

**NORTH CAROLINA ALCOHOLIC BEVERAGE CONTROL
COMMISSION MINUTES
JULY 8, 2020**

The following narrative summarizes the North Carolina Alcoholic Beverage Control Commission Meeting held via teleconference at 400 East Tryon Road in Raleigh, North Carolina on July 8, 2020, beginning at 10:00 AM. The meeting was recorded, and a copy of the recording is on file at the NC ABC Commission within the Legal Section.

ROLL CALL

Chairman A.D. Zander Guy, Jr. called the July 2020 ABC Commission Meeting to order and greeted those who were joining the teleconference.

Chairman Guy informed the representative of ARP Group Corp. t/a La Fiesta Grande, that the case had been acted upon during the June Commission Meeting and could not be added to the July Agenda. Chairman Guy stated General Counsel Stacey Carter-Coley would contact the representative later that day.

Chairman Guy thanked the Commission employees for their work during the difficult times and the Commission's partners, the suppliers. Chairman Guy recognized and thanked Kelton Brown, formerly of ALE, now the Commission's IT project manager, for making the teleconference possible.

Chairman Guy greeted Commissioner Karen L. Stout and Commissioner Norman A. Mitchell, Sr. who were joining the meeting via teleconference.

Chairman Guy announced the August Commission Meeting would also be conducted virtually. The September Meeting may also be held virtually, but an announcement would be made in advance of the meeting.

MINUTES OF THE JUNE 10, 2020 COMMISSION MEETING

Commissioner Mitchell made a motion to waive the reading of the minutes of the June 10, 2020 Commission Meeting into the record. Commissioner Stout seconded the motion. Motion Passed.

Commissioner Stout made a motion to approve the minutes of the June 10, 2020 meeting. Commissioner Mitchell seconded the motion. Motion Passed.

CONFLICTS OF INTEREST

As required by N.C.G.S. § 138A-35, Chairman Guy asked if there were any conflicts of interest or any conditions or facts which might create the appearance of a conflict of interest with respect to any matters on the agenda. Commissioner Mitchell stated he reviewed the agenda and found no conflicts of interest. Commissioner Stout stated she reviewed the agenda and found no conflicts of interest. Chairman Guy stated he found no conflicts of interest.

I. CONTESTED CASES AND OFFERS IN COMPROMISE – 68

Chairman Guy recognized General Counsel Stacey Carter-Coley. Mrs. Carter-Coley requested case number 55 be removed from the agenda as the permittee had cancelled his permits as of June 30, 2020.

Commissioner Stout made a motion to remove case number 55 from the agenda. Commissioner Mitchell seconded the motion. Motion Passed.

Mrs. Carter-Coley asked if anyone had joined the meeting on behalf of case number 8, Moochies Tavern. Jean Kossisyan stated he was present on behalf of his business. Mr. Kossisyan stated he knew the business had a penalty of \$5,000.00. Mr. Kossisyan explained, since he came into ownership in May 2018, he had done a lot to clean up the business which in some ways had cost them business. The clientele had changed, there were not that many issues, and there had not been any fights during those two years. Mr. Kossisyan explained the staff had taken a class with Special Agent Huneycutt and were following the guidelines provided.

Chairman Guy thanked Mr. Kossisyan for speaking with the Commission, but explained the concern was the two DUI arrests resulting from the charges in the violation reports. Chairman Guy asked Mrs. Carter-Coley for any comments. Mrs. Carter-Coley stated the failure to superintend charge resulted from the two DUI's by patrons on one night, as well as allowing intoxicated persons to drink, and selling to an intoxicated person. Additionally, there was a charge for an employee consuming alcoholic beverages in uniform. Mrs. Carter-Coley stated given the facts and the serious nature of the charges and previous consideration regarding the penalty, she could not support a monetary reduction of the penalty. However, she would support the Commission's decision regarding the penalty.

Chairman Guy asked Administrator Agnes C. Stevens if there was anything the Commission could do, in light of the Covid-19 situation, not to reduce the penalty but to structure the payment over a period of time. Chairman Guy asked Mr. Kossisyan to allow the Commission to internally discuss the payment options and a staff member of the ABC Commission would contact him later in the day. Mr. Kossisyan thanked the Commission.

Mrs. Carter-Coley asked if there was anyone else who wished to speak to the Commission regarding an Offer in Compromise.

Mark Mangum stated he wished to speak about his business, Galley Stores, case number 32. Mr. Mangum stated they had been in business since 2006 and never had any issues. Mr. Mangum stated they had multiple special event permits and operated with an abundance of caution. Mr. Mangum explained they have met with Special Agent Greg Murphy and Special Agent Ron Leonard to discuss the Commission's requirements and changes made to the business plan. Mr. Mangum said they had a good relationship with the agents and both have used their business for training sites.

Mr. Mangum stated in this case clearly a mistake was made. The ID was checked, and the undercover policeman was 20 years old and eight months. Mr. Mangum stated the staff person looked at the year and not the month. Mr. Mangum explained, after the citation, all employees completed the online training. Mr. Mangum added they spoke with Special Agent Leonard about scheduling onsite training once the COVID-19 situation allowed it. Mr. Mangum stated they took the violation extremely seriously and asked for consideration regarding the penalty for the first offense in 15 years.

Chairman Guy stated the current permits were obtained in 2013. Mr. Mangum asked the Commission to reduce the penalty to \$500.00.

Chairman Guy stated the penalty could only be reduced \$250.00, as the Commission takes underage sales very seriously. Chairman Guy added, a break on the penalty had already been given as it was reduced to \$1,500.00. Commissioner Stout agreed.

Commissioner Mitchell made a motion to reduce the penalty from \$1,500.00 to \$1,250.00. Commissioner Stout seconded the motion. Motion Passed.

Mrs. Carter-Coley asked if anyone else wished to speak and no one indicated they wished to address the Commission. Mrs. Carter-Coley asked the Commission to ratify the remaining Offer in Compromise cases.

Commissioner Stout made a motion to accept the Offers in Compromise. Commissioner Mitchell seconded the motion. Motion Passed.

III. EXEMPTION REQUEST PURSUANT TO N.C.G.S. §18B-1116(b) – GIA DISTILLERY, INC. T/A GIA DISTILLERY; NONNO NINO WINERY, LLC T/A NONNO NINO WINERY; MARK SORRELLS AND SALVATORE GIAMO

Attorney John Szymankiewicz joined the teleconference on behalf of his clients Gia Distillery and Nonno Nino Winery. Mrs. Carter-Coley explained the exemption request relates to co-ownership in Gia Distillery and Nonno Nino Winery by two individuals, Mr. Sorrells and Mr. Giamo who are officers in both businesses.

Mr. Szymankiewicz explained Gia is a small distillery with commercial ABC permits and had recently applied for retail ABC permits to allow on-premise sales. Mr. Szymankiewicz stated

Nonno Nino is a small winery with commercial ABC permits to distill brandy. He added it is a very small operation only distributing in this state.

Mrs. Carter-Coley stated staff recommended approval of the exemption.

Commissioner Mitchell made a motion to grant the exemption based upon staff recommendation. Commissioner Stout seconded the motion. Motion Passed.

IV. OTHER BUSINESS

Chairman Guy asked Mrs. Carter-Coley and Ms. Stevens if there was any other business. Both stated there was not. Chairman Guy asked if anyone else wished to address the Commission, no one responded.

Chairman Guy thanked those participating in the call and reminded that the August Commission Meeting would also be held virtually. The meeting was adjourned.

Approved at the August 12, 2020 Commission Meeting

/S/ A.D. "Zander" Guy, Jr.

A.D. "Zander" Guy, Jr., Chairman
N.C. Alcoholic Beverage Control Commission

Respectfully submitted by,

/S/ Caroline Y. Washburn

Caroline Y. Washburn for the Legal Section