



Youngsville ABC Board  
P. O. Box 387  
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(919) 556-3590  
ABCStore@townofyoungsville.org

## MINUTES

**APRIL 3, 2020  
9:00 AM**

### REGULAR MEETING

### YOUNGSVILLE TOWN HALL CONFERENCE ROOM

**134 US 1A SOUTH**

**(Teleconference and Web Conference was available)**

Chairman Hardwick called the Board Meeting of the Town of Youngsville ABC Board to order at 9:02am. In attendance was Chairman Samuel Hardwick (by teleconference), Members Mary Margaret Norman (by teleconference), Rick Houser (by teleconference), Danny Stutzman (by teleconference), and Todd Casado (by teleconference). Also, in attendance was Finance Officer Jaclyn Patterson (by teleconference), Town Administrator Phillip Cordeiro (by teleconference), ABC Store Manager Laurie Pritchett (by teleconference), and Town Clerk Emily Hurd.

The first item was to approve the Agenda.

#### **MOTION: TO APPROVE THE AGENDA AS SUBMITTED**

The motion was made by Member Norman and was seconded by Member Casado. The motion passed unanimously.

Chairman Hardwick read the Ethics Statement.

*In accordance with G.S. 18B-201, it is the duty of every Board Member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.*

There were no conflicts of interest or appearances of conflicts.



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The next item on the agenda was Citizens' Comments. There were no comments.

The next item on the agenda was the Financial Report. As Patterson was having technical problems with the teleconference, Chairman Hardwick stated the ABC Board would visit the Financial Report later in the meeting.

The next item on the agenda was the approval of the Consent Agenda. The Consent Agenda included Minutes from the ABC Board Meeting on March 6, 2020, Minutes from the Special Called ABC Board Meeting on March 23, 2020, and Budget Amendment 2020-2.

**MOTION: TO APPROVE THE CONSENT AGENDA**

The motion was made by Member Houser and was seconded by Member Norman. The motion passed unanimously.

The next item on the agenda was Old Business. The first item under Old Business was to continue the discussion on the proposed remodel of the ABC Store, with a report from the Store Expansion / Renovation Subcommittee. Member Houser stated they hoped to have a clear direction from the ABC Board at this meeting on moving to the Shopping Plaza. However, the current situation with COVID-19 has changed things. Member Houser felt it was hard to justify a 5-year lease at this time. He asked if the ABC Board would like to table the discussion until a later time. Member Houser was convinced they could not build on the current site and operate out of the existing building based on the zoning and Cordeiro agreed it would be very difficult. Member Casado stated even if there was a way to continue to operate, it would be difficult in a construction zone. Chairman Hardwick felt the building should be torn down so they could start over.

**MOTION: TABLE THE DISCUSSION ON THE STORE EXPANSION / RENOVATION UNTIL MAY 1, 2020 ABC BOARD MEETING**

The motion was made by Member Houser and was seconded by Member Casado. The motion passed unanimously.

The second item under Old Business was to continue the discussion on the cash register system. Patterson asked that Member Casado share what happened at the meeting with



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Wesley from Dalcom. Member Casado stated he met with Wesley at the ABC Store and they were able to address a good amount of the issues Pritchett was seeing at the store. He stated there were some features that weren't turned on and Staff had not been trained properly on some of the features, noting they had gaps in knowing what the system could do. Member Casado stated they still had some reporting issues, noting the other software would make Patterson's job easier. Another problem was how the mixed-beverage sales were processed. Member Casado stated that Dalcom's system did not seem to be as good as SG Consulting but explained they did offer online ordering capability. He felt more time should be invested in training the restaurant on how to use the online ordering. Both systems have pros and cons but expressed caution as both men were salesmen trying to make a sale, so they tend to downplay the cons.

Patterson stated the problems with the March financials have been fixed and noted it was a mistake on our end this time. She noted the financials matched at the end of the month. Member Casado stated Wesley was apologetic over how things have been handled. Wesley stated their response was not what he expected of his company. He admitted to Member Casado that the ball had been dropped on our problems and they were trying to make it right. Member Casado stated Wesley was able to address most issues during their meeting at the ABC Store. The other issues could probably be worked around at this time. Pritchett stated that Wesley used those same excuses in October when she spoke with him about the problems they were having.

Pritchett stated the main issue with the mixed-beverage sales is that it seems be more difficult than it needs to be, noting that only she or the Assistant Manager can do them. She explained when the restaurant comes in to pay, the clerk will pull up the order number so they can pay with a credit card. However, after the sale has been made, she still must go back into the system to mark that the order has been paid. If that step is not done, then it will not update the inventory. Pritchett explained some of the issues he addressed with Member Casado was based on a phone call with her. She stated the capability for the clerks to look up stock was added just a few days earlier. Pritchett explained it still does a projected number instead of the actual number. She stated they were still experiencing problems with item numbers for inventory that they have never carried. These items are appearing in her inventory as if they were stock. Though she has found seven so far, Dalcom still has not gotten back to her on why they appear. Pritchett stated she gave Wesley examples. In one case, the item was added on a Sunday at 11pm, so it was not something that happened on our end. Pritchett stated he asked her not to do anything online away from the ABC Store, which creates a problem as things need to be posted after the store closes or before it opens every day. She stated it was a



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big deal to have codes appearing that show stock for items they don't even carry. Pritchett stated the credit card machine is still locking up which meant an employee must spend approximately an hour on the phone with tech support. She reiterated she has mentioned all of this to Wesley, including issues with prices changing by themselves. Chairman Hardwick asked if Staff could override during a sale and Pritchett stated Staff has to call Dalcom to get them to change the price. Right now, they must rely on Dalcom for everything. Pritchett stated that she was concerned about Dalcom's access to change the inventory.

Pritchett stated Wesley was unsure how much it would cost to make the software compatible with QuickBooks. SG Consulting was already compatible with QuickBooks and Mr. Gaskins was working on making it compatible with QuickBooks Online. Pritchett stated Franklinton was still happy with SG Consulting.

Patterson stated she did not have any confidence in Dalcom's software, noting it makes her leery of everything. However, she wasn't sure if now was the time to change software. It would be difficult to get people into the ABC Store to change the system and felt that was something they did not need to get into right now. Patterson noted the sales for March were higher than December sales.

Member Houser expressed his concerns about the gross profits over the last couple of months. He stated there had to be a problem, possibly the duplicated sales or inventory. Member Houser stated he was also starting to lose confidence that they aren't getting the information they need. He agreed they should wait until after this fiscal year, when the Town was paid off, to purchase new software. Member Houser recommended doing a cost benefit analysis to make sure the ABC Board won't owe Dalcom money and Patterson agreed. Pritchett stated there was not a contract on file, just a licensing agreement that was prepaid and renewed every year. The current software was installed in October 2019, so Pritchett expects it would be around October before they must renew it again. Member Houser stated this needed to be factored in when preparing the budget. Chairman Hardwick felt there was no real cost savings at this time when Staff was having to deal with this every month.

Member Casado requested Pritchett send a list of items that were not addressed to Wesley and copy both him and Patterson. He noted a list was given to Wesley when he was onsite but wants to make sure there was a record. Pritchett stated that Wesley tried to leave the list at the ABC Store, and they had to make him take it when he left. She noted Wesley prefers phone calls to emails and Patterson stated she has seen that as well.



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Pritchett stated she preferred emails because she had a record of what transpired, noting Wesley says different things on the phone. Member Casado agreed we needed to keep a record of phone calls and emails.

Cordeiro asked for clarification on trouble tickets and how problems were reported. Pritchett stated some of the problems were on the list Wesley took. She explained she has tried to get ticket numbers when they call in, but they don't always give her ticket numbers. Cordeiro asked if Pritchett could create a ticket herself and she stated no. Patterson stated she emails tech support, which generates a ticket number. However, she understands that some of the phone calls from the ABC Store Staff are emergencies that can't wait for email support. Patterson recommended using the email support for any ticket items that can wait. As the ticket numbers are generated quickly with an auto response email, Staff can then call in with that ticket number. Pritchett stated that she would do that, including the list that Member Casado requested she send. Patterson recommended the clerks document their phone calls to tech support and Pritchett stated she asked them to do that already but sometimes they forget. Cordeiro stated he would like to meet with Pritchett as he has gone through software implementations before. He noted the ticket process, when it comes to problems, is important to document. Perhaps they could set up a good framework, such as an online spreadsheet, that everyone can access, including Pritchett, ABC Board Members, Patterson, Cordeiro and Dalcom. If their trouble ticketing system isn't working for us, maybe we should go to something like the spreadsheet to facilitate the communication of these issues. Cordeiro felt Dalcom seems to be unaware of the issues or they are not acting in an appropriate amount of time. A more organized flow of information may help to hold them accountable. Cordeiro requested a copy of the licensing agreement and Patterson stated she would send it to him.

Member Stutzman joined the ABC Board Meeting.

Cordeiro addressed Member Houser's concern about proper reporting. He assured the ABC Board the auditors will identify any misstatements in their financial statements. Cordeiro stated they will have the correct financial statements by the end of the audit. Member Houser requested that Patterson and Pritchett make sure the auditors are aware of the problems so they will be on top of it.

Patterson noted the numbers in QuickBooks matches the cash they are receiving, the bank statements are balancing, and she confirms the sales are accurate when she enters them. However, her fears are related to inventory. Pritchett explained inventory was a mix of



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the point of sale software, transmittals from the warehouse, and what they have on hand. She prints out the full item list often and tries to catch any numbers that don't seem correct then contacts Dalcom to make corrections. Pritchett stated inventory was a daily thing since October. She clarified the item / price lists came from the NC ABC Commission website. When asked, Pritchett stated she then goes down a physical count sheet to keep track of inventory. Patterson asked if the count sheet was kept in excel so that inventory totals can be compared with what comes out of the software. Pritchett explained she goes down the physical count list, then it goes into the handheld scanner, then finally she can add them to the software. The software should show the variances. Pritchett stated it wasn't the simplest process. She stated she was trying to keep an eye on it and noted Wesley is working on the problems as well. Pritchett stated it bothers her a great deal about the inventory and she was dreading the audit this year.

When asked, Patterson stated Wesley was the Chief Operations Officer (COO) of Dalcom. She explained he was the sales representative in October when they switched to Dalcom but was promoted to COO recently. Patterson stated he doesn't do a lot of the sales / technical work, but he does oversee it. Pritchett stated Wesley told her all the stuff he was doing for her; he shouldn't have to be doing. She noted the techs go above and beyond in their attempts to help. Chairman Hardwick inquired about the email trouble tickets. Patterson stated that she used email to report issues and does receive a timely response. She explained Wesley has tagged Youngsville and they are watching for our tickets. Chairman Hardwick agreed they needed to start a more complete paper trail. It sounds as if they are bottlenecking the problems but not resolving the issues. Chairman Hardwick inquired about ABC Store employees using email trouble tickets and Pritchett explained they were trying to keep an email / written log even though Wesley prefers phone calls. Chairman Hardwick suggested following each phone call with an email to confirm what was talked about on the phone. This will help should the ABC Board decide to leave Dalcom. Pritchett stated she would start doing that.

Pritchett stated another problem was the Dalcom software was web-based. There have been issues that are browser related. The software will open a browser on the register behind the sales software, which then affects the point of sales screen. Chairman Hardwick stated a background browser really shouldn't have any affect on other screens. Pritchett stated tech support states it could mess things up. She has trained the clerks to keep an eye out for background screens. Chairman Hardwick stated that based on what he was hearing, SG Consulting did sound better. However, he also agreed the ABC Board should hold off on purchasing new software.



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Member Norman was upset they would have to deal with the problems until October but also agreed that she couldn't see spending the money on new software right now. She reiterated the need to document everything. Pritchett stated that she would continue to do that.

Member Casado stated they gave Wesley a lot of information that day and he felt they should give him a chance to work through them. He stated that Wesley seemed to want to make everything right. Hopefully they can get the software to a point where it won't be a constant headache until October. Member Casado expressed concerns there will be issues with SG Consulting as well. He recommended Pritchett spend time in other ABC Stores that use SG Consulting to make sure that software would be the best fit for Youngsville. Pritchett stated she has been keeping on top of that. She noted SG Consulting was not browser based so no one could get into her inventory to mess it up. Patterson stated SG Consulting would have access to the inventory based on the presentation last month, noting it wasn't quite the same, but it was possible. Member Stutzman reminded the ABC Board SG Consulting had just hired another programmer, adding to the number of people with access.

Chairman Hardwick recommended everyone document what they can as we move forward. Member Houser thanked Member Casado for his help and for working with Pritchett and Patterson to resolve the problems.

The next item on the agenda was New Business. The first item under New Business was a presentation of the updated contract between the Youngsville ABC Board and the Town of Youngsville. Cordeiro explained the updated contract was modified to show a flat rate of \$12,000 a year for Town services. This included the services of the Town Clerk, Public Works, Town Administrator, and law enforcement. He stated this was just a draft and requested the ABC Board see him, individually or as a group, before the next ABC Board Meeting, if they had any questions or concerns. Patterson wanted to clarify law enforcement was part of the percentage paid to the Town and is passed to law enforcement. Cordeiro encouraged everyone to look at the language that says payments were above the statute requirement and if the ABC Board felt uncomfortable with that, he can work with it.

Member Houser inquired about the total to be paid this year. Patterson asked if the contract would start during this fiscal year and Cordeiro explained the contract could become effective July 1<sup>st</sup> if adopted. The amount due would be \$12,000 - \$15,000 on top



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of the required percentage. He stated he would get with Patterson closer to the end of the fiscal year in order to get a better estimate on costs.

Member Stutzman requested the contract be finalized next month so everyone will have time to read the contract and get with Cordeiro for questions.

**MOTION: TABLE THE CONTRACT BETWEEN THE YOUNGSVILLE ABC BOARD AND THE TOWN OF YOUNGSVILLE UNTIL MAY 1, 2020**

The motion was made by Member Stutzman and was seconded by Member Norman. The motion passed unanimously.

The second item under New Business was a discussion on the FYE 2021 Budget Request. Patterson asked the ABC Board for direction as things seemed to be in flux now. She asked if they wanted her to include costs for moving to the Shopping Plaza, building a new building, or selling the property. Patterson noted that Budget Amendments could be used during the fiscal year to make changes, but she wanted to know what the ABC Board wanted to see in the budget for planning purposes.

Chairman Hardwick stated that with the economic problems due to COVID-19, it's hard to decide. His recommendation was to move to the Shopping Plaza, then do something with the current property. Chairman Hardwick noted it was hard to plan at this time but wanted to hear the opinions of the other Members.

Patterson stated if they moved to the Shopping Plaza, does the ABC Board expect a significant growth in sales to cover the rent and other expenses? She wasn't sure how much the sales would increase.

Member Houser stated he didn't think they should try to budget for big changes at this time. He felt using a Budget Amendment once they have decided what they want to do was the best route at this time. Patterson stated she could do a continuation budget, showing no major changes; then use a Budget Amendment for when the ABC Board decides which direction they want to go. Member Houser noted that if they moved the ABC Store to the Shopping Plaza without selling the current property, they will incur approximately \$400,000 of debt, which can be addressed at that time.



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Chairman Hardwick stated another item would be the new software and Patterson stated that was not a large expense. Patterson stated she was just trying to get direction for the budget, but agreed it was difficult with the way things are currently going. Chairman Hardwick stated the two main items for him were location and software.

Pritchett stated if they were to stay in their current location, she would like to update the security system, including outside cameras. The current quote is \$4,200 - \$4,500. Pritchett stated it was recommended for her to get a quote from the company that installed the security system at the Police Department. Chairman Hardwick agreed this was something they needed to investigate.

Member Houser suggested Pritchett share a list of capital items with Patterson and the ABC Board will discuss the budget items at the next meeting. Chairman Hardwick asked to be copied on the email concerning the capital items and Pritchett stated she would. Cordeiro stated he would get Pritchett the information regarding the security system company the Town used. He suggested that she specify her preferences to the companies for quotes so they will be able to compare quotes equally.

Member Casado left the ABC Board Meeting.

Member Norman inquired if the restaurant had requested the ABC Store buy back their inventory. Pritchett stated they only have the one restaurant and they have not contacted her. She explained they made a purchase two weeks before the businesses shut down due to COVID-19. Pritchett stated they were probably able to sell most of their inventory before closing their doors to diners.

Member Norman asked about closing the ABC Store and Pritchett stated there was fake news on Facebook that the ABC Commission was closing ABC Stores by 5pm today. Pritchett stated the ABC Commission was not closing stores at this time and they would stay open unless the ABC Board tells them to close. She explained some ABC Stores across the state were closed while testing staff. Chairman Hardwick stated Pritchett needed to lookout for Staff and customers. Should any problems arise, she could ask for another meeting. Pritchett explained she changed the signage concerning sick people staying out of the ABC Store so it would be more direct. Pritchett stated they offer for customers to bag their own items if they wish. Chairman Hardwick agreed they needed to make the right decisions for Staff and customers to keep them safe. He inquired about curbside service and Pritchett stated they have looked at issues concerning curbside service. She stated they could limit the number of customers in the ABC Store if they



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had to, but she was concerned this would affect the parking lot. She explained a clerk at Franklinton was almost run over by a customer that was angry the Franklinton ABC Store had closed early. Pritchett stated she did not feel comfortable with clerks taking orders in the parking lot, especially after dark. The best option, if they had enough staff, was to man the door and limit customers in the ABC Store.

When asked, Pritchett clarified how easy it would be for customers to bag their own items. Member Norman stated she could see the problem with multiple people touching the bags as compared to just the clerks. Pritchett stated that was the same problem with the clerks not wanting to touch all the bottles that people have touched. After a brief discussion, Member Stutzman felt the best way would be for the clerk to open the bags and let the customers set the bottles inside of the open bag. Pritchett agreed that was a good alternative and noted they would bag the items if the customer insisted. Chairman Hardwick stated customers shouldn't have a problem with the options presented. He trusts that the clerks are clean and then are just handing them a clean bag. This also keeps the clerks from having to touch the bottles. Pritchett stated there is hand sanitizer by the credit card terminal and noted the terminal was wiped down in between customers. Chairman Hardwick stated if customers saw everyone using the hand sanitizer it would make them feel better and appreciate the effort. Chairman Hardwick stated for now he would leave it up to Pritchett to do what she felt the customers would prefer. If Staff didn't want to bag them, then he understood. Pritchett stated they would continue to bag at this time.

The next item on the agenda was Reports and Other Business. Chairman Hardwick thanked everyone for their hard work while he was out last month. He noted he would be here going forward as he has nothing else scheduled at this time.

Member Houser expressed his appreciation for Pritchett and her team for what they are doing. He requested everyone drop off cleaning supplies at the ABC Store as they find them, and Pritchett stated it would be appreciated.

Cordeiro confirmed Pritchett received the uniforms and Pritchett stated that she did and would talk to him later about them. Cordeiro explained the first batch of shirts had been ordered and he anticipates feedback, but they are working on them.

Cordeiro stated he would get in touch with Laurie Lee, NC ABC Commission, to discuss the percentage in the proposed contract with the Town. The State has expressed it is not allowed. They will have to do a traditional fixed payment lease.



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Cordeiro explained NC DOT, at their meeting on March 16<sup>th</sup>, stated the roundabout at 5-Points was not funded. They did provide plans for a similar roundabout that can be used as a template for developers so they will have something to work with when figuring the dedicated right of way. There is no additional information for that intersection currently. Cordeiro explained the Town's Comprehensive Development Plan (CDP) includes a cross-town boulevard south of town. There was a possibility of making the cross-town boulevard Highway 96, which will make Main Street a smaller state street. This would help to get truck traffic off Main Street. The Capital Area Metropolitan Planning Organization (CAMPO) was conducting the Northeast Area Study (NEAS) this year. The NEAS will include the cross-town boulevard becoming Highway 96. Cordeiro stated he would keep the ABC Board up to date.

The next item on the agenda was Closed Session. Chairman Hardwick stated the ABC Board needed to go into Closed Session to discuss personnel, NCGS 143-318.11 (6).

**MOTION: TO GO INTO CLOSED SESSION TO DISCUSS PERSONNEL, NCGS 143-318.11 (6)**

The motion was made by Member Norman and was seconded by Member Stutzman. The motion passed unanimously. The ABC Board entered Closed Session at 10:06am. The Board exited Closed Session at 10:41am. No action was taken.

The meeting adjourned at 10:42am upon a motion made by Member Houser, seconded by Member Stutzman, and passed unanimously.