

Minutes

Board of Directors Meeting Brunswick County ABC Board

The Brunswick County ABC Board met on Monday, September 2, 2020 at 4:00 PM at the office located at 2567 Holden Beach Road, SW, Supply, NC.

Present were Chairman Mitchell Williams, Board Member Al Beatty, Board Member Buster Dowless, General Manager Angela Boone (GM) and Architect Frank Williams. A quorum being present, the Chair called the meeting to order for the transactions of business and business transacted as follows:

The Chair inquired as to any known conflict of interest, appearance of a conflict of interest, or objections concerning agenda items before the Board; after Board member(s) voiced having no conflict, and there being no objection, the agenda was adopted.

The Board reviewed and there being no objection, approved the minutes of the July 27, 2020 board meeting.

Pinnacle Architecture sent the contract for the new Delco store project. Board asked GM to forward to the attorney for review and legal advice. Attorney returned the contract with the following comments.

- 1.1.1 Contract is a standard Architect contract
- 1.1.2 Mr. Baker has put in the contract a base fee 8% of owners budget cost of work
- 1.1.3 Any additional services will fall under supplemental services
- 1.1.4 Supplemental and Additional services are invocied at cost plus 1%
- 1.1.5 Contract is written as percentage plus supplemental cost
- 1.1.6 Mediation will be the preferred way to settle a dispute

In Poli's opinion, Frank's contract was implemented in a good manner and presented as a good deal.

Board meet and reviewed the contract sent by Randall Baker, Pinnacle Architecture. The Board went through the whole contract with detail attention to sections of:

- Article 1-
 - 1.1.1 The Owner's Program for the Project.
 - 1.1.2 The Project's Physical Characteristics
- Article 3- Scope of Architect's Basic Services
- Article 4- Supplemental and Additional Services
 - 4.2.5 Services Time Frame
- Article 8- 8.2.2 Claims and Disputes
- Article 11-
 - 11.1 Compensation
 - 11.2 Architect's Supplemental Services Compensation
 - 11.4 Compensation for Supplemental & Additional Services
 - 11.5 Compensation for Basic Services
 - 11.8 Reimbursable Expenses
 - 11.8.2 Expenses plus percentage

After each section was review and discussed the board voted to accept and implement the contract from Pinnacle Architecture to design our Delco store.

With the Holden Beach project being in full bloom, the discussion of the Delco store layout was discussed. The suggestion was made to have the new Delco store resemble the new Holden Beach Store. After some discussion, the Board vote and approve the layout.

Board as asked that when the current building is put on the market to sale that in the sellers' contract, we put that we are able to put in place a mini billboard on the out skirts of the property of new store location and move date.

Board asked GM to research fee for architectural services. After some research GM came up with architectural fee being within the guidelines of what our two contracts are charging. Architectural fees can

range from 7% to 15% depending on the size of the project. (i.e Frank's contract from 2006 had a 7.5% and Randy's contract from 2020 has 8%).

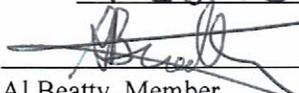
Board asked GM to talk with Rick Turner or Frank Williams about the half wall at the sales counter in the new store. After a discussion with Frank it was determined that the wall will be a ¾ wall with glass and will be inset to allow clerks to see around as well as through it.

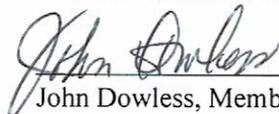
1. Financials for Brunswick County ABC Board

- August 2020 sales compared with sales from the same month last year indicates:
 - Retail sales: +7.3% increase in sales (\$371,916.55) vs (\$344,879.20)
 - Sales Tax Collection: +7.3% increase (\$26,052.64) vs (\$24,143.19)
 - Mixed Beverage Sales: -8% decrease (\$52,156.90) vs (\$56,355.70)
 - Overall Collection: +5.5% increase (\$540,893.45) vs (\$459,335.10)
- August 2020 bottle sales with bottle sales from the same month last year indicate:
 - Retail Bottle Sales: +7.8% - (31,084) vs (28,666)
 - Mixed Beverage Bottle Sales: -33.2% - (2,495) vs (3,323)
 - Overall Bottle Sales: +4.7% - (33,579) vs (31,989)
- BB&T Bank Balance as of September 2020 was \$1,007,837.70
- First Bank, Bank Balance as of September 2020 was \$58,986.80
- IDA Balance as of September 2020, was \$183,509.34
- Money Market as of September 2020 was \$100.00
- Truck Receipts for the month of June 2020 were \$254,473.85
 - Store #1
 - 8/7/2020 \$111,440.03 1203
 - 8/20/2020 \$53,640.42 593
 - Store #2
 - 8/14/2020 \$50,493.94 503
 - 8/27/2020 \$38,889.46 360
- Bailment and Surcharge paid for August 2020
 - Store #1 was \$4,748.80
 - Store #2 was \$2,286.95
- Excise Tax paid for August 2020 was \$96,817.00
- Cycle Counts showed the following physical inventories:
 - **Store #1** net adjustments were 12 bottles for \$70.30 to the board.
 - **Store #2** net adjustments were 44 bottles for \$74.53 to the board.

Adjournment: The next regular Brunswick County ABC Board meeting will be held Friday, October 30, 2020 at 4:00 pm.

There being no further business the meeting adjourned.

Prepared by Angela Boone, GM, and approved by the board on 9-28-20 AB
 9/28/2020
Al Beatty, Member GM Date

Mitchell Williams, Chair Date
 9/28/2020
John Dowless, Member Date