



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWEL
DIRECTOR

MICHIGAN CRAFT BEVERAGE COUNCIL

Approved Minutes

October 7, 2020 – 1:00-3:00 p.m.

Microsoft Teams Meeting | +1 248-509-0316 | Conference ID: 118 559 132#

Council Members Present

Peter Anastor, Michigan Department of Agriculture and Rural Development (MDARD) on behalf of Director Gary McDowell

Richard Anderson, Iron Fish Distillery

Larry Bell, Bell's Brewery Inc.

Michael Chetcuti, Arbor Brewing, Baia Estate, Bigalora, and Michigan Hop Alliance

Scott Graham, Michigan Brewers Guild

Robert Jacobson, Leelanau Wine Cellars

Brian Lesperance, Fenn Valley Vineyards

Erin Walton, Meijer, Inc.

Council Members Absent

Mike Beck, Uncle John's Cider Mill

Zachary Owen, Temperance Distilling

Others Present (excluding public attendees)

Jenelle Jagmin, MDARD

Johnathon Schweda, MDARD

Christine Alexander, Michigan Department of Environment, Great Lakes, and Energy

Welcome

The meeting was called to order at 1:04 p.m. by Peter Anastor, who chaired the meeting as the designee of Director Gary McDowell.

Agenda for the October 7, 2020 Meeting

MOTION: LARRY BELL MOVED TO APPROVE THE AGENDA FOR OCTOBER 10, 2020. RICHARD ANDERSON SECONDED. MOTION CARRIED UNANIMOUSLY.

Minutes of July 8, 2020 Meeting

MOTION: ROBERT JACOBSON MOVED TO APPROVE THE MINUTES OF THE JULY 8, 2020 MEETING. BRIAN LESPERANCE SECONDED. MOTION CARRIED UNANIMOUSLY.

Council Member Comments, Introductions, and Updates

Erin Walton: Provided an update as a representative of retail food establishments.

Bob Jacobson: Provided an update as a representative of wine makers.

Larry Bell: Provided an updated as a representative of the large brewers.

Scott Graham: Provided an update as a representative of micro brewers and brewpub license holders.

Brian Lesperance: Provided an update as a representative of wine makers.

Richard Anderson: Provided an update as a representative of small distillers.

Michael Chetcuti: Introduced himself as the newest council member and provided an update as a representative of a representative of restaurants that hold a class C license and serve Michigan wines, beer, or sprits

Peter Anastor: Provided an update as a representative of MDARD.

Public Comment (*on agenda items only*)

No public comment.

Michigan Department of Environment, Great lakes, and Energy: Water Resources Division

Christine Alexander, with the Michigan Department of Environment, Great Lakes, and Energy's (EGLE) Water Resources Division, presented on the Groundwater Permitting Program. The presentation focused on Part 31 and Part 22 of Michigan Act 451, Public Act of 1994, as amended, and EGLE's efforts to manage wastewater.

Promotion Committee Report

Brian Lesperance presented an update from the Promotion Committee. The website was launched a year ago this October and is doing well. The Promotion Committee is recommending \$44,000.00 for marketing and promotion to be utilized for ongoing web hosting and updates by LKF, and general digital media advertising. Efforts will be made to have all messaging supporting local businesses and the craft beverage supply chain with a note to consumers in early fall/winter to promote the industry during their holiday shopping. The Promotion Committee is looking into partnership opportunities to promote tourism throughout the state. Brian Lesperance noted there is a vacancy on the Promotion Committee.

MOTION: LARRY BELL MOVED TO ADD MICHAEL CHETCUTI TO THE PROMOTION COMMITTEE. ROBERT JACOBSON SECONDED. MOTION CARRIED UNANIMOUSLY.

Research Committee Report

Richard Anderson presented an update from the Research Committee. The RFP was issued on September 8th and the Research Committee is waiting for the approved budget before planning research opportunities. Current grant proposals are due on October 19th and the Research Committee will meet on December 15th to make recommendations for the Council meeting on January 20th.

Peter Anastor noted that SB1067 was presented to the Governor on October 6th. If signed, this bill would amend the language in the MCBC's legislation stating the MCBC may allocate 50 percent of its budget towards research grants and not that it shall allocate 50 percent of its budget towards research grants.

Staff Report

Jenelle Jagmin presented a staff update regarding the below projects:

E-News Letter

An e-newsletter has been created and several renditions have been sent out to an ever-growing recipient list.

Story Map

Jenelle Jagmin worked with MDARD's Geographic Information Systems Specialist to develop a unique tool for sharing the industry's story. This web-based tool shows the different sectors within Michigan's craft beverage industry and has a section displaying various touring sites for consumers. Jenelle Jagmin will be utilizing this story map in future presentations and will be available on the MCBC website.

MCBC NCI Update

The goal of last year's industry engagement plan was to identify how the research of the Council is moving the needle in the industry. This was going to be achieved by meeting with the respective sectors' organizations. The global pandemic halted these efforts and now the Council needs to reassess this project. Jenelle Jagmin recommended holding a strategic planning session to determine how to move forward.

FY20 Budget Update & FY21 Budget Discussion

Peter Anastor presented an update on the fiscal year 2020 budget and the effects of the State's executive freeze on spending. The Council approved \$431,000.00 for statutory research grants prior to the spending freeze. All other expenditures were under budget due to the executive freeze on spending.

Peter Anastor presented the fiscal year 2021 budget (attached).

MOTION: SCOTT GRAHAM MOTIONED TO ACCEPT THE FY2021 BUDGET AS PRESENTED. RICHARD ANDERSON SECONDED. MOTION CARRIED UNANIMOUSLY.

New Business

Richard Anderson discussed the possibility of providing proactive communication to industry to share the Council's efforts in conjunction with the social media and e-newsletters.

Michael Chetcuti mentioned one of the biggest frustrations in the industry is the labor shortage.

Public Comment

There was no public comment.

Adjourn

MOTION: ROBERT JACOBSON MOTIONED FOR THE COUNCIL MEETING TO ADJOURN. ERIN WALTON SECONDED. MOTION CARRIED UNANIMOUSLY.

The Craft Beverage Council meeting adjourned at 2:57 p.m.



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DESIGNATION OF AUTHORITY

As Director of the Michigan Department of Agriculture and Rural Development, I hereby designate Peter Anastor to act in my absence as my "Official Designee" on the **Michigan Craft Beverage Council**.

This designation shall remain in effect until it is rescinded in writing, or a new agency director is appointed.

A handwritten signature in blue ink that reads "Gary McDowell".

Gary McDowell, Director
Michigan Department of Agriculture and Rural Development

Dated: June 25, 2019