



**COMMISSION MEETING MINUTES**  
**April 26, 2004**

The Commissioners of the Texas Alcoholic Beverage Commission met in Regular Session on Monday, April 26, 2004, at the Texas Alcoholic Beverage Commission, 5806 Mesa Drive, Suite 185, Austin, Texas.

**PRESIDING:** John T. Steen, Jr., Chairman

**PRESENT:** Gail Madden, Commissioner

**STAFF PRESENT:** Alan Steen, Administrator

- Carolyn Beck, Public Information Officer,  
Executive
- Nolan E. Bowman, Compliance Officer, HQ
- Lou Bright, General Counsel
- Chris Champion, Lieutenant, Corpus Christi
- Rick Cruz, Lieutenant, McAllen
- John Dale, Acting Compliance Supervisor, San  
Antonio
- Jeannene Fox, Assistant Administrator
- Buck Fuller, Director, Compliance Division
- Christina Guerra, Lieutenant, San Antonio
- Amy Harrison, Director, Licensing Division
- Larry Howard, Compliance Supervisor, Lubbock
- Ricardo Jauregui, Captain, San Antonio
- Tom Johnson, Compliance Officer, Abilene
- Renee Johnston, Executive Assistant,

Executive

Dexter Jones, Acting Director, Marketing Practices

Charlie Kerr, Director, Business Services

Garry Sitz, Director, Information Resources

James "Sam" Smelser, Chief of Enforcement

Gloria Villaseñor, Administrative Assistant, Enforcement/Grants

Oscar White, Compliance Officer, San Antonio

Don Wilson, Lieutenant, San Antonio

***GUESTS PRESENT:***

David Cain, Representing Gilley's of Dallas

Katrina Daniel, Policy Analyst, Sunset Advisory Commission

Commission

Stacy Gunkel, Policy Analyst, Office of Lieutenant Governor

Karen Latta, Policy Analyst, Sunset Advisory Commission

Fred Marosko, Texas Package Stores Association

Mike McElhaney, Governor's Advisor, Office of the Governor

Charles E. McGrigg, Central States Counsel, Wine Institute

Christian Ninaud, Policy Analyst, Sunset Advisory Commission

Valerie Onyett, Analyst, Legislative Budget Board

Andy Siegel, Representing Matthew's Southwest

Robert Sparks, Executive Director, Licensed Beverage Distributors, Inc.

Randy Yarbrough, Wholesale Beer Distributors of Texas

**CALL TO ORDER**

Chairman John T. Steen, Jr., called the meeting of the Texas Alcoholic Beverage Commission (TABC) to order.

### **APPROVAL OF MARCH 15, 2004, COMMISSION MEETING MINUTES**

Chairman Steen called for a motion to approve the TABC Commission meeting minutes of March 15, 2004. **Ms. Madden moved that the Commissioners approve the minutes of the March 15, 2004, meeting. Chairman Steen seconded the motion. The motion carried.**

### **ADMINISTRATOR'S REPORT**

Chairman Steen called upon Administrator Alan Steen to provide the Administrator's Report. Administrator Steen discussed ongoing efforts to improve TABC operations and services, including reorganization effective April 1, 2004.

#### **Reorganization/Hirings/Promotions**

- The Marketing Practices and Homeland Security positions have been moved under the Administrator's supervision. Dexter Jones, former Manager/Regional Supervisor of the San Antonio Compliance Office, began serving as Acting Marketing Practices Director in Headquarters effective April 15.
- The Human Resources and Business Services Divisions report directly to Assistant Administrator Jeannene Fox. The new Human Resources Director is Loretta Doty.
- Denise Hudson accepted the challenge as TABC's new Assistant Director of Licensing, and the position of Director of Resource Management Division was eliminated.
- TABC's supply operations will be moved from Headquarters to the Warehouse in the near future. The new Homeland Security staff will be placed in the area vacated by supply operations. The moves will result in cost savings and will help the agency move closer to the 135-square foot-per-employee requirement.
- Major Glenda Baker, formerly from the Conroe Enforcement Region, was selected as the Assistant Chief of Enforcement in Headquarters effective April 15. Lieutenant Debra Jones of the Beaumont District Office is serving as Acting Captain over Region 5.

- Two new positions of Deputy Assistant Chief of Enforcement have been added. Staffs selected for these positions are Rod Venner, current Lieutenant at the El Paso District Office, and Joel Moreno, current Captain assigned to the Odessa Regional Office. Lieutenant Dyer Lightfoot of the Odessa District Office will serve as Acting Captain over Region 3 effective May 1.
- Other promotion announcements include:
  - Robert Saenz from Sergeant in the Odessa District Office to the rank of Lieutenant at the Austin District Office;
  - Agent Mark Menn from the Galveston Outpost to Sergeant at the Houston District Office;
  - Agent Joe Cavazos from McAllen to Sergeant at the Odessa District Office;
  - Mark Decatur, Sergeant at Houston Enforcement, promoted to Lieutenant at the El Paso Office;
  - Raul Salinas, Agent at the Harlingen Outpost, to Sergeant in the McAllen Office; and
  - Art Valdez, Agent in Houston, to Sergeant in Houston.

### Strategic Planning

Mr. Steen reported on recent strategic planning activities. A roundtable meeting involving TABC senior team members and approximately 25 outside interested parties was held in Austin on April 6. Mr. Steen and Assistant Administrator Fox will arrange to meet with the Commissioners to review the information before finalizing the strategic plan.

### Interim Legislative Hearings and Special Session

Mr. Steen reported that staff have participated in two interim hearings of the House Committee on Licensing and Administrative Procedures hearings on underage drinking. Also, staff have participated in a hearing of the Senate Committee on Infrastructure Development and Security. Mr. Steen noted that the special session began April 20, 2004, and staff are monitoring new bill filings that may affect TABC.

### Sunset

Mr. Steen stated that TABC's Sunset review process will begin May 6. Each division head will make a presentation on his or her division responsibilities to Sunset staff. He noted that Sunset staff will be at Headquarters off and on throughout the upcoming months. **Ms. Madden requested that the Commissioners have the opportunity to meet the Sunset staff at an upcoming Commission meeting; Mr. Steen stated that this will be arranged.**

### **FISCAL STEWARDSHIP OF AGENCY REPORT**

Chairman Steen called upon Charlie Kerr, Director of Business Services, to provide the agency report on fiscal stewardship. Mr. Kerr referred to the report (Attachment 1) on the mid-year budget and memberships. Mr. Kerr noted that TABC averages approximately \$2,000 per year on memberships. Chairman Steen asked General Counsel Bright if the agency could pay for Bar Association memberships for the agency attorneys. Mr. Bright stated that while the agency pays for continuing education courses for the attorneys, the agency does not pay for their Bar Association dues, and he was not aware if other state agencies pay the dues for their attorneys. **Chairman Steen requested Mr. Bright to look into the possibility of the agency being able to pay for the Bar Association dues; Mr. Bright stated that he would check with other state agencies and would tabulate the total cost should TABC be able to pay the dues.**

### **SAN ANTONIO ENFORCEMENT AND COMPLIANCE REGION UPDATES**

Chairman Steen called upon Richard Jauregui and Dexter Jones to present their updates on the San Antonio Enforcement and Compliance Region.

Richard Jauregui, Captain of the Enforcement Region 8 Administration, first introduced the supervisors who made the region's activities a success: Lieutenant Christina Guerra of San Antonio; Lieutenant Don Wilson of San Antonio; Lieutenant Chris Champion of Corpus Christi; Lieutenant Rick Cruz of McAllen; and John Dale, Acting Compliance Supervisor at San Antonio. Captain Jauregui provided an update on the San Antonio Enforcement Region (Attachment 2), covering regional activities, special events, and partnership efforts.

Dexter Jones, former San Antonio Compliance Supervisor and current Acting Director of Marketing Practices, recognized Compliance staff in attendance: Larry Howard, Regional Manager from the West Texas Region; Tom Johnson, Compliance Officer from Abilene; John Dale, Acting Compliance Supervisor of San Antonio; and Oscar White, Compliance Officer of San Antonio. Mr. Jones presented an update on Region 4 Compliance Division activities (Attachment 2), including various inspections and investigations.

## **TECHNOLOGY TRANSFORMATION UPDATE**

Chairman Steen called upon Garry Sitz, Information Resources Director, to provide an update on TABC's technology transformation activities (Attachment 3).

Mr. Sitz began his presentation by sharing the mission statement for Information Resources Division (IRD): To build, maintain, and support business-critical computer applications using the most advanced technology possible to facilitate the efficient operation of TABC and to provide timely and accurate information to the public.

Mr. Sitz briefly reviewed the following IRD projects:

- Transformation of the Licensing, Enforcement, and Compliance systems (anticipated end date: 1/05-3/05);
- Management Information Reporting (anticipated end date: 1/05-3/05);
- Desktop Management (anticipated start date: 6/04);
- Human Resources Information System (anticipated start date: 6/04);
- Imaging (anticipated end date: Late 2004);
- Investigative Database Analysis (anticipated completion date for first phase: 8/04);
- Ports of Entry-Cash Receipts (anticipated completion date: late 2004); and
- Enterprise Application Integration Portal and Infrastructure Upgrade (anticipated completion date: early 2005).

Chairman Steen asked Mr. Sitz if he had all of the resources needed for the completion of the projects. Mr. Sitz responded affirmatively, stating that he had 16 staff members and that he knew of contracting resources

should additional assistance be needed. **Mr. Sitz will provide an update on the projects at the July Commission meeting.**

### **PUBLIC COMMENT**

Chairman Steen stated that no one had signed up to provide public comment. He asked if there was anyone in the audience who wished to make a statement at this time. No one expressed the desire to provide public comment.

### **EXECUTIVE SESSION**

Chairman Steen announced that the regular open session of the Texas Alcoholic Beverage Commission would be recessed, the time being 2:25 p.m. on April 26, 2004, and an executive session would be held to consult with Legal Counsel regarding pending and anticipated litigation against the agency and to discuss the duties, responsibilities, and evaluation of the Administrator, pursuant to Government Code, Sections 551.071 and 551.074.

Chairman Steen announced that the Texas Alcoholic Beverage Commission had concluded its executive session and was in open session, the date being April 26, 2004, and the time, 4:30 p.m. He stated that no final action, decision, or vote was made in the executive session.

### **NEXT MEETING**

Chairman Steen announced that the next TABC meeting was scheduled for Monday, May 24, 2004.

### **ADJOURNMENT**

**Ms. Madden moved that the Texas Alcoholic Beverage Commission meeting be adjourned. Chairman Steen seconded the motion. The motion carried, and the meeting adjourned.**