



MECKLENBURG COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD OF DIRECTORS MEETING MINUTES

March 18, 2010 @ 12:00 Noon
3333 North Tryon Street Charlotte, North Carolina 28206

DIRECTORS: Cleveland Edwards, Chairman

James K. Polk, Sr., Mary N. Richardson and Angeles Ortega-Moore

STAFF: Chief Executive Officer Elton L. Shoemaker

Chief Financial Officer Mike Tully; Operations Director Jason Hughes; Law Enforcement Division Director Mike Crowley; Human Resource Director Laura Sherer; Education/Community Relations Director Mary Ward and Administrative Assistant Dawn Carey

GUESTS: Gary Morgan, RJ Leeper Construction Company; Howard Phillips, HMP Service; Malcolm McLean, Providence Group

ITEMS OF BUSINESS DISCUSSED AND ACTION TAKEN:

Chairman Edwards called the meeting to order.

There were no presenters for public comment.

I. CHAIRMAN REPORT

Motion was made by Director Ortega-Moore, seconded by Director Richardson and unanimously carried to approve the January 19, February 16 and the March 8, 2010 meeting minutes.

Future meetings were confirmed for April 20 and May 20, 2010 meeting dates.

Chairman Edwards reviewed the names of candidates nominated to participate on the CEO search committee: Mr. James Ross, Dr. Mary Howerton, Mr. William Harris, Mr. Marcus Philemon and Mr. Chris Jackson. All candidates were evaluated to ensure their outside affiliations would pose no conflict relevant to their participation on the committee. Motion was made by Director Polk, seconded by Director Richardson and unanimously carried accepting the five participants to the CEO search committee. The board will meet with the committee at a later date to review the guidelines outlined by the board for the committee to follow.

II. FINANCE

Mr. Tully reviewed financial highlights from the February 2010 financial report.

Director Ortega-Moore requested Mr. Tully provide year-to-date schedule of expenditures within the financial report.

Chairman Edwards noted the spike in attorney fees and questioned whether management could forecast when these fees would level off and if the budget provided measures to reallocate budget items to adjust for the variance in administrative fees. Mr. Shoemaker stated attorney fees would continue to increase due to ongoing legal matters and the budget does not provide any such mechanism to reallocate funds.

Director Richardson inquired as to the reason for the increase in “salaries & related benefits”. Mr. Tully stated the 98.9% variance was from the law enforcement division relative to a health insurance claim.

III. STORE OPERATIONS

Mr. Hughes reviewed the February 2010 sales report.

Director Richardson questioned why all retail outlets did not have the “Virtual Bartender” (a touch screen unit that teaches the customer product knowledge and demonstrates how to make a variety of drinks). Mr. Hughes stated Mecklenburg County was provided with only two “Virtual Bartenders”; however, the two are shared between stores that can accommodate the size.

IV. MANAGEMENT

Mr. Shoemaker confirmed management did receive approval from the North Carolina ABC Commission authorizing the opening of the Morrocroft store.

Mr. Gary Morgan, RJ Leeper Construction Company, briefly highlighted details of the function of the Construction Manager at Risk. Director Polk further explained the role of the Construction Manager at Risk. He noted the Construction Manager at Risk is a relatively new concept used by the State of North Carolina – somewhat different from the old general contractor approach to contracting. This method allows ownership to work outside its normal scope as under the old system that called for every project to be bid upon.

Mr. Morgan then reviewed the construction budget for new store development – Morrocroft. The proposed construction budget excluded store fixtures and exterior signage for the reason that original bids were too high. Additional bids will be received for store fixtures and exterior signage and submitted for board approval at the April 20 board meeting.

ABC BOARD MEETING

March 18, 2010

3 of 5

Motion was made by Director Ortega-Moore, seconded by Director Polk and unanimously carried approving the construction budget of \$523,623 for new store development at Morrocroft excluding store fixtures and exterior signage costs.

Motion was made by Director Ortega-Moore, seconded by Director Polk and unanimously carried authorizing the board to enter into closed session under NCGS 143.318.11(A)(5) for the purposes of discussing real estate matters.

V. HUMAN RESOURCES

In follow-up from the March 18 meeting, the board requested Ms. Sherer obtain information from Mecklenburg County government relative to their condolence policy. Ms. Sherer advised that Mecklenburg County government does not have a formal policy related to condolences. She also conferred with Mike Herring, Chief Administrator, North Carolina ABC Commission, and he recommended consulting with Mecklenburg County government for information on their practices. He did add that the State policy “prohibits any expense, except personal, for condolences”.

After discussion, management recommended the board adopt the proposed ABC Board “Condolences” policy as presented February 16, 2010:

CONDOLENCES

The Board values its employees, and seeks to support them in situations of personal loss. However, the Board is also charged with the responsibility of returning its profits to state and local governmental entities. In keeping with the established standards of the Board and ABC Commission, the ABC Board does not send flowers, monetary contributions, or anything else of value in remembrance of employees, Board members, the family members of active status, retired, or former employees, nor the family members of Board members (past or present).

Motion was made by Director Ortega-Moore, seconded by Director Richardson and unanimously carried approving the Condolence Policy as presented.

VI. LAW ENFORCEMENT

Mr. Crowley reviewed the February 2010 activity report.

In addition to his report, Mr. Crowley informed the board, the marked ABC Law Enforcement police vehicle will be showcased in South Park Mall April 4-20 (in the Belk corridor). This is a partnership with Anuvia for Alcohol Awareness Month.

ABC BOARD MEETING

March 18, 2010

4 of 5

Mr. Crowley updated the board on personnel changes within the law enforcement division: Sergeant Ken Carter has retired and ABC Officer Reggie Pou has been promoted to Sergeant. Dana Howard, law enforcement administrative assistant has resigned and Tammy Ogilvie, ABC Assistant Store Manager, has been promoted to replace Ms. Howard. Mr. Crowley will introduce both Mr. Pou and Ms. Ogilvie at the April 20 board meeting.

VII. ALCOHOL EDUCATION

Ms. Ward briefly reviewed the FY '10 Alcohol Education Grant Program Interim Evaluation Report.

Chairman Edwards commended the board and Ms. Ward for the continued commitment to the public through the grant program.

In follow-up from the February 16, 2010 Board Meeting, direction was given to explore and develop a group evaluation process for grant applications for fiscal year 2011. Director Angeles Ortega-Moore met with Ms. Ward on February 26, 2010 and outlined the following:

- A grant review committee of three (3) members will read and score up to forty (40) applications during the month of May, 2010. If more applications are received, Ms. Ward will review to eliminate those that have major omissions or inappropriate requests (for example: missing budget or a request for funding in excess of \$30,000); however, if the number still remains above forty (40), then all eligible applications will be reviewed by committee members. Using the established rating scale, individual evaluations will be completed. The committee will meet to discuss their top ranking applications and will come to consensus. The committee will include Director Ortega-Moore (Alcohol Education Board liaison), a community-based professional with non-profit experience, and Ms. Mary Ward.
- Director Ortega-Moore will contact a potential grant reviewer to solicit their interest in participating in the recommendation process to the Board of Directors.
- Recommendations will be presented in writing to the Board in the same manner as previous years.
- The awards made by the Board of Directors would conclude the work of the committee.

Director Richardson offered her assistance in helping select a professional from the community to work on the grant review committee.

Motion was made by Director Richardson, seconded by Director Polk and unanimously carried approving the establishment of a 3-person committee to include a community-based professional with non-profit experience for the purposes of reviewing grant applications and presenting recommendations to the board of directors.

ABC BOARD MEETING

March 18, 2010

5 of 5

Ms. Ward reviewed the February 2010 Activity Report.

A video presentation of a public service announcement highlighting underage drinking was also shown. This video will be part of a state-wide alcohol education initiative to be broadcast in the local Charlotte market. Ms. Ward will deliver more information as the project progresses.

There being no further business, the meeting was adjourned at 1:57 p.m.

Cleveland Edwards, Chairman