



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWEL
DIRECTOR

MICHIGAN CRAFT BEVERAGE COUNCIL

Draft Minutes

April 14, 2021 – 1:00-3:00 p.m.

Microsoft Teams Meeting | +1 248-509-0316 | Conference ID: 454 656 333#

Council Members Present

Jamie Zmitko-Somers, Michigan Department of Agriculture and Rural Development (MDARD) on behalf of Director Gary McDowell

Richard Anderson, Iron Fish Distillery

Mike Beck, Uncle John's Cider Mill

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

Zachary Owen, Temperance Distilling

Erin Walton, Meijer, Inc.

Council Members Absent

All Council Members present.

Others Present (*excluding public attendees*)

Jenelle Jagmin, MDARD

Johnathon Schweda, MDARD

Kelly Krone, Michigan Liquor Control Commission

Welcome

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

Agenda for the April 14,2021 Meeting

MOTION: BRIAN LESPERANCE MOVED TO APPROVE THE AGENDA FOR APRIL 14, 2021. MICHAEL CHETCUTI SECONDED. MOTION CARRIED UNANIMOUSLY.

Minutes of January 20, 2021 Meeting

MOTION: BRIAN LESPERANCE MOVED TO APPROVE THE MINUTES OF THE JANUARY 20, 2021 MEETING. ERIN WALTON SECONDED. MOTION CARRIED UNANIMOUSLY.

Council Member Comments, Introductions, and Updates

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.

Michael Chetcuti: Provided an update as a representative of a representative of restaurants that hold a class C license and serve Michigan wines, beer, or spirits.

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

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

Zachary Owen: Provided an update as a representative of large distillers.

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

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

Michael Beck: Provided an update as a representative of cider producers.

Jamie Zmitko-Somers: Provided an update as a representative of MDARD.

Public Comment (*on agenda items only*)

No public comment.

NextCycle Program Presentation

Bryce Hesterman, a consultant at Resource Recycling Systems, discussed the Michigan Department of Energy, Great Lakes, and Environment's NextCycle Michigan Program. NextCycle Michigan focuses on reducing, reusing, and recycling organic materials at both the consumer and producer levels; this presentation focused on foods, liquids, and organic waste streams to build a circular economy.

Research Committee Report

Richard Anderson gave an update from the Research Committee on the fiscal year 2021 research grant agreements. He noted the Research Committee kept the research grant maximum at \$40,000. Jenelle Jagmin further explained there will be additional communications going out to industry stakeholders on the grant timelines to provide clarity to various craft beverage sectors.

Promotion Committee Report

Brian Lesperance presented an update from the Promotion Committee, which will continue to meet monthly. He noted the Promotion Committee will continue to work on consumer facing digital materials, including brochures and the website. The Promotion Committee would like additional funding be allocated toward new consumer facing digital assets.

Staff Report

Jenelle Jagmin presented a staff update regarding the below projects:

Strategic Priorities of the Council

A web page has been created in the “About” section of the Council’s website and is located under the executive summary, regarding the “Six Priorities & Mission”. An annual plan has been created based on the priority setting exercise held in December and will be used internally to track progress toward each objective and activity. Jenelle Jagmin is working to align the work plan with the MDARD dashboard that tracks metrics and is making efforts to report out at the end of the year on progress toward the strategic plan.

Specialty Crop Block Grant

In February, the Council applied for a Specialty Crop Block Grant, of \$45,662 over two years, to create, maintain, and promote a directory or database of specialty crop growers specific to the craft beverage supply chain. Jenelle Jagmin received many letters of support and thanked Scott Graham for his thoughtful letter of support, as well as the MI Apple Committee, Hop Growers of MI, MI Craft Distillers Assoc, and Michigan Wine Collaborative. This project will be used to advance the agricultural supply chain.

Grape & Hop Inventory Press Release

Jenelle Jagmin issued a press release on the grape and hop inventory from data compiled by USDA-NASS, Michigan State Horticulture Society, MDARD Grant Administration, and the grape and hop farmers of Michigan. The press release was picked up by Brownfield Ag News, Farm World, and DBusiness, resulting in higher digital traffic directed to the Council’s website and reinforcing the Council’s efforts to be an information resource entity.

Education Based Outreach

Jenelle Jagmin has met with numerous individuals, from GRCC, KVCC, Eastern MI, Schoolcraft, MSU, Fermenta, on craft beverage related programming in the state. As a result, efforts are being made to build out an education resource page on the Council's website. There are many academic opportunities in Michigan to invest in the craft beverage industry's future.

Michigan Roundtable for Diversity and Inclusion

In two conversations with MI Roundtable for Diversity & Inclusion, respectively, Jenelle Jagmin introduced them to the Michigan Craft Beverage Program and the Council's strategic priorities. Council staff expects a proposal from Michigan Roundtable for Diversity & Inclusion for consideration

FY21 Budget Update and Amendments

Jenelle Jagmin provided an update on the Council's fiscal year 2021 budget and proposed some amendments to the budget allocations; \$16,000 to be allocated to marketing and promotion from the Council's unallocated funds. The Council held discussion on the budget with emphasis on the requested amendments.

MOTION: SCOTT GRAHAM MOTIONED TO APPROVE THE PROPOSED BUDGET AMENDMENTS AS PRESENTED. BRIAN LESPERANCE SECONDED. MOTION CARRIED UNANIMOUSLY.

New Business/Council Priorities

Richard Anderson asked about participating in a tour of Michigan State University's laboratory during the next in-person Council meeting. Jamie Zmitko-Somers stated it would be best to continue to hold the scheduled virtual meetings, but to begin planning to meet in a more traditional setting in the future pending allowance.

Public Comment

Kerry Krone, with the Michigan Liquor Control Commission, mentioned the license renewal period has been extended to July 30, 2021, but that this extension should not interfere with the Council's FY21 budget.

Adjourn

MOTION: ROBERT JACOBSON MOTIONED FOR THE COUNCIL MEETING TO ADJOURN. BRIAN LESPERANCE SECONDED. MOTION CARRIED UNANIMOUSLY.

The Craft Beverage Council meeting adjourned at 2:42 p.m.



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DESIGNATION OF AUTHORITY

As Director of the Michigan Department of Agriculture and Rural Development, I hereby designate Jamie Zmitko-Somers 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: January 25, 2021