

**Vermont Board of Liquor & Lottery
Approved Minutes**

Record of the Meeting of the Vermont Board of Liquor & Lottery held July 8, 2020 via web and phone.

Members Present: Martin Manahan, Chair, Sam Guy, Ed Flanagan, and Sabina Haskell, Members

Others Present: Patrick Delaney, Commissioner, Gary Kessler, Deputy Commissioner, Jacob Humbert, Assistant Attorney General, Wesley Lawrence, Board Counsel, Martin Prevost, Licensing Director, Skyler Genest, Enforcement Director, Brian Evans, Financial Director II, Erik Volk, DLL Education Coordinator

Meeting Start: 9:00 am.

Board Actions on Consent Agenda Items:

- Approval of June 2020 Board Meeting minutes: **Motion to move**
- Approval of licenses issued June 1, 2020 – June 30, 2020: **Motion to move**
- Approval of Gary Kessler, Deputy Commissioner and Brian Evans, Financial Director II to have access to the bank investment information: **Motion to move**

Public Comment:

- Third party delivery of Malt/Vinous for product sampling discuss by Christine Oakes on behalf of Embr: **Proposal will be reviewed and discussed in next meeting.**
- Update of changes of Inhouse program by Erik Valk: new training videos, more comprehensive online test, to require report activity of inhouse trained employees, and website revisions. The main reasons are that the compliance failure for inhouse training is the highest, and as well as to open direct communication with inhouse trainers and give them support to improve. October 2020 will be deadline to start these updates. October 2021 will be deadline for all trainers to re do their training under new guidelines.
- Third Party Delivery of beverage alcohol by Silas Woodman Hill: **Denied**

Licensing:

- Blue Paddle Bistro request to cater for five consecutive days: **Motion approved that will expire in October 2020 or Governor's executive order and will apply to request for other licensees under Covid-19 times.**

Lottery:

- 1.3% down on sales for the end of year. 3.8% up on instant ticket sales. 6.4% down on annual revenue.
- Gaming proposal ready to be released.
- Advertising contract is approved and about to be posted.
- Meeting with Secretary of Administration Office about extension of 16 month with Intralock.
- Field staff are in the field past three weeks. Working with agencies' staff to wear facemasks.
- Intercom installed to meet winners in the lobby.
- Hiring issues to replace investigators are on hold until legislators' approval
- Two investigators are working with the Health department for another two weeks.
- Down to 15% of the staff in the lottery department. Discussed with HR department.

Commissioner Comments:

- 10% increase for monthly gross revenue and annual growth, 5.4 % depletion increase, 6.6 % end of the year's revenue increase. Depletions in retail were up to 30% beginning of July.
- Tequila and Age brown spirits are allocated due to inventory sold up.
- Trend in significant sales increase up 35% in 1.7 five pack packages reflects increased in valued brands throughout the country.
- Update about positive response about Shop Locally radio campaign.
- Status of House Bill 956 passed Manufacturer's club exceptions for 1st and 3rd class licenses, grandfathered Mad River Distillery Burlington location for an additional year. Not pass yet: Festival permit pointer parameter, 3rd class license fee for towns, annual licensing cycle effective upon issued, festival permit definition, elimination of notice requirement from professionals for on-premises tasting.
- Warehouse operations are working full time, staff are 100% and efficiently working successfully with 15% increase capacity.
- Licensing activity past month was robust.
- Acknowledge of successful collaboration among Licensing and Enforcement division with Administration, Department of Public Safety, and ACCD to effectively communicate the executive governor's order to our licensees. As a response, compliance infractions are low.
- Reposition of enforcement approach due to concern of increase activity in bars, especially in Chittenden County.
- Pearl street retail store burned down and waiting for resolution.
- White River Junction, Shoreham and Danville communities bid has been publicly posted.

- Retail Agency employees are encouraged to wear facemasks to conform with current Executive Governor's Order.
- Issues with plastic bag discontinuation in our retail agencies.

Meeting Adjourned: 10:25 am

Next Meeting: August 12, 2020