Currently, the New Student Union Building is undergoing construction with the assumption that there will be a microbrewery included. The final total cost to the AMS of including a microbrewery will be close to a million dollars. This would consist of the alterations (venting, piping, lowering the floor) to the building (a cost over 450,000 dollars); and the cost of the brewing equipment (over 350,000 dollars). It goes without saying; such a large capital commitment will require a strong business case before moving forward with the investment.

Unfortunately, confusion has arisen over who has final authority over the brewery project. Council is being asked to make a decision to solve this confusion.

Background:

In 2011, First Key Consulting was commissioned to report on the feasibility of operating a successful microbrewery. The report showed that the AMS had a tenable case for a microbrewery. Since then there has been some skepticism due to questions on the AMS’s capacity to run such a business. There also seems to have been a lack of clarity on whether this new venture would be operated as a business or a service.

There has been a disconnect between the New SUB committee, Directors of the Businesses, and Student Government since receiving First Key’s report. This has led to little being done on the project. This disconnect is partly due to confusion about who ultimately holds authority over creating a microbrewery. The New SUB project committee has the scope of deciding what gets included in the project and how it is constructed, but do they have authority over a decision that creates a new business? The directors of the business could, ostensibly, hold the authority over creating a new business.

One certainty is that Council holds authority over the entire society, and could make such a decision to create the microbrewery.

Request:

I am asking for a resolution from council on whether to move forward with the construction of a microbrewery. Attached are a few documents that I urge you to read before either Monday or Tuesday’s consultation sessions. We will be sending out our final wording for the motion later this weekend, along with some financial modeling produced by our Director of Finance.

Enclosed:

First Key Consultant Report