

**Minutes of the Durham ABC Board  
Tuesday, March 19, 2024**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on Tuesday the 19th day of March 2024.

Board Chair, Daniel Edwards called the meeting to order at 5:30pm.

In attendance were Board Chair Daniel Edwards, Board Members, Gale Adland Donald Lebkes, Ryan Urquhart, Frachele Scott, General Manager, Lou Sordel, Assistant General Manager Deborah Warren, Human Resources Generalist Tristin Coleman, Fiscal Service Director Rachel Wadsworth, MXB Operations Manager Michael Mitchell, Visual Compliance Manager Ikzuri K. Garcia-Banda, and Board Attorney George Miller III.

**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 for the February 20th, 2024 Board meeting minutes and the Retreat Board Meeting held on March 2<sup>nd</sup>, 2024. Donald Lebkes made a motion to approve both the February 20th, 2024 minutes and the Retreat Board meeting held on March 2<sup>nd</sup>, 2024. Board Member, Ryan Urquhart seconded the motion. The Board approved both the February 20th, 2024 minutes and the Retreat Board meeting held on March 2<sup>nd</sup>, 2024 minutes unanimously.

## **Special Agent, B.J. Delello**

Special Agent, B.J. Delello from the North Carolina Alcohol Law Enforcement Summarized the Activities recorded during February 2024

Checks at ABC Stores: 30

ABC Outlet Inspections MBX: 24

ABC Outlet Inspections Other: 23

Alcohol Education: 0

ABC Violations submitted to ABCC: 0

Total Arrests: 30

Total Charges at Permitted Outlets: 58

Total Charges at Non- Permitted Outlets: 4

Total Misdemeanor Charges: 59

Total Felony Charges: 3

**On Tuesday, February 20, 2024**, District IV Special Agents assisted the Durham ABC board with a possible larceny by employee at store #12. As a result, of the investigation Special Agents determined the employee ingested marijuana prior to working at the store on multiple occasions. After the interview, Special Agents conducted a search of the employee's vehicle, which yielded the seizure of marijuana. The employee was subsequently charged with possession of marijuana and their employment terminated by the General Manager.

**On Wednesday, February 21, 2024**, District IV Special Agents investigated damage to store #14, where a patron struck the gate at the back of the business and left the scene. After reviewing footage of the incident, Special Agents located the patron and charged them with hit and run.

**On Thursday, February 22, 2024,** District IV Special Agent conducted a traffic stop of a suspicious vehicle leaving the Joy Mart, located at 2109 N Roxboro Street, Durham NC. As a result, of the traffic stop investigation the driver was arrested and charged with possession with the intent to sell and deliver cocaine and possessing cocaine within 1000 feet of a childcare center.

**On Friday, February 23, 2024,** District IV Special Agents conducted outlet surveillance at Red Mill Quick Mart, located at 3422 Red Mill Road, Durham NC. During the surveillance, Special Agents seized three illegally possessed firearms from two suspicious vehicles.

Special Agent Delello also told the Board about a customer passing counterfeit bills at our Roxboro Road location. There is an ongoing investigation in this matter and we will be pressing charges. Delello also talked about an individual that stole a vendor check, altered it and attempted to cash it several times. Delello is working with Federal Agents to track this suspect down.

Delello also talked about stepping up their presents at all of the Durham County ABC stores as spring and summer traffic will be increasing.

Ryan Urquhart made a motion to go into closed session and Donald Lebkes seconded the motion. The Board went into closed session.

Board Member, Donald Lebkes asked the board if there should be a Real Estate Committee formed because of all of the new projects we have lined up. Chairman Edwards stated that he believes not all of these projects are going to start and stop at the same time so no committee is necessary at this time and we will restructure if need be.

### **Assistant General Manager, Deborah Warren**

Mrs. Warren shared a video from our Board Retreat that was held on March 2<sup>nd</sup>, 2024 at the Durham Hotel.

Ms. Warren also talked about our Maker's Mark Ladies pick. Back in August of 2023, we had a blending and tasting class with Maker's Mark. We sampled,

blended and hand selected a style to sell in our stores. The name of the bottle is Southern Charm, Ladies of DCABC. This special bottle is in stores now.

Ms. Warren informed the Board that we are adding more racking to store 10's warehouse. Lou, Mike and Malon constructed the new racking system and it will allow us to carry more products and inventory of high volume items.

Mr. Sordel and Ms. Warren updated the Board on our Bourbon drops, which are going well. We did many drops during the month of March and we will continue the Bourbon drops until inventory is depleted.

Jack Daniels and Brown Forman are promoting their products and they built a display at store 8 with an Indian motorcycle in the middle of the display. It is very eye catching and creative.

### **Visual Compliance Manager, Ikzuri Garcia-Banda**

Ms. Garcia-Banda has been updating our website and has added a Q & A section to help customers understand our grant program and bourbon drops. We have added new disclaimers to the website acknowledging that we do not accept hiding, holding or hogging of allocated or any other products in our stores. We also strongly discourage customers selling any product in our parking lots. This is against the law.

Ms. Garcia-Banda is also working on making our website operational for customer's mobile devices. She is working on ways to inform our customers about the different programs we have and exciting things we are doing at Durham County ABC by implementing a QR code. Customers will be able to scan the QR code in the stores and get there questions answered and learn more about our many programs.

### **Operations Manager, Michael Mitchell**

Mr. Mitchell reviewed our new mixed beverage accounts, discussed our retail sales and mixed beverage sales during February 2022 vs 2023. For retail sales during February 2024, we generated \$3,794,258.00, which was an increase of \$166,475.00 compared to February 2023. Our wine sales for February was 2,285.15, which is slightly up. We had five new-mixed beverage accounts come on board in the month of February. Our mixed beverage sales were \$1,057,959.00 during February 2024. Which is slightly down by \$39,953.00. Overall sales are up by 126,522.00 compared to last February. Our current YTD sales are \$41,502,914.00 verse last year's sales at \$41,420.596. So far, we are exceeding our YTD sales by \$82,319.00. Mr. Mitchell also reviewed March's current sales numbers to date with the Board. He commented that we are on the right track to exceed last year's sales.

He also alerted the Board about a new mixed beverage account that will soon be opening in Durham County. The account is Top Golf and they should be opening sometime in April. We are ready to serve them and have good inventory levels to keep them well stocked.

### **Fiscal Services Director, Rachel Wadsworth**

Mrs. Wadsworth reviewed the sales between the two mixed beverage stores and discussed what was expected of these two stores. Store 10 is operating more mixed beverage accounts the sales between both locations is about 50/50.

Mrs. Wadsworth discussed our current financial summary and the projected year-end budget for 2023/2024 with the board. She broke down our projected budget for the Board by reviewing our projected retail and MXB sales, cost of goods, net sales and operating expenses. Mrs. Wadsworth also reviewed the first look into our FY Budget for 2024/2025.

Mrs. Wadsworth reviewed our financial account information with the board and stated our cash management account is also looking great. She also reviewed our closed and open invoices.

In the previous Board meeting, the Board asked Mrs. Wadsworth to dive deeper into increasing our benefits and pay scale for new hires and current employees. Mrs. Wadsworth did the calculations and presented the numbers to the board.

**Human Resources Generalist, Tristin Coleman**

We are working on effective communication training with our part time staff. Our Admin staff will be visiting stores during the evenings to connect with our employees that work later in the evening. We are also working on customer service skills and techniques on how to upsell products with our employees. We are working on giving our part time employees the tools to be successful and in return, they will enjoy their job.

Lisa Gosselin is currently updating our SDS, Safety and Disaster & Recovery books for all of our locations. These tools are very important in making our employees aware of what to do in case of an emergency. Mrs. Adland suggested adding a poster with brief descriptions what to do in case of a fire, lost child, or a tornado incident, which we will look into.

Mrs. Coleman discussed that we are working on negotiating our employee benefits for our employees for next year and she does not foresee an increase in our premiums.

**General Manager, Lou Sordel**

Mr. Sordel updated the Board on behalf of Paul from DTW Architects. He stated that Paul would have a design for store 14 soon. He also stated that we are still waiting on approval from Food Lion on the Page Road project.

Mr. Sordel updated the Board on our sales numbers and what we are doing to increase of sales. Although we are up in sales, we are down in our budgeted sales. We are currently looking at different strategies with advertising and marketing to help increase sales to match and exceed our budgeted sales. Some of the ideas are digital, like adding QR codes and updating our website and social media. We are also educating and getting involved with our part time staff that work in the evening time. We are visiting our nighttime staff to keep them involved and listen

to what they have to say. We are building a family workforce here in Durham County.

We will also be updating and building new stores in the near future. We have updated the warehouse area at store 10 and added a new racking system to hold more inventory and products.

### **Adjournment**

Board Chair Daniel Edwards motioned to adjourn the meeting. Board Member Donald Lebkes made the motion to adjourn and Board Member, Ryan Urquhart seconded the motion and the Board approved without objection, and the meeting was adjourned at 7:12 PM.

Approved by:

A handwritten signature in black ink, appearing to read "Daniel Edwards", written over a horizontal line.

Daniel Edwards, Board Chair

