



Youngsville ABC Board
P. O. Box 387
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Youngsville, NC 27596
(919) 556-3590
ABCStore@townofyoungsville.org

MINUTES

NOVEMBER 6, 2020

9:00 AM

REGULAR MEETING

YOUNGSVILLE TOWN HALL CONFERENCE ROOM

134 US 1A SOUTH

(Teleconference and Web Conference was available)

Chairman Houser called the Board Meeting of the Town of Youngsville ABC Board to order at 9:03am. In attendance was Chairman Rick Houser, Members Danny Stutzman and Kirk David. Also, in attendance was Town Administrator Phillip Cordeiro (by teleconference), Finance Officer Jaclyn Patterson (by teleconference), ABC Store Manager Laurie Pritchett (by teleconference) and Town Clerk Emily Hurd.

Town Clerk Hurd swore in newly appointed Member Kirk David. Member David stated he was new to North Carolina, moving from New York state. He moved into a 120-year old home on West Franklin Street and his neighbor, former Commissioner Stallings, recommended he join the ABC Board to help the community. Member David stated he has a background in retail management, with experience in the restaurant and bar business. He started at the age of 18 and worked his way up. He retired in 2015 and wants to serve his community. Chairman Houser appreciated his service.

The first item was to approve the Agenda.

MOTION: TO APPROVE THE AGENDA AS SUBMITTED

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

Chairman Houser went over 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



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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.

The next item on the agenda was Citizens' Comments.

Mayor Flowers expressed his appreciation for what the ABC Board has done towards expanding their business. Chairman Houser noted Cordeiro has been very helpful and was a wonderful Town Administrator.

Hurd polled those on teleconference and stated no one had registered to speak. There were no other comments.

The next item on the agenda was the Financial Report. Patterson stated the financials were looking good. She noted QuickBooks Online now allows for online payments for free. They will even mail the checks out if the business is not able to accept online payments. This will save both her and Pritchett from having to sign over 80 checks. Patterson noted there was approximately seven checks that will need to be printed each month. She stated there were additional savings in stamps and envelopes. Patterson stated everything else was running smoothly.

Member Stutzman inquired about the increase in salaries during October. Patterson noted there were three pay periods in October and Cordeiro stated it was to be expected.

Chairman Houser stated he liked the figures for inventory and appreciated Pritchett keeping it up. Pritchett explained she finally received a large shipment this past Tuesday.

The next item on the agenda was the approval of the Consent Agenda. The Consent Agenda included Minutes from the ABC Board Regular Meeting on October 2, 2020.

MOTION: TO APPROVE THE CONSENT AGENDA

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



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The next item on the agenda was Old Business. The first item under Old Business was to consider the contract to sell the ABC Store property pursuant to the price in the upset bid procedure (\$395,000).

MOTION: SELL THE ABC STORE PROPERTY PURSUANT TO THE PRICE IN THE UPSET BID PROCEDURE (\$395,000)

The motion was made by Member Stutzman and was seconded by Member David. Patterson inquired about the date for closing and Chairman Houser stated closing would be later the same day. He noted he had a HUD statement. Patterson noted she did make a loan payment as requested and Chairman Houser stated the HUD statement matched up with the balance sheet.

Patterson noted she thought the sale of the property would be in a few months, allowing them to save some money on rent. Chairman Houser explained the buyer wanted to proceed and requested an early November closing date. He noted it was within the sale contract for him to do so.

Chairman Houser stated the only expense the ABC Board would have was for the deed preparation, which was about \$200. The payoff for the loan is reflected on the balance sheet for principal. The net proceeds were approximately \$230,000. Chairman Houser stated he would send out the HUD statement after closing. Patterson stated she did not have all the documents and Cordeiro stated he would forward them to her.

Chairman Houser hoped to get a check for the proceeds at closing. When asked, Patterson requested he take the check directly to the bank for deposit. Chairman Houser stated he would email the receipt. He noted he would also follow up with Union Bank to see about putting the funds into an interest-bearing account.

The motion passed unanimously.

The next item on the agenda was New Business. The first item under New Business was to consider a lease agreement to rent the ABC Store property. Chairman Houser explained the buyer has agreed to allow them to rent the ABC Store property for up to twelve months, with an exit clause requiring a sixty-day notice. As they move forward with the new ABC Store, the ABC Board will better be able to determine the time they will need to stay at their current location. Chairman Houser noted the monthly rent is



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\$2,400. He stated Pritchett would need to investigate the insurance coverage, as they will only need general liability and coverage on the contents.

Chairman Houser stated the errors in the proposed lease have been corrected and the revised lease was sent out by Cordeiro. Patterson expressed concerns about being the responsible party for the sewer/septic as there have been several problems with it over the years. She worried that it could fail again before they relocate, and it could be expensive to replace. Hurd explained the problem was with the small pump station that was used to pump sewage to the sewer main. There was a problem with the pump station overflowing and the electric running to the pump station. The ABC Store recently had the pump station emptied after it malfunctioned again. Patterson stated it cost \$850 on October 16th to replace the pump.

MOTION: TO APPROVE THE LEASE WITH WW PROPERTIES AS DRAFTED

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

Hurd noted a Budget Amendment would be needed to update the figures between the loan payments and rent payments. She noted that Patterson was not given enough time to have the Budget Amendment ready for today's ABC Board Meeting.

MOTION: TO APPROVE A BUDGET AMENDMENT IN AN AMOUNT SUFFICIENT TO COVER ADDITIONAL RENT FOR THE REMAINDER OF THIS FISCAL YEAR TO BE DETERMINED BY THE FINANCE OFFICER AS A RESULT OF THE NEW LEASE

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

The second item under New Business was to consider a Budget Amendment of \$3,736.25 to procure design services for a new ABC Store. Chairman Houser stated he and Cordeiro have renewed their discussions with the Foodlion Shopping Plaza. He explained Charles Kane was unable to determine a final rent amount without the costs of the upfit he would be responsible for. The proposed lease would be for ten years. They discussed approximately \$13 per square foot, however Mr. Kane explained he would need to know the costs of his improvements before he could commit to that figure.



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Chairman Houser stated the ABC Board needed to risk the \$3,736.25 in order to have the plans so Mr. Kane can figure how much to charge in the lease agreement. He proposed hiring Rick Turner and reminded those present that Mr. Turner has met with the Youngsville ABC Board previously. Mr. Turner has decades of experience designing ABC Stores across North Carolina. Member David asked if his design would be used for permitting and Chairman Houser stated it would be a full layout drawing but not an architect's drawing. Hurd stated that Mr. Turner contracted with architects, so he would have access to the proper drawings when it was time for the upfit. Chairman Houser noted that Mr. Turner can also bring in people to install the finishing touches such as light fixtures and shelving. Member Stutzman stated they needed this design in order to move forward.

MOTION: APPROVE BUDGET AMENDMENT OF \$3,736.25 TO PROCURE DESIGN SERVICES FOR A NEW ABC STORE

The motion was made by Member Stutzman and seconded by Member David. The motion passed unanimously. Chairman Houser noted the ABC Board had accomplished a great deal today. He thanked everyone for their help.

The next item on the agenda was Reports and Other Business.

Pritchett stated everyone continued wearing masks and were keeping things clean. Member Stutzman asked if customers complained about wearing masks. Pritchett stated most customers were wearing them but on occasion there is someone that doesn't. Member David asked if Staff prompted customers to wear them and Pritchett stated they did not. Chairman Houser stated there was signage posted and Hurd explained the ABC Board had determined they did not want the employees confronting customers over masks. Pritchett noted people get hostile over it, so they didn't want to put the clerks in that position.

Chairman Houser mentioned to Pritchett that he would like to start meeting with her every month to make sure everything was going smoothly. Pritchett stated she will get an email together for everything that she is working on for the ABC Board. Chairman Houser stated he wanted to make sure they had open communication.

Member Stutzman felt the Foodlion Shopping Plaza was a much better location over the 5-Points Plaza. He felt they would be able to get more for their money at that location.



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Member David told Pritchett he would drop by the ABC Store to meet her in person. After a brief discussion, they decided on appropriate times. He stated he wanted to see what the ABC Store looks like as well.

Cordeiro noted he has received one additional application for the General Manager position. He stated that interviews would take place over the next couple of weeks. Cordeiro stated he would keep the ABC Board updated on the progress.

The next item on the agenda was Closed Session. Hurd noted the minutes for September's Closed Session had been emailed last month. She requested approval be delayed so Member David will have a chance to review them before adoption. Chairman Houser felt there was no need to go into Closed Session at this time.

Chairman Houser called the meeting adjourned at 9:41am.

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