

**Minutes of the Meeting  
February 18, 2019**

The Durham County ABC Board met at the administrative office, 2634 Durham Chapel Hill Boulevard, on the 18<sup>th</sup> day of February, 2019.

Board Chair, Andy Miller, called the meeting to order at 5:30 p.m.

Board members Lawrence Daye, Donald Lebkes, Beverly Thorpe and Ryan Urquhart were present. General Manager Rufus Sales, attorney George W. Miller, Jr., Durham County ABC Finance Officer Lee Keatts, Durham County ABC Support Services Director Perlie Davis and Durham County ABC Law Enforcement Chief Natausha Pettiford were in attendance.

**Conflict of Interest Review and Declaration**

Chair Miller 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 Items**

The consent items approved were the January 8, 2019 Special Board Meeting Minutes and the January 22, 2019 Board Meeting Minutes. Mr. Lebkes motioned to approve the meeting minutes as presented. Ms. Thorpe seconded the motion and the Board approved unanimously.

**General Business**

**Public Comment**

Chair Miller stated that there are not any members of the public signed up for comment this evening.

**Financial Report**

**February Financials**

Mr. Keatts reported to the Board the summary of income statement results. Sales for the month of January were \$2.9M, a 10.56% increase over January of last year. He noted that last January there were store closures due to inclement weather that impact year-over-year percentages. DCABC sales for the month were ranked third out of the nine largest boards that are used for comparable purposes. Mr. Keatts stated that the cost of goods sold figures were skewed for the month due to inventory issues that are now resolved.

**Support Services Report**

Ms. Davis reported on support services as included with the board meeting packet. A customer service survey was sent to permittees. The 2019 grant program will open on March 1<sup>st</sup> with the ZoomGrants application.

### **Law Enforcement Report**

Chief Pettiford reported to the Board on law enforcement activities during the month including fifty-five permittee inspections.

### **General Manager's Report**

Mr. Sales reported that he met with Durham County Assistant Manager to discuss special liquor orders and review the DCABC customer service survey. A special orders monthly update will be provided to the County Commissioners and DCABC Board members.

The warehouse manager position and job description are posted.

### **Other Business**

- **Grants**

Mr. Lebkes suggested that the Board consider distributing grant funds in phases to ensure required reporting is completed. Additional changes to the grant policy will be researched by the General Manager before coming before the Board. An information session regarding the grant process is scheduled on March 4<sup>th</sup> from 10:00 a.m. – 11:00 a.m.

- **Workplace Safety and Security Policy**

Mr. Sales proposed a draft addition to the Workplace Safety and Security Policy stating that weapons are prohibited on ABC premises. A sign indicating that weapons are not permitted on property is not adequate to enforce compliance. The Board discussed the proposed additional language to the existing policy. Ms. Thorpe motioned to approve the updated policy as presented. Mr. Lebkes seconded the motion and the Board approved unanimously.

At this time, Mr. Daye entered the meeting. Chairman Miller read the Board's conflict of interest review and declaration statement and asked Mr. Daye if he has reviewed the agenda and if he has a conflict of interest with any items coming before the Board. Mr. Daye stated that he has reviewed the agenda and does not have any conflicts of interest with any items coming before the Board.

- **Board Audit**

Mr. Sales reported to the Board that he has received an engagement letter stating that the ABC Commission is conducting an operational audit.

- **PED Report Summary**

Mr. Sales stated that a report opposing privatization of the ABC system is forthcoming to Board members.

- **Board Retreat**

The Board agreed to reschedule the Board Retreat to July.

### **Closed Session**

Mr. Lebkes motioned for the Board to go into closed session per G.S. § 143-318.11(a): (3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-

client privilege between the attorney and the public body, which privilege is hereby acknowledged; (a): (5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; (6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. Mr. Urquhart seconded the motion and the Board approved without objection.

**Open Session**

The Board returned to open session. Mr. Lebkes motioned to authorize Mr. Sales to represent the Board in an expenditure up to \$415K as discussed in closed session. Mr. Daye seconded the motion and the Board approved unanimously.

Chair Miller requested the General Manager to contact Developmental Associates. A Special Meeting will be held to receive a proposal from Developmental Associates.

Chair stated that, effective immediately, Chief Pettiford will be taking direction and reporting to the Board as opposed to the General Manager. Chief will receive a letter from the Board outlining this arrangement. Attorney Miller will notify the insurance carrier about a complaint and an outside entity will be hired to handle an independent investigation of the complaint.

**Adjournment**

Mr. Urquhart motioned to adjourn the meeting. Mr. Lebkes seconded the motion and the Board approved without objection.

Approved By: 