

Nebraska Grape and Winery Board

Annual Report 2009

For information contact:

**Nebraska Department of Agriculture
301 Centennial Mall South
P.O. Box 94947
Lincoln, NE 68509
(402) 471-4876**

Table of Contents

<u>Contents</u>	<u>Page</u>
Board of Directors	
Nebraska Grape and Winery Board of Directors.....	i
Overview of Activities	
Executive Summary.....	1
Nebraska Grape and Winery Board Growers Survey Letter.....	3
Nebraska Grape and Winery Board Growers Survey.....	4
Nebraska Grape and Winery Board Growers Survey Results.....	6
Minutes, November 1, 2008.....	9
News Release, December 22, 2008	11
Notice of Request for Proposal, December 22, 2008	12
Request for Proposal Application Instructions.....	13
Minutes, February 17, 2009.....	19
Nebraska Grape and Winery Board Report, March 6, 2009.....	22
Minutes, March 7, 2009	24
Request for Proposal Application Instructions.....	26
Minutes, April 18, 2009.....	32
2008 – 2009 Fiscal Report.....	36
Cedar Hills Vineyard and Gardens Contract	37
Mac’s Creek Vineyard and Winery Contract	41
NWGGA Contract – Advertising Campaign	45
NWGGA Contract – Display Booth	49
NWGGA Contract – Executive Director and Marketing Activities	53
NWGGA Contract – Media Space	57
NWGGA Contract – 12 th Annual Nebraska Winery and Grape Growers Forum and Trade Show	61
ShillingBridge Winery and Microbrewery Contract.....	65
UNL Contract – Sensitive Crop Locator Project.....	69
UNL Contract – Grape Cluster Project.....	73
UNL Contract – Viticulture Program Activities.....	77
UNL Contract – Viticulture Program Conferences.....	81
UNL Contract – 12 th Annual Nebraska Winery and Grape Growers Forum and Trade Show	85
UNL Contract – 13 th Annual Nebraska Winery and Grape Growers Forum and Trade Show	89
MOU Between Nebraska Department of Agriculture and Nebraska Liquor Control Commission	93
Staff Assistant Job Description	96
Bylaws	
Bylaws.....	98
Statutes	
Nebraska Grape and Winery Board.....	103
Nebraska Grape Excise Tax Statutes.....	106
Farm Wineries Statutes	108

**BOARD
of
DIRECTORS**

Nebraska Grape and Winery Board of Directors

Eric Nelson Vineyard Owner
P.O. Box 312
Raymond, NE 68428
(402) 580-7320
enelson2@neb.rr.com

Terry Ryan Vineyard Owner
#1 El Charman Lake Place
Gibbon, NE 68840
(308) 830-0775
tecryan@rcom-ne.com

Max McFarland Winery/Vineyard Owner
43315 Rd 757
Lexington, NE 68850
(308) 324-0440
mcfarlandm@unk.edu

Ellen Burdick Winery/Vineyard Owner
5052 Rd 197
Lewellen, NE 69147
(308) 778-5543
17ranch@scottsbuff.net

Bart Holmquist Vineyard Owner
1333 Prairie View Rd
Eagle, NE 68347
(402) 310-9338
barth@unlserve.unl.edu

Ex-Officio Members

Casey Foster, Nebraska Department of Agriculture
P.O. Box 94947, Lincoln, NE 68509-4947
(402) 471-4876
casey.foster@nebraska.gov

Dr. Gary Cunningham
207 Ag Hall, University of Nebraska-Lincoln, Lincoln, NE 68583-0704
(402) 472-2045
gcunningham2@unl.edu

OVERVIEW of ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors met four times this fiscal year. The fiscal year began July 1, 2008, and ended June 30, 2009. Emphasis was placed on supporting marketing and promotional activities and conducting research to assist in the betterment and development of Nebraska's grape and wine industry.

Legislation approved on May 30, 2007, amended §§53-123.15 and 53-304 of the Nebraska Revised Statutes and repealed the original sections. The act, relating to alcoholic liquor, changed the provisions relating to shippers' license fees and provided an excise tax on grapes. Within the act, terms were defined, powers and duties were assigned, and a penalty was enacted. Until April 30, 2012, shipping license fees will be collected by the Nebraska Liquor Control Commission and remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. Additionally, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. Excise taxes are also remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. The license fees and excise taxes resulted in a substantial increase in Board revenue for the second year in a row. The Board's revenue increased from \$110,620.08 in 2008 to \$152,437.58. The Board's total available cash for the year ending reached a historical high of \$242,581.79, which was largely due in part to a beginning cash balance carryover of \$90,144.21 from the previous fiscal year. Some of the invoices from projects funded under the previous fiscal year were not submitted until after June 30, 2008. As a result, these payments were made during the 2008 – 2009 fiscal year.

The revenue increase over the past two years has enabled the Board to fund several meaningful projects that have aided in the betterment of Nebraska's grape and wine industry. In March 2008, the Board decided to fund four projects for this fiscal year totaling \$96,316. At the November 2008 meeting, the Board allocated an additional \$36,000 to fund more projects, most of which were allocated to the University of Nebraska – Lincoln's (UNL) Viticulture Program and the Nebraska Winery and Grape Growers' Association (NWGGA).

The Board sent out a Nebraska Grape Growers' Survey. Sponsored by the Nebraska Grape and Winery Board, in cooperation with the Nebraska Department of Agriculture (NDA) and the NWGGA, the survey was designed to collect aggregate data on the number of grape growers in Nebraska, the number of plants each grower owns, and pounds of grapes harvested in 2008. The survey data results as of May 14, 2009, are included within this report.

Cognizant of the Board's large revenue surplus, the Board believed it was imperative to fund additional projects to help further promote and expand Nebraska's burgeoning grape and wine industry. Consequently, the Board sent out a news release in December 2008 seeking grant proposals from individual growers, farm wineries, organizations, industry groups or academic institutions or partnerships between producers, industry groups, academics, or other organizations that were designed to assist in the betterment of Nebraska's grape and wine industry. Interested parties wishing to receive funds were required to submit a detailed proposal to the Board. The proposals were to clearly explain how the money was to be used and how it would enhance the competitiveness of the state's grape and wine industry. The Board developed a grant proposal process in order to provide all interested parties with an opportunity to access these funds. Grant proposal guidelines and application information was made

available to the public in December 2008 and was available on UNL's Viticulture Program web site. Information could also be obtained by contacting NDA or the Board Chair. Applications were due on or before Friday, January 30, 2009.

Distribution of the Request for Proposal (RFP) solicited several proposals. At the February 2009 meeting, the Board approved 10 proposals totaling \$24,004. An additional \$4,000 was also allocated to UNL to assist in paying for development of the Pesticide Sensitive Crop Locator web site. At the March meeting, the Board decided that six of the 10 proposals initially approved at the February meeting appeared to benefit individual business ventures rather than the grape and wine industry as a whole. Consequently, a motion and second was made during the meeting to reverse their original decision for funding these proposals. The motion carried. The Board also decided to allocate \$14,000 to help defray the costs of the 2010 Nebraska Grape and Winery Forum and Trade Show. A total of 15 contracts totaling \$162,246 were granted funding during this fiscal year. Priority funding was given to marketing and research projects targeted at increasing the sales and production of Nebraska grapes and / or wines.

The Board released a second RFP soliciting grant proposals for the next fiscal year, which begins July 1, 2009 and ends June 30, 2010. Once again, proposals were to be aimed at enhancing the competitiveness of Nebraska's grape and wine industry. Among the proposals submitted, four were approved for funding totaling \$102,458. Once again, priority funding was given to marketing and research projects targeted at increasing the sales and production of Nebraska grapes and / or wines. The Board also agreed to allocate \$5,000 to pay the salary of a part-time clerical assistant to assist with Board duties that will enhance the accountability and reporting requirements of Board-funded projects. The Board asked that NDA find an individual to fill this position. A job description for this position can be found within this report. This individual will be under the direction and supervision of NDA.

Four of the five members were reappointed by the Governor to serve another three year term. Eric Nelson decided not to seek reappointment. The Governor appointed David Hanna to fill the position vacated by Eric.

Promotion of Nebraska's grape and wine industry is a primary goal of the Board. The Board helps the grape and wine industry become a strong and important part of Nebraska's thriving economy. They stay abreast of recent legislation affecting Nebraska's grape and wine industry, supports NWGGA activities, and works closely with UNL to receive guidance and education based upon industry research.

This annual report includes Board meeting minutes, a news release, both RFPs, 2008 – 2009 fiscal report, contracts, bylaws, statutes, and other documents pertaining to Board matters.

NEBRASKA GRAPE AND WINERY BOARD

Grape Growers of Nebraska:

Attached you will find the 2008 Grape Growers Survey. This survey is sponsored by the Nebraska Grape and Winery Board, in cooperation with the Nebraska Department of Agriculture and the Nebraska Winery and Grape Growers Association. Current and accurate numbers are essential to be able to track the trends and growth of our industry. These data are collected every two years and are used to update the state's strategic planning, to provide to the State Legislature to assist in their decision making process, and to identify potential needs of our industry. No individual data will be reported; only group data will be reported. By completing and returning this survey, you will help ensure that this information will be highly accurate and most useful to support our industry. Thank you for your cooperation.

PLEASE RETURN YOUR COMPLETED SURVEY IN THE ENCLOSED ENVELOPE BY
FEBRUARY 15, 2009.

**Nebraska Grape and Winery Board
NEBRASKA GRAPE AND WINERY BOARD
GROWERS SURVEY – 2008**

(Return completed survey **BY FEBRUARY 15, 2009** using the enclosed envelope)

Name:

Last First

Address:

City State Zip Code

Vineyard Location: County: _____

Phone: () _____ e-mail address: _____

Approximate Acres of Grapes: _____

Nebraska Winery & Grape Growers Association Member: Yes No

I intend on using the grapes personally (e.g., home wine making, juice, jellies, pies, Farmer's Market)

I am currently contracted with a winery for the purchase of my grapes: In-State Out of State

Type of Contract: Verbal Written

Length of Contract: 1 year 3 years 5 years Other (describe)

 I will be looking for a buyer of my grapes for the 2009 production

If not under contract, it is okay to share this information with a Nebraska winery if they ask: Yes

No

(In this table, report all vines planted)

Red Variety	Total Number of Plants	2008 Number of Plants Harvested	2008 Pounds Harvested	White Variety	Total Number of Plants	2008 Number of Plants Harvested	2008 Pounds Harvested	Table Grapes	Total Number of Plants	2008 Number of Plants Harvested	2008 Pounds Harvested
Frontenac				Brianna				Canadice			
Marachal Foch				Chardonef				Concord Seedless			
Trollhaugen				Delaware				Himrod			
Valiant				Edelweiss				Marquis			
Catawba				Frontenac Gris				Mars			
Chambourcin				LaCrescent				Reliance			
Chancellor				Lacrosse				Swenson Red			
Concord				Niagara				Other			
DeChaunac				Petite Amie				Other			
Leon Millot				Prairie Star				Other			
Marquette				Reisling							
Norton				Saint Pepin							
Petite Jewel				Seyval							
Saint Croix				Traminette							
Other				Vidal Blanc							
Other				Vignoles							
Other				Other							
Other				Other							

Additional Plantings Planned for 2009 Include:

Number of Plants

**Nebraska Grape and Wine Board
2008 Grape Growers Survey
(Data as of 5/14/2009)**

Total Surveys Returned (to date) = 116

Nebraska Winery and Grape Growers Association Members = 81

 Currently under contract with winery = 51

 Looking for a buyer for grapes = 28

Total Grape Acres Reported = 290.86

 Average # of acres per grower = 2.51

Red Grapes

 Total # of plants = 57,366

 Total # of plants harvested = 31,951

 Total pounds harvested in 2008 = 365,557

 Overall pounds per plant = 11.44

White Grapes

 Total # of plants = 70,493

 Total # of plants harvested = 38,673

 Total pounds harvested in 2008 = 441,193

 Overall pounds per plant = 11.41

Table Grapes

 Total # of plants = 4,766

 Total # of plants harvested = 964

 Total pounds harvested in 2008 = 9,713

 Overall pounds per plant = 10.08

Total Planned Additional Plantings in 2009 = 7,829

RED VARIETY

Name	# of Plants	# of Plants Harvested	2008 Pounds Harvested	Pounds per Plant Harvested
Frontenac	15078	9990	96748	9.68
Marechal Foch	4710	2969	32853	11.07
Trollhaugen	0	0	0	0
Valient	651	388	3110	8.02
Catawba	932	739	8736	11.82
Chambourcin	3571	1838	17838	9.71
Chancellor	687	365	3173	8.69
Concord	1591	1213	13095	10.80
DeChaunac	8622	5730	74442	12.99
Leon Millot	323	186	2290	12.31
Marquette	2800	100	1000	10
Norton	2916	619	3058	4.94
Petite Jewel	0	0	0	0
St. Croix	6815	5425	65353	12.05
St. Vincent	2291	1010	24993	24.75

WHITE VARIETY

Name	# of Plants	# of Plants Harvested	2008 Pounds Harvested	Pounds per Plant Harvested
Brianna	8712	4040	57669	14.27
Chardonel	1934	392	3781	9.65
Delaware	109	105	871	8.30
Edelweiss	13711	7941	85812	10.81
Frontenac Gris	1906	1042	7876	7.56
LaCrescent	1668	860	5322	6.19
Lacrosse	18586	8434	97789	11.59
Niagra	87	63	100	1.59
Petite Amie	112	92	220	2.39
Prairie Star	585	341	2612	7.66
Riesling	2737	1130	524	0.46
Saint Pepin	945	500	5425	10.85
Seyval	4530	3723	35190	9.45
Traminette	4164	1965	22517	11.46
Vidal Blanc	0	0	0	0
Vignoles	7181	5575	56079	10.06
Cayuga	2318	2298	49865	21.70

TABLE GRAPES

Name	# of Plants	# of Plants Harvested	2008 Pounds Harvested	Pounds per Plant Harvested
Canadice	361	183	916	5.01
Concord Seedless	158	118	205	1.74
Himrod	174	107	2040	19.07
Marquis	75	1	0	0
Mars	271	132	2010	15.23
Reliance	650	294	3330	11.33
Swenson Red	103	52	640	12.31

Total Plants = 132,625
 Total Plants Harvested in 2008 = 71,588
 Total Pounds Harvested in 2008 = 816,463
 Total Overall Pounds per Plant = 6.16
 Average Tons per Acre = 2.85 tons/acre harvested (based on 500 plants/acre average)

ACRES BY COUNTY

County	Number of Acres
Adams	3
Boone	.5
Box Butte	2.5
Boyd	2.5
Buffalo	3.8
Burt	5.3
Butler	1.5
Cass	7.25
Cedar	12
Chase	3
Cherry	13.5
Clay	4.95
Colfax	2
Cuming	1
Dakota	2.5
Dawson	17.1
Dixon	1
Dundy	2
Fillmore	1.4
Garden	4
Hamilton	.1
Harlan	6
Hayes	1.1
Holt	.12
Howard	5
Jefferson	1
Johnson	6
Kearney	5
Keith	3
Lancaster	54.5
Lincoln	1
Nemaha	3.5
Nuckolls	16
Otto	27.25
Pawnee	8
Phelps	2
Platte	1.25
Red Willow	2
Richardson	1.5
Saline	6
Sarpy	10.75
Saunders	7.85
Scottsbluff	3.76
Seward	6.5
Sheridan	1
Thayer	7
Washington	10.5

(Note: If county is not listed, no acres were reported)

**Nebraska Grape and Winery Board Meeting Minutes
November 1, 2008
Holiday Inn Downtown
Lincoln, Nebraska**

Board Members present: Eric Nelson
Max McFarland
Ellen Burdick
Bart Holmquist
Terry Ryan

Ex-officio Members present: Casey Foster, Department of Agriculture

Guests present: Dr. Paul Read, UNL
Jennifer Reeder, NWGGA

President Nelson opened the meeting at 4:30 p.m in the University Room.

Agenda: Item 4 of the agenda was edited to read "Approve the June 2008/2009 budget." Eric indicated that these minutes should reflect that the notice of this meeting was placed in the *Omaha World Herald* on October 21, 2008.

Minutes: McFarland moved and Ryan seconded that the minutes of the March 1, 2008, meeting be approved. The motion carried unanimously.

Old Business: On October 21, 2008, a Nebraska Grape and Winery Board meeting notice was published in the *Omaha World Herald*. This notice identified the time (Saturday, November 1, 2008, 4:30 p.m.) and place (Holiday Inn Downtown, Lincoln, Nebraska) of the meeting.

Casey handed out the Wine and Grape Production Promotion Board Budget/Expenditures (2007-2008) indicating that it will be in the Annual Report of December of 2008, and there is a carryover of \$90,144.21 to this fiscal year. Ryan moved and McFarland seconded that the Board accept the budget. The motion was carried unanimously.

Update on previously funded contracts (2007-2008):

- a. NWGGA Contracts - Casey indicated that the booth is apparently still being created, but the contract expired in June 2008. The Passport Wine Tour grant and the NWGGA Executive Director grant have been paid.
- b. UNL Contracts - Dr. Paul Read handed out a one page report entitled "UNL Viticulture Program Report to the Wine and Grape Promotion Board - November 1, 2008," and briefly went through the document. He will have more complete reports for the March meeting of the Board in Kearney. He also previewed new research he will be requesting grant support for including Mg deficiency, a Frontinac trunk study, studies on management of multicolored Asian lady beetles (MALB), and a study on ground covers for vineyard rows. Ryan clarified that the Mg deficiency would be a request for \$9,600, and Eric questioned Dr. Read as to the status of UNL billing.

Casey indicated that more bills will be forthcoming, which Dr. Read indicated was caused by the university's slow billing process.

- c. Miscellaneous contracts - The growers' survey and cold hardiness study (\$1,662 billed) are completed. NDA collection fee is anticipated to be less than the \$5,000 budgeted.

Current Projects (2008-2009): Casey reviewed the current funded projects now in operation for the FY2008/9 budget. Casey indicated that contract recipients are required to submit a project report by June 30.

08/09 Budgeting: The September report that Casey handed out is the most updated. Revenue budget adjustments were made including the check-off fee from \$7,000 to \$12,000, crushed grape fee from \$10,000 to \$12,000, shipper license fees up \$70,000 to \$90,000, and investment interest from \$500 to \$2,000. The new total net revenue total was calculated to be \$206,144. On the expense side the Cuthill's grant was declined, so the \$7,943 is out and carryover contracts for UNL were \$2,274 for the Nutrient Deficiency study, \$590 for the Trellis study and \$7,000 for viticulture. With these entries and with the maximum allowed carryover of \$5,136, the Board must allocate \$36,716 to be spent by June 30 of 2009. Following discussion, it was moved by Terry and seconded by Ellen that the Board approve the new changes in expenditures. The motion passed unanimously. It was also moved and seconded (Max and Terry, respectively) that the Board approve the adjusted shipper license fees. The motion passed unanimously. The resulting ending cash balance finalized to \$52,252, and a motion to approve the revised budget was made by Ellen and seconded by Max. The motion carried unanimously.

New Business: Discussion as to how to distribute the monies that must be spent prior to June 30 proceeded, and it was decided that \$6,000 would go to lowering conference fees and that 30,000 would be allotted for grants. A grant RPF would be initiated January 15, 2009. The grants will be such that the maximum proposal will be \$5,000 with matching funds of up to \$2,500 from the Board.

Other Business: An RFP will be necessary for fiscal year 2009/10, and it will be similar to last years, but with changed dates, a note concerning public domain issues, and with no dollar cap for the grants.

Grape Growers Survey: This will be done again as it is two years old. Seven hundred dollars was originally allocated of which \$494 was spent. Eric handed out the survey cover letter draft and indicated the survey should go out around January 1 and be returned by February 15. A motion to allocate \$1,000 for the survey was moved and seconded by Max and Terry, respectively. The motion carried unanimously.

The next meeting will be about February 1, the exact location and time to be decided later. That meeting will be primarily to review and score the RFPs.

Ellen moved and Bart seconded that we adjourn. The motion carried unanimously.

Respectively submitted,

Bart Holmquist
Nebraska Grape and Winery Board Secretary

**NEWS RELEASE
For Immediate Release**

December 22, 2008

**Contact: Casey Foster: 800-422-6692
Eric Nelson: 402-580-7320**

NEBRASKA GRAPE AND WINERY BOARD SEEKS GRANT PROPOSALS

December 22, 2008 - The Nebraska Grape and Winery Board is seeking grant proposals from individual growers, farm wineries, organizations, industry groups, or academic institutions that aim to assist in the betterment of Nebraska's grape and wine industry. The Board's goal is to fund meaningful projects that have the highest likelihood of significant, positive impact on grape and wine production in Nebraska.

Grant proposals will be considered on a competitive basis. Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Grape and Winery Board. Proposals must clearly explain how the money will be used and how it will enhance the competitiveness of Nebraska's grape and wine industry. The Board anticipates funding proposals during the current fiscal year (July 1, 2008 – June 30, 2009). Applications must be submitted electronically or by U.S. mail to Bart Holmquist, 1333 Prairie View Rd, Eagle, Nebraska, 68347. The e-mail address is barth@unlserve.unl.edu. Applications must be postmarked on or before Friday, January 30, 2009.

Priority for this funding period will be given to marketing projects targeted at increasing the sales of Nebraska grapes and/or wines. Eligible projects must enhance the competitiveness of Nebraska's grapes and wines and may focus on research, promotion, marketing, trade enhancement, education, "buy local" programs, improved efficiency and reduced costs of distribution systems, product development, developing cooperatives, and other opportunities. Grant proposals must show how the project will benefit the grape and wine industry, or a segment of the industry, as a whole.

For grant proposal guidelines and application information, please visit <http://agronomy.unl.edu/viticulture/>. For more information, contact Casey Foster at 800-422-6692 or Eric Nelson at 402-580-7320.

###

NEBRASKA GRAPE AND WINERY BOARD

NOTICE OF REQUEST FOR PROPOSAL

December, 22, 2008

The Nebraska Grape and Wine Board is accepting proposals from interested parties for allocation of funds for the current fiscal period, July 1, 2008 – June 30, 2009. The funds will be allocated the middle of February 2009. Below are the details, if your organization is interested in submitting a proposal.

1. The funding periods are:
 - February 15, 2009 – June 30, 2009
All proposals must be completed according to the format outlined in the attached 'Request For Proposal Application Instructions.'
2. It will not be necessary for a representative from your organization to be present at the Grape and Wine Board meeting the middle of February when all RFP's will be reviewed. All meetings are open to the public. Applicants will be notified as to whether or not their proposal will be funded.
3. The Board reserves the right to reject any or all proposals received, request additional information on project proposals, and partially fund proposals that may be less than the full amount requested.

**Nebraska Grape and Winery Board
Request for Proposal Application Instructions**

Applications Due: **FRIDAY, January 30, 2009**

Applications must be sent or postmarked on or before the above date.

Submit Applications Electronically or by U.S. Mail to:

Bart Holmquist, Secretary
Nebraska Grape and Winery Board
1333 Prairie View Rd
Eagle, NE 68347
barth@unlserve.unl.edu

For More Information Contact:

Casey Foster
Nebraska Department of Agriculture
800-422-6692
casey.foster@nebraska.gov

Eric Nelson
Nebraska Grape and Winery Board Chairperson
402-580-7320
elnelson@alltel.net

Introduction

The Nebraska Grape and Winery Board was created to (a) establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss with the Board its policy and procedures; (b) keep minutes of its meetings and other books and records which clearly reflect all of the acts and transactions of the Board and to make these records available for examination upon request by members of the public; (c) authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to section 53-304; (d) serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and (e) adopt and promulgate rules and regulations to carry out sections of 53-30 to 53-305 of the Nebraska Grape and Winery Board Statute.

The Nebraska Grape and Winery Board's revenue originates from a variety of different sources, which primarily includes shipper license fees, grape excise taxes, and crushed grape fees. The Nebraska Grape and Winery Board has the power to utilize their revenue to fund projects that are designed to improve and promote Nebraska's grape and wine industry. The Board is seeking to fund proposals that will aid in the betterment of the Nebraska's grape and wine industry.

Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Grape and Winery Board. Proposals must clearly explain how the money will be used and how it will enhance the competitiveness of Nebraska's grape and wine industry. This RFP is for the current fiscal year, July 1 2008 – June 30, 2009. All projects approved must be completed by the end of this fiscal year.

The Board has developed this grant proposal process in order to provide all interested parties an opportunity to access these funds. The Board's goal is to fund meaningful projects that have the highest likelihood of significant, positive impact on the grape and wine production in Nebraska. Priority for this funding period will be given to marketing projects targeted at increasing the sales of Nebraska grapes and/or wines.

Grant Eligibility

Proposals should be initiated by individual growers, farm wineries, organizations, industry groups or academic institutions, or should involve collaboration or partnerships between producers, industry groups, academics, or other organizations. Applicants may cooperate with any public or private organization involving agricultural development, research, and/or marketing to enhance Nebraska's grape and wine industry. If two or more individuals or organizations propose a joint project, they may submit one application as co-applicants. Applicants proposing joint projects are not required to form a legal entity but must show in their application how the project potentially impacts and produces measurable outcomes for the grape and wine industry and/or the public. Any and all outcomes and records resulting from a funded project must be available for examination upon request by members of the public. Two – five year project proposals will be considered, subject to annual review and re-authorization.

Examples of enhancing the competitiveness of Nebraska's grapes and wines include, but are not limited to: research, promotion, marketing, trade enhancement, education, "buy local" programs, improved efficiency and reduced costs of distribution systems, product development, and developing cooperatives.

Program Policies

The Nebraska Grape and Winery Board reserves the right to:

- Reject any or all proposals received;
- Request additional information on project proposals;
- Recommend partial funding for a proposal, that may be less than the full amount requested in the grant application;
- Tie the release of project funds to completion of necessary, timely progress reports.

Funding Allocation

Projects funded during this fiscal year will be valid upon the respective party's signature to an Agreement with the Nebraska Department of Agriculture and the party incurring an obligation of funds for the project prior to June 30, 2009. Invoices shall be presented to the Department of Agriculture from which payment shall be made. A final report of the project will be provided to the Board and the Department of Agriculture. For this RFP, there is a dollar-for-dollar cash match. - For example, applicants applying for project funding totaling \$5,000 will need to provide a cash match of \$2,500. The total monetary value of any grant will be \$5,000 with half supplied by the Board and the other half from the applicant.

Funding Cap

The maximum project amount the Nebraska Grape and Winery Board will fund will be \$2,500.

Proposals will NOT fund the following expenses:

- *Paying off existing debt;*
- *Substituting existing efforts or research already funded;*
- *Purchase of equipment, land, or buildings;*
- *Business entertainment or business gifts; and*
- *Lobbying or political efforts.*

Grant Proposal Review and Selection

Grant applications will be reviewed and decided upon by the Nebraska Grape and Winery Board with input from relative entities. The Nebraska Grape and Winery Board will make the final decision.

Questions and Scoring Criteria

There will be 100 points possible, which is outlined below.

Application Instructions

All applications should include the following information:

A. Cover Page

1. Name of applicant whose name should be used on all correspondence. Include contact information (address, phone/fax, e-mail) for one individual. This person should also be the one that will appear on a grant agreement and who will be responsible for tracking and accounting for project funds and ensuring the completion of the project.
2. Abstract of 200 words or less for the proposed project.

3. Listing of all other individuals, entities, organizations, or businesses involved with the project.

B. Project Purpose (5 points)

In one or two paragraphs, clearly state the specific issue, problem, interest, or need to be addressed. Explain why your project is important and timely. Indicate the amount of time needed to complete the project.

C. Potential Impact (10 points)

In one page or less, discuss the number of people or operations affected, the intended beneficiaries of the project, and/or potential economic impact if data from the project are available.

D. Goals (5 points)

Describe the overall goal(s) of the project in one or two sentences.

E. Work Plan (45 points)

On three pages or less, describe your proposal and its expected benefit to the Nebraska grape and wine industry. Explain how each goal and measurable outcome will be accomplished. The measurable outcomes must list the elements that will be monitored or evaluated, by whom, how often and for how long? Expected measurable outcomes may be long term and exceed the grant period. If so, provide a timeframe when long term outcome measures will be achieved.

The major considerations here are:

- *Can project benefits be measured, reported and tracked over time?*
- *Does the project provide an overall economic benefit to Nebraska's grape and wine industry?*
- *Does the project make good business sense and does it have a high likelihood of success?*
- *Are the expected benefits of the proposal commensurate with total investment?*

Other considerations will be given to:

- *Does the project contribute to a positive image of Nebraska grape and wine products?*
- *Does the project provide educational benefits to the public about Nebraska grape and wine products?*

F. Project Commitment (10 points)

On one page or less, describe the partnerships, alliances, networks, or other collaborative efforts that will be created to implement this project. List all parties involved and describe what each contributes in skills and abilities to make this proposal succeed and work toward the goals and outcomes, as well as the commitments for each party (in-kind, monetary, labor, etc.).

Major consideration will be given to whether:

- *The project creates collaborative efforts that enable multiple organizations or individuals to achieve collective results that would not be possible by individual entities;*

- *The applicants demonstrate commitment by way of in-kind time, resources, or other means.*

G. Financial Feasibility (25 points)

This question requires a one page or less narrative and a one page or less standard budget outline. How do you intend to use the grant funds? Provide a breakdown of the components of the proposal and where the grant funds fit into the overall project financing. Prioritize funding needs, if possible. Provide budget estimates for the total project cost.

Major consideration will be given to whether:

- *The project makes good business sense according to the proposed expenses and activities noted in the budget;*
- *The budget supports the anticipated benefits and whether the benefits are commensurate with the total project financing;*
- *The project coordinating entity has a process in place to track and account for grant fund expenditures; can accounting and project records be readily retrieved and reported?*

Sample Budget

Type	Nebraska Grape and Winery Board funds	Cash Match	Total	Purpose
Total				

List the source and amount of funds which the applicant plans to use for the project. This information provides assurance that the applicant will have sufficient resources to meet project goals.

Budget Example

Type	Nebraska Grape and Winery Board Funds	Cash Match	Total	Purpose
Personnel	\$500	\$500	\$1,000	50 hours @ \$20 per hour by whom
Supplies	\$701	\$0	\$701	What and by whom
Travel	\$299	\$0	\$299	200 miles @ \$.585/mile and 7 days at \$26/day for meals
Consultant	\$1,000	\$2,000	\$3,000	Consultant fee
Totals	\$2,500	\$2,500	\$5,000	

H. Signed Agreements Page

Agreement:

I/we the undersigned applicants, _____ of
(name/names)

_____, Nebraska, hereby make an application for Nebraska
(city/cities)

Grape and Winery Board funds, under the terms and conditions of the Nebraska Department of

Agriculture, in the amount of \$_____. The total cost of the project is
(amount requested)

\$_____.
(total project amount)

The undersigned hereby warrant to the Nebraska Grape and Winery Board that to the best of my/our knowledge, all information presented in this grant application is factual and true; that I/we understand that if this proposal is funded, I/we will be required to sign a grant agreement and other necessary documentation containing terms and conditions upon which funds will be released; and that I/we understand that I/we will be required to submit a final report at the completion of the project as a condition to participating in this grant program.

Social Security Number or Federal Tax ID Number: _____

Signed: _____ Date: _____

Title: _____

Signed: _____ Date: _____

Title: _____

Signed: _____ Date: _____

Title: _____

Nebraska Grape and Winery Board Meeting Minutes
February 17, 2009
Room 375
Plant Sciences Building
UNL East Campus
Lincoln, Nebraska

Board Members present:	Eric Nelson Max McFarland Bart Holmquist
Members on Teleconference:	Terry Ryan Ellen Burdick
Ex-officio Members present:	Casey Foster, Department of Agriculture
Guests present:	Dr. Paul Read, UNL Jennifer Reeder, NWGGA Tom Zumpfe, NWGGA Carey Potter, NWGGA (on telephone)

President Nelson opened the meeting at 6 p.m. in the University Room.
Notice of this meeting was placed in the Omaha World Herald on February 2, 2009.

Agenda: Item 3 of the agenda was moved up since Terry must leave the meeting at 7:30. It was moved and seconded by Max and Ellen respectively that the agenda be accepted. The motion passed unanimously.

Old Business: Casey ensured that all Board members received the Wine and Grape Production Promotion Board Budget/Expenditures (2007-2008) January budget summary indicating an ending cash balance of \$51,952.

New Business: The grant applications resulting from the RFP sent out Feb. 2, 2009 and due March 30 will be reviewed at a Board meeting April 18, 2009 in Grand Island in UNL Extension Educator Jim Hruskoci's office. The meeting will start at 11 a.m. and lunch will be provided, arranged by Casey and Eric.

The terms of all Board members are expiring as of June 30. A poll of all Board members indicated that only Eric doesn't want to be reappointed. He asked Board members for suggestions for his replacement.

Grant deliberations: Eric indicated that the total requested funds for the 9 grant applications received were \$19,504.

Ellen inquired if the score sheets Eric provided must be handed in. Eric indicated to the negative and that they were only made up for the convenience of the members.

All applicants who were present at the meeting agreed to leave the room during the Board's deliberations on their specific application.

Terry had emailed his comments to all the Board prior to the meeting.

Barbara Slattery sent a supporting letter to Bart asking if it could be used for her grant. Since it was dated February 10, after the Jan. 30 application time limit date, it was clear that it could not be used.

Terry questioned of the applicability of the SchillingBridge application since it was not strictly related to marketing. Following some discussion reviewing the RFP announcement and the press release it was apparent that though it was indicated that preference would be given to marketing based applications, an application based of research such as the SchillingBridge one could be accepted by the Board. Consequently the Board included the application.

The Board agreed to follow Eric's suggestion to go through all the grants then make a single motion as to the acceptance and funding of each, and to discuss the applications in the order sent by Bart:

Five Trails Vineyard: All agreed this should be funded as requested (\$1,425). Bart questioned if the Board had the authority to increase the requested funding of the grants in general. Ellen thought that would be a bad precedent and Terry indicated that the moneys remaining can be carried over to next year.

Deer Springs Vineyard: All Board members said this should be funded at the requested amount (\$2,500).

High Plains Beverage LLC: All agreed that this application did not warrant funding.

SchillingBridge Winery and Microbrewery: Eric mentioned his talk with Ed Swanson on this application relative to the feasibility. Ed indicated it was realistic. Paul Read, who will be working with SchillingBridge, indicated that it does involve marketing in that wineries can change a vineyard to another variety to fit with newer market demands, and that workshops will be done on grafting at SchillingBridge. All agreed that this should be funded at the requested amount (\$2,500).

Mac's Creek Vineyard: Both applications from Mac's Creek were judged as fundable at the requested amounts (\$1,550 and \$2,500).

Cedar Hills/ Joyce Sears: Bart questioned the presumption that there was a shortage of brambles in the state and was informed by Ellen that this indeed was the case. All thought the application was excellent and should be funded as requested (\$1,530).

Slattery Estates Vineyard: All believed this was a well written application and should be funded at the requested amount (\$2,499). Eric felt the last paragraph of the application needs clarification indicating that if additional years of funding are desired, then a new application would be required for their Summer 2010 series. Casey clarified that artist fees would be within the umbrella of fundable activities.

Joyce Hopken Application: Casey clarified that the Board could allow the request for funds for the construction of a road sign. Ellen made note that Joyce is a very hard and diligent worker. The Board indicated that the funds requested (\$2,500) should be granted.

The sum of all the approved grants was \$17,004 and it was moved by Terry and seconded by Ellen that the Board fund the grants as indicated above. The motion carried unanimously.

There followed a discussion of the remaining funds not granted amounting to \$34,948 and how best to allocate these funds for the best benefit of the industry. Casey clarified that some funds could be carried over to next year which could be as much as \$29,000, i.e. 25% of the \$116,000 budgeted revenue.

Upon discussion with Paul Read, Jennifer Reeder and Carey Potter, the Board recognized that several areas needed additional funding. These included:

- The Camut study to map the state for pesticide applicators so they can be more aware of sensitive crops, specifically grapes. This study is being accomplished by the university for which \$4,000 was recommended;
- Additional funds for NWGGA to supplement their marketing and media efforts for the industry (\$4,000); and
- And a sum of \$2,000 to cover the cost of the trade show vendor lunches at the upcoming 12th Annual Nebraska Winery and Grape Growers Forum and Trade Show in Kearney, Nebraska, March 5-7, 2009.

It was moved and seconded by Max and Bart, respectively, that the Board approve these expenditures. The motion carried unanimously.

Casey stressed that invoices must be in by June 30 but preferably by June 1.

Other Business:

Eric indicated that at the banquet of the Kearney meeting he will present plaques to past Board members recognizing their service to the Board, to the governor, and to the industry.

Casey will send out the public notice of our next meeting scheduled for March 7, 2009.

The next meeting will be Saturday, March 7 at the Holiday Inn in Kearney, Nebraska at 4:30 p.m. at a location in the hotel indicated at the front desk.

Near 8:00 p.m. Ellen moved and Max seconded that we adjourn. Motion carried.

Respectively submitted,
Bart Holmquist
Nebraska Grape and Winery Board Secretary

**NEBRASKA GRAPE AND WINERY BOARD REPORT
MARCH 6, 2009**

The Nebraska Grape and Winery Board consists of five members appointed by the Governor on a nonpartisan basis. All Board members are citizens of Nebraska, at least 21 years of age, and either engaged in or previously engaged in wine or grape production or research in this state. At least two Board members are members of the Nebraska Winery and Grape Growers Association. Each Board member serves for a term of three years, upon completion of which he or she may, at the Governor's discretion, be reappointed. In addition, the Director of Agriculture and the Vice Chancellor of the University of Nebraska Institute of Agriculture and Natural Resources or their designees are ex officio members of the Board.

2008-2009 Board Members

Eric Nelson, Chairman
Max McFarland, Vice Chairman
Bart Holmquist, Secretary
Terry Ryan
Ellen Burdick

Ex Officio Members

Casey Foster, Ag Promotion Coordinator
Nebraska Department of Agriculture

Dr. Gary Cunningham, Dean & Director
UNL Agricultural Research Division

Board revenue primarily originates from three sources:

Shipper License Fees: Out-of-state companies shipping wine into Nebraska must pay a \$500/yr fee.

Grape Excise Taxes: Growers pay \$20/ton of grapes delivered to a winery.

Crushed Grape Fees: Wineries pay \$20/160 gallons of crushed juice to be made into wine.

Fiscal Year 2009 (July 1, 2009 – June 30, 2010)

Total Board Revenue (estimate):\$ 110,620.00

Amount available for grant distribution (estimate):.....\$ 77,000.00

For details on how to apply for grant funds, go to <http://agronomy.unl.edu/viticulture/> .

Note: Projects must benefit the entire grape and/or wine industry and not a particular business venture.

Fiscal Year 2008 (July 1, 2008 – June 30, 2009)

Total Board Revenue (estimate):\$ 206,144.00*
(\$90,144.21 was carryover from FY2007-08)

Expenditures (paid or expect to pay by June 30, 2009):

(See back for breakout of FY 2008 expenditures)

Nebraska Winery and Grape Growers Association\$ 82,535.00

University of Nebraska – Lincoln.....\$ 68,705.00

Nebraska Grape and Winery Grants (Aggregate Total).....\$ 4,030.00

Printing, Room Rental, Public Notices, Fee Collection, Board Expense,
Winery Studies\$ 11,952.00

Grape Growers' Survey.....\$ 1,000.00

Balance on June 30, 2009 (estimate)\$ 24,948.00

Fiscal Year 2007 (July 1, 2007 – June 30, 2008)

Total Board Revenue:\$ 114,745.90*

*((\$4,125.82 was carryover from FY 2006-2007)

Expenditures (paid):

Nebraska Winery and Grape Growers Association\$ 11,410.92

University of Nebraska – Lincoln\$ 11,248.96

Other.....\$ 1,447.82

Grape Growers' Survey.....\$ 493.99

Balance on June 30, 2008\$ 90,144.21

Expenditures Budgeted for Fiscal Year 2008

Printing (Annual Report).....\$ 200.00

Room Rental for Board Meetings\$ 100.00

Board Meeting Notices.....\$ 650.00

NWGGA Executive Director Salary and Marketing Projects\$ 57,635.00

NWGGA – Booth Display\$ 900.00

NWGGA – Advertising Campaign\$ 18,000.00

NWGGA – Purchase of Media Space\$ 4,000.00

NWGGA – Grape and Winery Trade Show\$ 2,000.00

UNL Extension – Grape Cluster Project\$ 2,301.00

UNL Viticulture Program – Research Projects.....\$ 34,540.00

UNL Viticulture Program – Seminars and Research Plots.....\$ 12,000.00

UNL Viticulture Program – Grape and Winery Forum.....\$ 6,000.00

UNL – Sensitive Crop Locator.....\$ 4,000.00

Schilling Bridge Winery and Microbrewery – Rootstock Grafting Project\$ 2,500.00

Cedar Hills Vineyard and Gardens – Bramble Education Project\$ 1,530.00

Grape Growers' Survey.....\$ 1,000.00

Mac's Creek Winery and Vineyards – Yr 2 Cold Hardiness Study\$ 1,840.00

Nebraska Department of Agriculture – Fee Collection.....\$ 5,000.00

Carryover Contract Payments (FY 2007-08)

UNL Viticulture Program – Yr 1 Nutrient Deficiency Study\$ 2,273.71

UNL Viticulture Program – Yr 2 Trellis Study.....\$ 590.33

UNL Viticulture Program – Research Projects.....\$ 7,000.00

Mac's Creek Winery and Vineyards – Yr 1 Cold Hardiness Study.....\$ 1,662.20

Board Expense\$ 2,500.00

Nebraska Grape and Winery Board Meeting Minutes
March 7, 2009
Holiday Inn (Room 102)
Kearney, Nebraska

Board Members present: Eric Nelson
Max McFarland
Bart Holmquist
Terry Ryan
Ellen Burdick

Ex-officio Members present: Casey Foster, Department of Agriculture

President Nelson opened the meeting at 4 p.m. It was moved and seconded by Ellen and Terry, respectively that the agenda be accepted. The motion carried unanimously.

Notice of this meeting was placed in the Omaha World Herald on February 24, 2009.

Minutes: It was moved and seconded by Terry and Ellen that the minutes of the meeting of February 17 be accepted. The motion carried unanimously.

Election of officers: Eric indicated he will not serve on the Board after June 30, 2009 and Ellen volunteered to serve as president. Max will continue as vice president and Bart as Secretary. Terry moved that we accept this slate of officers and Bart seconded the motion. The motion carried unanimously.

Old Business:

It was noted that a UNL representative was not present and therefore there would be no viticulture report.

Review of Fiscal Year 08/09 and status of grants awarded for this fiscal year: Casey ensured that all Board members received the Wine and Grape Production Promotion Board Budget/Expenditures (2008-2009) February budget summary.

Casey had informed the Board that the lawyers in his office were concerned with 6 of the grants awarded at the last Board meeting in that it was their belief that they did not meet the criteria as written to be fundable, as they were largely marketing grants for the benefit of the individual wineries and not the industry as a whole. He had appealed the findings to the Attorney General's office for final disposition and indicated he will contact the denied contracts when the Attorney General makes a final determination. A motion was made by Terry to rescind the funding of the 6 grants in question. The motion was seconded by Ellen and was carried unanimously, with Max abstaining from the vote.

New Business:

On the need to decide on additional funds to allocate for Fiscal Year 08/09, the \$13,000 out of the \$37,922 available returned from not funding the 6 grants.

Eric suggested the Board set priorities for funding such as promotion of research and education, and questioned if the Board should be reactive or proactive. In the past it has been reactive. Now with money to use where should the Board be? April 30, 2012 is end of current mode of funding. The Board needs to consider sustainability.

Members of the NWGGA that included Jennifer Reeder, Tom Zumpfe, Carey Potter, Dave Hanna, and Mick McDowell joined the meeting.

Eric reviewed the status of the 6 applications and that decisions as to their funding will depend on the lawyers in Casey's department and ultimately the Attorney General's office. He also indicated that the Grape and Winery Board should be proactive to assure there is cooperation between the University and NWGGA, particularly as concerns the yearly meetings of the industry. Max suggested we allocate funds in the amount of ~\$14,000 for planning the meeting next year, in particular for payment of hotel costs, but any funds given must be spent before June 30. He further suggested the Board could prepay the hotel expenses. Casey indicated the money must go to the University via the Ag department.

There followed an extended discussion of the role of this Board in the industry, how that role can be implemented, and what options or opportunities are available to ensure that the conferences in particular are owned and driven by the industry. It was agreed that the funding for the hotel costs for the 2010 conference would be made by the Board. Further it was agreed that a committee would be set up consisting of two representatives of the NWGGA, two of the University, and two from the Grape and Winery Board to serve in the planning of the Spring 2010 conference. Ellen will arrange the initial meeting time and place.

It was moved that the Board will allocate \$14,000 to prepay the hotel costs for the Spring 2010 conference, and that a six-person conference planning committee be set up with two representatives each from the university, the NWGGA and the Grape and Winery Board to direct the conference planning with the intent that the same profit distribution currently in effect is maintained. The motion was made by Bart and seconded by Ellen. The motion passed unanimously. Casey indicated he would set up the contract.

Since Paul Read was not in attendance Eric and Bart agreed to visit with Paul and discuss with him the results of this meeting.

Eric indicated that the funding of \$14,000 might be considered seed money and that this allotment could be made for each conference. The NWGGA indicated that would be an appreciated policy.

Casey will look at the grants that are received for the March 20 due date and check with lawyers in his office and get back to the authors if there is a problem with them being for the benefit of single entity rather than the industry as a whole.

Eric checked with John Potter as a possible replacement for him on the Board. John indicated he is interested.

Next meeting is April 18 at 11 a.m. at Jim Hruskoci's office, 3180 W. Highway 34, Grand Island, Nebraska, with the primary purpose to review the March 20 grant applications.

A motion to adjourn was made by Max and seconded by Ellen. The motion carried unanimously.

Respectively submitted,
Bart Holmquist, Nebraska Grape and Winery Board Secretary

**Nebraska Grape and Winery Board
Request for Proposal Application Instructions
2009 – 2010 Fiscal Year**

Applications Due: **FRIDAY, March 20, 2009**

Applications must be sent or postmarked on or before the above date.

Announcement of final decisions on approved grants: By April 30, 2009

Submit Applications Electronically or by U.S. mail to:

Bart Holmquist, Secretary
Nebraska Grape and Winery Board
1333 Prairie View Road
Eagle, NE 68347
barth@unlserve.unl.edu

For More Information Contact:

Casey Foster
Nebraska Department of Agriculture
800-422-6692
casey.foster@nebraska.gov

Eric Nelson
Nebraska Grape and Winery Board Chairperson
402-580-7320
enelson2@neb.rr.com

Introduction

The Nebraska Grape and Winery Board was created to (a) establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss with the Board its policy and procedures; (b) keep minutes of its meetings and other books and records which clearly reflect all of the acts and transactions of the Board and to make these records available for examination upon request by members of the public; (c) authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to section 53-304; (d) serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and (e) adopt and promulgate rules and regulations to carry out sections of 53-30 to 53-305 of the Nebraska Grape and Winery Board Statute.

The Nebraska Grape and Winery Board's revenue originates from a variety of different sources, which primarily include shipper license fees, grape excise taxes, and crushed grape fees. The Nebraska Grape and Winery Board has the power to utilize their revenue to fund projects that are designed to improve and promote Nebraska's grape and wine industry. The Board is seeking to fund proposals that will aid in the betterment of Nebraska's grape and wine industry.

Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Grape and Winery Board. Proposals must clearly explain how the money will be used and how it will enhance the competitiveness of Nebraska's grape and wine industry. This RFP is for the next fiscal year, July 1, 2009 – June 30, 2010. All projects approved must be completed by the end of this next fiscal year.

The Board has developed this grant proposal process in order to provide all interested parties an opportunity to access these funds. The Board's goal is to fund meaningful projects that have the highest likelihood of significant, positive impact on the grape and wine production in Nebraska.

Funding Cap

The maximum grant award will be \$50,000. The Board reserves the right to consider larger requests for projects with exceptional merit.

Grant Eligibility

Proposals should be initiated by individual growers, farm wineries, organizations, industry groups or academic institutions, or should involve collaboration or partnerships between producers, industry groups, academics, or other organizations. **Projects must benefit the entire grape and/or wine industry and not a particular business venture.** Applicants may cooperate with any public or private organization involving agricultural development, research, and/or marketing to enhance Nebraska's grape and wine industry. If two or more individuals or organizations propose a joint project, they may submit one application as co-applicants. Applicants proposing joint projects are not required to form a legal entity but must show in their application how the project potentially impacts and produces measurable outcomes for the grape and wine industry and/or the public. **Any and all outcomes and records resulting from a funded project must be available for examination upon request by members of the public.** Two – five year project proposals will be considered, subject to annual review and re-authorization.

Examples of enhancing the competitiveness of Nebraska's grapes and wines include, but are not limited to: research, promotion, marketing, nutrition, trade enhancement, food safety, food security, education, "buy local" programs, increased consumption, increased innovation,

environmental and conservation concerns, improved efficiency and reduced costs of distribution systems, product development, and developing cooperatives.

Program Policies

The Nebraska Grape and Winery Board reserves the right to:

- Reject any or all proposals received;
- Request additional information on project proposals;
- Recommend partial funding for a proposal, that may be less than the full amount requested in the grant application;
- Tie the release of project funds to completion of necessary, timely progress reports.

Funding Allocation

Projects funded during this next fiscal year will be valid upon the respective party's signature to an Agreement with the Nebraska Department of Agriculture and the party incurring an obligation of funds for the project on or after July 1, 2009, and prior to June 30, 2010. Invoices shall be presented to the Department of Agriculture from which payment shall be made. A final report of the project will be provided to the Board and the Department of Agriculture. There will be no funding match requirement of applicants, although priority will be given to those projects that show in-kind and additional cash commitment to supplement the funding request.

Proposals will NOT fund the following expenses:

- *Paying off existing debt;*
- *Substituting existing efforts or research already funded;*
- *Purchase of equipment, land, or buildings;*
- *Business entertainment or business gifts; and*
- *Lobbying or political efforts*

Grant Proposal Review and Selection

Grant applications will be reviewed and decided upon by the Nebraska Grape and Winery Board with input from relative entities. The Nebraska Grape and Winery Board will make the final decision.

Questions and Scoring Criteria

There will be 100 points possible, which is outlined below.

Application Instructions

All applications should include the following information:

A. Cover Page

1. Name of applicant whose name should be used on all correspondence. Include contact information (address, phone/fax, e-mail) for one individual. This person should also be the one that will appear on a grant agreement and who will be responsible for tracking and accounting for project funds and ensuring the completion of the project.

2. Abstract of 200 words or less for the proposed project.
3. Listing of all other individuals, entities, organizations, or businesses involved with the project.

B. Project Purpose (5 points)

In one or two paragraphs, clearly state the specific issue, problem, interest, or need to be addressed. Explain why your project is important and timely. Indicate the amount of time needed to complete the project. The project must benefit the entire grape and/or wine industry and not a particular business venture.

C. Potential Impact (10 points)

In one page or less, discuss the number of people or operations affected, the intended beneficiaries of the project, and/or potential economic impact if data from the project are available.

D. Goals (5 points)

Describe the overall goal(s) of the project in one or two sentences.

E. Work Plan (45 points)

On three pages or less, describe your proposal and its expected benefit to the Nebraska grape and wine industry. Explain how each goal and measurable outcome will be accomplished. The measurable outcomes must list the elements that will be monitored or evaluated, by whom, how often and for how long? Expected measurable outcomes may be long term and exceed the grant period. If so, provide a timeframe when long term outcome measures will be achieved.

The major considerations here are:

- *Does the project benefit the entire grape and/or wine industry and not a particular business venture?*
- *Can project benefits be measured, reported and tracked over time?*
- *Does the project provide an overall economic benefit to Nebraska's grape and wine industry?*
- *Does the project make good business sense and does it have a high likelihood of success?*
- *Are the expected benefits of the proposal commensurate with total investment?*

Other considerations will be given to:

- *Does the project contribute to a positive image of Nebraska grape and wine products?*
- *Does the project provide educational benefits to the public about Nebraska grape and wine products?*

F. Project Commitment (10 points)

On one page or less, describe the partnerships, alliances, networks, or other collaborative efforts that will be created to implement this project. List all parties involved and describe what each contributes in skills and abilities to make this proposal succeed and work toward the goals and outcomes, as well as the commitments for each party (in-kind, monetary, labor, etc.).

Major consideration will be given to whether:

- *The project involves collaboration and enables the grape and wine industry to achieve collective results that benefits the entire industry, not a particular business venture;*
- *The applicant demonstrates commitment by way of in-kind time, resources, or other means.*

G. Financial Feasibility (25 points)

This question requires a one page or less narrative and a one page or less standard budget outline. How do you intend to use the grant funds? Provide a breakdown of the components of the proposal and where the grant funds fit into the overall project financing. Prioritize funding needs, if possible. Provide budget estimates for the total project cost.

Major consideration will be given to whether:

- The project makes good business sense according to the proposed expenses and activities noted in the budget;
- The budget supports the anticipated benefits and whether the benefits are commensurate with the total project financing; and
- The project coordinating entity has a process in place to track and account for grant fund expenditures; can accounting and project records be readily retrieved and reported?

Sample Budget

Type	Nebraska Grape and Winery Board Funds	Applicant Contributions (In-Kind or Cash)	Total	Purpose
Personnel	\$1,000	\$500	\$1,500	75 hours @ \$20 per hour by whom
Supplies	\$701	\$0	\$701	What and by whom
Travel	\$299	\$0	\$299	200 miles @ \$.585/mile and 7 days at \$26/day for meals
Consultant	\$2,000	\$1,000	\$3,000	Consultant fee
Totals	\$4,000	\$1,500	\$5,500	

List the source and amount of funds which the applicant plans to use for the project. This information provides assurance that the applicant will have sufficient resources to meet project goals.

H. Signed Agreements Page

Agreement:

I/we the undersigned applicants, _____ of
(name/names)

_____, Nebraska, hereby make an application for Nebraska
(city/cities)

Grape and Winery Board funds, under the terms and conditions of the Nebraska
Department of Agriculture, in the amount of \$_____. The total cost
(amount requested)

of the project is \$_____.
(total project amount)

The undersigned hereby warrant to the Nebraska Grape and Winery Board that to the best of my/our knowledge, all information presented in this grant application is factual and true; that I/we understand that if this proposal is funded, I/we will be required to sign a grant agreement and other necessary documentation containing terms and conditions upon which funds will be released; and that I/we understand that I/we will be required to submit a final report at the completion of the project as a condition to participating in this grant program.

Social Security Number or Federal Tax ID Number: _____

Signed: _____ Date: _____

Title: _____

Signed: _____ Date: _____

Title: _____

Signed: _____ Date: _____

Title: _____

Nebraska Grape and Winery Board Meeting Minutes
April 18, 2009
Southeast Research and Extension Center
3180 West Highway 34
Grand Island, Nebraska 68803

Board Members Present:

Eric Nelson
Max McFarland
Bart Holmquist
Terry Ryan
Ellen Burdick

Ex-officio Members Present:

Casey Foster, Department of Agriculture

Guests Present:

Tom Zumpfe
Dr. Paul Read
Carey Potter

Prior to the start of the meeting, Casey handed out the meeting agenda, a summary page of Robert's Rules of Order, and placed the Nebraska Open Meetings Act on the table.

Ellen Burdick opened the meeting at 11:16 a.m. Amendments to the agenda included a summary report of Bart and Eric's meeting with Dr. Read, suggesting potential candidates to fill the upcoming Board vacancy position, and potential funding for a part-time Board Assistant. It was moved and seconded by Ellen and Terry, respectively, that the agenda be accepted as amended. The motion carried unanimously.

Notice of this meeting was placed in the *Omaha World Herald* on April 6, 2009.

Minutes from March 7th Board Meeting:

After minor editing of the minutes of the meeting of March 7, it was moved and seconded by Eric and Mac, respectively, that the minutes be approved as edited. The motion carried unanimously.

Old Business:

Casey handed out an e-mail from Attorney General's (AG) office regarding their decision as to whether Board funds should be used to pay for marketing projects conducted by individual wineries. After reviewing the statutory authority, legislative history, and relevant constitutional provisions and case law, the AG's office believed that the proposed grants are legally and constitutionally defensible. The proposed allocations do technically fit within the statutory directive for use of fund revenue as set forth in Neb. Rev. Stat. §53-304, as the revenue is being used "to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry." While these allocations may arguably be challenged as an unconstitutional expenditure of public funds for a private purpose, these allocations can be distinguished from the payments in *Oxnard Beet Sugar Co. v. State*, 73 Neb. 57, 105 N.W. 716 (1905), because they are not direct payments for which no public purpose can be derived. "It is the province of the Legislature to determine matters of policy. In appropriating the public funds, if there is reason for doubt or argument as to whether the purpose for which the appropriation is made is a public or private purpose, and reasonable men might differ in regard to it, it is generally held that the matter is for

the Legislature . . .” *Oxnard*, 73 Neb. 57, 57, 105 N.W. 716, 717. In order for a court to declare a tax, statute, or allocation invalid because its object is not a public purpose, “the absence of public purpose must be so clear and palpable as to be immediately perceptible to the reasonable mind.” *Lenstrom v. Thone*, 209 Neb. 783, 783, 311 N.W.2d 884, 885 (1981); see also *In re Applications A-16027, A-16028, A-16031, A-16032, A-16033, A-16036, A-16038, A-16039, A-16600, A-16603, and A-16606*, 243 Neb. 419, 420, 499 N.W.2d 548, 549 (1993); *Chase v. Douglas County*, 195 Neb. 838, 838, 241 N.W.2d 334, 335–36 (1976). The Board’s proposed expenditures are not so devoid of a public purpose that they can be deemed *per se* unconstitutional. As such, the AG’s office believes that it is within the Board’s legal authority to make the proposed allocations. While these allocations may survive legal scrutiny, the AG’s office recognizes the policy concerns that these allocations raise and that are beyond their office’s purview.

After review of this e-mail, it was the consensus of the Board that the proposed grants not be funded, which was the decision that was voted upon at the March meeting. It was further determined that marketing projects be directed and funded under the Nebraska Winery and Grape Growers’ Association (NWGGA). The Board would have to assure that the money distributed would be in compliance with state statutes. Motion on this issue was deferred for a later date and time.

Casey used a projector to display the March 2009 fiscal report, which indicated the status payments of the various contracts the Board has with the NWGGA, UNL, and individual wineries. Max provided the Board with a review of his two-year Cold Hardiness Study project and Dr. Read gave a report on his viticulture projects.

The Board previously decided to utilize fiscal year 2008/09 Board funds to pay for some of the expenses associated with the 2010 Nebraska Grape and Winery Forum. Eric moved and Terry seconded that the Board move the \$14,000 that was initially allocated to NWGGA for this purpose be redirected to the UNL Viticulture Program. The reason for this redirection of funds is because UNL has a contractual agreement with the hotel to host the 2010 conference. Funding will be used to assist in paying for some of the expenses associated with this conference. The motion carried unanimously. Casey said he will write a contract that will allow for the transfer of Board funds to UNL.

Eric gave a brief review of the meeting he and Bart had with Dr. Read concerning the Conference Planning Committee and how to plan the March conference. The Committee will consist of members representing UNL, the NWGGA, and the Board. Max and Bart agreed to serve as the Board representatives. Tom Zumpfe and Dr. Read will decide when to call the first Committee meeting.

Ellen was concerned about contract extensions, specifically Jim Hruskoci’s grant, and Casey indicated that any unspent funds at the end of the fiscal year are returned to the Board. Grant extensions for the next fiscal year require Board approval. Additionally, new contracts must be written and signed. If extension(s) are requested, Casey will notify the Board of the request(s).

Tom Zumpfe, Carey Potter, and Dr. Read gave reports of the NWGGA’s and UNL’s marketing and research projects, respectively. Dr. Read handed out a report summary to the Board that discussed the research projects on cultivars, cold hardiness, Frontinac and Marquette trellis systems, and western Nebraska nutrient deficiency diseases.

All Board members’ terms expire in June. Eric has decided not to seek reappointment to the Board. The other four members are seeking reappointment. The Governor will determine who will serve on the Board for the next three years.

New Business:

Max made a motion and Terry seconded it to approve the Board's fiscal year 2009/2010 budget with a Beginning Cash Balance of \$23,922, Total Revenue of \$116,000, Total Expenditures of \$113,083, and an Ending Cash Balance of \$26,839. The motion was projecting that the Board would accrue \$90,000 in Shipper License Fees, \$12,000 in Check-Off Fees, \$12,000 in Crushed Grape Fees, and \$2,000 in interest.

It was agreed that the Board continue supporting the salaries of Steve Gamet of UNL (\$30,250) and Carey Potter of NWGGA (\$36,000) and that the two grants that requested those salaries be funded to their entirety. Eventually, it is expected that the Executive Director position of the NWGGA be self sustaining. Therefore, the Board approved for the allocation of \$50,000 to the NWGGA to fund their Executive Director position and to pay for some of their marketing activities. A total of \$1,900 was allocated to aid in the continuation of the UNL Grape Cluster project and \$46,618 to UNL's viticulture research projects directed by UNL's Viticulture Program.

With the other grants proposed, each was discussed as to merit, value to the industry, and feasibility. Though most were considered good ideas, all, except the Cold Hardiness Study, conflicted with the current activities of NWGGA or with project feasibility. Regardless of this conflict, the Board allocated \$3,940 to Mac's Creek Vineyard and Winery to conduct the third phase of their Cold Hardiness Study. Casey requested the Board allocate money to hire a part-time Board Assistant. This individual will serve as a clerical secretary and would help monitor grant projects, collect invoices, compile reports, and attend Board meetings. Specific responsibilities would include, but would not be limited to:

- Assembling and distributing Board Request for Proposals (RFP) to the public;
- Collecting and forwarding all project proposals to the Board;
- Monitoring projects;
- Collecting and submitting invoices and receipts to NDA in a timely manner;
- Collecting final reports;
- Preparing year-end documentation that includes funded project proposals, contracts, and final reports;
- Compiling information for the Grape and Winery Board's Annual Report;
- Assisting the Board Secretary in compiling Board meeting minutes;
- Ensuring submission of Board Expense Reimbursement Requests to NDA; and
- Collaborating and communicating with NDA and the Board on a regular basis.

The Board agreed that funding such a position was appropriate. The Board voted and approved the allocation of \$5,000 to fund this position and recommended that NDA begin searching for an individual to serve in this capacity.

Additional expenditures added to the fiscal year 2009/2010 budget included \$2,500 for Board expenses, \$2,500 for NDA's fee collection process, \$100 for printing costs, \$125 for room rental expenses, and \$400 for Public Meeting Notices. If revenue is projected to be accurate, as estimated by the Board, the Ending Cash Balance for fiscal year 2009/2010 will be \$26,839. The motion to approve the budget was unanimous. Motion carried.

Casey suggested the Board develop a strategic plan, which is an internal document that: (1) outlines an organization's overall direction, philosophy, and purpose; (2) examines its strengths, weaknesses, opportunities, and threats; (3) sets long-term objectives; and (4) formulates short-term tactics to reach

them. The Legislature could potentially find this plan valuable and might help sustain the Board's current funding level following the year 2012. Casey mentioned that he will have some templates available at the next meeting that will help the Board develop their plan.

The next meeting will coincide with the fall workshop at the Holiday Inn in Lincoln. The date and time of the meeting will be decided at a later date.

A motion to adjourn was made at 3:10 p.m. by Max and seconded by Eric. The motion carried unanimously.

Respectively submitted,
Bart Holmquist, Nebraska Grape and Winery Board Secretary

WINE & GRAPE PRODUCTION PROMOTION BOARD
JULY 1, 2008 - JUNE 30, 2009

DESCRIPTION	FY2008-09 BUDGET	JUNE, 2009	FY2008-09 YR-TO-DATE	YTD AS % OF BUDGET
BEGINNING CASH BALANCE	\$ 90,144	\$ 115,932.22	\$ 90,144.21	
REVENUE:				
Shipper License Fees	\$ 90,000	\$ 6,000.00	\$ 125,000.00	
Check-Off Fee	12,000	0.00	8,610.15	
Crushed Grape Fees	12,000	0.00	14,914.59	
Investment Interest	2,000	370.10	3,912.84	
Total Revenue	\$ 116,000	\$ 6,370.10	\$ 152,437.58	131%
TOTAL AVAILABLE CASH	\$ 206,144	\$ 122,302.32	\$ 242,581.79	
EXPENDITURES:				
Printing (Annual Report)	\$ 200	\$ 113.22	\$ 169.02	
Room Rental	100	0.00	50.00	
Board Meeting Notices	650	0.00	253.04	
NWGGA Contracts				
NWGGA - Exec. Dir. & Marketing	57,635	5,934.67	52,393.73	
NWGGA - Display Booth	900	0.00	481.50	
NWGGA - Advertising Campaign	18,000	0.00	18,000.00	
NWGGA - Media Space	4,000	0.00	3,940.00	
NWGGA - Vendor Lunch's	2,000	0.00	2,000.00	
UNL Contracts				
UNL Extension - Grape Cluster	2,301	1,824.62	2,301.00	
UNL - Viticulture 18-01-188	34,540	0.00	34,540.00	
UNL - Viticulture - Educational Seminars	12,000	0.00	12,000.00	
UNL - Grape & Winery Forum	6,000	0.00	6,000.00	
UNL - Sensitive Crop Locator	4,000	0.00	4,000.00	
UNL - 2010 Grape & Wine Forum	14,000	14,000.00	14,000.00	
Contracts (Misc.)				
Grape Growers Survey	1,000	0.00	222.07	
Mac's Creek - Yr 2 Cold Hardiness Study	1,840	1,840.00	1,840.00	
Schilling Bridge - Root Stock Grafting Proj	2,500	1,401.23	1,401.23	
Cedar Hills - Bramble Education Project	1,530	1,530.00	1,530.00	
NDA Fee Collection	5,000	259.69	1,034.57	
Carryover Contracts (FY 2007-08)				
UNL - Yr 1 Nutrient Deficiency Study	2,274	0.00	2,273.71	
UNL - Yr 2 Trellis Study	590	0.00	590.33	
UNL - Viticulture	7,000	0.00	7,000.00	
Mac's Creek - Yr 1 Cold Hardiness Study	1,662	0.00	1,662.20	
Board Expense				
	2,500	0.00	1,520.50	
Total Expenditures	\$ 182,222	\$ 26,903.43	\$ 169,202.90	93%
Adjustment to Fund Balance	0	(22,020.00)	0.00	
ENDING CASH BALANCE	\$ 23,922	\$ 73,378.89	\$ 73,378.89	

*The ending cash balance is 100% invested in the short-term investment pool.

Percent of Fiscal Year Elapsed: 100%

FY08-09 Revenue to Date: \$110,620.08

FY08-09 Expenditures to Date: \$24,601.69

AGREEMENT

between

CEDAR HILLS VINEYARD AND GARDENS

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-075

This Agreement entered into by and between Cedar Hills Vineyard and Gardens, hereinafter called the "Vineyard" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to the Vineyard for an activity that will increase the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Vineyard for a bramble educational program;

WHEREAS, the educational program will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further enhance Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved one thousand five hundred thirty dollars (\$1,530) from the Winery and Grape Producers' Promotional Fund to enable the Vineyard to deliver an educational program that will increase the production of bramble plants in Nebraska. Wineries would benefit by producing and offering wines made from this plant's fruit. The goals of this project are as follows:
 - a. Provide participants with the necessary education to enable them to raise brambles successfully; and
 - b. Increase the number of people who are successfully planting brambles and are experiencing a rewarding outcome as a result;

The amount of one thousand five hundred thirty dollars (\$1,530) will partially pay for costs involved with this project.

2. Duration of Agreement: This Agreement shall be in force and effective from February 17, 2009, to June 30, 2009.
3. The Department agrees to provide the funds, as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
4. The Vineyard agrees to provide a copy of the results to the Department with a report of the costs involved for this project.
5. Payment in the amount of one thousand five hundred thirty dollars (\$1,530) from the Winery and Grape Producers' Promotional Fund to the Vineyard will be payable in full upon both parties' signatures to this Agreement, and the Vineyard incurring an obligation of at least this amount. The Vineyard shall present an invoice(s) to the Department from which payment(s) shall be made.
6. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. The Vineyard shall utilize funds provided by the Department only for the expenses associated with this project. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Vineyard shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Vineyard is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.

- c. The Vineyard agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Vineyard workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. The Vineyard shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of the Vineyard to perform such duties for the Department as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Vineyard which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Vineyard.
- f. The Vineyard agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Vineyard shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Vineyard specifically agrees that funds given to the Vineyard shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Vineyard under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Vineyard and Grape Producers' Promotional Fund unless otherwise agreed. Furthermore, if the Vineyard fails to perform as outlined herein, the Vineyard shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Vineyard under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Vineyard that the Vineyard is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Vineyard guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

CEDAR HILLS VINEYARD AND GARDENS

Date

Joyce Sears, Owner

cedarhills-contract022309.doc

AGREEMENT

between

MAC'S CREEK VINEYARD AND WINERY

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-060

This Agreement entered into by and between Mac's Creek Vineyard and Winery, hereinafter called the "Vineyard" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to the Vineyard toward research activities to assist in the betterment of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Vineyard for a study of grapevine cold hardiness;

WHEREAS, the research activities conducted by the Vineyard will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further enhance Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved one thousand eight hundred forty dollars (\$1,840) from the Winery and Grape Producers' Promotional Fund to assist the Vineyard in paying for the evaluation of techniques which are designed to enhance grapevine cold hardiness. This project will study the effects of late winter spraying of dormant vines using products which are designed to either delay de-acclimation and/or bud break from 10 to 14 days.

This research project will consist of three samples of 60 vines each. Each sample will consist of 15 vines across four different cultivars, which include Marachel Foch, LaCrosse, Edelweiss, and St. Croix. Each sample will be treated differently.

The first sample (identified as Treatment 1) will be sprayed with Soy Oil, which is designed to delay de-acclimation and bud break. The second sample (Treatment 2) will be brushed with Alginate Gel, which is designed to delay bud break. The third sample, (Control group), will receive no treatments at all.

Results from this project are to determine if there is a difference in delayed bud break counts and harvest yields when comparing the three groups.

The amount of one thousand eight hundred forty dollars (\$1,840) will partially pay for costs involved with this project, which include chemicals, soil samples, labor, research consultant expenses (time, travel, and lodging) and data collection, entry, and analysis.

2. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2008, to June 30, 2009.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
4. The Vineyard agrees to provide a copy of the results to the Department with a report of the costs involved for this project.
5. Payment in the amount of one thousand eight hundred forty dollars (\$1,840) from the Winery and Grape Producers' Promotional Fund to the Vineyard will be payable in full upon both parties signing this Agreement, and the Vineyard incurring an obligation of at least one thousand eight hundred forty dollars (\$1,840) for this project. The Vineyard shall present an invoice to the Department from which payment shall be made.
6. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. The Vineyard shall utilize funds provided by the Department only for facilities, materials, and personnel to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Vineyard shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Vineyard is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. The Vineyard agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Vineyard workplace;
 - (3) The specific actions that will be taken against employees for violating the policy; and
 - (4) A requirement that each employee shall receive a copy of the policy.
- d. The Vineyard shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of the Vineyard to perform such duties for the Department as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Vineyard which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Vineyard.
- f. The Vineyard agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Vineyard shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Vineyard specifically agrees that funds given to the Vineyard shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.

- h. Any funds paid to the Vineyard under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund unless otherwise agreed. Furthermore, if the Vineyard fails to perform as outlined herein, the Vineyard shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Vineyard under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Vineyard that the Vineyard is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Vineyard guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

MAC'S CREEK VINEYARD AND WINERY

Date

Seth McFarland
Mac's Creek Vineyards

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-200

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Winery and Grape Producers' Promotional Fund to NWGGA to pay for an advertising campaign, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to NWGGA;

WHEREAS, the promotional activities conducted by NWGGA will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved eighteen thousand dollars (\$18,000) from the Winery and Grape Producers' Promotional Fund to pay for an advertising campaign, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.

Funds allocated to the NWGGA for this project will be used to pay for the production of any television commercial(s), radio commercial(s), printed advertisements, and/or other media materials promoting Nebraska's grape and wine industry. It will also pay for any media time involved in airing the commercials.

2. Duration of Agreement. This Agreement shall be in force and effective from November 1, 2008, to June 30, 2009.
3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers' Promotional Fund. Payment up to eighteen thousand dollars (\$18,000) from the Winery and Grape Producers' Promotional Fund will be payable upon both parties' signature to this Agreement, and NWGGA incurring a purchase order or contractual obligation for at least this amount. NWGGA shall present an invoice(s) and supporting documentation to the Department from which payments shall be made.
4. NWGGA shall provide a report within 30 days after completion or no later than July 31, 2009. The report is to summarize the advertising campaign and provide a report of expenditures incurred.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to only conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of NWGGA to perform such duties for the Department as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of NWGGA, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
 - f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
 - g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
 - h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of

the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.

- I. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

nwgacontract-advertisingcampaign011609.doc

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-052

This Agreement entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Winery and Grape Producers' Promotional Fund to NWGGA for the creation of a new NWGGA display booth. The purpose of the booth is to assist in the promotion of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to NWGGA;

WHEREAS, the promotional activities conducted by NWGGA will greatly assist the Nebraska grape and wine industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved nine hundred dollars (\$900) from the Winery and Grape Producers' Promotional Fund to pay for the creation of a new NWGGA display booth.

This booth will represent Nebraska's emerging grape and wine industry and a variety of events, meetings, and conferences associated with this industry. This display is designed to encourage the growth and development of Nebraska's wine industry by creating awareness resulting in the marketing of Nebraska wines. It will present an image of high-quality grapes and wines grown and produced in Nebraska.

The amount of nine hundred dollars (\$900) will be used to pay for the creation of this display.

2. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2008, to June 30, 2009.
3. The Department agrees to provide the funds as set out in paragraph 1, from the Winery and Grape Producers' Promotional Fund.
4. NWGGA agrees to provide a final report of the costs to the Department after the booth has been created.
5. Payment in the amount of nine hundred dollars (\$900) from the Winery and Grape Producers' Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement, and NWGGA incurring an obligation. NWGGA shall present an invoice to the Department from which payment shall be made.
6. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
 - c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees, which may arise out of or on account of any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of NWGGA which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
 - f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
 - g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
 - h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of

the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.

- I. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

nwggcontract-boothdisplay031309.doc

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-189

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA toward funding an Executive Director position and conducting marketing programs to assist in the betterment of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to NWGGA;

WHEREAS, the promotional activities conducted by NWGGA will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved fifty-seven thousand six hundred thirty-five dollars (\$57,635) from the Winery and Grape Producers' Promotional Fund to fund an Executive Director position (\$36,000) and to pay for marketing activities (\$21,635), both of which are designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.

An amount of thirty-six thousand dollars (\$36,000) will be used to pay for the salary of the NWGGA's Executive Director's position. The remaining twenty one thousand six hundred thirty-five dollars (\$21,635) will be used to pay for brochures, media campaign, Wine Tour Passport Program, Economic Impact Study (Second Phase), web page development (Second Phase), educational

seminars, and grower field days. It will be the responsibility of the Executive Director to administer and execute these programs.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2008, to June 30, 2009.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
4. Payment in the amount of fifty-seven thousand six hundred thirty-five dollars (\$57,635) from the Winery and Grape Producers' Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement and NWGGA incurring an obligation. NWGGA shall present invoices to the Department from which payments shall be made.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department only for funding an Executive Director position and marketing activities to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of NWGGA to perform such duties for the Department as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of NWGGA which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
 - f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
 - g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
 - h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of

the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.

- I. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Mick McDowell, President

nwggcontract-execcdir&mkting_070108.doc

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-079

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to the NWGGA for an activity that will increase the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to NWGGA;

WHEREAS, the media space purchased by NWGGA will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved four thousand dollars (\$4,000) from the Winery and Grape Producers' Promotional Fund to purchase media space that will allow for the continuation of an advertising campaign, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.
2. Duration of Agreement. This Agreement shall be in force and effective from February 17, 2009, to June 30, 2009.
3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers' Promotional Fund. Payment up to four thousand

dollars (\$4,000) from the Winery and Grape Producers' Promotional Fund will be payable upon both parties' signatures to this Agreement and NWGGA incurring a purchase order or contractual obligation for at least this amount. NWGGA shall present an invoice(s) and supporting documentation to the Department from which payments shall be made.

4. NWGGA shall provide a report within 30 days after completion or no later than July 31, 2009. The report is to summarize the reason for purchasing the media space and provide a report of the expenditures incurred.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to only conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;

- (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of NWGGA, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
 - f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
 - g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
 - h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
 - l. All provisions of this Agreement are subject to the Americans with Disabilities Act.

- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-078

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to the NWGGA for an activity that will increase the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to NWGGA;

WHEREAS, the trade show conducted by NWGGA will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved two thousand dollars (\$2,000) from the Winery and Grape Producers' Promotional Fund to pay for the lunches of trade show vendors participating in the 12th Annual Nebraska Grape and Winery Forum and Trade Show.
2. Duration of Agreement. This Agreement shall be in force and effective from February 17, 2008, to June 30, 2009.
3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers' Promotional Fund. Payment up to two thousand dollars (\$2,000) from the Winery and Grape Producers' Promotional Fund will be payable upon both parties' signatures to this Agreement and NWGGA incurring

an obligation. NWGGA shall present an invoice(s) and supporting documentation to the Department from which payments shall be made.

4. NWGGA shall provide a report within 30 days after completion or no later than July 31, 2009. The report shall summarize the reason for the incurred expenditures.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to only conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (4) The specific actions that will be taken against employees for violating the policy; and

- (5) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of NWGGA, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
- f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.

n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

nwgacontract-tradeshovendors022309.doc

AGREEMENT

between

SCHILLINGBRIDGE WINERY AND MICROBREWERY

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-074

This Agreement entered into by and between SchillingBridge Winery and Microbrewery, hereinafter called the "Winery" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to the Winery for an activity that will increase the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Winery for a rootstock grafting project;

WHEREAS, the research activities conducted by the Winery will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further enhance Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved two thousand five hundred dollars (\$2,500) from the Winery and Grape Producers' Promotional Fund to enable the Winery to explore the suitability of using existing cultivars as rootstock by grafting cultivars with greater wine grape value to mature Lacrosse and/or deChaunac vines.

The goals of this project are as follows:

- a. Evaluate the suitability of Lacrosse and/or deChaunac as rootstock cultivars;
- b. Quantify the economic costs and benefits of this activity; and

- c. Provide a venue to educate Nebraska grape growers on this viticultural practice.

The amount of two thousand five hundred dollars (\$2,500) will partially pay for costs involved with this project.

2. Duration of Agreement: This Agreement shall be in force and effective from February 17, 2009, to June 30, 2009.
3. The Department agrees to provide the funds, as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
4. The Winery agrees to provide a copy of the results to the Department with a report of the costs involved for this project.
5. Payment in the amount of two thousand five hundred dollars (\$2,500) from the Winery and Grape Producers' Promotional Fund to the Winery will be payable in full upon both parties' signatures to this Agreement and the Winery incurring an obligation of at least this amount. The Winery shall present an invoice(s) to the Department from which payment(s) shall be made.
6. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. The Winery shall utilize funds provided by the Department only for the expenses associated with this project. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Winery shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Winery is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. The Winery agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Winery workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. The Winery shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of the Winery to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Winery which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Winery.
- f. The Winery agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Winery shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Winery specifically agrees that funds given to the Winery shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Winery under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund unless otherwise agreed. Furthermore, if the Winery fails to perform as outlined herein, the Winery shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Winery under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Winery that the Winery is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Winery guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

SCHILLINGBRIDGE WINERY AND
MICROBREWERY

Date

Max Hoffman, Vinter and Vineyard Manager

schillingbridge-contract022309.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-080

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called "UNL," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to UNL for research and educational activities that will assist in the betterment of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving the fact that the Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to UNL;

WHEREAS, the research activities conducted by UNL will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved four thousand dollars (\$4,000) from the Winery and Grape Producers' Promotional Fund to assist in paying for a graduate student's salary for her work on the Sensitive Crop Locator project. The University of Nebraska-Lincoln's (UNL) Center for Advance Land Management and Information Technology and UNL's Agronomy and Horticulture Department selected a graduate student with GIS/IMS knowledge and an interest in viticulture to work on this project.

The graduate assistant will be closely tied to the purpose of the project, which is to develop an Internet map service (IMS) for pesticide-sensitive crops to serve the following objectives:

- a. Allow pesticide applicators to locate pesticide-sensitive crops in their application area to become aware of the extra caution needed to prevent drift in these areas. Printouts of these maps can be made and kept with their application records for future reference. This should, ultimately, reduce the economic loss of plant injury by pesticides, and reduce the number of complaints received by the Department.
 - b. Accurate spatial coordinates for these crops will allow researchers and trade organizations to not only have a record of the aerial distribution of specific crops (e.g., vineyards) in Nebraska, but also to facilitate a spatial evaluation of the site conditions needed for growing specific varieties, thus providing needed agronomic information for producers of these crops.
 - c. Allow development of a prototype IMS viewer for Nebraska agriculture that should stimulate additional collaborations and external funding for mapping, monitoring, and analyzing the spread of "niche crops" in Nebraska.
2. Duration of Agreement: This Agreement shall be in force and effective from February 17, 2009, to June 30, 2009.
3. The Department agrees to provide the funds as set out above from the Winery and Grape Producers' Promotional Fund.
4. Payment in the amount of four thousand dollars (\$4,000) from the Winery and Grape Producers' Promotional Fund will be payable upon both parties' signatures to this Agreement and UNL incurring an obligation. UNL shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
5. Funding for this project is subject to legislative appropriations and funding being available.
6. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
7. UNL shall utilize funds provided by the Department, to conduct only the duties called for in this Agreement; Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. UNL shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if UNL is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. UNL agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in UNL workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, UNL shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of UNL to perform such duties for the Department, as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of UNL, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, UNL.
- f. UNL agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, UNL shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. UNL specifically agrees that funds given to UNL shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.

- h. Any funds paid to UNL under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if UNL fails to perform as outlined herein, UNL shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and UNL under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and UNL that UNL is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. UNL guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlcontract-sensitivecroplocator022409.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-187

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "UNL" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds toward UNL's Grape Cluster Thinning Project to assist in the betterment of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions proving the fact that the Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to UNL;

WHEREAS, the activities conducted by UNL will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved two thousand three hundred one dollars (\$2,301) from the Winery and Grape Producers' Promotional Fund to pay for a UNL activity that will research commonly grown grape cultivars in Nebraska to determine if grape and wine quality can be improved by early season selective cluster removal. This project will also determine if other factors, such as total yield, cluster size, and grape size, are also affected by cluster removal.
2. The goals of this project are to:
 - a. Determine which cultivars respond to cluster removal and offer the highest potential for improving grape quality;

- b. Determine what quality factors are improved; and
- c. Determine if cluster thinning is an economically feasible practice for grape growers.

Two thousand three hundred one dollars (\$2,301) will partially pay for lab supplies and analysis, report expense, and travel costs for project oversight and management.

- 3. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2008, to June 30, 2009.
- 4. The Department agrees to provide the funds as set out above from the Winery and Grape Producers' Promotional Fund.
- 5. Payment in the amount of two thousand three hundred one dollars (\$2,301) from the Winery and Grape Producers' Promotional Fund to UNL will be payable in full upon both parties signature to this Agreement, and UNL incurring an obligation. UNL shall present an Interagency Billing Transaction (IBT) invoice to the Department from which payment shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
- 6. Funding for this project is subject to legislative appropriations and funding being available.
- 7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
- 8. UNL shall utilize funds provided by the Department only for lab supplies and analysis, report expense, and travel costs to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
- 9. The parties mutually agree as follows:
 - a. UNL shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if UNL is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. UNL agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the UNL workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by state law, UNL shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of UNL to perform such duties for the Department as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of UNL which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of UNL.
- f. UNL agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, UNL shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. UNL specifically agrees that funds given to UNL shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to UNL under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund unless otherwise agreed. Furthermore, if UNL fails to perform as outlined herein, UNL shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and UNL under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and UNL that UNL is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. UNL guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlexextension-clusterthinning_070108.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-188

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "Viticulture Program," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds toward Viticulture Program research activities to assist in the betterment of Nebraska's grape industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions proving the fact that the Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Viticulture Program;

WHEREAS, the research activities conducted by the Viticulture Program will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved thirty-four thousand five hundred forty dollars (\$34,540) from the Winery and Grape Producers' Promotional Fund to pay for the viticulture technologist's salary (\$27,500), student hourly labor (\$2,400), and fuel and vehicle rental costs (\$4,640) involved in oversight and implementation of Viticulture Program activities. These activities will consist of:
 - a. Cultivar and new genotype evaluation;
 - b. Multi-state project evaluating performance of a common set of grape cultivars in multiple locations;
 - c. Studies of trellis construction systems and new cultivar performance;

- d. Evaluation of cold-hardiness, spring bud-break, and cold temperature damage prevention and management;
 - e. Potential efficacy of chemical and physical treatments on seedless table grape vines to delay spring bud-break;
 - f. Disease and insect management;
 - g. Trunk studies; and
 - h. Sustainable and potentially organic grape production projects.
2. The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities.
 3. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2008, to June 30, 2009.
 4. The Department agrees to provide the funds as set out above from the Winery and Grape Producers' Promotional Fund.
 5. Payment in the amount of seventeen thousand two hundred seventy dollars (\$17,270) from the Winery and Grape Producers' Promotional Fund will be advanced to the Viticulture Program upon both parties' signature to this Agreement. The remaining seventeen thousand two hundred seventy dollars (\$17,270) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
 6. Funding for this project is subject to legislative appropriations and funding being available.
 7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
 8. The Viticulture Program shall utilize funds provided by the Department only for the viticulture technologist's salary, student hourly labor, and fuel and vehicle rental costs to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
 9. The parties mutually agree as follows:
 - a. The Viticulture Program shall:

- (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Viticulture Program is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

- g. The Viticulture Program specifically agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviticulturecontract070108.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-201

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "Viticulture Program," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds toward Viticulture Program research and educational activities to assist in the betterment of Nebraska's grape industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving the fact that the Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Viticulture Program;

WHEREAS, the research activities conducted by the Viticulture Program will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved twelve thousand dollars (\$12,000) from the Winery and Grape Producers' Promotional Fund to assist in paying for travel, fuel, and vehicle rental costs, in addition to conference expenses associated with the Viticulture Program's professor and technologist's attendance at professional improvement conferences. The conferences will be specifically related to the viticulture industry.
2. The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities.

3. Duration of Agreement: This Agreement shall be in force and effective from November 1, 2008, to June 30, 2009.
4. The Department agrees to provide the funds as set out above from the Winery and Grape Producers' Promotional Fund.
5. Payment in the amount of six thousand dollars (\$6,000) from the Winery and Grape Producers' Promotional Fund will be advanced to the Viticulture Program upon both parties' signatures to this Agreement. The remaining six thousand dollars (\$6,000) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
6. Funding for this project is subject to legislative appropriations and funding being available.
7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
8. The Viticulture Program shall utilize funds provided by the Department only for the expenses associated with attending professional improvement conferences or for other travel-related expenses in support of the Viticulture Program's research and extension efforts to assist Nebraska's developing grape and wine industry, as noted in paragraph number two above. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Viticulture Program is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.

- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Viticulture Program specifically agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviticulturecontract-conferences011409.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-199

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "Viticulture Program," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds toward Viticulture Program research activities to assist in the betterment of Nebraska's grape industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving the fact that the Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Viticulture Program;

WHEREAS, the research activities conducted by the Viticulture Program will greatly assist the Nebraska grape and winery industry;

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved six thousand dollars (\$6,000) from the Winery and Grape Producers' Promotional Fund to assist in paying for some of the expenses associated with the 12th Annual Nebraska Winery and Grape Growers Forum and Trade Show. Funds will be used to assist in paying for speaker costs, hotel expenses, and other activities associated with this event.

This educational conference and trade show will be held in Kearney, Nebraska, March 5-7, 2009. It is presented by the University of Nebraska Viticulture Program in collaboration with the Nebraska Winery and Grape Growers Association (NWGGA). The event will feature several speakers, three separate workshops, an awards banquet, and a trade show. Conference topics will address many subjects, including grafting, management of new and important

cultivars, wine blending, marketing and motivation, tourism and wine, web site management, and tasting room server training.

2. The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities.
3. Duration of Agreement: This Agreement shall be in force and effective from November 1, 2008, to June 30, 2009.
4. The Department agrees to provide the funds as set out above from the Winery and Grape Producers' Promotional Fund.
5. Payment in the amount of three thousand dollars (\$3,000) from the Winery and Grape Producers' Promotional Fund will be advanced to the Viticulture Program upon both parties' signatures to this Agreement. The remaining three thousand dollars (\$3,000) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
6. Funding for this project is subject to legislative appropriations and funding being available.
7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
8. The Viticulture Program shall utilize funds provided by the Department only for the expenses associated with the 12th Annual Nebraska Winery and Grape Growers Forum and Trade Show. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Viticulture Program is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Viticulture Program specifically agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.

- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviticulturecontract-grapeforum010809.doc

AGREEMENT

between the

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and the

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-081

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "Viticulture Program," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the transfer of money from the Winery and Grape Producers' Promotional Fund to the Viticulture Program for a 2010 conference and trade show that will aid in increasing the competitiveness and sustainability of Nebraska's grape and wine industry.

WHEREAS, it has been proven that high-quality wine grapes and wines can be produced in Nebraska;

WHEREAS, numerous awards have been won by Nebraska wineries at many of the most prestigious wine competitions, proving Nebraska wineries can produce wines meeting local favor and receiving national acclaim;

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public Board meeting and directed the Department to provide funds to the Viticulture Program;

WHEREAS, the research and educational activities conducted by the Viticulture Program will greatly assist the Nebraska grape and winery industry; and

WHEREAS, both parties hereto desire to enter into this Agreement in order to further promote Nebraska's grape and wine industry.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto that:

1. The Nebraska Grape and Winery Board approved fourteen thousand dollars (\$14,000) from the Winery and Grape Producers' Promotional Fund to pay for the costs associated the 13th Annual Nebraska Grape and Winery Forum and Trade Show, which will take place in Kearney, Nebraska, March 4-6, 2010.
2. Duration of Agreement. This Agreement shall be in force and effective from April 18, 2009, to June 30, 2009, except the terms of the Agreement which specifically require performance after the effective date, shall be in force and effective for the specified time period.

3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers' Promotional Fund. Payment in the amount of fourteen thousand dollars (\$14,000) from the Winery and Grape Producers' Promotional Fund will be advanced to the Viticulture Program upon both parties' signatures to this Agreement. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2009, will result in nonpayment.
4. The Viticulture Program shall provide a report within 30 days after completion of the forum and trade show. This event will not conclude until March 6, 2010. The report shall summarize the reason for the incurred expenditures.
5. Funding for this event is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. The Viticulture Program shall utilize funds provided by the Department to only conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

It is further understood and agreed that, if the Viticulture Program is in violation of this clause, it shall be barred forthwith from receiving further funds unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
 - c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. The Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of the Viticulture Program.
 - f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
 - g. The Viticulture Program specifically agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
 - h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.

- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

Viticulture Program contract-springconference031009.doc

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND
NEBRASKA LIQUOR CONTROL COMMISSION

This Memorandum of Understanding (MOU) is between the Nebraska Department of Agriculture, hereinafter referred to as the Department, and the Nebraska Liquor Control Commission, hereinafter referred to as the Commission. This document sets forth the terms and conditions for cooperation in auditing Nebraska farm wineries that are classified as first purchasers.

Pursuant to Neb. Rev. Stat. §§2-5601 to 2-5605, an excise tax of one cent per pound is levied upon all grapes sold or delivered in the state of Nebraska for commercial use. The excise tax shall be paid by the growers at the time of sale or delivery and shall be collected by the first purchaser. The first purchaser, at the time of settlement, shall deduct the excise tax. The first purchaser shall maintain the necessary records of the excise tax for each purchase or delivery of grapes on the settlement form or check stub showing payment to the grower for each purchase or delivery.

The Department shall:

1. Administer the State checkoff on grapes produced in Nebraska, as provided for in Neb. Rev. Stat. §§2-5601 to 2-5605.
2. Mail fee collection forms to first purchasers on a semi-annual basis. Forms mailed on January 1st shall record the proceeds collected during the months of July through December, and forms mailed on July 1st shall record the proceeds during the months of January through June;
3. Oversee and monitor the remittance of fee forms, which are due no later than the last day of January and July, respectively;
4. Fee forms will contain the following information:
 - (a) The name and address of the first purchaser;
 - (b) The number of pounds of grapes purchased each month;
 - (c) The fees due to the Department;
 - (d) The time period of the collected proceeds;
 - (e) The name and title of the first purchaser and the date upon which the form was remitted to the Department;

- (f) The amount of excise taxes collected over the course of six months; and
 - (g) Address indicating where the fee forms shall be mailed.
5. Remit all excise taxes to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund;
 6. Remit the excise tax collected to the State Treasurer within ten (10) days after receipt of the funds; and
 7. Keep an accurate list of all of the licensed first purchasers in Nebraska.

The Commission shall:

1. Receive applications for and issue licenses to and suspend, cancel, and revoke licenses of farm wineries in accordance with the Nebraska Liquor Control Act;
2. Exercise discretionary powers to govern the traffic in alcoholic liquor and enforce strictly all provisions of the Act;
3. Enforce all rules and regulations that are absolutely binding upon all licenses and enforceable by the commission through the power of suspension or cancellation of licenses;
4. Inspect or cause to be inspected any premises where alcoholic liquor is manufactured, distributed, or sold and, when sold on unlicensed premises or on any premises in violation of law, to bring an action to enjoin the use of the property for such purpose;
5. To conduct or cause to be conducted an audit to inspect any licensee's records and books;
6. Notify the Department of any first purchasers who have not properly filed accurate information pertaining to the purchase of grapes sold or delivered in the state of Nebraska for commercial use; and
7. To receive, account for, and remit to the State Treasurer State license fees and taxes provided for in the Act.

Furthermore, both agencies shall:

1. Cooperate in an open exchange of information concerning licensed and unlicensed farm wineries and the reporting of grape excise tax revenue;
2. As allowed by public records laws, restrict the use or disclosure of information obtained from first purchasers or persons directly connected with filing fee collection forms;
3. Share audit reports as may be deemed necessary by either the Department or the Commission to prevent duplication of auditing procedures and to ensure

accurate reports to both the Department and Commission, as prescribed by law;
and

- 4. Agree that there will be no exchange of money between the Department or the Commission when sharing in the open exchange of information pertaining to first purchasers' auditing and reporting procedures.

Approved:

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director
Nebraska Department of Agriculture

LIQUOR CONTROL COMMISSION

Date

Hobert Rupe, Executive Director
Nebraska Liquor Control Commission

S:\AGD_WP\casey\Winery Board\MOUaudit-nda&llc_020509.doc

Nebraska Grape and Winery Board Staff Assistant Job Description

NEBRASKA GRAPE AND WINERY BOARD STAFF ASSISTANT

DESCRIPTION: Serve as a part-time clerical assistant to the Nebraska Grape and Winery Board with duties that will enhance the accountability and reporting of Board-funded projects.

GENERAL DUTIES:

- Collect and forward all project proposals to Board members.
- Periodically monitor of progression of Board-funded grant projects.
- Collect final reports and invoices from grant recipients.
- Submit invoices and receipts to the Nebraska Department of Agriculture in a timely manner.
- Prepare year-end documentation that includes funded project proposals, contracts, and final reports.
- Compile Board contact information, meeting minutes, grant application instructions, news releases, fiscal reports, grants, bylaws, and Board statutes for assembly into the Grape and Winery Board's Annual Reports.
- Assist the Board Secretary in compiling Board meeting minutes.
- Ensure submission of Board Expense Reimbursement Requests to the Nebraska Department of Agriculture.
- Collaborate and communicate with the Nebraska Department of Agriculture and the Board on a regular basis.
- Schedule the location, dates, and times of all Board meetings and send this information to Nebraska print media outlets.
- Regular and reliable attendance at all Board meetings.
- Provide general office support to the Board as needed.

KNOWLEDGE/ABILITY AND SKILLS REQUIRED:

Knowledge of:

- Nebraska's grape and wine industry.
- The organizational structure, functions, and purpose of the Board.
- The organizational structure, functional relationships, and administrative processes of the executive and legislative branches of state government.

Ability to:

- Effectively communicate.
- Organize work schedule and make effective use of time.
- Work with Board members, industry experts, and business owners.

Skills in:

- Oral and written communication.
- English grammar, spelling, and punctuation including typing and proofreading.
- Utilization of personal computers and experience using Microsoft Word, Excel, Power Point, Access, and e-mail.
-

JOB PREPARATION GUIDELINES:

Post high school coursework, training or work experience in general office procedures preferred. Completed business or secretarial program beneficial. Valid driver's license or the ability to provide independent authorized transportation.

BYLAWS

BYLAWS

ARTICLE I. AUTHORITY

This organization, its purpose, procedures, and regulations are established pursuant to Neb. Rev. Stat. §§53-301 through 53-305.

ARTICLE II. NAME and LOCATION

The name of this organization shall be the Nebraska Grape and Wine Board, hereinafter referred to as the "Board." The principal business office of the Board shall be located at the Nebraska Department of Agriculture, P.O. Box 94947, 301 Centennial Mall South, Lincoln, Nebraska 68509.

ARTICLE III. PURPOSE

The purpose of the Board shall be to further the growth and economic development of the grape-growing and wine-making industry in the state of Nebraska to a maximum level as supported by the favorable soil and climatic conditions existing in Nebraska; and to satisfy the market demand for grapes and wine inside and outside of Nebraska. The end objective being to create an economically viable alternative farm crop and wine industry in Nebraska that will enhance the economic condition of the farm industry, in specific, and the state of Nebraska in general.

ARTICLE IV. MEMBERSHIP

Section 1. The Board shall consist of:

- A. Five (5) members to be appointed by the Governor on a nonpartisan basis;
- B. Nebraska Department of Agriculture Director, or designee, who shall have rights of membership except the right to vote; and
- C. Vice Chancellor, University of Nebraska Institute of Agriculture, and Natural Resources, or designee, who shall have rights of membership except the right to vote.

Section 2. Board members shall be:

- A. Citizens of Nebraska;
- B. Twenty-one (21) years of age or older; and
- C. Engaged in, or previously engaged in, wine or grape production or research in this field in Nebraska.

Section 3. At least two (2) Board members shall be members of the Nebraska Winery and Grape Growers' Association.

Section 4. Board members shall serve a term of three (3) years or until their successor is appointed.

Section 5. Vacancies in the Board resulting from resignation, nonperformance of duties, death, or other cause, shall be filled by appointment of the Governor.

ARTICLE V. OFFICERS

Section 1. The elected officers of the Board shall be:

- A. Chairman;
- B. Vice-Chairman;
- C. Secretary/Treasurer;
- D. Other officers as the Board deems necessary to carry out the duties and responsibilities of the Board.

Section 2. Officers shall be elected from the members of the Board annually, following the appointment of members to fill expired terms, at the first meeting of the calendar year.

Section 3. The election of officers requires a majority vote of the Board.

Section 4. The term of office shall be for one (1) year or until the election of their successor.

Section 5. Any officer may be removed from office for due cause by a two-thirds vote of the voting members of the Board.

Section 6. Officer duties shall include:

- A. The Chairman shall:
 - 1. Preside at all meetings of the Board; and
 - 2. Perform all duties normally expected of this office and as may be assigned by the Board.
- B. The Vice-Chairman shall:
 - 1. Assume full powers and authority as accorded the chairman in the absence of that officer; and
 - 2. Perform all duties normally expected of this office and as may be assigned by the Board or the Chairman.
- C. The Secretary/Treasurer shall:
 - 1. Record the official minutes of all regular and special Board meetings;
 - 2. Give public notice of all regular and special Board meetings in accordance with applicable state laws;
 - 3. Prepare and circulate the Board meeting agendas as established by the Chairman;

4. Serve as the primary liaison between the Board and the Department of Agriculture in all financial matters; and
5. Be responsible for preparing the Annual Financial Report for the approval of the Board.

ARTICLE VI. MEETINGS

- Section 1. Meetings of the Board shall be held at its principal office in Lincoln, Nebraska, but may be held elsewhere if the notice of the meeting, or the waiver of such notice, so provides.
- Section 2. Regular meetings of the Board shall be held on a biannual basis at such time and place as may be determined by the Board at its previous meeting.
- Section 3. Special meetings of the Board may be called at the request of the Chairman or by any three (3) Board members.
- A. Notice of special meetings shall state the purpose of the meeting.
 - B. Notice of special meetings shall be publicly advertised as required by state law.
- Section 4. A majority of the voting members of the Board shall constitute a quorum. In the absence of a quorum, those present may recess or adjourn to a later date, but may not transact any business for the Board.

ARTICLE VII. POWERS AND RESPONSIBILITIES OF THE BOARD

- Section 1. The Board shall:
- A. Function in an advisory capacity to the Nebraska Department of Agriculture and the Nebraska Liquor Control Commission.
 - B. Elect officers and keep minutes of meetings and other books and records which will clearly reflect all of the acts and transactions of the Board, and to make these records available for examination upon request to members of the public.
 - C. Authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to Neb. Rev. Stat. §53-304 (LB 477).
 - D. Promulgate and adopt rules and regulations to carry out Neb. Rev. Stat. §§53-301 to 53-305, LB 477.
 - E. Make and publish an annual report on, or before, January 1 of each year. The annual report shall set forth, in detail, those requisites required in LB 477, Neb. Rev. Stat. §53-305.
 - F. Establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss the Board's policies and procedures at a Board meeting.
 - G. Participate in regional, state, national, and international activities with organizations which have, as their objective, developing new and better grape varieties suitable for growing in Nebraska.
 - H. Provide current research data conducted by, or for, the Board to grape

growers and vintners in Nebraska and to persons considering entering into grape-growing within the state.

- I. Participate in the development of research projects to improve wine making methods utilizing new and old grape varieties grown in Nebraska.
- J. Develop and participate in studies, programs, research, and the dissemination of information and data pertaining to sales, promotion, and the effective distribution of Nebraska wines.
- K. Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry.

Section 7. Members of the Board shall serve without compensation except that voting Board members shall be reimbursed for their actual and necessary expenses as provided for in Neb. Rev. Stat. §§81-1174 to 81-1177.

- A. Reimbursement, as allowed, shall include attendance at meetings of the Board;
- B. Reimbursement, as allowed, shall include the expense of engaging in the performance of official responsibilities as determined by the Board; and
- C. All expenses shall be approved by a majority of the members of the Board.

Section 8. The Board shall not be responsible, collectively or individually, in any manner whatsoever, to any person or persons for errors in judgment, mistake, or other acts of commission or omission except for their own individual and personal acts of dishonesty or other acts of a criminal nature.

- A. No member shall be held responsible, individually or collectively, for the criminal act or default of any other Board member.
- B. Any liability of an individual Board member shall be separate and not joint.

ARTICLE VIII: COMMITTEES

The Chairman of the Board shall establish committees and designate committee members contingent upon approval by the Board.

ARTICLE IX: PARLIAMENTARY AUTHORITY

All meetings shall be conducted within the general rules set forth in the current edition of Roberts Rules of Order, Newly Revised.

ARTICLE X: AMENDMENT

The Board may repeal or amend these Bylaws, or any part thereof, by a two-thirds (b) vote of the Board in presence of a quorum, after ten (10) days written notice of the proposed changes in the Bylaws. In the alternative, such amendments may be requested by mail ballot and will become effective if two-thirds (b) return an affirmative vote on the proposed bylaws changes.

ADOPTED: November 2, 2001

Grapebylaws062001

STATUTES

NEBRASKA GRAPE AND WINERY BOARD

- Administration:** These statutes create the Nebraska Grape and Winery Board. That Board is given certain duties under these statutes. For administrative purposes, a fund is located in the Nebraska Department of Agriculture. The money in this fund is to be used by the Nebraska Department of Agriculture at the direction of and in cooperation with the board to develop programs that promote the wine industry in Nebraska. See also section 53-123.15 and sections 2-5601 through 2-5605 for information about statutes that provide money for the fund.
- Adoption:** The provisions of these statutes were last revised during the 2007 session of the Nebraska Legislature. This reproduction was prepared following that session.
- Rules:** The board is given authority to adopt and promulgate regulations, however, none have yet been developed.

INDEX

<u>Section</u>	<u>Subject</u>
53-301	Nebraska Grape and Winery Board; created.
53-302	Board; officers; terms; expenses.
53-303	Board; powers and duties.
53-304	Winery; payments required; Winery and Grape Producers' Promotional Fund; created; use; investment.
53-305	Board; annual report.

53-301. Nebraska Grape and Winery Board; created. (1) The Nebraska Grape and Winery board is created. The board shall consist of five members to be appointed by the Governor on a nonpartisan basis. All board members shall be (a) citizens of Nebraska, (b) at least twenty-one years of age, and (c) either engaged in or previously engaged in wine or grape production or research in this state. At least two board members shall be members of the Nebraska Winery and Grape Growers Association. In addition, the Director of Agriculture and the vice chancellor of the University of Nebraska Institute of Agriculture and Natural Resources or their designees shall be ex officio members of the board but shall have no vote in board matters.

(2) Whenever a vacancy occurs on the board for any reason, the Governor shall appoint an individual to fill such vacancy pursuant to the qualifications set forth in subsection (1) of this section.

53-302. Board; officers; terms; expenses. (1) Within thirty days after the appointment of the initial members of the Nebraska Grape and Winery Board, such board shall conduct its first regular meeting. During that meeting, the board members shall elect from among themselves, by majority vote, a chairperson, vice-chairperson, secretary, and treasurer, all to serve for terms

of one year from the date of election. Subsequent board meetings shall take place at least once every six months and at such times as called by the chairperson or by any three board members.

(2) Each board member shall serve for a term of three years, upon completion of which he or she may, at the Governor's discretion, be reappointed.

(3) All voting board members shall be reimbursed for their actual and necessary expenses, as provided for in sections 81-1174 to 81-1177, while attending meetings of the board or while engaged in the performance of official responsibilities as determined by the board.

(4) A board member shall be removable by the Governor for cause. The board member shall first be given a written copy of the charges against him or her and also an opportunity to be heard publicly. In addition to all other causes, the failure of a board member to continue to meet any of the requirements for eligibility set out in section 53-301 shall be deemed sufficient cause for removal from office.

53-303. Board; powers and duties. The duties and responsibilities of the Nebraska Grape and Winery Board include, but are not limited to, the following:

(1) To establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss with the board its policy and procedures;

(2) To keep minutes of its meetings and other books and records which will clearly reflect all of the acts and transactions of the board and to make these records available for examination upon request by members of the public;

(3) To authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to section 53-304;

(4) To serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and

(5) To adopt and promulgate rules and regulations to carry out sections 53-301 to 53-305.

53-304. Winery; payments required; Winery and Grape Producers' Promotional Fund; created; use; investment.

Each Nebraska winery shall pay to the Nebraska Liquor Control Commission twenty dollars for every one hundred sixty gallons of juice produced or received by its facility. Gifts, grants, or bequests may be received for the support of the Nebraska Grape and Winery board. Funds paid pursuant to the charge imposed by this section and funds received pursuant to subsection (4) of section 53-123.15 and from gifts, grants, or bequests shall be remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund which is hereby created. For administrative purposes, the fund shall be located in the Department of Agriculture. All revenue credited to the fund pursuant to the charge imposed by this section and excise taxes collected pursuant to section 2-5603 and any funds received as gifts, grants, or bequests and credited to the fund shall be used by the department, at the direction of and in

cooperation with the board, to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the fields of viticulture and enology, as deemed necessary by the board, and programs aimed at improving the promotion of all varieties of wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Funds credited to the fund shall be used for no other purposes than those stated in this section and any transfers authorized pursuant to section 2-5604. Any funds not expended during a fiscal year may be maintained in the fund for distribution or expenditure during subsequent fiscal years. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

53-305. Board; annual report. The Nebraska Grape and Winery Board shall make and publish an annual report on or before January 1 of each year, which report shall set forth in detail the following:

(1) The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board; and

(2) A detailed explanation of all programs for which the board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production, and marketing of Nebraska wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Each annual report shall be presented to the Nebraska Liquor Control Commission within thirty days after its publication and made available also to any person who requests a copy. Except for the annual copy required by this section to be provided to the commission, the board may charge a nominal fee to cover the costs of printing and postage for making available copies of its annual reports.

ACTBY.wpd

NEBRASKA GRAPE EXCISE TAX STATUTES

- Administration:** These statutes are administered by the Nebraska Department of Agriculture, Finance and Personnel Division. The Nebraska Department of Agriculture is located in the State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509, telephone: (402) 471-6817.
- Adoption:** The provisions of these statutes were initiated during the 2007 session of the Nebraska Legislature. This reproduction was prepared following that session.
- Rules:** The Department of Agriculture has no authority to adopt and promulgate regulations under these statutes.

INDEX

<u>Section</u>	<u>Subject</u>
2-5601	Terms, defined.
2-5602	Excise tax; amount; payment.
2-5603	Excise tax; first purchaser; deduction; records; contents; statement; remitted to State Treasurer.
2-5604	Department of Agriculture; calculate costs; report.
2-5605	Violation; penalty.

2-5601. Terms, defined. For purposes of sections 2-5601 to 2-5604:

(1) Commercial channels means the sale or delivery of grapes for any use, except grapes intended for ultimate consumption as table grapes, to any commercial buyer, dealer, processor, or cooperative or to any person, public or private, who resells any grapes or product produced from grapes;

(2) Delivered or delivery means receiving grapes for utilization or as a result of sale in the State of Nebraska but excludes receiving grapes for storage;

(3) First purchaser means any person, public or private corporation, association, partnership, or limited liability company buying, accepting for shipment, or otherwise acquiring the property in or to grapes from a grower;

(4) Grower means any landowner personally engaged in growing grapes, a tenant of the landowner personally engaged in growing grapes, and both the owner and tenant jointly and includes a person, a partnership, a limited liability company, an association, a corporation, a cooperative, a trust, or any other business unit, device, or arrangement; and

(5) Table grapes means grapes intended for ultimate consumption as produce in fresh, unprocessed form and not intended for wine production, juice production, or drying.

2-5602. Excise tax; amount; payment. (1) Except as provided in subsection (2) of this section, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. The excise tax shall be paid by the grower at the time of sale or delivery and shall be collected by the first purchaser. Grapes shall not be subject to the excise tax imposed by this section more than once.

(2) The excise tax imposed by this section shall not apply to the sale of grapes to the federal government for the ultimate use or consumption by the people of the United States when the State of Nebraska is prohibited from imposing such excise tax by the United States Constitution and the laws enacted pursuant thereto.

2-5603. Excise tax; first purchaser; deduction; records; contents; statement; remitted to State Treasurer. (1) The first purchaser, at the time of settlement, shall deduct the excise tax imposed by section 2-5602. The excise tax shall be deducted whether the grapes are stored in this state or any other state. The first purchaser shall maintain the necessary records of the excise tax for each purchase or delivery of grapes on the settlement form or check stub showing payment to the grower for each purchase or delivery. Such records maintained by the first purchaser shall provide the following information:

- (a) The name and address of the grower and seller;
- (b) The date of the purchase or delivery;
- (c) The number of pounds of grapes purchased; and
- (d) The amount of excise taxes collected on each purchase or delivery.

Such records shall be open for inspection during normal business hours observed by the first purchaser.

(2) The first purchaser shall render and have on file with the Department of Agriculture by the last day of January and July of each year, on forms prescribed by the department, a statement of the number of pounds of grapes purchased in Nebraska. At the time the statement is filed, such first purchaser shall pay and remit to the department the excise tax imposed by section 2-5602.

(3) All excise taxes collected by the department pursuant to this section shall be remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. The department shall remit the excise tax collected to the State Treasurer within ten days after receipt.

2-5604. Department of Agriculture; calculate costs; report. For each fiscal year beginning with FY2007-08, the Department of Agriculture shall calculate its costs in collecting and enforcing the excise tax imposed by section 2-5602 and shall report such costs to the Department of Administrative Services within thirty days after the end of the calendar quarter. Sufficient funds to cover such costs shall be transferred from the Winery and Grape Producers' Promotional Fund to the Management Services Expense Revolving Fund at the end of each calendar quarter. Funds shall be transferred upon the receipt by the Department of Administrative Services of a report of costs incurred by the Department of Agriculture for the previous calendar quarter.

2-5605. Violation; penalty. Any person violating sections 2-5601 to 2-5603 shall be guilty of a Class III misdemeanor.

FARM WINERIES STATUTES

INDEX

<u>Section</u>	<u>Subject</u>
53-123.10.....	Farm winery license; when issued.
53-123.11.....	Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.
53-123.12.....	Farm winery license; application requirements; fees.
53-123.13.....	Farm winery; waiver of requirement; when; conditions.
53-123.15.....	Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

53-123.10 Farm winery license; when issued.

A license to operate a farm winery may be issued by the commission upon an applicant's compliance with section 53-123.12 and such other requirements as the commission adopts and promulgates by rule and regulation to administer §§53-101.02 and 53-123.10 to 53-123.13.

Source: Laws 1985, LB 279, § 4.

53-123.11 Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.

- (1) A farm winery license shall entitle the holder to:
 - (a) Sell wines produced at the farm winery onsite at wholesale and retail and to sell wines produced at the farm winery at off-premises sites holding the appropriate retail license;
 - (b) Sell wines produced at the farm winery at retail for consumption on the premises;
 - (c) Permit a customer to remove one unsealed bottle of wine for consumption off the premises. The licensee or his or her agent shall (A) securely reseal such bottle and place the bottle in a bag designed so that it is visibly apparent that the resealed bottle of wine has not been opened or tampered with and (B) provide a dated receipt to the customer and attach to such bag a copy of the dated receipt for the resealed bottle of wine.
 - (ii) If the resealed bottle of wine is transported in a motor vehicle, it must be placed in the trunk of the motor vehicle or the area behind the last upright seat of such motor vehicle if the area is not normally occupied by

the driver or a passenger and the motor vehicle is not equipped with a trunk;

- (d) Ship wines produced at the farm winery by common carrier and sold at retail to recipients in and outside the State of Nebraska, if the output of such farm winery for each calendar year as reported to the commission by December 31 of each year does not exceed thirty thousand gallons. In the event such amount exceeds thirty thousand gallons, the farm winery shall be required to use a licensed wholesaler to distribute its wines for the following calendar year, except that this requirement shall not apply to wines produced and sold onsite at the farm winery pursuant to subdivision (1)(a) of this section;
 - (e) Allow sampling of the wine at the farm winery and at one branch outlet in the state in reasonable amounts;
 - (f) Sell wines produced at the farm winery to other Nebraska farm winery licensees, in bulk, bottled, labeled, or unlabeled, in accordance with 27 C.F.R. 24.308, 27 C.F.R. 24.309, and 27 C.F.R. 24.314, as such regulations existed on January 1, 2008; and
 - (g) Purchase distilled spirits from licensed microdistilleries in Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm winery wine to be used in the production of fortified wine at the purchasing licensed farm winery.
- (2) No farm winery shall manufacture wine in excess of fifty thousand gallons per year.
 - (3) A holder of a farm winery license may obtain a special designated license pursuant to section 53-124.11.
 - (4) A holder of a farm winery license may obtain an annual catering license pursuant to section 53-124.12.

Source: Laws 1985, LB 279, § 5; Laws 1991, LB 344, § 23; Laws 1997, LB 479, § 1; Laws 2003, LB 536, § 3; Laws 2006, LB 562, § 3; Laws 2008, LB1103, § 2. Effective date July 18, 2008

53-123.12 Farm winery license; application requirements; fees.

Any person desiring to obtain a new license to operate a farm winery shall:

- (1) File an application with the commission in triplicate original upon such forms as the commission from time to time prescribes;
- (2) Pay the license fee to the commission under subdivision (2) of section 53-124, which fee shall be returned to the applicant if the application is denied; and

- (3) Pay the state registration fee to the commission in the sum of forty-five dollars.

License fees and registration fees may be paid to the commission by certified or cashier's check of a bank within this state, personal or business check, United States post office money order, or cash in the full amount of such fees. The commission shall then notify, by registered or certified mail marked return receipt requested with postage prepaid, the municipal clerk of the city or incorporated village where such license is sought or, if the license is not sought within a city or incorporated village, the county clerk of the county where such license is sought of the receipt of the application and shall enclose with such notice one copy of the application. No such license shall then be issued by the commission until the expiration of at least forty-five days from the date of mailing such application by the commission. Within thirty-five days from the date of receipt of such application from the commission, the local governing bodies of nearby cities or villages or the county may make and submit to the commission recommendations relative to the granting of or refusal to grant such license to the applicant.

Source: Laws 1985, LB 279, § 7; Laws 1988, LB 1089, § 10; Laws 1991, LB 202, § 2; Laws 2000, LB 973, § 3.

53-123.13 Farm winery; waiver of requirement; when; conditions.

- (1) If the operator of a farm winery is unable to produce or purchase seventy-five percent of the grapes, fruit, or other suitable agricultural products used in the farm winery from within the state due to natural disaster which causes substantial loss to the Nebraska-grown crop, such operator may petition the commission to waive the seventy-five-percent requirement prescribed in subdivision (31) of section 53-103 for one year.
- (2) It shall be within the discretion of the commission to waive the seventy-five-percent requirement taking into consideration the availability of products used in farm wineries in this area and the ability of such operator to produce wine from products that are abundant within the state.
- (3) If the operator of a farm winery is granted a waiver, any product purchased as concentrated juice from grapes or other fruits from outside of Nebraska, when reconstituted from concentrate, may not exceed in total volume along with other products purchased the total percentage allowed by the waiver.
- (4) Any product purchased under the waiver or as part of the twenty-five percent of allowable product purchased that is not Nebraska-grown for the production of wine shall not exceed the twenty-five percent volume allowed under state law if made from concentrated grapes or other fruit, when reconstituted. The concentrate shall not be reduced to less than twenty-two degrees Brix in accordance with 27 C.F.R. 24.180.

Source: Laws 1985, LB 279, § 6; Laws 1986, LB 871, § 2; Laws 1989, LB 441, § 5; Laws 1991, LB 344, § 24; Laws 1994, LB 859, § 5; Laws 2004, LB 485, § 13; Laws 2008, LB1103, § 3. Effective date July 18, 2008.

53-123.15 Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

- (1) No person shall order or receive alcoholic liquor in this state which has been shipped directly to him or her from outside this state by any person other than a holder of a shipping license issued by the commission, except that a licensed wholesaler may receive not more than three gallons of wine in any calendar year from any person who is not a holder of a shipping license.
- (2) The commission may issue a shipping license to a manufacturer. Such license shall allow the licensee to ship alcoholic liquor only to a licensed wholesaler, except that a licensed wholesaler may, without a shipping license and for the purposes of subdivision (2) of section 53-161, receive beer in this state which has been shipped from outside the state by a manufacturer in accordance with the Nebraska Liquor Control Act to the wholesaler, then transported by the wholesaler to another state for retail distribution, and then returned by the retailer to such wholesaler.
- (3) The commission may issue a shipping license to any person who deals with vintage wines, which shipping license shall allow the licensee to distribute such wines to a licensed wholesaler in the state. For purposes of distributing vintage wines, a licensed shipper must utilize a designated wholesaler if the manufacturer has a designated wholesaler. For purposes of this section, vintage wine shall mean a wine verified to be ten years of age or older and not available from a primary American source of supply.
- (4) The commission may issue a shipping license to any person who sells and ships alcoholic liquor from another state directly to a consumer in this state. A person who receives a license pursuant to this subsection shall pay the fee required in subdivision (11) of section 53-124. Until April 30, 2012, such fee shall be collected by the commission and remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund.
- (5) The application for a shipping license shall be in such form as the commission prescribes. The application shall contain all provisions the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers and shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license, agrees:
 - (a) To comply with and be bound by section 53-164.01 in making and filing reports, paying taxes, penalties, and interest, and keeping records;
 - (b) To permit and be subject to all of the powers granted by section 53 164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable

to such inspections and examinations made by duly authorized employees of the commission if within the United States; and

- (c) That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers, the commission may revoke or suspend such shipping license for such period of time as it may determine.

Source: Laws 1991, LB 344, § 49; Laws 1994, LB 416, § 1; Laws 1995, LB 874, § 1; Laws 2001, LB 671, § 1; Laws 2004, LB 485, § 14; Laws 2007, LB441, § 1.

wineryannlrept120109.doc