

# *IOWA ALCOHOLIC BEVERAGES COMMISSION*

## *Telephonic Meeting*

### **MINUTES**

**Iowa Alcoholic Beverages Division  
1918 SE Hulsizer Road, Ankeny, IA  
June 1, 2018 – 10:30 AM  
Dial In Number: 1.866.685.1580  
Conference Code Number: 0009991572**

#### **COMMISSION MEMBERS PRESENT**

Gary Nystrom: Chair  
Rachel Eubank: Vice Chair (via phone)  
John Pauli: Secretary (via phone)  
Christine Riesenbeck-Spratt: Member (via phone)  
Jay Wilson: Member (via email)

#### **ABD STAFF PRESENT**

Stephen Larson: Administrator  
Erin Carpenter: Assistant to the Administrator  
Tyler Ackerson: Education & Outreach Program Planner  
Leisa Bertram: Accountant 2  
Jodi Christensen: Purchasing Agent 3  
Josh Happe: Bureau Chief, Regulatory Compliance Bureau  
Jason Hohn: Licensing Clerk Specialist  
Pam Koehn-Miller: Secretary  
Lolani Lekkas: Compliance Officer 1  
John Lundquist: Assistant Attorney General (via phone)  
Heather Schaffer: Compliance Officer 2  
Stephanie Strauss: Government Relations  
Herb Sutton: Manager, Business Operations

#### **GUESTS PRESENT**

Scott Oeltjenbruns: Johnson Brothers (via phone)  
Mackenzie Nading: Iowa Wholesale Beer Distributors Association (via phone)  
Michael Jenkins: Brown Winick Attorneys at Law (via phone)  
Jeremy Thompson: Sazerac (via phone)  
Edgar McGuire: Bootleggin' Barzini's

## **CALL TO ORDER**

Chairperson Nystrom called the meeting to order at 10:30 A.M. and roll was taken. There was a quorum.

Chairperson Nystrom noted that the meeting was being held telephonically due to the short agenda and the impracticality of meeting face-to-face.

## **APPROVAL OF AGENDA**

**MOTION: A motion was made by Commissioner Spratt and a second by Commissioner Eubank to approve the agenda for the June 1, 2018 telephonic Commission meeting.**

**Motion approved.**

## **NEW BUSINESS**

Chairperson Nystrom recognized ABD Administrator Larson for an overview of the proposed fees: the Split Case Fee and Misorder Fee recommended on the May 9 Commission meeting.

Administrator Larson presented information related to the legal coursework in order to proceed with split case fees. Administrator Larson also read Commissioner Wilson's comments (given via email) that the suggested \$1.25 per bottle is a high jump. Commissioner Wilson suggested the split case fee apply as a tiered ladder model for number of bottles purchased. Administrator Larson introduced Lolani Lekkas, Compliance Officer, to briefly summarize Chapter 123 and 124 to establish the legality of split case fees.

Commissioner Nystrom opened the floor for the Commission for comments.

Commissioner Eubanks thanked Lolani for her hard work. She suggested the split case fee proposed was too high and should instead stagger over time.

Commissioner Pauli suggested the split case fee change to \$0.75 and to review the fee more frequently.

Commissioner Spratt supported the proposed split case fee and for the fee to be evaluated annually. She also suggested meeting in the middle for the fee at \$1.00.

Commissioners Nystrom commented that changing the fee to \$1.25 is too significant of a change all at once. He agreed of the importance to review the split case fee every year, but disagreed with a tiered ladder model for a split case fee because it would be too problematic at a regulation and compliance standpoint.

Commissioner Nystrom thanked Administrator Larson, Mr. Herb Sutton, Todd Halbur and others for all of the hard work that was put in for evaluating the split case fees. The floor was opened to the ABD staff and Commission for further questions or comment. No comments were made.

Commissioner Nystrom opened the floor to public comment regarding split case fees.

Edgar McGuire (Bootleggin' Barzini's) commented on competition and how the proposed fee would affect his business and others near the border. He suggested to increase it \$.25 every two years until we reach the proposed fee of \$1.25 and review it every four years to assess if funds are meeting the criteria.

Commissioner Nystrom introduced the disorder fee proposal and opened the floor to the Commission for any comments. Commissioners had no issues on the proposed fee changes for disorders. Administrator Larson also had no further comment on disorder fees.

Commissioner Nystrom opened the floor for public comment.

Edgar McGuire (Bootleggin' Barzini's) had no problem with case return fee, but believed the bottle return fee should be \$1.00 instead of \$2.00.

Administrator Larson stated fee modifications will be made effective July 1, 2018, but they will be made on or before September 1, 2018.

**PUBLIC COMMENT**

None

**NEXT MEETING DATE**

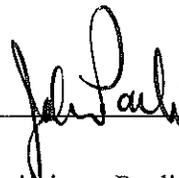
**Wednesday, June 13, 2018 at 1:00 p.m. at Hilton Garden Inn Riverfront in Sioux City, Iowa.**

**ADJOURNMENT**

**MOTION: A motion was made by Commissioner Pauli and a second by Commissioner Spratt to adjourn the meeting.**

**Motion Approved.**

The meeting adjourned at 11:21 A.M.



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Commissioner Pauli, Secretary