



COLORADO DEPARTMENT OF AGRICULTURE
Colorado Wine Industry Development Board

Monday, May 20, 2019
Colorado Wine Industry Development Board Meeting
Colorado Department of Agriculture, Broomfield, CO

CWIDB Staff Attending via Phone: Doug Caskey (executive director), Kyle Schlachter (outreach coordinator)

Colorado State University Staff Attending via Phone: Dr. Horst Caspari (CSU), Dr. Steve Menke (CSU)

Voting Members Attending in Person: Bret Neal (Chair - Grand Valley AVA winery), Tom Bueb (At-large Winery), Kevin Webber (Retail), Doug Kingman (Front Range winery), Candice Mohr (At-large Winery), Doug Price (Tourism *ex officio*),

Voting Members Attending via Phone: Neil Jaquet (Grower), Jeff Knight (wholesale), Jessica Davis (Colorado State University *ex officio*)

Guests Attending in Person: Richard McDonald (BookCliff Vineyards), Kate Greenberg (CDA Commissioner), Matt Neren (Cultivator), Courtney Lis (VocaPR), Mindy Gantner (Explore Communications), Rachael Pecka (Explore Communications)

Guests Attending via Phone: Cassidee Shull (CAVE)

Voting Members Absent: Max Ariza (Public *ex officio*), Guy Drew (western slope winery), Aaron Steinke (Wholesale)

Opening

1. Bret Neal, Chair, called the meeting to order at 10:08 AM.
2. Doug Kingman moved to approve the agenda.
 - a. Doug Price seconded.
 - b. The motion passed unanimously.
 - c. The CWIDB will conduct the meeting according to the agenda presented.

Minutes

3. Neil Jaquet moved to approve the meeting minutes from April 16, 2019.
 - a. Doug Kingman seconded.
 - b. The motion passed unanimously.
 - c. The minutes from the April 16, 2019 meeting were approved.

Treasurer's Report

4. Presentation on CWIDB finances by Doug Caskey.
 - a. FY 2019 Financial status
 - i. Positive Fund position of \$166,000.
 - ii. YTD Revenues from wine development fee of ~\$715,000.
 - b. FY 2020 Budget
 - i. Marketing recommendations
 1. Cultivator Ad & Design - \$193,000
 2. Brochure printing - \$15,000
 3. Governor's Cup and FAM trip - \$42,000
 4. Outreach coordinator salary - \$50,000
 5. Supplies/Materials - \$2,000
 6. Total marketing budget - \$302,000

- ii. Research recommendations
 - 1. Consumer research - \$18,000
 - 2. CSU Viticulture Proposal
 - a. Cropping reliability
 - i. Grape Varieties/clones suited to CO's climatic conditions - \$103,700
 - ii. Mitigating damage from grape phylloxera - \$25,700
 - iii. Cold temperature injury mitigation/avoidance - \$29,000
 - iv. Identifying areas suitable for expanded grape production - \$23,650
 - b. Development of Integrated Wine Grape Production
 - i. Sustainable resources use - \$12,000
 - 1. Vineyard floor management - soil health, fertility, and water requirements (\$2,000)
 - 2. Vineyard floor management – evaluation of low-growing grass cultivars (\$10,000)
 - ii. Engagement / Outreach / Communication - \$82,000
 - 1. Colorado Wine Grower Survey (\$21,400)
 - 2. Outreach (\$60,600)
 - c. AES support - \$85,000
 - d. TOTAL estimated costs of all projects - \$361,050
 - i. All of Menke's salary attributed to variety trials.
 - ii. Cost estimates are inclusive of 50 % FTE of Caspari paid by CSU.
 - e. Total CSU budget proposed - \$236,400
 - 3. Total Research budget - \$254,400
- iii. Quality recommendations
 - 1. CSU Extension Viticulture Specialist Matching funds - \$15,000
 - 2. VinCO sponsorship - \$0
- iv. Administration recommendations
 - 1. External appropriations - \$59,250
 - 2. Total administration (including external) - \$245,100
- v. Total proposed budget (including external costs) - \$816,500
 - 1. Program costs - \$757,250
 - 2. External appropriations - \$59,250
- vi. Doug Kingman moved to adopt the annual budget as presented for all CWIDB purposes for the fiscal year beginning July 1, 2019 and ending June 30, 2020, with the idea to adjusting as needed after FY19 closes.
 - 1. Doug Price seconded.
 - 2. The motion passed unanimously.
 - 3. The FY 2020 budget was adopted, with the intent to adjust as needed after FY19 closes.

Introduction of Commissioner of Agriculture

- 5. Doug Caskey introduced Kate Greenberg, Commissioner of Agriculture
 - a. Commissioner Greenberg introduced herself to the Board and explained CDAs long-term goals
 - i. Supporting the next generation of farmers and ranchers
 - ii. Rapidly scaling up investment in high-value agriculture/diversify agriculture market opportunities.
 - iii. Promoting and incentivizing soil, water, and climate stewardship.

Lunch Break

- 6. Doug Kingman moved to adjourn for lunch for 45 minutes.
 - a. Kevin Webber seconded.
 - b. The motion passed unanimously.
 - c. The CWIDB will conduct the meeting according to the agenda presented.

Legislative and Regulatory update (part one)

- 7. Doug Caskey requested additional policies pertaining to cider promotion due to SB19-142 to exclude hard cider from the Colorado Wine Development Act.
 - a. Doug Kingman moved that the CWIDB continues to treat cider as a wine and develop new policy by September 1, 2019 when SB19-142 takes effect.
 - i. Tom Bueb seconded.
 - 1. Doug Kingman moved to amend the motion to exclude the cider category from the Gov

- Cup competition, with the condition SB19-142 is signed by the Governor.
- 2. Tom Bueb seconded.
- 3. The amendment passed unanimously.
- ii. The motion was amended to address the Governor's Cup competition.
- iii. The motion passed unanimously.
- iv. Cider will continue to be promoted as wine until September 1, 2019 and will be removed from the Governor's Cup competition (September 13-15, 2019).

Marketing Committee Update

- 8. Doug Caskey introduced the marketing contractors recent activities.
 - a. Mindy Gantner and Rachael Pecka, Explore Communications
 - b. Matt Neren, Cultivator
 - c. Courtney Lis, VocaPR
 - d. Doug Price moved to adopt the Statement of Work and budget breakdown for the FY2020 marketing contract with Cultivator Ad & Design.
 - i. Kevin Webber seconded.
 - ii. The motion passed unanimously.
 - iii. The Statement of Work for FY2020 marketing activities was approved.

Adjournment

- 9. As several members had to leave the meeting and a quorum was no longer present, the Chair adjourned the meeting at 1:45 pm and resolved into a committee to be updated on legislative and staff updates.

Legislative and Regulatory update (part two)

- 10. Doug Caskey presented other Legislative updates.
 - a. HB19-1240, Sales And Use Tax Administration
 - b. Legislative issues for the 2020 session; possibilities:
 - i. Limited wineries can ship other wineries' products DtC
 - ii. Vintners Restaurants can ship wine or participate in festivals
 - iii. Reinforcing culinary minor student tasting exemption
 - c. TTB Notice 176 comments due by June 26
 - d. LED redrafting the Value of Labor rules and definitions
 - e. WineAmerica report

Extension Specialist candidate update

- 11. Doug Caskey updated the Board on the new Extension Specialist candidate

Staff Report

- 12. Doug Caskey presented staff update
 - a. Doug Caskey stated the Kyle Turley lawsuit was withdrawn without prejudice.
 - b. Doug Caskey asked if any directors had any ideas for Ag management funding
 - c. Doug Caskey mentioned that purchase of promotional items was still on hold, per March meeting, unless any director wanted to direct staff to purchase such items at this time.

CAVE Update

- 13. Cassidee Shull updated the Board on CAVE activities.
 - a. CAVE now doing quarterly meet-ups.
 - b. Sensory analysis class on June 4.
 - c. WineFest tickets expected to sell out earlier than last year.

Public Comment

- 14. No public comment.

New Business

- 15. No new business

Next Meeting

16. Doug Caskey mentioned future tentative dates:
 - a. Thursday, June 6, 2019, 9 AM: teleconference, which the remaining members decided to forego
 - b. Monday, July 22-Tuesday, July 23, 2019 retreat in Glenwood Springs

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MINUTES APPROVED

8/2/19

Guy Drew

SECRETARY