drug transaction occur in the parking lot. A traffic stop on the vehicle was conducted due to the driver having a suspended license. Agents spoke to the driver and a subsequent search of the vehicle was conducted. Inside the vehicle, Agents found a handgun, crack/cocaine, a large amount of US Currency and a digital scale. The driver was charged with possession with the intent to sell/deliver cocaine, two counts of sell/deliver cocaine, possession with intent to sell/deliver Sch IV, driving while licensed revoked, and carrying conceal handgun.

On Friday, June 9, 2023, Agents were conducting proactive enforcement at Joy Mart. Agents noticed a drug transaction and approached the seller in the parking lot. The seller was found to be in possession of cocaine and subsequently arrested and charged with felony possession of Cocaine.

Board Attorney, George Miller

Attorney Miller discussed that Board Member Donald Lebkes position is up for reappointment. He also mentioned that there are several other citizens that are interested in the position. Ultimately, it is up to the Board of County Commissioners to select Board Members for these positions. The Durham County ABC Board voted to table this vote until next month because Chairman Edwards was not in attendance for this vote. Board Member, Gail Adland made a motion to table this vote until the next Board meeting on August 15th. All other Board Members were in favor of this motion.

General Manager, Lou Sordel

Mr. Sordel updated the Board on behalf of Ikzuri Garcia-Banda and Tristin Coleman. They both were not in attendance for this meeting. Mr. Sordel updated the Board with sales numbers on the End Cap program created by Lisa Gosselin. He stated this program is working out well and is increasing our sales. During the month of June, our sales increased over \$100,000.00 dollars in sales. With Lisa's marketing experience and Ikzuri's graphics experience they are working on this program as a team. We will continue this End Cap program throughout the year and monitor its progression. In addition, Ikzuri is actively working on updating our website.

Tristin is wrapping up open enrollment and she is working closely with our new partners for Medical, Dental and Vision for our full time staff members.

Assistant General, Manager Deborah Warren

Ms. Warren presented our motto "Building Relationships" for the month of July to the Board. She showed a slide show of pictures on how we are representing this motto during July. We had a team of Manager's and Assistant Managers select a manager barrel pick with our partners at Oak & Eden. We also collaborated with a local restaurant called Durham Drum and Drought that hosted this event.

We also held a meeting to introduce Gallagher and Aflac to our Manager's and other full time staff. This was done so our fulltime staff could build relationships with them and learn more about the new healthcare and disability changes with Gallagher and Aflac.

We would like to mention that we lost one of our team members that worked at store 11 on Chapel Hill Blvd. Mr. Walter worked at DCABC from 2006 till 2023 as a part time clerk. Prior to working with us, he also work at the Durham County Sheriff's office for many years. Mike Mitchell spoke at Mr. Walter's funeral on behalf of the DCABC. He was a great employee and he will be dearly missed.

MXB Operations Manager, Mike Mitchell

Mr. Mitchell reviewed the newest MXB accounts that opened recently. We had five new accounts open in Durham County.

Combining retail and mixed beverage sales during June, we surpassed our goal producing \$5,174,777 in sales. During June we increased sales by \$598,466.00 or 13.08% compared to the previous year. From that total, mixed beverage did \$1,325,687.00 in sales during June. Mixed Beverage sales increased by \$146,003.00 compared to last June. This is our eleventh consecutive month of MXB sales reaching over one million dollars in sales. Because of our continued growth, we are ranked #1 in most increased sales by percentage, setting at a 13.08 % increase. Mr. Mitchell also discussed where we currently stand with our retail and mixed beverage sales for the month of July. He stated that we are on track to make our sales goals for July, which will make it our 12th consecutive month that we have surpassed our sales goals. Mr. Mitchell also discussed our year-end sales numbers compared to our budget and as of June 30, 2023 we surpassed our budget of 60 million dollars and finished up with 62,143,384.00.

Board Member Lebkes, commended all of our staff for a job well done. He praised our motivation to do more in sales, how we support our employees, how we maintain inventory levels in the warehouse and our great customer service skills.

Lou Sordel, General Manager

Mr. Sordel discussed some of our year-end numbers with the Board. We had a great year and we exceeded our budget for 2022/2023. Ms. Adland motioned to approve the fiscal next year's Board meeting schedule and Mr. Lebkes second it. All board members approved it as well.

Mr. Sordel also stated that our inventory levels in our stores and warehouse are great and we are financially strong. Being a little heavier on inventory has made us stronger and our sales are looking great because the product is in stores and we are selling it.

We are also excited about attending the NCABC Conference in Cherokee, NC. Our operations staff and some Board members will attend this conference.

We are also finalizing the Air-conditioning unit at our warehouse and we updated a few units in our stores. Store 5 and store 14 construction has been finished due to accidents that happened this year.

We also had part of the roof fixed at our admin office. The roof was leaking when it rains. It is a temporary fix and we foresee the roof being completely replaced in the future.

Adjournment

Board Member, Gail Adland moved to adjourn the meeting at 6:11 PM. Board Member, Ryan Urquhart second a motion to adjourn this meeting.

Board members did not go into closed session.

Approved by:  _____, Donald Lebkes, Board Member