

**Durham County ABC Board
Minutes of the Meeting
March 18, 2013**

The Durham County ABC Board met at the administrative office, 3620 Durham Chapel Hill Boulevard on the 18th day of March 2013.

Board Chair Kim Shaw called the meeting to order at 5:30 PM.

Board members Wayland Burton, Deirdre Guion, Kevin Nelson and Erroll Reese were present. General Manager Emily Page and Attorney George W. Miller, Jr. were also present. Special guests attending the meeting were Jarvis Martin from Martin & Company, Dan Jewell from Coulter, Jewell and Thames and Michael Gillmer, DCABC Operations Manager.

Conflict of Interest Review and Declaration

Ms. Shaw read the Board's Conflict of Interest Review and Declaration statement. She asked Board members to declare that they had no conflicts of interest with any items coming before the Board and, if so, that they would recuse themselves from voting. All Board members declared their agreement.

Consent Items

Consent agenda items included the Board Attendance Report, Adoption of Agenda and Minutes of the February 18, 2013 Meeting.

Mr. Reese motioned for the consent agenda items to be accepted and Mr. Burton seconded the motion. The Board approved the motion without objection.

Adoption to Agenda

Ms. Page requested that the agenda be amended to include recognition of Michael Gillmer. She informed the Board that he was present at her request because she wanted the Board to acknowledge his 28 years of esteemed, committed service to DCABC. He is retiring on April 1, 2013 and he will be sorely missed. The Board applauded and congratulated Mr. Gillmer on this achievement and thanked him for his years of service.

Mr. Gillmer requested an opportunity to say a few remarks during which he thanked the Board for the opportunity to complete his career at DCABC. He stated that DCABC is in good hands and is thriving. He said the organization is strong and continuing to grow. "The organization is so strong; I make the comparison to a book that is being written. We have clerks contributing sentences to the organization, assistant managers contributing paragraphs, and the management team contributing chapters," said Mr. Gillmer. He thanked the Board for their support and stated that he is proud to be a part of the organization.

General Business

Holloway Street Properties – NCDOT Eminent Domain – Review of Impact

Ms. Page introduced Mr. Jewell from Coulter, Jewell and Thames, P. A. and recognized Mr. Jarvis, a property appraiser who spoke at last month's meeting. Mr. Jarvis was present as an observer. Ms. Page had asked Mr. Jewell to assess the impact of the eminent domain land acquisition by NCDOT on the Holloway Street properties. He was also requested to compare the

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acquisition's impact on a proposed parking lot design that he prepared in the fall which consolidated the old and new parking lots at Holloway Street after construction was completed at the new store location.

Mr. Jewell's findings are that DCABC will no longer meet City parking ordinance requirements because the parking spaces in the front of the store will have to be eliminated. In anticipation of the loss of these parking spaces, DCABC can either 1) submit a new site plan to the City which includes spaces from the old and new parking lots to satisfy the minimum number of spaces required by the City; or 2) submit a new site plan with the parking lot redesigned such that the required number of parking spaces are available.

The next steps are for Mr. Jewell and Ms. Page to meet with the City to get preliminary feedback on the new parking plan options. After the meeting with the City, Mr. Jewell will develop cost estimates for the work needed. Once a cost for a new site plan and construction is developed, an appraisal of the value that will be requested from NCDOT will be determined. Attorney Miller will meet with the NCDOT to assess if there is any flexibility in their plans and timelines for the project.

Law Enforcement Report for February 2013

In February, there were 19 ABC law violations and 3 controlled substance violations. Law Enforcement provided alcohol education to 3 groups and assisted other agencies during 6 incidents, conducted 69 inspections and 79 compliance checks. Ms. Page noted the addition of 40 hours of new law enforcement duties that began this month.

Financial Reports for February 2013

The February retail sales were up 6.45% compared to last year. MXB sales were up 1.55% compared to last year.

Ms. Page noted that Durham County ABC had another good month in February. Also Durham County's increase in sales was higher than any of the other Boards on the Sales Summary Comparison.

She commented that sales are becoming more evenly distributed among Stores 10, 11 and 14 as there is overall sales growth over previous years. She also noted that operating expenses are down at each store.

Total sales for the month were \$2,191,002, which is an increase of 5.36% compared to last year. Sales were above the budget projections by 1.82%. Year-to-date sales of \$17,961,479 were up 6.35% compared to last year and 5.20% over budget.

Profit before distributions of \$212,446 was above budget by 49.97%.

After profit distributions, there was net income of \$151,026, a variance of \$78,025 over budget. Year-to-date, net income of \$958,051 was over budget by \$594,079.

Compared to last year, February net income increased \$47,218. Year-to-date net income was up \$389,880.

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Strategic Planning and General Manager's Report

Ms. Page provided the Strategic Planning and General Manager's Report in the Board meeting packet which was distributed prior to the meeting. Topics from the report that were discussed include:

- Bids were submitted on February 22, 2013 by two vendors in response to the Technology System RFP. At the bid opening, the contents of the bids were recorded by Attorney George Miller, Jr. of Haywood, Denny and Miller. The DCABC management team and a technology consultant reviewed the bids. At that time it was determined that only one of the submitted bids met all the bid requirements. The Board discussed whether the omissions were significant enough to reject the bid. The RFP allowed provision for the Board to accept bids, if desired, if omissions were immaterial. The Board concluded that Durham County ABC will hold strictly to the requirements outlined in the RFP. Therefore any bids not meeting all requirements will be rejected.
- Ms. Page reported that the cost to join the Durham Chamber of Commerce for a year is \$1,500. The Board discussed the benefits of membership. Mr. Burton made a motion for Durham County ABC to become a member of the Chamber. Mr. Reese seconded the motion and the Board approved it without objection.

Other Business

- The Board tabled a discussion about who would attend the National ABC Association Annual Conference in May until the next meeting.

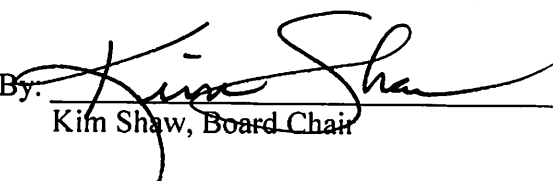
Closed Business

Mr. Reese made a motion for the Board to go into closed session per GS 143-318.11(a): (3) consult with attorney (5) facility leases or purchases (6) personnel matters. Dr. Guion seconded the motion and the Board approved without objection.

Adjournment

The Board returned from closed session. Mr. Burton made a motion to adjourn the meeting and Mr. Nelson seconded the motion. The Board approved without objection.

Approved By:



Kim Shaw, Board Chair

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