



Executive Management Team Meeting

Wednesday, January 24, 2018, 1:30 pm
LCB Headquarters - Boardroom
3000 Pacific Avenue SE, Olympia WA 98501

Meeting Minutes

EMT ATTENDEES

Chair Jane Rushford
Member Ollie Garrett
Member Russ Hauge
Rick Garza, Director (*Absent*)
Peter Antolin, Deputy Director
Brian Smith, Communications Director
Justin Nordhorn, Chief of Enforcement
Becky Smith, Licensing & Regulation Director
(*Absent*)
Gretchen Frost, Special Assistant
Dustin Dickson, Executive Assistant

GUESTS

Mary Tennyson, Senior Assistant Attorney General
Bruce Turcott, Assistant Attorney General
Jeanne McShane, Deputy Director, Licensing

EXECUTIVE SESSION

Chair Rushford announced that the Board would go into Executive Session at 1:30 p.m. She anticipated the Executive Session would end at 2:00 p.m.

Chair Rushford announced that the Executive Session would be extended by ten minutes at 1:53 p.m.

Chair Rushford announced that the Executive Session would be extended by five minutes at 2:08 p.m.

The Board returned from Executive Session at 2:15 p.m.

APPROVAL OF MEETING MINUTES

MOTION: Member Hauge moved to approve the January 10, 2018, meeting minutes.

SECOND: Member Garrett seconded.

ACTION: Motion passed unanimously.

MORNING MEETING FOLLOW UP

Jane said it was a quick meeting with no public hearings.

PROJECTS UPDATE

Peter began by informing that the SMP project was still active and moving forward. Missy and the content management team have asked for a public records portal to be included in the Laserfiche contract. If that isn't a viable option, we could include this in the SMP requirements.

The procurement team is researching similar products in other states. They may travel to these locations to conduct a hands-on review.

After the cutover Mary M. and Jay will assume some of the SMP duties and workload. Peter noted the hard work they have put in on making the traceability cutover successful. Once they are on the SMP team they will review the groups that are in place, and evaluate the capacity for authority each team carries. This will be reported back to the steering committee for further evaluation and possible procedural corrections.

Jane asked when we were going to put out the "Request for Proposal". Peter said he would like to do that this summer. He recently met with the Technology Service Board and posed the question of "how do you evaluate vendors" to compare our own processes with theirs. He feels we will now have a better idea as to how to shape our list of requirements going forward.

Jane asked if this new knowledge would shrink our scope. Peter said no, but that it would make our scope more precise. Our team is getting better at evaluating proposed requirements using the MoSCoW Method. Jane also asked about the effect of SMP on the adjudicative process, as it has ties to every department. Justin informed that the team was aware of the depth of the process and how important it is. They also agreed that it needed to remain an internal change so that we wouldn't need to require other agencies to change their procedures in order to communicate with us. Jane mentioned that there are currently more than 230 cases in the process queue.

Jane asked if external SMP stakeholders had been updated recently. Peter said he gather a bit more information before sending out the next message and was considering issuing quarterly updates going forward.

LICENSING UPDATE - JEANNE

Jeanne joined the meeting at 2:30 p.m.

Jeanne informed that there were 123 cannabis retail licensees that have not recently reported sales. Five of them had just opened, so it wasn't unreasonable for them. She clarified that Lewis County did not have a ban or moratorium, but was requiring a federal permit. (HANDOUT 1)

Ollie asked how many licensees knew about the bans and moratoriums before getting their licenses. Jeanne said that most of them did and that she would provide definite numbers.

Russ said there looked to be about 77 licenses that weren't in areas of bans or moratoriums that still weren't reporting sales. Jeanne said there were several reasons given by these licensees, including lack of funding to open, unable to find a location, or that they were selling their license. She noted that 33 were pending change applications, nine had not responded at all, and seven stated they would open as soon as their licenses were approved.

Ollie asked why the numbers didn't seem to be changing. Jeanne informed that the agency was just granted legal authority to revoke non-reporting licenses in the 2017 legislation. We will be able to begin this process on April 23, but not before.

Russ stated that the next steps should be decided. He reminded that there wasn't anything that could be done about the areas with bans or moratorium, but some process needed to be put in place to investigate the other non-reporting licenses.

Peter suggested that there was a possibility that some of the licenses were being held for economic value. Russ understood but felt there should still be a timeline set and said that he would like to see this resolved by the end of the year.

Justin indicated that he would consult his team and begin the process of investigating proposed locations. Jane asked when we might learn more. Justin committed to prioritizing this soon.

Ollie asked if there was an employee dedicated to tracking this data. Jeanne informed that there was one analyst working with a management analyst to compile and track the data.

Russ requested updated information including date of licensing compared to the date the ban or moratorium was implemented.

PROJECTS UPDATE

Peter distributed copies of the presentation that was given to the traceability committee yesterday (HANDOUT 2).

He informed that the dry run began this week to test for any data blockages. They have been able to work through and fix the issues that have surfaced. The cutover is maintaining the schedule to cutover on February 1, 2018. We will have 24-hour customer service for the first two days then will cut back to a 7a-7p help desk for a few more days, then MJ Freeway will assume all help desk duties as stated in the contract.

Jane suggested that the team seems to be as prepared as they could possibly be. Peter said they were. He thanked everyone that had been working all the late nights and weekends to make this cutover possible.

Peter reviewed the user support plan. He announced that he was going to host a thank-you luncheon for the traceability team in early February.

CRITICAL UPDATES

Justin informed that he was in court yesterday with the owners of Frankie's. The judge dismissed their citizen's complaint.

Justin indicated that he and Rick met with representatives from Newfoundland, Canada. Mary S. eventually joined them in a discussion about cannabis legalization in Canada.

Justin announced that one of his Lieutenants is retiring after 32 years and that a luncheon for him will be scheduled in late February.

Justin shared that the Cannabis Alliance was holding a meeting in February with LCB enforcement to discuss procedures when visiting a grow operation.

Justin also recently met with Representative Goodman to discuss the impaired driving bill, and the varying opinions on it.

TAKEWAYS


- Licensing to update the Board on non-reporting licenses next week
- Enforcement to compose a letter for the Lieutenant that is retiring for Rick and the Board to sign

FUTURE AGENDA ITEMS

- Licensing update

Meeting adjourned at 3:27 p.m.

Minutes approved this 31 day of JANUARY, 2018


Jane Rushford
Board Chair


Ollie Garrett
Board Member


Russ Hauge
Board Member

Minutes Prepared by: Dustin Dickson, Executive Assistant