



Vermont Board of Liquor & Lottery

December Minutes

Record of the Meeting of the Vermont Board of Liquor & Lottery held on December 14th, 2022 via web and phone.

Members Present: Martin Manahan, Chair, Sam Guy, Ed Flannagan, Megan Cicio

Others Present: Wendy Knight, Commissioner; Andrew Collier, Deputy Commissioner; Wesley Lawrence; Jacob Humbert; Skyler Genest, Sr. Director of Licensee Operation; Katie Fleury, Program Technician; Martin Prevost, Director of Licensing; Brandon King, Executive Officer of Compliance & Enforcement; Patrick Ross, Liquor Investigator; Michael Welch, Sgt. Liquor Investigator; Jennifer Czachor, Sgt. Investigator; Matthew Gonyo, Liquor Investigator; David Hamlin, Program Technician; Jamie Green, Program Technician; Violette Maring; Customer Service Rep; Melanie Gaiotti, Sgt. Liquor Investigator; Melissa Heath, Executive Assistant; Rich Morey, Director of Retail Operations; Don Wenner, Financial Manager I; Bret Hodgdon, Partner, Davis and Hodgdon Associates CPAs; Rob Downey, Representing Third Place, Inc; John Stoughton, Liquor Investigator; Chuck Lacy, Guest; Tonia Pryce, Purchasing Manager; Kobey Shwayder, Representing Vermont Vermouth; Danielle Jensen, ; Barry McKee, Representing Best Buds;

Meeting Start: 9:00 am.

Additions/Deletions to the Agenda:

None

Board Actions on Consent Agenda Items:

- Approve minutes from November 9th, 2022 Board Meeting – Moved and approved. motion Ed Flannagan and Sam Guy unanimous
- Approve licenses issued November 1, 2022 – November 30, 2022 – Moved and approved.

Public Comment:

- None

Licensing:

- None

Enforcement:

- **Docket # 2022-011 – Best Buds**
 - RE: Shall summary suspension Order remain in effect based on potential violation(s) of General Regulation 36 and General Regulation 50.
 - Preliminary hearing – investigation is still ongoing. Should the Board's summary suspension decision still be in effect.
 - Department does not believe licensee qualifies under title 18
 - Exhibit list contains 26 exhibits that will be shown in hearing,
 - Mr. McKee sworn in.
 - Showing exhibits 1,2, 25 and 26
 - Board Accepts evidence 1,2,25 and 26
 - No objection for evidence 3-24 board accepts evidence
 - Opening Statement by Barry McKee.
 - Investigator Jennifer Czachor sworn in.
 - Search Warrant done on September 23, 2022
 - Examining photo evidence taken by Investigator Jennifer Czachor numbers 3 – 14
 - Sgt. Jennifer Czachor and Sgt. Michael Welch observed the business on 12/9 to ensure they were not selling tobacco. Observed one female come out of the establishment with a bag, the rest came out empty handed.
 - Mr. McKee questioned Sgt. Jennifer Czachor
 - Investigator Weiland Patrick Ross is sworn in
 - Investigation began in March 2022 after DLL received a complaint on Best Buds by a disgruntled customer.
 - Exhibit 24 being shown
 - Examining photo evidence taken by Investigator Ross in DLL exhibit room exhibits 15 – 23
 - Examining exhibit 25 – Copy of Mr. McKee's original application for a tobacco license
 - Examining exhibit 26 – copy of Mr. McKee's 2022 renewal application
 - Mr. McKee questioned Investigator Patrick Ross
 - Sgt. Michael Welch is sworn in
 - November 30th, 2022 – Michael Welch conducted an observation of Best Buds
 - December 9th, 2022 – Michael Welch conducted another observation of Best Buds
 - Mr. McKee questioned Sgt. Michael Welch
 - Deliberative session will be conducted.

Commissioner Comments:

- Sports betting study committee voted on final report
- Reg rewrite passed ICAR Skyler is sending to SOS
- Rare spirits raffle brought in 50k in tickets
- Sci games conversion is doing well
- Lottery sales up for powerball / megabucks
- Thanksgiving sale in liquor sales up
- 7% out of stock for spirits

Other Business:

- Presentation of VT Lottery FY22 Audit Report Motion to accept and approve Motion Ed Flannagan second Sam Guy unanimous
- Declaratory Ruling Request – Re: Vermont Vermouth – Shared Employment at 2 co-located 4th Class locations.
 - Have department make proposal on how this would work on enforcement and compliance side.
- Declaratory Ruling Request – Re: Third Place, Inc. – Cross Tier Ownership Considerations
 - Department has previously only considered whole ownership over the tiers.
 - Department to make proposal for January meeting.

Tomasi's conclusion, Motion Ed Flannagan second Sam Guy unanimous

Meeting Adjourned: 12:18

Executive session starts: 12:18

Next Meeting: January 11th, 2023