



Executive Management Team Meeting

Wednesday, December 8, 2021, 1:30pm

This Meeting was Convened via Conference Call

Meeting Minutes

EMT ATTENDEES

Chair David Postman
Member Ollie Garrett
Member Russ Hauge (excused)
Rick Garza, Director
Toni Hood, Deputy Director
Chandra Brady, Director of Enforcement and Education
Brian Smith, Communications Director
Becky Smith, Licensing & Regulation Director
Chris Thompson, Director of Legislative Relations
Gretchen Frost, Special Assistant to the Director
Dustin Dickson, Executive Assistant to the Board

GUESTS

Jim Morgan, Chief Financial Officer

APPROVAL OF MEETING MINUTES

Chair Postman announced the consideration of the November 10, 2021 EMT meeting minutes was postponed until a later date.

TRACEABILITY UPDATE: CCRS LAUNCH – JIM

Jim Morgan: The team and I worked through the weekend resolving a couple of late-breaking issues and successfully launched on Monday as scheduled. Now, that is exciting for us, and the system is performing as designed. But it is not time for a victory lap because we recognize that true success is when the industry is fully engaged and fully involved and successfully using the system. We have brought in a number of extra resources in IT to handle inquiries from the industry. Most of them seem to be around gaining access to the system. So, these are folks who have just now come to the table and are working to get into the system so that they can upload their files. We have had a couple of more issues this week that the team is triaging and attending to, but no-showstoppers that are putting the brakes on the entire industry.

As expected, the manifest issue going from completely automated to a more manual system is one of the issues that we are hearing about. The feedback that we have gotten so far ranges on one end of the spectrum from "Congratulations, LCB, on a flawless execution!" to the other end of the spectrum -- things

that I can't repeat here. And particularly those who are tinged with anxiety and anger, possibly, we are working hard to sort through those to make sure that we understand where the real issues are, where we need to address things in the system, and what our opportunities are there. So, we are paying attention to all of them and trying to read them without tone, when that is possible.

So, we have had 612 as of this morning -- it is probably more now -- a little over 600 of our licensees, about a third, have logged into the system. That doesn't mean they have all uploaded files. Some of that is a licensee getting into the system so they can indicate who their integrator is, and we have got a couple of the larger integrators that are still making preparations. They haven't really hit the system hard on behalf of their licensees yet, but we are expecting that soon. So, activity in the system has steadily increased through the week. The servers and the infrastructure are handling the volume.

I just met with our project manager, and I think one of the really positive things that she mentioned was aside from the folks who are contacting our support desk. When a licensee uploads a file, if there is a problem with that file and it can't be uploaded into the system, an error message is generated back to that licensee. And the positive thing is that in quite a number of cases, folks are getting their error messages, they are resolving their issues, and then turning around and successfully uploading their files without contacting our help desk. So, that part of the process is working.

As I mentioned right up front, the system is effectively working as designed. Through the testing process and through the implementation we are gathering input on things that we may want to change and improve the efficiency, improve the effectiveness of the system. But those would be changes to the system rather than a bug that the system is not working the way it was intended. So, we are cueing those up the manifest process. And I think I mentioned when I spoke to you last, one of those hot topics that we are committed to addressing as soon as practical now that we are live. As soon as the dust settles here from the initial go-live, we are going to look at ways to make that more efficient. Right now, it is a one-at-a-time upload and manifest, and we are going to look for ways that we can improve that process for integrators.

So, all in all, we are about where we expected to be right now. Yes, the system is working the way we intended. And yes, there is a fair amount of disruption with any change. No matter how smooth it is, disruption is going to happen in the industry. So, we are just working as hard as we can to help minimize that disruption, help people get past their issues, and work through any additional system issues that might come up.

Chair Postman: Okay, great. Firstly, you and George and your teams and everybody on this team have, as you just said, worked as hard as they absolutely can, and it has been clear to us in the agency how hard you all in Communications took to working through the launch and are continuing to. And that is a big part of why it has gone as well as it has. I was going to say what you just said. We are where you have told us we would be at this point, and I think that shows a good realistic view of this. There is no victory dance here. We have bugs. We are working on it. And I appreciate your ability and the team's ability to take the information you are getting and, as you said, trying to filter out some of the attitude. I am not always as well adjusted as you, Jim, but that is what we need to do. We need to find out where the pinch points are and try to fix them and address them. And I am glad that we are staying on it and treating this like it is a very live thing.

One little question. I don't know if you had a chance to listen in at the Board meeting today. We had some comments about it, and one of them was a request for increase in, and an ongoing interaction with

stakeholders on this -- like the steering committee. Is there such a thing already envisioned on an ongoing basis? Is there something we can do there to formalize that communication?

Mr. Morgan: We haven't made specific plans for what that looks like. But I do agree that is a really important way to engage with the industry. So, we will be looking at what that looks like and how we can make sure that they have a chance to engage with us.

Chair Postman: Okay. Great. And then you mentioned that some of the integrators who have done more than others just based on where their clients are. So, they are a little more of a high-end user, and this is their business as opposed to somebody who is trying to run a cannabis business and doesn't necessarily understand the IT world. Have you gotten any sense of their feedback? And are there things that the integrators have pointed out just since Monday that we are addressing? Or is it the same sort of issues that we have seen all along?

Mr. Morgan: There have been some specific issues that we would call bugs, and the team has been working to address those. There have not been very many, I think two or three. So, the feedback that we are getting from the integrators who are engaged has been useful, and we have been acting on some of it.

Chair Postman: Great. Good. Member Garrett, any questions or comments?

Member Garrett: No. You covered what I was going to bring up from the Board meeting this morning.

Chair Postman: Okay.

Mr. Morgan: And just another comment from the Board meeting and something that we have as part of our evaluation and working through issues. One thing I have experienced is, oftentimes, the feedback that we get, or the suggested changes or improvements are accompanied with, "This would be a simple fix. Why haven't you done it already?" And leading up to go-live, we did what we could, but some of those kinds of things would have disrupted the schedule. And some of the feedback I provided when folks have made that observation to me directly is that, while something may look simple from one vantage point, when we start to work through it, we have to work through all of the security issues, all of the systems issues, and it may or may not be a simple fix. So, we are evaluating everything thoroughly and taking those suggestions and those recommendations when they have identified bugs and working to address those as best we can.

Chair Postman: Okay. Well, thank you for getting us to this point to the launch and for the incredible work I know you have been putting in. You and George and the others, the incredible hours, so it is appreciated. And sorry, it is not over for you yet

Mr. Morgan: Thank you.

Chair Postman: Thank you. Appreciate that. Our next update comes from Chris Thompson, the Agency's Legislative Director. Chris.

LEGISLATIVE UPDATE – CHRIS

Chris Thompson: Good afternoon, Mr. Chairman, Member Garrett, and assembled team. I will be pretty brief. There is not a lot to update you on. Our two agency request legislative proposals are still pending review at OFM (Office of Financial Management) and the Governor's Office. So, no new developments to report there. Nothing has changed since the last time we talked about that.

We are gearing up towards session. The pre-filed bills started coming out Monday. There is one or maybe two, so far, that we want to take a little bit closer look at. Not very much. We are also setting up a series of meetings with legislators both in general to keep in touch and with the leadership from the policy committees as well as more specific things. We were asked for a meeting by the Senate Committee Chair to talk about our priorities for the coming session, for instance. So, that is going on.

We are also looking at -- we reconvened our legislative team last week -- we are beginning to be asked by stakeholders for feedback on proposals they are going to bring to the next session. So, there are a couple of things in that area that we are discussing. And we will continue to discuss prior to deciding what the agency's feedback or any concerns or any position that we might plan to take on those proposals.

There will be a lot happening pretty soon. But right now, we are doing what I described. That is our focus. Getting up to speed with proposals coming and getting better connected with legislators who were hearing from other stakeholders. We want to also find out what they are hearing and what areas they think maybe we can help them in this upcoming session. So far, there is nothing on the table in terms of requests for agency work session presentations. We did those in November in the Senate and in October in the House Committees.

So, that is what I have. If there are questions, I will take a shot at answers.

Chair Postman: I don't have any. I just will let you know, Board members have also gotten some requests from organizations and others asking us to look at legislation for next session. We will just make sure we are all in the loop on those things, too, and make sure that we tell you. And you letting us know what you are hearing would be great.

Mr. Thompson: Okay, will do.

Chair Postman: Okay. Thanks, Chris. Next on the agenda is a Licensing update with Director Becky Smith. Hello.

LICENSING UPDATE – BECKY

Becky Smith: Good afternoon. So, I just want to start and share that yesterday, during my division meeting, we had invited three licensees to join us. I always get to hear from our licensees about our investigators and how well they are doing or if there are issues or barriers. But I thought it was an important time since we are ending the year, for our investigators to hear from our licensees. And I have to tell you, it was wonderful. It was well accepted that we got to hear about how the process for our restaurants, how that was working. Then I asked about gaps -- zero gaps in service -- for both restaurants and from our Brewer's Guild. They, of course, gave us all types of accolades about how well we were doing.

And then we had a retailer from cannabis join us as well. So, I tried to hit everyone that we could. There were probably too many folks that we had because we only have an hour, but it was really good information. I would really encourage us to do more of that as an agency. I think it is helpful to hear how we were doing, where we can improve right now, and especially because we are working remotely if there are any service gaps. So, again, well received from my staff. I certainly appreciated the licensees coming in and spending an hour with us. So, I did want to share that with you.

Also, as you know, we started receiving applications for HB 1480. That is our curbside delivery cocktails-to-go. So far, we have received 75 applications, so not a lot. We have about 11,000 licensees that this affects, so certainly a beginning of what we know as more to come here soon. And I mentioned this last week, we have created an online resource so our licensees can go online to learn more about the application, who the bill affects, and the new requirement instructions on how to apply for an endorsement. And, a big thank you to the Communications team. They worked really hard with licensing staff on making sure we were getting this out. So, while we were doing that, 1480 hit, and then CCRS hit at the same time, so a lot of work for our agency as a whole.

But certainly, our customer service staff, and our communication staff have done a fantastic job trying to make sure that all of this is going as smoothly as possible, knowing that we certainly could have expected the number of phone calls that we are getting from CCRS. But certainly, we are figuring out how to help those folks.

Our Customer Service Manager has done a couple of trainings and speaking engagements. We have had some pretty large events that she has gone out to. So, Washington State Festival of Events Conference there were about 55 people and in-person, so, more than last year. And then the Washington State Brewer's Guild Conference in Puyallup. And, of course, for the Brewer's Guild, our Enforcement side joins us for those events. So, it really is a collaboration of training when we are out there in the field.

As you know, we have four pilots currently going on. But I don't know that I have shared with you what we are doing with those pilots. I don't want a year to go by with the Board and Licensing and Enforcement not knowing what is going on, or how things have been progressing, any surprises. So, we have already sent out an invite to schedule six-month check-ins. We want to see how things are going, and that Enforcement already has a process in place of visiting those venues during football games, concerts, or other key events that are happening. And remember, Climate Pledge, University of Washington, Levy at Lumen Field, and Blade and Timber are all pilots right now. So, it is good for us to track them to be able to come back, and if there are any issues that we are having along the way that we are able to correct them versus getting to the end of the week. We don't want any surprises with these pilots for either ourselves or for those licensees that are probably in need in more service areas, or different types of service areas in those venues.

So, if you have any questions along the way, or if you would like us to update you once those six-month dates have come and passed, I am happy to have Nikola or myself do that either at an EMT or whatever is convenient.

Chair Postman: I think we should do that. It would be great to do that either at a Caucus or EMT.

Ms. Smith: Okay, fantastic. And then we are also exploring -- we have had a couple of reach outs since we have done some changes in our cannabis how we are processing our alterations. I had a couple of folks reach out and say, "Hey, we have another idea. Can you guys explore this for us?" And so, we were exploring being able to process our change in ownership and our change in location at the same time. It

really has been a system issue, so it is something our system has not been able to do. It is easier for our investigators, certainly easier for the licensees, if we can make that happen at the same time. So, through everything that is going on with IT, and our staff was also doing some testing around whether or not this can be a possibility. With something that is so important that people have been asking for for a while, I would hate to wait for the System Modernization Project (SMP), so, we are going to see if we can push some of this through now. Working with BLS (Business Licensing Service), as well, to see who it actually affects if we make those changes at the same time. But just know that is coming. I am looking forward to making some tweaks in our cannabis applications and in our process throughout the next year.

And then, certainly not last but not least is our criminal history rule changes. They went into effect on 10/02. We are making sure that we have done a lot of education around the history of the form, as we now require applicants to attest to their criminal history that is run as a penalty for failure to disclose. So, that has been eliminated now. And so, I think that is a positive thing, both for current applicants, certainly for social equity applicants. But that is also a lot of education going on for our staff and for our enforcement staff, as well. I think that is it for me.

Chair Postman: Yeah, well, you guys are involved in so much. And I know Licensing always does a great job. You should know just recently people inside and out are raving about the work you guys are doing. You were at the Alcohol Advisory Council. People couldn't have been more complimentary and pretty thorough about their engagements with Licensing other parts of the agency. Your processing times, the work on 1480, the equity work, all of those things. So, thanks for all of that. And thank the team for us, too, because it is really evident the level that you are performing right now.

Ms. Smith: Oh. Well, thank you.

Chair Postman: And as I said, I know it is not done either. It will continue, but it is appreciated.

Member Garrett: And I just want to echo that, Becky, really, we are hearing a lot of positive things, and we really appreciate it.

Ms. Smith: Many thanks to Tina and her great organization.

Chair Postman: Invite me to those meetings in the future, if you think about it. I would love to be able to sit in and hear stakeholders interact with the team and to hear the team.

Ms. Smith: Oh, absolutely.

Chair Postman: And if I can make it, I will. I would in all divisions, actually, I am still always eager to come and listen. So, don't be afraid to reach out through Dustin. Appreciate it.

Ms. Smith: Alright, and we have quite a bit going on with social equity. But I think I will wait for probably the next EMT to provide an update because we are still moving ahead with our process.

Chair Postman: Great. I think that is something we are going to need a fair amount of time to talk about as well.

Ms. Smith: Thanks.

Chair Postman: Okay. Thank you so much.

Enforcement and Education is next, and there is Director Brady now. Hello.

ENFORCEMENT AND EDUCATION UPDATE – CHANDRA

Chandra Brady: Hello. Good afternoon. While Dustin brings up the slides, I just wanted to share with you some of the partnerships Enforcement and Education has been working with other divisions in the industry on many projects, specifically with Licensing. Right now, as we present to you, our teams are working together to make sure Enforcement and Education has the most recent information about the work that Director Smith's team has been doing with the social equity, so that we are up to speed on that when it is time for us to engage in that project, and then also working with us to come up with a plan to make sure that we are active in reviewing those pilot projects that have been approved.

We are working with the HR and DEI Manager on our hiring processes, working with Finance on some of our training and information sharing, and then Communications most recently on CCRS. Just as we communicate to the industry and our staff as well to make sure everyone is equally informed.

And I know, Board Chair, that you have a ride-along coming up soon. So, I am excited that you are doing that, to see the work that we are doing in the field and to meet our licensees. So, thank you, for that.

Chair Postman: I think it is Monday for the cannabis tour. I'm looking forward to it.

Ms. Brady: We are excited to hear your feedback.

Ms. Brady moved on to give an Enforcement and Education presentation ([PRESENTATION 1](#)).

Chair Postman noted that the number of COVID-19 complaints was increasing, Ms. Brady confirmed and continued the presentation.

Ms. Brady: If you have don't have any other questions for me, have a wonderful day.

Chair Postman: Just one quick one, maybe for next time -- the alternative dispute resolutions, I would be interested to see what the trend line is looking like for that. Are we having fewer going to formal? What does that curve look like? Because one of those there was, I think, one case that went to formal or zero. And that would be the goal, of course, to resolve it, otherwise. But I would be interested to see what it looks like in whatever period you can give us a snapshot of next time.

Ms. Brady: Yes. I will do a trend line instead of comparing it to the average next time.

Chair Postman: That would be great. Okay.

Ms. Brady: Thank you.

Chair Postman: Okay. Thank you. Keep up the good work. Appreciate it. Next is Brian Smith, Communications Director for a communications and media update. Hello, Brian.

COMMUNICATIONS AND MEDIA UPDATE – BRIAN

Brian Smith: Hello. Good afternoon, Chair Postman, Board Member Garrett. As you have already heard, we have been collaborating with the other divisions and the other directors on a number of key issues. I'd like to highlight some of those things.

CCRS, which you already heard with Jim, is my number one priority at the moment to make sure that we are ready to be responsive and do whatever we need to do on the communications end. As you have heard him say, we meet twice a day in an incident command meeting to assess where we are at and what is needed. And I am always saying at that meeting, doing whatever we need to do and trying to glean ideas from that if we need to be able to communicate something. Especially if it is something that a licensee could do to help them either get into the system or figure out what it is they need to do on the fly.

We are working with Director Brady and the Enforcement Division on informal adjudications. The Board has a page of its formal adjudications and how they result. It was at Director Brady's idea, actually, to show not only our own staff but licensees how informal adjudications work out across the month. If they hear of a certain violation notice, how was that resolved? And so, we are going to begin posting those to our website. We are working with her team now to make it easy to follow, etc., and have that up probably in early January. And so, they do about 80 informal adjudications a month. So, it would be a much lengthier list than what the Board puts out. But we have a system that we think we will be able to put into place that we think will be good for anyone who wants to be able to go. It is a good transparent move, and it is a great suggestion there.

Chair Postman: Yeah. Great idea.

Mr. Smith: Yes. As you know, in Enforcement -- like many other places across the country right now -- we are trying to fill up the ranks. And so, we have been working with them on targeted types of recruitments. Brad Rinke, our graphic designer, and I have been doing some work overseeing the types of things they have done, like some posters, etc. Brad and our team went out and took a number of pictures, kind of action shots and stuff that we can be able to use to convey the diversity of our division, the kind of work that we do, what our people look like, and I have been wanting to do this for some time. So, I am very glad to be able to have that now and we can use for any number of things. They are going to be doing a video rollout, too, and they are going to work with a contractor, I think, to produce a video for recruitment.

And they also talked about some paid media on the radio side. And so, I will be involved with them to make sure that our message is consistent and the right thing that we want to be able to do. We are going to kick that off next week.

As you heard, Becky talked about the 1480 work. Again, that is been ongoing with us. Her team really does a bang-up job in making it easy for us to be able to carry out what their original vision was. We overhauled the Open Washington pages, which is where we had all of the allowances that we were always revising as COVID went along. And we had to make changes to it all the time. As of now, the 1480 has rolled out. We have worked with them to give it a clean sort of look. You can tie in directly to how they can get these endorsements now. So, it has moved beyond just the allowance. Now it is the ability to be able to actually make that part of your license, and they made our work a lot easier. Brad just pretty much had to work with them to do a lot of work on the website. But I am happy with how that turned out. And good partnerships, I think, going along as you have heard from others as we move through this week.

We are working on the Annual Report, which is something we are always doing at this time of year. It is in good shape. We expect to have a draft out here fairly soon and have it published, certainly, by Christmas or that week.

And then the last thing is on the media front, it is very slow for us. As you have heard me repeat in the last couple of months, maybe one a day, five to six a week. That is more than a lot of agencies get. But to us, it is like nothing. Mostly, it is questions asking for data, isolated to things around the state pertaining to maybe a liquor license, or to a cannabis license, or something that they have heard that we follow up on, as opposed to any real themes or trends that we are seeing coming through. I don't really think it is the time of the year. I don't know exactly what it is. We know that the media environment has changed over time, and I don't expect to see that we are going to see a real trend in these last few months. But I don't remember it as being this slow with media work in my many years that I have been here, which is unusual, I think. Unique.

Chair Postman: Yes.

Mr. Smith: Any questions or anything that I can help with?

Chair Postman: No. I would just take the moment to point out that given how slow media is, it is just your presentation was a great example of how you and Rick and the team view communications. You are not a media office; it is a Communications office. So, you are involved with licensing, talking about 1480. You are involved with CCRS and instrumental at the command center level. It is communications that we all do all the time with whoever you are talking to. It is not spin. It is not media. And so, I just really think that is a valuable piece of what this agency has always done, is just put a value on what is the best way to communicate this information to whomever that audience may be. Sometimes it is just for ourselves, where it is internal. Sometimes it is legislative. Sometimes it is stakeholders, whatever. So, anyhow, that is what you guys do so well. It is great.

Mr. Smith: Thank you, David. And you get it, for sure.

Chair Postman: I appreciate that.

Mr. Smith: Okay, I think that is it.

Chair Postman: Thank you, Brian. Now for general agency update, our Deputy Director, Toni Hood. Hello.

GENERAL AGENCY UPDATE – TONI

Toni Hood: Hello. Good afternoon, Chair Postman, Member Garrett.

I just wanted to first mention that I attended the Licensing Division meeting that Director Smith talked about. It was a great meeting. You can really tell that her team enjoys working together. It was very informative, but also there was some fun there, as well. And it was also very helpful to see the interaction with the licensees that came to speak. They just have a very easy conversation with the staff members, and all the feedback was positive. You can tell that they know these people, and it worked with these people in a very cooperative way, and so I really enjoyed seeing that. And Director Smith made sure to, again, ask if there was any gap in service during our remote work. And they did not identify -- the

licensees that were there -- didn't mention anything but rather just gave positive feedback. So, great job on the Licensing Division part. And that was great to be able to listen to that meeting.

The other thing that I have today is process improvement, just an update on what we are doing. We have a process improvement team. They call themselves the Lean Champions. There are about 10 members of this team. I am starting to go to this meeting as well. In 2019, the agency decided to do process improvement focusing on the division level. They have been doing process improvement in Lean since 2013, but they focused more on the division level in 2019. This process improvement team, which is led by Edmond Lee, meets quarterly now, and they share information about what they are doing within their divisions towards process improvement. They talk about what they are hearing from Results Washington and how our data can be reported when appropriate to Results Washington. And so that is a great group of people.

And they also inspire others, I think, to work on process improvement, and to participate in the statewide annual Lean Conference. We had a huge number of participants. This year, we had 136 LCB staff members participate in the Lean Conference. Two years ago, we only had 40 people participate in that in 2019, so to go up to 136 was great. And Edmond attributes part of that to a lot of advanced planning and communication and promotion of that event. They also had a good debrief. The process improvement team had a debrief where they talked about some of the things they learned from the Lean Conference. They really enjoy the virtual aspect of the Lean Conference, and the fact that it is spread out over several days. So, you have the opportunity to do your daily work but also participate in some of those events. I think that it is always something good to attend at least some sessions because it always inspires you to look at your work again. And remember that we can always go back and do process improvements. Even if you are not doing a formal Lean event, there are always ways to improve. And that is all I have for today.

Chair Postman: Okay. Great. Thank you, Toni.

Member Garrett: What do we have our new DEI person focusing on now? Is this still internal right now?

Ms. Hood: Well, he has met with a lot of internal people thus far. He has also met with Dr. Johnson, and myself, and Director Garza. We have had one meeting. We have another meeting, I think, even this week, to continue our discussions with her. And he is going to give a presentation to the whole agency on January 12, and we will make sure that you are invited and proceed from there.

Member Garrett: Okay. Thank you.

Chair Postman: And just a note, I saw Jim briefly the other day, and he said he is reaching out to all the Board members, as well, Member Garrett, to sit down with us one on one to catch us up to some of those conversations, too. So, he is drinking water from the firehose. Thank you, Toni.

Ms. Hood: Thank you.

Chair Postman: And close it out, Rick Garza, our Director for some general director's comments. Hello.

DIRECTOR'S COMMENTS – RICK

Rick Garza: Good afternoon. Ollie, thanks for the question because we just met with Jim a couple of days ago and felt that typically we don't have webinars with the entire agency. But just as a highlight, I have got Anita, Tony, and Jim working on a presentation, where we will share the importance of this new position of DEI with the agency. We will talk, and then we will have that opportunity. And that is why, as David said, Jim is reaching out to both of you and Russ and to me individually, because I was not aware that had not happened yet but just learned that a couple of days ago. So, you will see all of the internal and external components of the work that we will be doing because I know we have talked about that for quite some time. So, it is great to have Jim here.

Also, you can catch the high level of activity that is going on throughout the agency, both cross-divisional and then with our stakeholders. I just continue to compliment the team for that cross-divisional communication and coordination, which has been lacking in years past. But you can see what is happening. Okay, Becky, I don't want your head to get too big here. But I was at the Licensing Division meeting. And if you are from Thurston County – Farrelli's, everybody knows Farrelli's -- It is a pizzeria that has been around forever. And Becky was able to get the owner, Jackie Farrell and I think the person that helped manage the restaurant, especially the beverage portion of it. And I had no idea they had grown there to actually opening two more places in Silverdale and Yelm. I don't know if they are going to go from 5 to 7 or 7 to 9.

But I will tell you, this is where things are changing in the way that we work with our stakeholders. Not only did Becky ask a question, but also Licensing staff asked the question of the licensees. How can we better serve you? Are there gaps in service? When Becky asked that question, I specifically wrote that down because I thought it was impressive. Jackie said they have made seven licensing changes since the pandemic -- seven of them -- and none of them had any issues. And so, just being very specific about asking the question, it is just very impressive. So, thanks to the whole team and everyone for the work that is happening together. You can see that not only is the agency and the employees seeing that.

But Becky said something that is really important. Our employees, oftentimes -- that is why it was good to bring them to the divisional meeting -- don't get to hear the things that we hear from our stakeholders about the work that they are doing. And they are doing the work. It is not us. And so, I just think that is just a great way to make sure that we are always connected with our licensees.

Also, on Monday, we all came together, the leadership of staff, to have our second strategic planning session, and David was present. We have four goals in our strategic plan. Just so everyone remembers, it is a five-year plan of 2019 through 2024. We just haven't had the time due to the pandemic to get in there and start reviewing that. So, we have got four goals, and within those four goals are many strategies. We went through three and four. I thought it was a really productive meeting. The idea is now to begin to work on the strategies and the action plans around that. As we get closer to a final draft of what that is going to look like, obviously, we will need to sit down with the Board and walk through that document. And also, in my mind, it reminds me of even before David was with, us when Jane was with us, all that we had created, Cannabis 2.0, and we had also created three specific priorities of the Board and the Agency that continue to be in front of us.

One is, how do we make more medically-compliant products available because of the concerns we have heard from the patient community? Number two, how do we help the smaller growers in the cannabis space in our state? And then, of course, social equity. And I share with you that we have begun the work of doing all of those. I want to mention that because in our discussions, whether it is strategic planning or

the discussion that we had of the agency policy workgroup, we were reminded. And I think it was Chris or Justin reminding us of what our priorities are, and that the Board had made it clear that making a medically-compliant product available is one of our priorities.

So, sometimes we don't always get around -- but we recognize them when we are having discussions. These priorities that you identified several years ago, we still have work to do in all of them. And I am pretty impressed with the team because in every instance of those, you can see we are making progress. So, I have talked enough. I will stop there but just wanted to share that information with you.

Chair Postman: I would add, Rick, that I was impressed, too. Not just because there was progress but also because of the acknowledgment and really the challenge that we gave each other for where we are not doing enough. And you are right about the medically-compliant conversation. That was a really good one. People just spoke up and said, "Here we are." And this is, again, we are just updating what exists. This is not the formation of a whole new plan. So, it is within that scheme, but there is candor, there is self-examination, there is some self-criticism, and continuing commitment to really being able to show even more progress. Those are three huge and frankly, ongoing internal conversations, but we know we need to do more. Some are better than others. We have a lot of work to do. We are in a good place to make big steps on several of those, I think, in the coming year.

Again, I think you were listening for the Board meeting this morning. Rick, did you get it? I thought Mr. Manning said something that is worth keeping in mind. He said -- expressing his frustration on the lack of action on equity -- and he was pointing a finger more at the Social Equity Task Force but asking us to act. He said, "Appreciate that you are having these conversations, that you are engaged. But I don't want to come and just have conversations with you about equity and how to make it equitable. And that is a great thing for me. That is a good measure of success when black and brown people are sitting down and talking to us about those issues. I would come and watch, and it is mostly white people having these conversations." And then we come and do this. And it was just an interesting illustration of that, which is, let me come and talk about solvents. I want to be here around the table, talking about what artificial means versus synthetic.

So, I just thought I would show some appreciation. And it is worth for us keeping that in mind, I thought. And I think that is it. Ollie, anything to add or questions for Rick? No, okay. Anything else, Rick, from you or anybody else on your team? I will make a call for final comments.

Mr. Garza: Not for me. Thank you.

FINAL BOARD INQUIRIES

Chair Postman: Okay. Well, thank you to all the directors. Appreciate your preparation for bringing your reports and data here. We will do it again soon. I am sure some people listening go, "Boy, all y'all do is talk about how good of a job you're doing." We just happen to be doing a really good job, right now. I know there is a lot of work to be done. We have a big task with CCRS and to keep it going. Equity is yet to be delivered to us. We have so much to do. But I just want you to know, Rick, that you and your team really are firing on all cylinders. I really like hearing licensees tell us they are getting what they need -- they don't always agree, and they are clear -- even some of that really great praise we heard at the Alcohol Advisory Council (AAC). That doesn't mean we have no disagreements with you on policy or practice. It means I'm heard, it is accessible, it is a cogent policy that you are implementing but we disagree with it. And I just think that is a great place for us to be.

Mr. Garza: So, maybe the success of that, too, is the fact that AAC, you hear them wanting to meet with us more often.

Chair Postman: And that is true, yes.

Mr. Garza: And so that means it is working to me anyway.

Chair Postman: And we need to find ways to keep that going. Get the cannabis industry in here more in different ways we can and keep hearing from people. I think licensees are starting to realize that we are very accessible. And I and the other Board members hear from licensees on occasion in different ways. Sometimes all three of us, sometimes one on one or individually. And we just need to keep encouraging that. So, keep it up. It's great!

And with that, we will adjourn the Executive Management Team for today, and we will be back. We have a Caucus next week. So, we will see you all then. Bye, Ollie.

Meeting adjourned at 2:25pm.

Minutes approved this 12th day of January, 2022.



David Postman
Board Chair



Ollie Garrett
Board Member

Not Present

Russ Hauge
Board Member

Minutes Prepared by: Dustin Dickson, Executive Assistant