

Nebraska Grape and Winery Board

Annual Report 2012

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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
Strategic Plan	5
Request for Proposals	
News Release, April 4, 2012	19
Request for Proposal Application Instructions	21
Board Services Contractor	28
Meeting Minutes	
Minutes, July 26, 2011	35
Minutes, November 30, 2011	41
Minutes, April 2, 2012	51
Minutes, May 21, 2012	59
2011 – 2012 Fiscal Report	69
Contracts	
NWGGA Contract – Executive Director and Marketing Activities	73
Mac’s Creek Vineyard and Winery – Cold Hardiness Study	78
UNL Contract – Viticulture Program	83
NWGGA Contract – Wine Quality Assurance Program	89
NWGGA Contract – DMACC Training	94
NWGGA Contract – DMACC Training Amendment	99
NWGGA Contract – Premium Wine Advertising Campaign	100
NWGGA Contract – Wine Expo/Festival	105
NWGGA Contract – Winery Council Workshop	110
NWGGA Contract – Strategic Plan Facilitation	115
NWGGA Contract – Grape Growers Workshop	120
Mid-Nebraska Wine Trail	125
Grape and Winery Board – Display Booth	130
NWGGA Contract - 2011 Passport Program	135
NWGGA Contract – Travel Buddy Magazine	140
NWGGA Contract – Wine Festival Campaign	145
Nebraska Grape and Winery Board – Board Services Contractor	150
Bylaws	
Bylaws	159
Statutes	
Nebraska Grape and Winery Board	165
Nebraska Grape Excise Tax Statutes	168
Farm Wineries Statutes	170

**BOARD
OF
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Nebraska Grape and Winery Board of Directors

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OVERVIEW OF ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors met four times during the fiscal year. The year began July 1, 2011, and ended June 30, 2012. 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.

Board revenue originates from shipper license fees, crushed grape fees, and grape excise taxes. Revenue from these sources is remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. The Board's revenue for the 2011 – 2012 fiscal year totaled \$179,692.78; the ending cash balanced equaled \$91,838.33. As in previous years, the revenue over the past several years has enabled the Board to fund several meaningful projects aimed at enhancing the competitiveness of Nebraska's grape and wine industry. Priority funding was given to marketing and research projects targeted at increasing the sales and production of Nebraska grapes and/or wines. A total of 18 projects were approved for funding, which totaled \$210,274; \$151,995.99 of this amount was submitted to the Nebraska Department of Agriculture (NDA) for reimbursement. For a complete list of all projects, and their respective amounts, please refer to the 2011 – 2012 fiscal report found in this report.

The Board's part-time clerical assistant position was vacated in May 2011. In cooperation with NDA, the Board decided to change this position to that of a Board Services Contractor. In November 2011, the Board released an RFP, which provided an overview of the duties, qualifications, background information, scope of work, agreement terms, compensation, application submission instructions, and evaluation and selection criteria associated with this position. Four applicants applied, one of which was selected to fulfill this position on January 31, 2012. A copy of this position's RFP is included in this report.

The Board released an RFP in April 2012 seeking grant proposals from individual growers, farm wineries, organizations, industry groups, or academic institutions that aimed to assist in the betterment of Nebraska's grape and wine industry. A total of 14 proposals were received, 10 of which were approved for funding under the 2012 – 2013 fiscal year. A copy of the RFP is included in this report.

Promotion of Nebraska's grape and wine industry continues to be a primary goal of the Board. The Board helps the grape and wine industry in becoming 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 the Board's strategic plan, meeting minutes, RFPs, 2011 – 2012 fiscal report, contracts, bylaws, statutes, and other documents pertaining to Board matters. Documents and information pertinent to the Board's functions and history can also be found at <http://www.grapeandwineryboard.nebraska.gov>.

STRATEGIC PLAN

NEBRASKA GRAPE AND WINERY BOARD STRATEGIC PLAN

INTRODUCTION

This Strategic Plan represents the vision and direction of the Nebraska Grape and Winery Board (NGWB). This is an adaptive, non-static document subject to change with new and / or additional input. It is not a standalone document. It is designed to work in conjunction with each year's operational budget and funded projects. The Board believes that strategic planning is not a one-time effort. Once goals are set, commitment will be maintained, progress monitored, and adjustments made until the objectives are reached. This plan demonstrates the commitment which is needed to provide an excellent standard of programs and budget allocations designed to continuously meet the needs of the industry.

MISSION STATEMENT

The NGWB's mission statement is to work collaboratively towards a profitable, sustainable future that advances the interests of Nebraska's grape and wine industry through advocacy and education.

The purpose of the NGWB is 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 is to create an economically viable alternative farm crop and wine industry in Nebraska that will enhance the economic condition of the farm industry and the state of Nebraska.

The duties and responsibilities of the NGWB include, but are not limited to, the following:

- 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 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;
- c. Authorize and approve the Department of Agriculture's (NDA) 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 53-301 to 53-305.

BOARD GOALS

Premium Quality Grapes and Wines. Nebraska's growing conditions vary greatly from the eastern to the western part of the state, and, to a lesser extent, from north to south. In the east, the elevation is less than 1,000 feet above sea level, annual precipitation may exceed 35 inches and winter lows normally do not exceed -15°F. In the western part of Nebraska, elevations exceed 5,200 feet, annual precipitation can be as low as 12 inches and winter lows may reach -30°F. Soil characteristics vary widely across Nebraska's topography from sandy soils in the west to loess soils in the east.

Despite these climatic and soil extremes, vineyards across the state are producing premium quality grapes. The hardy grape varieties adaptive to Nebraska's soils produce grapes that make great wines. This enables Nebraska the advantage to produce unique, handcrafted wines that are site-specific and will help capture compelling market attraction.

Targeting Varietals in Which Nebraska Excels. In business, success comes to those who build their reputations on unique products of consistent quality. In the same way, the great wine regions of the world are all associated with particular varieties of wine. Nebraska is no exception and is producing wines that are unlike many others in the world.

Carefully tending to its vineyards and refining its winemaking, the Nebraska wine industry is accomplishing this goal by identifying its strengths and placing its bets on the most popular and successful varieties. These include varieties such as, among the reds, Frontenac, Marechal Foch, and DeChaunac and, among the whites, Brianna, Edelweiss, Lacrosse, and Traminett. The sharing of results and experiences stemming from academic research studies, grape growers, and winemakers, the industry, as a whole, is developing a deeper understanding of the best grown practices and winemaking techniques. This will, in turn, continue the acceleration and demand of Nebraska high-quality wines. By trying new methods, tasting comparable products, and making adjustments, winemakers learn much faster and are able to create a better product than any single winery could do so alone.

Enhancing the Quality of Nebraska Wines. A concerted, focused effort on creating a sustainable grape and wine growing industry in Nebraska is of paramount importance. Quality research and enhancement is one avenue worth pursuing that will help achieve this goal. Measures implemented will be aimed at building a strong, vibrant industry that includes the production of world class wines made from world class grapes. Brand recognition is essential in any consumer business and is a key component within this

Strategic Plan. Nebraska wines would be graded against a rating system that is based on industry standards to identify the best wines in Nebraska. Exceptional wines would create awareness of the quality of Nebraska wines with consumers while promoting the best of the Nebraska wine industry. Enhancing the quality of Nebraska wines would spur investment in new vineyards with high quality wine grapes, encourage consumers to try Nebraska wines, and help consumers develop an appreciation for quality wines that are produced on Nebraska soil.

Plant Research. The University of Nebraska – Lincoln’s (UNL) Viticulture Program is an integral part of this industry’s success. They provide science-based research information that assists in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities and the state’s vibrant and burgeoning agricultural industry. Research studies address several topics pertaining to grape and wine production in Nebraska.

Education. Promoting the creation and discovery of new production practices will aid in this industry’s success. This goal can be achieved by funding various projects and activities through partnership with UNL’s Viticulture Program and the NWGGA. They include, but are not limited, to attendance at educational conferences, funding research projects, disseminating research findings to the public, supporting and partially funding grower field days and conferences, soliciting and funding proposals to enable industry partners to enhance programs and the industry, and serving as an active partner in the Grape and Wine Consortium, which works to develop and organize the annual Nebraska Winery and Grape Growers Forum and Tradeshow.

Encouraging Wine Tourism. Wine is identified with its origins and region. Wine tourism creates lasting memories, customer loyalty, and lifetime fans. These benefits aid in the rapid growth of this industry, making it easy for consumers to access and explore this industry from any of Nebraska’s major state highways.

Increasing the Marketability, Awareness and Accessibility of Nebraska Grapes and Wines. Nebraska wineries can encounter major challenges in terms of distribution and sales. A substantial amount of wine sales are made at the wineries, but there are a growing number of grocery stores and specialty shops that carry Nebraska wines. These stores serve as alternate sales outlets for many wineries, promoting the quality and value of the state’s wine.

The main strategic focus of grape and wine activities will be on enhancing the image of Nebraska wines through praise and acceptance. Developing brand recognition is essential in any consumer business and is also a key component within this Strategic Plan. The wine industry will continue its aggressive participation in key marketing and advertising campaigns. A strong presence domestically is key to becoming a larger global competitor.

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 Nebraska Winery and Grape Growers' Association (NWGGA) activities, and works closely with UNL to receive guidance and education based upon industry research.

Increasing the awareness and functionality of the Board is also a goal the Board hopes to achieve. Development of a NGWB web site has helped accomplish this goal. This enables the Board to establish an Internet presence, increase public awareness of Nebraska's burgeoning grape and wine industry, describe the composition of the Board and its responsibilities, and strengthen Nebraska's grape and wine industry by providing information relevant to the industry. It enables the Board 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.

Creating Partnerships Within the Industry. Today, global success is won, not by firms acting alone, but by partnerships that promote joint planning, information sharing, open communication, and cooperation. A central challenge for the Nebraska wine industry is to continue cooperation and financial support to the NWGGA and UNL's Viticulture Program, which have both been strong pillars of strength for Nebraska's grape and wine industry. These partnerships entail balancing individual mandates with the opportunities for promotion and research.

Wineries and growers work together to ensure there are reliable supplies of premium grapes of the right varieties. This involves joint decision-making regarding planting and vineyard management as well as multi-year contracts, the sharing of risks, rewards, and access to capital. Distribution of quality wines is an important challenge and one that needs to be embraced, collectively, by all wineries and growers. This includes finding greater opportunities in marketing and research that will benefit both wineries and growers, big and small.

Maintaining Financial Viability and Revenue of the Grape and Winery Board.

Crushed juice fees, grape excise taxes, and shipper license fees are the three primary sources from which the Board obtains its revenue.

Each Nebraska winery pays 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 section 53-304 and funds received pursuant to subsection (4) of section 53-123.15 and from gifts, grants, or bequests is remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. For administrative purposes, the fund is located in NDA. 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 is used by NDA, 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.

Legislation approved on May 30, 2007, amended sections 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 were to be collected by the Nebraska Liquor Control Commission and remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. However, legislation approved on May 18, 2011, amended section 53-123.15, which removed the April 30, 2012, sunset date. 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.

The Board believes it is imperative to fund any additional projects that would be feasible to help further promote and expand Nebraska's burgeoning grape and wine industry. The Board sends out news releases 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. Interested parties wishing to receive funds are required to submit detailed proposals to the Board. The proposals are to clearly explain how the money is to be used and how it would enhance the competitiveness of the state's grape and wine industry. The Board has 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 is made available to the public and is available on UNL's Viticulture Program web site. Information can also be obtained by contacting NDA or the Board Chair. Distribution of the Request for Proposal (RFP) solicits several proposals. Priority funding is given to marketing and research projects targeted at increasing the sale and production of Nebraska grapes and/or wines. Collecting and compiling final reports in a timely manner

from Board-funded projects, and evaluating the efficacy of the reports as to how they relate to the Strategic Plan is of paramount importance to the Board.

The responsibilities of the Board have increased largely due in part to the number of projects funded each year. In an effort to enhance the accountability and reporting requirements of Board-funded projects, the Board allocates money to pay the salary of a part-time clerical assistant to assist with Board duties. The Board asks NDA find an individual to fill this position each year. This individual is under the direction of the NDA.

Each year, the Board publishes an annual report, which is available to the public, free of charge. The report primarily includes meeting minutes, news releases, RFP application instructions, annual fiscal report, contracts, bylaws, and statutes.

STRATEGIES TO REACH EACH GOAL AND ACTION PLANS TO IMPLEMENT EACH STRATEGY

Premium Quality Grapes and Wines

Strategy 1.1 Produce unique, handcrafted wines that are site-specific and will capture compelling market attraction.

- a. Determine hardy grape varieties adaptive to Nebraska's soils and climate extremes;
- b. Survey growers and winemakers to determine which varieties appear to be most profitable and successful;
- c. Identify cost-effective strategies to improve the value / benefits of Nebraska grapes and wines;
- d. Utilize research from UNL's Viticulture Program, grape growers, winemakers, to acquire knowledge of the best grown practices and winemaking techniques; and
- e. Attend seminars and workshops to improve variety selection, growing techniques, and management practices.

Targeting Varietals in Which Nebraska Excels

Strategy 2.1 Maintain and increase the reputation of Nebraska's unique specific wine varieties.

- a. Identify all of the wine varieties in Nebraska;
- b. Determine the most popular and successful red and white varieties through periodic surveys; and

- c. Share results and experiences stemming from academic research studies, grape growers, and winemakers.

Strategy 2.2 Continue the acceleration and demand of Nebraska high-quality wines.

- a. Work in close cooperation with UNL's Viticulture Program, grape growers, winemakers, and other industry experts to develop a deeper understanding of the best grown practices and winemaking techniques;
- b. Try new methods;
- c. Taste comparable products;
- d. Make adjustments; and
- e. Share experiences.

Enhancing the Quality of Nebraska Wines

Strategy 3.1 Quality research and enhancement of Nebraska grapes and wines.

- a. Implement measures aimed at building a strong, vibrant industry that includes the production of world class wines made from world class grapes;
- b. Develop a rating system based on industry standards to identify the best wines in Nebraska; and
- c. Identify exceptional wines to create awareness of the quality of Nebraska wines with consumers while promoting the best of the Nebraska wine industry.

Plant Research

Strategy 4.1 Provide science-based research information that assists in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities and the state's vibrant and burgeoning agricultural industry. Research studies are broad in scope.

- a. Cultivar and new genotype evaluation;
- b. Multi-state projects evaluating performance of common sets 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. Planting of seedless table grapes to determine the potential efficacy of chemical and physical treatments to delay bud-break;
- g. Investigation of high pH-induced chlorosis problems;
- h. Development of the internet-based pesticide sensitive crop locator web site;
- i. Disease and insect management, trunk studies; and
- j. Sustainable and potentially organic grape production projects.

Education

Strategy 5.1 Promote the creation and discovery of new production practices by funding various projects and activities through partnership with UNL's Viticulture Program and the NWGGA.

- a. Attend educational conferences;
- b. Fund research projects;
- c. Disseminate research findings to the public;
- d. Support and partially fund grower field days and conferences;
- e. Solicit and fund proposals to enable industry partners to enhance programs and the industry; and
- f. Continue as an active partner in the Grape and Wine Consortium, which works to develop and organize the annual Nebraska Winery and Grape Growers Forum and Tradeshow.

Encouraging Wine Tourism

Strategy 6.1 Create lasting memories, customer loyalty, and lifetime fans via wine tourism.

- a. Develop distinct wine and culinary tourism strategies for Nebraska;
- b. Develop a system to ascertain which wine experiences consumers find most positive, and then build on that knowledge to ensure visitors have consistently good experiences;

- c. Base wine tourism on current products and experiences; and
- d. Encourage clustered tourism developments by working with the Nebraska Department of Travel and Tourism and the NWGGA.

Increasing the Marketability, Awareness and Accessibility of Nebraska Grapes and Wines

Strategy 7.1 Aggressive, coordinated action to improve the distribution of Nebraska wines.

- a. Cooperation with the NWGGA to conduct intensive marketing strategies to promote the quality and value of Nebraska wines;
- b. Promote quality wines in retail stores and create promotional literature to make Nebraska wineries as a “destination experience” to ensure that these wines are positioned to target key customers;
- c. Make creative uses of stores carrying Nebraska wines with enhanced layouts, promotional materials, wine and food displays, and tastings (where allowed); and
- d. Develop strategies to take advantage of new opportunities via e-commerce, within a framework of social responsibility.

Strategy 7.2 Enhance the image of Nebraska wines through praise and acceptance and develop a strong presence, domestically, to become a larger global competitor.

- a. Develop brand recognition for Nebraska wines;
- b. Aggressive participation in key marketing and advertising campaigns; and
- c. Serve as an advocate for the industry.

Strategy 7.3 Stay abreast of recent legislation and recent developments affecting Nebraska’s grape and wine industry.

- a. Maintain, increase and improve relationships with local, state, and federal lawmakers; and
- b. Support NWGGA activities, and work closely with UNL’s Viticulture Program to receive guidance and education based upon industry research.

Strategy 7.4 Increase the awareness and function of the NGWB.

- a. Perform routine maintenance;

- b. Monitor and review the number of visits to the website on a monthly basis; and
- c. Provide continual updates, as needed.

Creating Partnerships Within the Industry

Strategy 8.1 Maintain and increase NGWB agricultural partnerships.

- a. Define industry needs and develop cost-effect strategies to improve value/benefits across all members;
- b. Survey, evaluate, and develop a database of Nebraska grape growers and wineries;
- c. Establish, maintain and update a list recording the total grape acreage and number of vines (variety specific) planted in Nebraska; and
- d. Engage into close working relationships with UNL, NWGGA, NDA, and other entities or organizations that impact Nebraska's agricultural industry, (grape and wine industry, in particular).

Maintaining Financial Viability and Revenue of the Grape and Winery Board

Strategy 9.1 Investigate and implement programs utilizing diversified funding sources that continue to build and grow Nebraska's grape and wine industry.

- a. Develop a financial plan;
- b. Formalize, enhance, and evaluate Board-funded projects from one year to the next;
- c. Review income performance on a monthly basis and develop a strategy to enhance financial relationships and secure Board revenue;
- d. Review existing financial processes and identify new and improved approaches to identify and explore cost savings;
- e. Prepare and position NGWB to fund ideas towards new research and different marketing strategies that will benefit the entire grape and wine industry, in general, and not a particular business venture;
- f. Expend at least 75 percent of NGWB annual revenue on meaningful projects aimed at improving grape and wine research and promoting the entire industry;

- g. Collect and compile final reports in a timely manner from Board-funded projects;
- h. Evaluate the efficacy of final reports as to how they relate to the Strategic Plan; and
- i. Ensure sufficient revenue is available to address future needs.

Strategy 9.2 Make and publish an annual report on or before January 1 of each year, which set forth, in detail, several items.

- a. The name and address of each Board member and a copy of all rules and regulations adopted and promulgated by the Board;
- b. 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; and
- c. Present the report to the Nebraska Liquor Control Commission within 30 days after its publication and made available also to any persons who request a copy.

Strategy 9.3 Develop a culture of continuous improvement.

- a. Engage the Board to develop and annually review and renew the Strategic Plan every three years;
- b. Gain industry feedback and advice and identify areas for constructive improvement; and
- c. Analyze other state-based farmer organizations and non-profit membership associations.

MONITOR AND UPDATE THE PLAN

This strategic framework is a plan of optimism and opportunity for all stakeholders in the industry, and is grounded in the realities facing the industry today. It identifies how the grape and wine industry can maximize long-term profitable growth in the industry, reinvent consumer's total experience with Nebraska wines, and increase tourism. The success of this plan hinges on industry partners embracing and sharing this vision and transforming the above strategies into key deliverables.

Consequently, each participant in the vision must assume responsibility, which includes assigning the resources needed to fulfill the promise that is shared by this Board. Nebraska wines are a source of passion and pride, and perhaps the most important indicator of success is positive feedback from grape growers, wineries, scientists, and wine enthusiasts. Positive feedback from consumers and the growing reputation of Nebraska wines is sure to soar the industry to new heights.

This strategic frameworks provides the foundation stones for achieving long-term profitable growth. This document is subject to change with new and/or additional input. Commitment will be maintained, progress will be monitored, and adjustments will be made until the objectives are reached.

THE BOARD'S COMMITMENT

The appointed leaders of the NGWB agree to the above stated principles and actions to accomplish the objective of keeping the industry strong, vibrant, and productive. The Board accepts these responsibilities and roles of proactive leaders with a common goal and vision to secure the future of the Board. All five Board members and the two ex-officio members have a copy of this plan. Copies are also available to industry stakeholders, upon request.

CONCLUSION

The grape and wine industry in Nebraska is poised for greatness. The destination is clear. People at every level in the industry – growers, winemakers, academia, government, distributors, and marketers have assembled together ready to adapt this focused plan with the concerted, cooperative action needed to win a prosperous future for Nebraska wines.

**REQUEST
FOR
PROPOSALS**

NEWS RELEASE
For Immediate Release

April 4, 2012

Contact: Ruth C. Anderson
ruthc.anderson@yahoo.com

NEBRASKA GRAPE AND WINERY BOARD SEEKS GRANT PROPOSALS

April 4, 2012 - 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 upcoming fiscal year (July 1, 2012 – June 30, 2013). Funding for projects will be subject to the availability of funds. Applications can be submitted electronically on or before Monday, May 14, 2012, to ruthc.anderson@yahoo.com. Applications submitted by U.S. Mail must be postmarked on or before Saturday, May 12, 2012, and sent to Ruth C. Anderson, 1011 Road O, York, Nebraska 68467.

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. 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. Grant proposals must show how the project will benefit the entire grape and wine industry, and not a particular business venture. 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.

Grant proposal guidelines and application information can be found at http://www.grapeandwineryboard.nebraska.gov/grant_information.html .

For more information, contact Casey Foster at the Nebraska Department of Agriculture at 800-422-6692 or Ruth C. Anderson, Nebraska Grape and Winery Board Services Contractor ruthc.anderson@yahoo.com.

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**Nebraska Grape and Winery Board
Request for Proposal Application Instructions
2012 – 2013 Fiscal Year**

Applications Due by U.S. Mail: **Saturday May 12, 2012**

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

Submit applications by U.S. mail to:

Ruth C. Anderson

1011 Road o

York, Nebraska 68467

Applications Due Electronically: **Monday May 14, 2012**

Applications are due by or before the above date.

Submit applications to:

ruthc.anderson@yahoo.com

Questions regarding this grant should be directed to the Nebraska Department of Agriculture at 800-422-6692 or [ruthc.anderson@yahoo](mailto:ruthc.anderson@yahoo.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 §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 §§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, 2012, to June 30, 2013. All projects approved must be completed by the end of the 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 will 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, 2012, and prior to June 30, 2013. 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. **Please note that funding for projects are subject to legislative appropriations and funding being available.**

Proposals will NOT fund the following expenses:

- *Paying off existing debt;*
- *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 information listed on pages 4 through 6.

A. Cover Page

1. Name of applicant whose name should be used on all correspondence. Include contact information (address, phone, e-mail, and, if available, fax) for one individual. This person should also be the one who 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 time frame 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. List the source and amount of funds to use for the project. This information will provide assurance that you will have sufficient resources to meet project goals. Page 6 provides a budget example from which to refer to and use when creating your budget.

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?*
- *Budget line item expenses could include costs associated with personnel, travel, equipment, supplies, and/or contracted work.*

Budget Example

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	\$ 700	\$ 0	\$ 700	What and by whom
Travel	\$ 284	\$ 0	\$ 284	200 miles @ \$0.51/mile and 7 days at \$26/day for meals
Consultant	\$ 2,000	\$ 1,000	\$3,000	Consultant fee
Totals	\$ 3,984	\$ 1,500	\$5,484	

H. Signed Agreements Page

Agreement:

I/we the undersigned applicants (*name/names*)

_____ of (*city*)_____, Nebraska, hereby make an application for Nebraska Grape and Winery Board funds, under the terms and conditions of the Nebraska Department of Agriculture, in the amount of (*amount requested*) \$_____. The total cost 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 of

Applicant: _____

Name of Applicant: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

**Nebraska Grape and Winery Board
Board Services Contractor
Request for Proposal
2011 – 2012 Fiscal Year**

Introduction

The Nebraska Department of Agriculture (NDA) is seeking to contract with an individual interested in serving as a part-time Board Services Contractor to the Nebraska Grape and Winery Board. The purpose of this Request for Proposal (RFP) document is to provide an overview of the duties, qualifications, background information, scope of work, agreement terms, compensation, application submission instructions, and evaluation and selection criteria associated with this position.

Job Title

Nebraska Grape and Winery Board Services Contractor.

Position Overview

In cooperation with NDA, the Nebraska Grape and Winery Board intends to contract for an individual who will work as an Independent Contractor. The Contractor will be charged to complete various tasks and the agreement will allow NDA and the Board the ability to request additional related tasks as needed. The Contractor is expected to be hired by January 2012, at which time he/she will enter into a contractual agreement with NDA. The Contractor's work will begin as soon as possible, following the selection process.

Candidate Qualifications

The goal is to contract with an energetic individual with skills in time management, oral and written communication, and literary proficiency as it relates to writing, spelling, punctuation, and proofreading. Candidates must readily have access to a personal computer that includes, at a minimum, a word processor and Internet access. Utilization of computer skills is required. Knowledge of and/or experience in Nebraska's agricultural industry, particularly in the grape and wine industry, is preferred. While travel with this position will be minimal, the Contractor must have the ability to provide independent transportation, as attendance at all Board meetings and some industry-related events is mandatory. The Contractor represents and warrants that he/she has the requisite training, skills, and experience necessary to perform the work.

Background Information

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 §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 §§53-30 to 53-305 of the Nebraska Grape and Winery Board Statute.

NDA serves as one of the ex officio members of the Board. For administrative purposes, Board funds are located in the Department of Agriculture and defined as the Winery and Grape Producers' Promotional Fund. All revenue credited to this fund is used by NDA 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.

Scope of Work

The Independent Contractor shall provide the following services that are specified below. These services shall be termed "work" herein.

- (1) Collect and forward all project proposals to Board members.
- (2) Periodically monitor progression of Board-funded grant projects.
- (3) Collect final reports and invoices from grant recipients.
- (4) Submit invoices and receipts to NDA in a timely manner.
- (5) Prepare year-end documentation that includes funded project proposals, contracts, and final reports.
- (6) 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.
- (7) Write and compile Board meeting minutes, under direction of Board Secretary.
- (8) Ensure submission of Board Expense Reimbursement Requests to NDA.
- (9) Collaborate and communicate with NDA and the Board on a regular basis.
- (10) Schedule the location, dates, and times of all Board meetings and send this information to Nebraska print media outlets.
- (11) Coordinate and attend all Board meetings and some industry-related events.

- (12) Provide general administrative office support to NDA and the Board, as needed.

The Contractor shall perform the work and accomplish such tasks as identified above. These will be designated as the responsibilities of the Contractor. The Contractor shall have the authority to incur costs and expenses necessary to perform the work, subject to the limitation specified in this document and the Agreement, and subject to approval by NDA and the Board. NDA and/or the Board may, from time to time, unilaterally increase or decrease the work to be performed. All of the provisions in this RFP and the Agreement are intended to be complementary in nature, and any requirements mentioned by one and not mentioned in another section shall nevertheless be performed to the same extent as though required by all.

Terms of Agreement

The initial Agreement with NDA will expire on June 30, 2012, with five successive one-year options to renew. This shall include sufficient time to complete the schedule of the work proposed and to complete additional tasks as identified by NDA and the Board. Funding for this position is subject to legislative appropriations and funding being available. The Agreement will incorporate the complete understanding of the parties. Any modification of the Agreement will be in writing and executed by each party of the Agreement to be valid.

The Contractor will work closely with NDA on many projects as they relate to the grape and wine industry. NDA expects that the Contractor will be capable of completing all of the work assigned and will meet all of the expectations of the position, large and small.

Compensation

Compensation shall be set at approximately ten hours per week, with a total yearly value not to exceed \$5,000. After the Agreement begins, it is understood that, if additional costs should be incurred or the total yearly value needs to increase, with the mutual written consent of all parties tied to the Agreement and provided resources are available, the Agreement may be amended.

The compensation package for this position may be used to pay for work performed, office supplies, communication equipment, travel costs, and other incidental expenses directly associated with the agreement.

Application Submission Instructions

Interested applicants must submit in a sealed envelope marked RFP #3797, a cover letter and résumé for review and approval by NDA and the Board. Cover letter and/or résumé should provide information sufficient for NDA to evaluate the proposal against criteria outlined below. This RFP process has been established to provide all interested parties an opportunity to apply for this position. Cover letters and résumés are due to NDA by close of business day on **Friday, December 30, 2011**. Documents must be received on or before the above date.

Submit documents by U.S. mail to:

Casey Foster
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, NE 68509-4947

Evaluation Criteria

Once the deadline has expired, all signed bid proposals will be competitively ranked and scored by NDA. Applicants will be ranked against the evaluation criteria established in this RFP. The evaluation criteria and respective points for each are as follows:

- (1) Applicant's coursework, training, or educational credentials from an accredited college, university, vocational or other post-secondary educational institution (5 points);
- (2) Applicant's background of Nebraska agriculture and/or the grape and wine industry (10 points);
- (3) Applicant's training or education in Nebraska agriculture and/or the grape and wine industry (10 points);
- (4) Applicant's knowledge in Nebraska agriculture or the grape and/or the wine industry (10 points);
- (5) Applicant's oral and written communication skills (10 points);
- (6) Ability to perform the general duties of the position, as outlined in the scope of work, for approximately ten hours per week, with a yearly value not to exceed \$5,000 (50 points); and
- (7) Applicant's ability to obtain transportation to attend all Board meetings and some industry-related events (5 points).

Selection Criteria

The applicants with the highest combined scores will be interviewed by NDA and the Board and scored again using the same seven criteria listed above. The applicant selected for this position must have satisfactorily completed the required duties of this position by June 30, 2012. The Agreement between NDA and the Contractor will serve a term that will expire on this date, with five successive one-year options to renew.

Questions regarding this position should be directed to the Nebraska Department of Agriculture at 800-422-6692 or casey.foster@nebraska.gov.

MEETING MINUTES

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, Nebraska
July 26, 2011

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chair
Dave Hanna, Secretary/Treasurer
Terry Ryan
Ellen Burdick

Ex-Officio Members Present: Casey Foster, Nebraska Department of
Agriculture

Guests Present: Seth McFarland, NWGGA President-Elect

Call to Order

Max McFarland called the meeting to order at 5:10 p.m.

Approve Agenda

It was moved and seconded by Terry and Bart, respectively, that the agenda be approved as presented. The motion passed unanimously.

Approve Minutes of June 2, 2011, Meeting

Max opened discussion regarding approval of the June 2, 2011, minutes. Bart motioned and Dave seconded that the minutes be approved as written. The motion passed unanimously.

Date of Public Notice in Omaha World Herald

It was noted that the date, time, and location of this meeting was published in the July 10, 2011, edition of the *Omaha World Herald*.

Old Business

Wine Quality Assurance Update

Max provided the Board with an update regarding Nebraska's Wine Quality Assurance Program. This project is entering its second phase, which is designed to provide appropriate educational opportunities, workshops, and resources to assist wineries in

addressing problems that are resulting in wine flaws. The Board has allocated up to \$6,000 from the Winery and Grape Producers' Promotional Fund to pay for this phase of the project, which is administered by the consultant and developed in consultation with NWGGA member wineries. To date, 12 wineries have decided to participate in this program, and each one has an opportunity to send in eight wines for evaluation. The consultant, Stephen Menke, is currently assembling the evaluation team that will score the Nebraska wines. The results, or commonalities, of the wine grape varieties studied will not be exclusive to only the participating wineries. Instead, they will be made available to the public. The intent is to correct any flaws associated with each variety so that the quality of Nebraska wines can be improved.

Nebraska Winery and Grape Growers' Association (NWGGA) Project Updates
Seth McFarland, NWGGA President-Elect, gave an update of NWGGA projects.

Last fiscal year, the Board approved funding for the NWGGA's popular Passport Program. Consumers who tour participating wineries and tasting rooms receive a "stamp" at each location they visit. After a certain number of stamps have been received, Passports can be sent to the NWGGA in return for gift cards or "Winery Bucks," which can be used for the purchase of wine from any Passport participating establishment. From January – June 2011, a total of \$7,310 in Winery Bucks was paid to participating Passport consumers. NWGGA was planning to receive reimbursement from the Board for these costs. However, it was decided at the November 20, 2010, meeting that funds tied to this program were only to be used to pay for 2010 expenses. Therefore, any invoices dated past December 31, 2011, resulted in nonpayment. The motion was made by Terry and seconded by Bart that NWGGA be reimbursed for the \$7,310 Winery Bucks expenses incurred from January – June 2011. Reimbursement funds in the amount of \$2,886.24 were paid to the NWGGA during the 2010-11 fiscal year for Passport Program expenses incurred from July – December 2010.

It was also noted that prizes were given to three participants who won the Passport Program drawing. The prizes included a case of wine, a \$50 gift basket, and an evening stay at a Bed and Breakfast.

The Board allocated money to the NWGGA to fund NWGGA's Executive Director (ED) position and to pay for marketing expenses incurred during the 2010 – 11 fiscal year. The ED was paid \$37,800 for the services rendered from July – May 2011. Some of the marketing activity expenses included an NWGGA winery brochure, promotion of the Wine and Jazz Festival, Kearney Area Community Foundation Marketing Booth, and HMC conference room rental.

As stated at the last meeting, the Nutrition Education project is complete. The Board allocated \$2,745 towards this project, which was used to conduct seminars that monitored grapevine nutrition to help Nebraska grape growers determine the nutrient needs of established vine plantings.

NWGGA's 2008 USDA Specialty Crop Block Grant Program is complete. The project consisted of educational seminars that addressed the topics covered in the

VINEBALANCE Grower Self-Assessment Workbook. The seminars, or grower field days, provided guidance in evaluating and adopting best management practices that can minimize environmental impacts, reduce economic risks, and protect worker health and safety.

Last fiscal year, the Board approved up to \$4,500 to the NWGGA to pay for registration costs associated with a two-credit on-line viticulture or enology course conducted through the Des Moines Area Community College (DMACC). The funds were not used due to lack of NWGGA participation. However, NWGGA interest has peaked and the Board has again allocated to the same amount of funds for this purpose. It was reported that the enology classes should be available in the fall of 2011.

Last fiscal year, the NWGGA received \$5,000 from the Board to enhance the functionality of their web site. The primary enhancements included accepting credit card payments via the web site for event and membership fees, the inclusion of electronic newsletters, and additional membership and event management modifications. It is believed that the enhancements have been made and will be unveiled to the NWGGA soon.

Max provided the Board with an update regarding the redevelopment of the NWGGA Strategic Plan. This project is a three step process, which began by surveying the NWGGA Board to determine their goals of this plan. The second step involved conducting three Membership Strategic Planning Input Sessions, which were held in Western, Central, and Eastern Nebraska. A total of 21 members attended the listening sessions, and a summary of the ideas were reported back to the NWGGA Board. Finally, the NWGGA Board held a work session, drafted a plan, and conducted a follow-up meeting. Finalizing, printing, and binding of the NWGGA Strategic Plan should take place soon. Copies of the Strategic Plan are expected to be available around September 1, 2011.

Seth reported that the feasibility study of a Nebraska Wine Expo/Festival is moving forward. NWGGA is looking for help to put packages together to present to the NWGGA Board. He also mentioned that Mick McDowell has stepped down as NWGGA's Marketing Chairman. Andre Mick of Hayes Management is serving in this capacity during the interim until this position is filled.

UNL Viticulture Program Project Updates

No report.

Booth Display Update

The Board approved up to \$2,000 from the Winery and Grape Producers' Promotional Fund to pay for the creation of a Board display banner. The purpose of the display is to assist in the promotion of Nebraska's emerging grape and wine industry. Max set up two wine trail displays to provide the Board with an idea of what some of them look like. Each one was made for approximately \$200.

Bart presented nine different electronic banner designs for the Board to consider. The designs were made by Imagine Studios. Although each banner had a different image, each one included the Board's mission statement and web site address. It was by unanimous consensus that two eight foot displays will be needed. The Board decided which two designs they liked most. One display should include the Board's mission statement; the other should list the Board's goals as stated in their Strategic Plan. Minor alterations will be made to reflect these changes. Bart mentioned that the total cost for both displays (including the artwork) is estimated to cost approximately \$1,000.

Prior to the meeting, bids were received from four different marketing firms. Imagine Studios was added to the subcontractor bid list. Each subcontractor was competitively ranked and scored. The criteria and respective points from which the subcontractors were scored were based upon three criteria:

- a. Background and ability to create the display in a timely manner (25 points);
- b. Proposed approach from which to perform and carryout the work (25 points); and
- c. Total cost (50 points).

Imagine Studios was the only subcontractor who received score points. They received the total amount of points for each category. Consequently, Terry made a motion, which was seconded by Ellen, that Imagine Studios be the company hired to create the two displays. This company would have the freedom to decide which printing company to work with to print the display banners. The motion passed unanimously.

Grape Grower Survey Update

Dave gave an update regarding the Board's Grape Grower Survey. A list of 111 vineyards representing 321.64 acres has been compiled. Fifteen of the vineyards reported zero vines. Dave will be calling a few that have failed to respond with the hopes of obtaining their data. There was a request, by email, suggesting that direct mailings be sent to the vineyards with a self-addressed stamped envelope. Although surveys are still trickling in, August 10, 2011, is the date slated to have the survey finished. Casey said USDA's NASS Nebraska Field Office contacted him asking for an updated grape grower listing. Dave agreed to send them the grower listing. Max also said the NWGGA would like to have this information as part of their Strategic Plan. When completed, this information will be posted on the Nebraska Grape and Winery Board's website.

Fee Collection Form Update

At the last meeting, the Board asked if the Nebraska Department of Agriculture (NDA) could add survey information to the fee collection forms to more easily retrieve this kind of data in the future. Casey said that while the fee collection form would not be altered, a survey form, developed by the Board, could be included in the fee collection

envelopes when the forms are sent out. After some debate, it was decided that surveys not be included when the fee collection forms are sent to the first purchasers.

Other

Ellen mentioned that the Nebraska Grape Excise Tax Statute states that one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. Taxes are not levied on any other products that are used to make wine, which includes products such as fruits and honey. Ellen asked if this law should be changed to tax these additional items. After some discussion, Max said he will bring this to the attention of the NWGGA Legislative Committee and let them decide what course of action to take with regards to this issue.

New Business

2010 – 2011 Year End Fiscal Report

Casey handed out the 2010-11 year end financial report. Total revenue earned amounted to \$166,019.37. A total of \$133,858.50 was spent primarily on projects aimed at increasing and furthering the growth and economic development of the grape-growing and wine-making industry in the state of Nebraska. The Board's ending cash balance amounted to \$71,296.78, which was carried over to the 2011-12 fiscal year. Bart made a motion to approve the June 2011 financial report as presented. Terry seconded it. The motion passed unanimously. It was mentioned that the NWGGA is looking at matching their year end dates with that of the State of Nebraska's.

2011-2012 Fiscal Year Report

The 2011-12 budget, approved at the last meeting, was handed out. With the large carryover, it appears as though \$50,000 is still be available for disbursement.

Discuss Proposal(s) and Allocation of Funding

Although no proposals were submitted for funding consideration, the Board would like to partner with the Nebraska Department of Economic Development's Travel and Tourism Division. With their support and cooperation, the Board would like to combine their financial resources to increase the advertisement of the Nebraska grape and wine industry. Max is working on setting up a meeting with the Director of the Travel and Tourism Division to discuss this issue in greater detail. After the meeting, Max will decide if it is necessary for the Board to convene again, before their next meeting, to vote on any ideas discussed.

Board Staff Assistant Position

Casey provided an update on the Board Staff Assistant Position. The job was posted on the *Husker Hire Link* web site and four individuals applied for the position. After reviewing the resumes and conducting a couple of interviews, NDA decided that the top candidates were not a good fit for the position. Casey said he has an intern who manages the Centennial Mall Garden Market in Lincoln. She has done an outstanding job. He said he will offer this position to her at the end of the summer. If she declines, the search for another qualified individual to fill this vacated position will continue.

Other Business

After the Board members completed their expense vouchers, it was decided that the next meeting be held around the time of UNL's Fall Workshop. An exact time, date, and location will be decided in the fall.

Adjourn

Bart made motion to adjourn and Terry seconded it. Motion passed unanimously. The meeting adjourned at 8:05 p.m.

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, Nebraska
November 30, 2011

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chair
Dave Hanna, Secretary/Treasurer
Terry Ryan
Ellen Burdick

Ex-Officio Members Present: Casey Foster, Nebraska Department of Agriculture

Guests Present: Kathy McKillip, Nebraska Department of Economic
Development
Karen Kollars, Nebraska Department of Economic
Development
Seth McFarland, Nebraska Winery and Grape Growers
Assoc.
Steve Gamet, University of Nebraska - Lincoln

Call to Order

Max McFarland called the meeting to order at 5:15 p.m.

Approve Agenda

The agenda was reviewed by the Board. It was moved and seconded by Terry and Dave, respectively, that the agenda be amended, so the Nebraska Department of Economic Development, Division of Travel and Tourism report be moved to the first item under New Business. The motion passed and the agenda was approved, as amended.

Approve Minutes of July 26, 2011, Meeting

Max opened discussion regarding approval of the July 26, 2011, minutes. Bart motioned and Ellen seconded that the minutes be approved, as written. The motion passed by unanimous consent.

Date of Public Notice in *Omaha World Herald*

It was noted that the date, time, and location of this meeting was published in the November 16, 2011, edition of the *Omaha World Herald*.

Old Business

Nebraska Winery and Grape Growers' Association (NWGGA) Project Updates

Wine Quality Assurance Update. Max provided the Board with an update regarding Nebraska's Wine Quality Assurance Program. The Board allocated up to \$12,000 from the Winery and Grape Producers' Promotional Fund to initiate the development of a statewide Wine Quality Assurance Program administered by the consultant, Stephen Menke, and developed in consultation with NWGGA member wineries. The first phase is complete and the composite of the wines evaluated is being tabulated. The initial results were excellent. Below is a summary of the activities completed.

Stephen Menke assembled a Wine Sensory Quality Assurance Panel, which was an evaluation team that consisted of eight judges who scored the Nebraska wines. Twelve wineries participated and each was able to submit up to eight wines for evaluation. Wines were evaluated in a neutral laboratory set up at the University of Nebraska – Lincoln's East Campus. They were evaluated by four trained panelists from a Hedonistic Panel (smell and taste) and four from a Quantitative Faults Panel (smell only). The scoring gave combined baseline scores of 22.4 out of 32 possible points, which indicated a sound commercial quality wine. The composite is currently being tabulated and the Board expects the results to be released in March 2012. The results, or commonalities, of the wine grape varieties studied will not be exclusive to only the participating wineries. Instead, they will be made available to the public through either the NWGGA and/or the Nebraska Grape and Winery Board's web site(s). The intent is to correct any flaws associated with each variety, so the quality of Nebraska wines can be improved.

The second phase of the project is underway. The NWGGA Wine Council will review the composite from phase one and will talk with individual wineries regarding their results. The participating wineries will receive a follow-up to their wine quality analyses. This will involve appropriate educational opportunities, workshops, and resources to assist them in addressing problems that are resulting in wine flaws. It is anticipated that they can use this information to make adjustments or corrections to their own productions, if necessary.

Seth McFarland, NWGGA President-Elect, gave an update of the following NWGGA projects:

Executive Director. The Board allocated \$36,000 to the NWGGA to fund their Executive Director (ED) position. The ED, Jason Hayes, is handling Passport Program reimbursements, membership connections, quarterly newsletters, grants, legal issues, and corporate matters. André Mick is handling event coordination, constituent contacts, Passport design, and trade show registration. The NWGGA requested \$12,000 from the Board to cover the "Winery Bucks" expenses directly associated with the 2011 Passport Program.

Wine Advertising Campaign. The Board allocated \$6,100 to pay for a Stepped Up Premium Wine Advertising Campaign. The purpose of the project is to conduct a campaign to promote the quality and desirability of Nebraska wine products to consumers in Nebraska and across the country. The project is separated into three parts, but the Board only approved the first two, which are described below.

- a. Advertising Campaign Study/Consultation.

NWGGA will utilize up to two thousand five hundred dollars (\$2,500) to hire IDEA Bank in Hastings, Nebraska, to prepare a marketing plan for the Nebraska wine industry. From this plan, an effort toward enhancing the image of the Nebraska wine industry will be formulated and implemented.

- b. Contract with IDEA Bank for six (6) news releases.

NWGGA will utilize up to three thousand six hundred dollars (\$3,600) to create news releases touting the success of NWGGA's promotional programs. Topic examples used in the news releases might include the Passport Program, increasing the awareness of the use of wines for holiday cooking, and purchasing Nebraska wines as Christmas gifts.

There are some reoccurring concerns of interest pertaining to the Nebraska wine industry. They are as follows:

- (1) Increasing Nebraska wines share of the total wine market in our state;
- (2) Maintaining a profitable price point for Nebraska wineries; and
- (3) Promoting a Quality Assurance Program among members.

The NWGGA Board will be meeting in January 2012 to review recommendations submitted by the NWGGA Marketing Committee for use of these funds. At that time, the NWGGA Board will give approval to the Marketing Committee's proposal. The NWGGA will update the Board following that meeting.

Wine Expo/Festival. The Board allocated \$12,000 to NWGGA to investigate and determine the feasibility and requirements for developing a Nebraska Wine Expo/Festival.

Grant funds will be used to pay for the following activities:

- a. Hire a consultant to give the Expo Committee an overview of what is needed to host a festival;
- b. The Expo Committee members will travel to one (1) to two (2) successful festivals in the country to get a feel for the atmosphere, obtain ideas, and visit with the festival directors to gain additional insight; and

- c. Develop a plan for a Nebraska Wine Expo/Festival. Meet with wineries and NWGGA members to discuss and gain feedback.

A Nebraska Wine Expo/Festival will provide much needed exposure to the industry and can provide a stable source of income for the association to utilize. The initial vision for this activity is that it would develop into a weekend event that would contain a number of activities pertaining to the industry. Examples might include a tasting event featuring Nebraska wines and wine seminars tailored to the public (wine and food pairing, wine 101) and NWGGA members (in-depth learning session featuring pertinent speakers from across the country). The location, time of year, and other elements would be determined by this study. Seth McFarland was appointed by the NWGGA Board to oversee locating an evaluator to provide a feasibility study of the NWGGA hosting such an event. Once an evaluator has been decided upon, the feasibility study will begin.

Winery Council Workshop. The Board allocated \$5,000 to NWGGA to conduct workshop(s) for Nebraska farm wineries. Below are the topics to be covered at the workshop(s):

- a. The Federal Tax and Trade Bureau's (TTB) compliance/audit issues;
- b. Current OSHA compliance issues/policies/procedures as they pertain to Nebraska farm wineries;
- c. Prevention of wine faults and filtration techniques.

Federal regulatory and compliance policies/procedures/issues continue to be an extremely difficult area for most farm wineries. Over time, these policies and issues continually change and, without the most recent information, wineries may inadvertently fall out of alignment. Upon the recommendation of TTB personnel, such comprehensive training should be conducted every two years. This information will be addressed during the workshop(s).

Secondly, Scott Laboratories will present a seminar on the prevention of wine faults from yeasts, bacteria, nutritional imbalance, and sanitation. They will also discuss filtration techniques. This information is to be applied to Nebraska wineries to identify problems in their wine making practices and to help improve the quality of their wines.

Funds are only to be used to pay for speaker honorariums, speaker expenses, meeting room cost(s), and workshop materials.

The NWGGA Board will be meeting in January to review recommendations submitted by the NWGGA Winery Council for use of these funds. At that time, the NWGGA Board will give approval to the Winery Council's proposal.

Strategic Plan Facilitation and Creation. The Board allocated \$5,000 to the NWGGA to redevelop their Strategic Plan. This was a three-step process, which began by surveying the NWGGA Board to determine their goals of this Plan. The second step involved conducting three Membership Strategic Planning Input Sessions, which were held in Western (Ogallala), Central (Grand Island), and Eastern (Lincoln) Nebraska. A total of 21 members attended the listening sessions, and a summary of the ideas were reported back to the NWGGA Board. On July 24, 2011, the NWGGA Board met in York and drafted a plan. Finalizing, printing, and binding of the NWGGA Strategic Plan is complete. Copies of the Strategic Plan are available for review by all interested parties.

Grape Grower Educational Seminars. The Board approved up to \$5,000 from the Winery and Grape Producers' Promotional Fund to NWGGA to conduct grape grower educational seminars. The purpose of this project is to provide the latest best management practices and technological innovations to grape growers across the state. Seminars will focus on areas of interest for winery establishments and grape growers. The seminars to be held are as follows:

- a. Canopy Management and Crop Sustainability Issue Seminar. Attendees will learn about canopy management and how it is determined by the interaction of the cultivar, vineyard site, seasonal climate, inputs, and trellis systems.
- b. VINEBALANCE Program Seminars. Two educational seminars will be held covering the appropriate chapters from the VINEBALANCE self-assessment workbook.

Funds are only to be used to pay for speaker honorariums, speaker expenses, meeting room costs, and seminar materials.

The NWGGA Board will be meeting in January to review recommendations submitted by the NWGGA Growers' Council for use of these funds. At that time, the NWGGA Board will give approval to the Growers' Council's proposal.

DMACC Registration Costs. The Board allocated \$4,500 to NWGGA to pay for registration costs associated with a two-credit on-line viticulture or enology course conducted through the Des Moines Area Community College (DMACC). To date, NWGGA has identified four individuals who would like to attend the course. However, the advertised courses were postponed due to staff changes at DMACC. NWGGA is requesting the Board modify this grant, so it will pay for registration costs for viticulture and enology courses offered at other educational institutions besides DMACC.

NWGGA Web Site Enhancements. Last fiscal year, the Board allocated \$5,000 to NWGGA to improve their web site. The web site now allows NWGGA memberships to be purchased on-line. Memberships and other NWGGA events will be available for credit card or debit card purchase through PayPal. Prior use of this grant included a

member calendar board and a buyer/seller marketplace posting board for trading machinery and grapes.

University of Nebraska – Lincoln Viticulture Program Project Updates

Steve Gamet provided a brief overview of UNL's Viticulture Program focus areas.

Experimental Vineyards. Experimentations are taking place at three Nebraska vineyards – Nemaha, Peru, and Nebraska City. Research emphasizes cultivar evaluation and selection, cold hardiness, disease and pest management, canopy management, spring bud-break, reduced input / organic studies, trellis construction systems, and rootstock and winter protection research. Many of the vines in this experiment are over 12 years old.

On-Vineyard Research. Several projects have been initiated in cooperation with commercial vineyards. Comparisons of five trellis systems for Frontenac, St. Croix, and Marquette are ongoing. Insect monitoring has been conducted on 13 sites in Nebraska and weather monitoring has taken place on over a dozen commercial vineyards. Mulching and ground cover studies, canopy management, and crop adjustment projects have also been pursued. One manuscript has been submitted for publication based upon the M.S. work of C. Bavougian.

Campus-Based Research. Propagation studies for new and difficult cultivars, lab studies of juice components, fruit wine projects, and cultivar and trellis studies are underway. One manuscript has been submitted for publication based upon C. Bavougian's work.

NE-1020 National Project. This project involves testing of 13 cold-hardy varieties across a 13-state region. The project involves six plants per variety and three repetitions for a total of 18 plants for each variety in each state. The long-range goals include evaluation of fruit quality parameters and winemaking potential of the grapes produced in the project, using exactly the same protocols regardless of where they are produced.

Educational Programs. Examples of UNL educational resources and programs include the following:

- a. *Nebraska Vine Lines Newsletter* (published four to six times per year)
- b. Field Days
- c. 15th Annual Nebraska Winery and Grape Growers' Forum and Trade Show
- d. Workshops
- e. Radio and television spots

- f. Pesticide Sensitive Crop Locator
- g. UNL Speakers Bureau
- h. UNL classes (Vines, Wines and You; Horticultural Crop Physiology; Vegetable Crop Production; and Fruit Crop Production)
- i. Advising Master of Science and PhD students

Booth Display Update

The Board approved up to \$2,000 from the Winery and Grape Producers' Promotional Fund to pay for the creation of a Board display banner. At the previous meeting, Bart presented nine different electronic banner designs for the Board to consider. The designs were made by Imagine Studios. Although each banner had a different image, each one included the Board's mission statement and web site address. It was by unanimous consensus that two, eight-foot displays will be needed. The Board decided which two designs they liked most. Imagine Studios was the subcontractor hired to create the displays. The banners were created and were on display at the Board meeting. The cost for both displays (including the artwork) totaled \$1,021.50.

Grape Grower Survey Update

Dave gave an update regarding the Board's Grape Grower Survey. The survey is complete. There are 114 grape growers in Nebraska, 65 of who are NWGGA members. Nebraska has 126,159 vines planted on 338 acres. It was moved by Ellen and seconded by Bart that the entire report be approved as presented and placed on the Board's web site. The motion passed by unanimous consent.

Board Staff Assistant RFP

Casey gave an update of the Board Staff Assistant position. Interviews were conducted earlier in the year, but NDA was unable to find a candidate suitable for this position. NDA further examined this position and asked the Board if this position could be changed, so the individual hired to fulfill this role would be that of a part-time Independent Contractor to the Board. Therefore, the position would be renamed as a Board Services Contractor. The Contractor would work closely with NDA on many projects, as they relate to the grape and wine industry. The Board agreed to the proposed changes. Casey said the first step to begin this process is to develop and distribute a Request for Proposal (RFP). The purpose of the RFP is to provide an overview of the duties, qualifications, background information, scope of work, agreement terms, compensation, application submission instructions, and evaluation and selection criteria associated with this position. An RFP was drafted by NDA ahead of time and it was handed out to the Board for their review. The Board approved the RFP.

Interested applicants are to submit, in a sealed envelope marked RFP #3797, a cover letter and résumé for review and approval by NDA and the Board. Cover letters and/or résumés should provide information sufficient for NDA to evaluate the proposals against

the evaluation criteria outlined in the RFP. Cover letters and résumés are due to NDA by close of business day on Friday, December 30, 2011. Applicants with the highest combined scores will be interviewed by NDA and the Board and scored again using the same seven criteria. The Agreement, between NDA and the Contractor, will serve a term that will expire on June 30, 2012, with five successive one-year options to renew. The Contractor's work will begin as soon as possible, following the selection process. The Contractor is expected to be hired by January 2012. Compensation is set at approximately ten hours per week, with a total yearly value not to exceed \$5,000.

New Business

Nebraska Department of Economic Development, Division of Travel and Tourism

Kathy McKillip and Karen Kollars from the Nebraska Department of Economic Development (DED), Travel and Tourism Division talked about their division's approach to the development of a Strategic Plan.

On May 24, 2011, the Governor signed into law LB 684 enabling the Travel and Tourism Division to develop a program to provide promotional services and technical assistance to local governments and industry members and to ensure the protection and development of Nebraska's attraction resources. DED will have an Advisory Committee to provide regular consultation to the Travel and Tourism Division, which has been named the Travel and Tourism Division Advisory Committee. The Advisory Committee includes, at a minimum, one representative from the Game and Parks Commission, one representative from the Nebraska Travel Association, one representative from the Nebraska Hotel and Motel Association, one representative from a tourism attraction that records at least 2,000 out-of-state visitors per year, and one representative from the Nebraska Association of Convention and Visitors Bureau. The Travel and Tourism Division Advisory Committee is currently developing a statewide Strategic Plan to cultivate and promote tourism in Nebraska. The Advisory Committee is adopting policy criteria to be used in the development of the Plan. The Plan shall include:

- a. A review of the existing and potential sources of funding for tourism at the state and local levels;
- b. A comprehensive inventory of local tourism boards, the structure of such boards, and their funding;
- c. Criteria for local tourism boards in terms of appointments to such boards and for awarding grants by such boards at the local level to ensure local resources are used to achieve the greatest return;
- d. An examination of other states' funding models for tourism;
- e. Marketing strategies for promoting tourism;

- f. A proposal for creating new or expanding existing tourism capacity, which may include encouraging regional cooperation, collaboration, or privatization; and
- g. Recommended legislation or funding requirements.

In October, DED hired a consultant to assist the Travel and Tourism Division Advisory Committee in developing the statewide Strategic Plan. The consultant's first visit to Nebraska is slated for the second week in December. January 31 – February 1, 2012, is the Governor's Agri/Eco Tourism Conference in North Platte. During the Conference, the Board is scheduled to meet with the consultant for 1 ½ hours on February 1st. When the Strategic Plan is complete, the Advisory Committee will present it to the Legislature by September 1, 2012.

2011 – 2012 Fiscal Year Report

Casey handed out the October 2011 fiscal report. Dave made a motion to allocate \$12,000 to the NWGGA to pay for the Winery Bucks expenses associated with the 2011 Passport Program. It was seconded by Ellen. The motion passed by unanimous consent.

Terry made a motion to amend the DMACC contract, so \$4,500 from the Winery and Grape Producers' Promotional Fund to NWGGA can be used to pay for registration costs for viticulture and enology courses offered at other educational institutions besides DMACC. Funds used to offset these costs will provide an incentive for individuals interested or involved in the industry to enroll in this on-line course to increase their overall knowledge of the latest techniques and innovations for grape and wine production within the state of Nebraska. Participation in this course will help improve the competitiveness and betterment of Nebraska's grape and wine industry. It was seconded by Dave. The motion passed by unanimous consent.

Dave made a motion to set aside \$43,555 of the Board's revenue and identify these funds as "unobligated expenditures" on the fiscal report. These funds are to be considered for disbursement, if other requests are presented to the Board before the end of the 2011 – 2012 fiscal year. It was seconded by Terry. The motion passed by unanimous consent.

Bart moved and Ellen seconded approval of the amended financial report. The motion carried.

Fiscal Year 2010 – 2011 Annual Report Review

Casey handed out a draft copy of the 2010 – 2011 Annual Report to the Board for their review. Terry moved to approve the annual report, post it on the Board's web site, and mail a copy to each Board member and state senator. It was seconded by Bart. The motion carried.

Other Business

After the Board members completed their expense vouchers, it was suggested that the date of the next meeting be held on the Wednesday evening or Thursday morning prior to the 15th Annual Nebraska Winery and Grape Growers Forum and Trade Show.

Adjourn

Bart made a motion to adjourn and Terry seconded it. The motion passed. The meeting adjourned at 9:15 p.m.

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, Nebraska
April 2, 2012

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chair
Dave Hanna, Secretary/Treasurer
Terry Ryan

Ex-Officio Member Present: Casey Foster, Nebraska Department of Agriculture

Guests Present: Seth McFarland, Nebraska Winery and Grape Growers Assoc.
Al Vybiral, Nebraska Winery and Grape Growers Assoc.
Steve Gamet, University of Nebraska - Lincoln

Call to Order

Max McFarland called the meeting to order at 5:05 p.m.

Approve Agenda

The agenda was reviewed by the Board. It was moved and seconded by Dave and Bart, respectively, that the agenda be approved as presented. The motion carried.

Approve Minutes of November 30, 2011, Meeting

Max opened discussion regarding approval of the November 30, 2011, minutes. Terry motioned and Bart seconded that the minutes be approved, as written. The motion passed by unanimous consent.

Public Notice

It was noted that the date, time, and location of this meeting was published in the March 22, 2012, editions of the *Norfolk Daily News*, and *Star Herald*. Notices in the *Grand Island Independent*, *Beatrice Daily Sun*, and *North Platte Telegraph* were published on March 23, 2012.

Old Business

Nebraska Winery and Grape Growers' Association (NWGGA) Project Updates

Wine Quality Assurance Program Update (Phases I and II). Max provided the Board with an update regarding Nebraska's Wine Quality Assurance Program. The Board allocated up to \$12,000 from the Winery and Grape Producers' Promotional Fund to initiate the development of a statewide Wine Quality Assurance Program administered by the consultant, Stephen Menke, and developed in consultation with NWGGA member wineries. Below is a summary of the activities completed under Phases I and II.

Phase I

The first phase of the project is complete. Stephen Menke assembled a Wine Sensory Quality Assurance Panel, which was an evaluation team that consisted of eight judges who scored the Nebraska wines. Twelve wineries participated and each was able to submit up to eight wines for evaluation. The intent of this project was to correct any flaws associated with each variety, so the quality of Nebraska wines can be improved. Wines were evaluated in a neutral laboratory set up at the University of Nebraska – Lincoln's East Campus. They were evaluated by four trained panelists from a Hedonistic Panel (smell and taste) and four from a Quantitative Faults Panel (smell only). The scoring gave combined baseline scores of 22.4 out of 32 possible points, which indicated a sound commercial quality wine. The scores were tabulated and the results were presented by Stephen Menke at the 15th Annual Nebraska Wine and Grape Growers Forum in Kearney, Nebraska, in March 2012. The results of the study are currently available to the public through UNL's Agronomy and Horticulture Department's web site at http://agronomy.unl.edu/c/document_library/get_file?uuid=44162997-a10d-41ba-8bf2-27c7510625ad&groupId=4128273&.pdf.

Phase II

The second phase of the project is currently underway. In cooperation with NWGGA's Winery Council, an Ad Hoc Committee has been formed which has reviewed the composite from Phase I. An educational workshop is being set-up for wineries and winemakers to attend. The workshop, which is expected to attract as many as 18 winemakers, will provide resources to assist wineries in addressing problems that are resulting in wine flaws. It is anticipated that this information can be used to make adjustments or corrections to wine productions, if necessary. At the next meeting, the Board can expect to receive a proposal aimed at moving this program forward. It is anticipated that new funds could be used to evaluate 150 additional wines, which would be accompanied by a lab analysis report. NWGGA supports this program and the possibility of what it can offer to the industry.

Seth McFarland, NWGGA President-Elect, gave an update of the following NWGGA projects.

Executive Director. A Professional Review Committee has been established by the NWGGA to evaluate the performance of the Executive Director. This committee is developing a set of evaluation criteria that will be written into a performance evaluation form. This tool will be used to measure the Executive Director's performance. Following periodic evaluations, recommendations will be made to the NWGGA as whether to keep, change, or retain the individual serving in this capacity.

The Executive Director is currently handling Passport Program reimbursements, membership connections, quarterly newsletters, grants, legal issues, and corporate matters. André Mick is handling event coordination, constituent contacts, Passport design, and trade show registration. At the November 30, 2011, Board meeting, NWGGA was granted \$12,000 from the Board to pay for “Winery Bucks” expenses directly associated with the 2011 Passport Program.

Wine Advertising Campaign. The Board allocated \$6,100 to pay for a Stepped Up Premium Wine Advertising Campaign. The purpose of the project is to conduct a campaign to promote the quality and desirability of Nebraska wine products to consumers in Nebraska and across the country.

The NWGGA Board met in January 2012 and reviewed the recommendations submitted by NWGGA’s Marketing Committee as how to use these funds. The NWGGA Board gave approval to the Marketing Committee to hire IDEA Bank in Hastings, Nebraska, as the consultant to prepare a marketing plan for the Nebraska wine industry. From this plan, an effort toward enhancing the image of the Nebraska wine industry will be formulated and implemented.

It is anticipated that NWGGA will contract with IDEA Bank to create news releases touting the successes of NWGGA’s promotional programs. Topic examples used in the news releases might include the Passport Program, increasing the awareness of the use of wines for holiday cooking, and purchasing Nebraska wines as Christmas gifts.

Wine Expo/Festival. The Board allocated \$12,000 to NWGGA to investigate and determine the feasibility and requirements for developing a Nebraska Wine Expo/Festival. A Nebraska Wine Expo/Festival will provide much needed exposure to the industry and can provide a stable source of income for the association to utilize. The initial vision for this activity is that it would develop into a weekend event that would contain a number of activities pertaining to the industry. Examples might include a tasting event featuring Nebraska wines and wine seminars tailored to the public (wine and food pairing, wine 101) and NWGGA members (in-depth learning session featuring pertinent speakers from across the country). The location, time of year, and other elements would be determined by this study.

On April 22nd, the NWGGA Board will decide who they will hire as the consultant to conduct this feasibility study. The consultant will work with the Expo Committee members and will travel to one (1) or two (2) successful festivals to get a feel for the atmosphere, obtain ideas, and visit with the festival directors to gain additional insight. The end goal is to develop a plan for a Nebraska Wine Expo/Festival.

Winery Council Workshop. The Board allocated \$5,000 to NWGGA to conduct a workshop for Nebraska farm wineries. Below are the topics covered at the workshop held on February 29, 2012:

- a. The Federal Tax and Trade Bureau’s (TTB) compliance/audit issues;

- b. Current OSHA compliance issues/policies/procedures as they pertain to Nebraska farm wineries.

Federal regulatory and compliance policies/procedures/issues continue to be an extremely difficult area for most farm wineries. Over time, these policies and issues continually change and, without the most recent information, wineries may inadvertently fall out of alignment. Upon the recommendation of TTB personnel, such comprehensive training should be conducted every two years. This information was addressed during the workshop.

Strategic Plan Facilitation and Creation. The Board allocated \$5,000 to NWGGA to redevelop their Strategic Plan. NWGGA's Strategic Plan is complete, and copies are now available.

Grape Grower Educational Seminars. The Board approved up to \$5,000 from the Winery and Grape Producers' Promotional Fund to NWGGA to conduct grape grower educational seminars. The purpose of the seminars was to provide the latest best management practices and technological innovations to grape growers across the state. The seminars were to cover Canopy Management and Crop Sustainability and some of the chapters addressed in the VINEBALANCE self-assessment workbook.

However, NWGGA found it difficult to set-up and organize these seminars. Therefore, the seminars have not yet been conducted, and it is highly likely that these funds will not be spent this fiscal year. However, NWGGA may request that the funds for this project be granted for the 2012-13 fiscal year.

DMACC Registration Costs. The Board allocated \$4,500 to NWGGA to pay for registration costs associated with viticulture and enology courses offered at educational institutions. Only a few have inquired and are looking to enroll in the fall semester. Therefore, funds allocated towards this project will not be spent this fiscal year. NWGGA may ask the Board to re-fund this project for the 2012-13 fiscal year.

2011 Passport Expenses. The Board allocated up to \$12,000 to NWGGA to pay for expenses associated with the 2011 Passport Program. Consumers who visit a participating location (and purchase a wine tasting), will receive a stamp. If enough stamps are obtained, NWGGA provides gift cards, called "Winery Bucks," to those consumers. The Winery Bucks are used for the purchase of wine from any Passport participating location.

Board funds will be used to reimburse NWGGA for the 2011 Winery Bucks expenses.

University of Nebraska – Lincoln Viticulture Program Project Updates

Steve Gamet provided a brief overview of UNL's Viticulture Program focus areas.

Western Nebraska Grape Project. In 2001, a grape variety trial was established at the Panhandle Research and Extension Center in Scottsbluff, Nebraska. A total of 15 varieties were planted in the initial year and various other varieties were added in subsequent years for a total of 37 varieties evaluated over a 10 year period. The later planted material was marginally suited to the area, but the material had grower and winery interest. Out of that material, only Vignoles, Prairie Star, Mars, and St. Vincent had fruit produced in one of the four years it was tested. Varieties that showed good potential for western Nebraska include Frontenac, Valiant, Leon Milot, Marcheal Foch, Elvira, and deChaunac with yield averaging above 10 pounds per plant. Yields were not taken in 2010 due to late spring freeze, heavy grasshopper pressure, and bird damage at harvest.

15th Annual Nebraska Winery and Grape Growers' Forum and Trade Show. It was reported that the attendee numbers have declined over the past few years. Approximately 100 people attended the conference in March.

Travel and Tourism Consultant Meeting Update

As discussed at the last meeting, the Nebraska Department of Economic Development hired a consultant to assist the Travel and Tourism Division Advisory Committee in developing a statewide Strategic Plan. The consultant met with representatives of the Nebraska grape and wine industry during the Governor's Agri/Eco Tourism Conference in North Platte earlier this year. Representatives from the Board and NWGGA met with the consultant and addressed the past, present, and future position of the industry. The Advisory Committee intends to present the Strategic Plan to the Legislature by September 1, 2012.

The Board intends to build upon their relationship with the Travel and Tourism Division to find ways with which financial resources can be combined to further promote the Nebraska grape and wine industry. After the Strategic Plan has been reviewed by the Board, a more detailed discussion will ensue to determine how the Board can more closely partner with this state agency on initiatives that cross promote both Nebraska's tourism and grape and wine industry.

Terry moved for the authorization of one or more representatives from the Nebraska Grape and Winery Board and/or the NWGGA Board to meet with Kathy McKillip (or her representative) to discuss the partnership between tourism and the grape and wine industry in the state of Nebraska. It was seconded by Bart. Motion carried.

Board Services Contractor Update

Over the past couple of years, NDA hired a Board Staff Assistant to assist in the clerical duties of the Nebraska Grape and Winery Board. As stated at the previous meeting, NDA examined this position and, upon approval from the Board, decided to change this position to that of a part-time Independent Contractor. The position was renamed as the Nebraska Grape and Winery Board Services Contractor.

During the RFP process, interested applicants submitted a cover letter and résumé for review by NDA. Once the application deadline expired, NDA scored the applicants against the evaluation criteria outlined in the RFP. The applicants with the highest combined scores were interviewed by NDA and scored again using the same criteria. Four applicants were interviewed on January 31, 2012. It was decided by NDA, upon approval of the Board Chairman, that Ruth Anderson be hired as the individual to fill the Board Services Contractor position. Ruth accepted the position on February 1, 2012.

An Agreement, between NDA and the Contractor, was signed on March 1st. It will serve a term that will expire on June 30, 2012, with five successive one-year options to renew. Compensation is set at approximately ten hours per week, with a total yearly value not to exceed \$5,000. The Contractor will work closely with NDA on many projects, as they relate to the grape and wine industry.

Ruth will be contacting those who received grant funds during the 2010-2011 fiscal year. She is responsible for compiling, reviewing, and editing their final reports.

New Business

2011 – 2012 Fiscal Year Report

Casey handed out the March 2012 fiscal report. It was mentioned that the Board has a large ending cash balance and that Ruth Anderson will be working with the NWGGA, UNL Viticulture Program, and other grantees on collecting invoices so that payments can be made.

Earlier in the meeting, NWGGA President, Seth McFarland, presented two proposals to the Board for funding consideration yet this fiscal year. The Board decided to discuss both proposals at this point during the meeting to determine if either or both were worthy of funding.

Travel Buddy Magazine Insert. The first was a request for \$20,000 to pay for “Travel Buddy,” which would be a one-time edition, multipage magazine to be distributed in conjunction with the *Nebraska Life* magazine. The goal of this project is to showcase Nebraska wineries and activities and attractions located near each establishment. All Nebraska wineries would be notified and provided the opportunity to participate in this promotional activity. The magazine would include a picture and article of each winery and its respective local attractions. It would also include an Events Calendar enabling wineries to promote date specific events and activities. The magazine would be released during the spring of 2013. *Nebraska Life* would distribute this publication to their subscribers, which consists of approximately 40,000 people. An additional 10,000 copies would be provided to NWGGA to use for their own distribution.

To develop and print this one-time publication, it would cost NWGGA \$35,000. The plan to obtain the funding was two-fold:

1. Secure a grant from the Board in the amount of \$20,000.
2. NWGGA would request that each winery purchase at least one ad at \$250 or possibly two adds for \$500. It was anticipated that the combined total cost of the purchased ads would total \$15,000

The Board felt as though this project is vital to the future growth of the industry. Consequently, it was moved by Dave and seconded by Terry that the Board fund this project for \$35,000, which was \$15,000 beyond NWGGA's original request. The motion passed by unanimous consent.

Nebraska Wine Festivals. The second NWGGA request was for \$8,000 to provide for the financial underwriting of the Nebraska Wine and Jazz Festival and the Nebraska Wine and Balloon Festival in exchange for promotional recognition of NWGGA and Nebraska's grape and wine industry. Nebraska wineries will be invited to showcase their wines at the wine pourings held in conjunction with the festivals. Dave moved and Terry seconded that the Board fund this project. The motion passed by unanimous consent.

2010 – 2011 Passport Program Expenses. Dave made a motion to add \$7,113.76 to the Board's 2011 – 2012 fiscal budget. This amount, which reimbursed NWGGA for expenses associated with the 2010-2011 Passport Program, was paid this fiscal year. It was seconded by Bart. The motion passed by unanimous consent.

Grape and Winery Board Booth. Since the total cost of the Grape and Winery Board's booth was only \$1,021.50, Terry made a motion to decrease the amount of this line item expenditure from \$2,000 to \$1,022. It was seconded by Dave. The motion passed by unanimous consent.

Wine Quality Assurance Program (Phase III). The Board strongly believes in the Wine Quality Assurance Program and was pleased with the results of Phases I and II. In an effort to aid in the continuation of this program, the Board decided to fund the next phase of this project, which will include a lab analysis of up to 120 wines (\$12,000) and a Hedonistic Panel evaluation of up to 150 wines (\$6,000). The Board has granted \$18,000 for Phase III and intends to work with Stephen Menke to complete this project. This project is contingent upon Stephen Menke's agreement to this project and his ability to complete these tasks by June 31, 2012. If this is not achievable, money for this project, during the current fiscal year, will remain unspent.

Grape Grower Survey Update. Dave gave an update regarding the Board's Grape Grower Survey. The survey is complete. There are 114 grape growers in Nebraska, 65 who are NWGGA members. Nebraska has 126,159 vines planted on 338 acres. The report has been placed on the Board's web site and can found at http://www.grapeandwineryboard.nebraska.gov/2011_grape_growers_survey.pdf.

Terry made a motion to reimburse Hannah Land and Cattle Company for an amount not to exceed \$1,000. Funds will be used to pay for the expenses incurred in summarizing and tabulating the data for the 2011 Grape Growers Survey. The services rendered started March 2011 and ended December 31, 2011. Bart seconded the motion. Motion carried by unanimous consent.

Dave made a motion to approve the entire budget as amended. It was seconded by Terry. Motion carried.

2012 – 2013 RFP

Ruth handed out draft copies of the 2012 – 2013 Request for Proposal (RFP) application and instructions to the Board for review and approval. Max suggested that any RFP applications submitted via U.S. mail be postmarked no later than Saturday, May 12, 2012. Applications sent electronically should be directed to Ruth on or before Monday, May 14th. Ruth also distributed copies of a news release that will be sent to local media sources announcing the Board's solicitation of grant proposals for the 2012 – 2013 fiscal year.

Max moved that the RFP application and instructions and news release documents be approved. Dave seconded. Motion carried. Ruth said the news release will be sent to local media outlets, NWGGA members, and UNL within the next couple of weeks. Casey said this information will also be posted on the Board's website.

Other Business

After the Board members completed their expense vouchers, it was suggested that the date of the next meeting be held on Monday, May 21st in Kearney, Nebraska at the Wingate Inn. It will begin at 5:00 p.m.

Adjourn

Terry made a motion to adjourn and Dave seconded it. Motion carried. The meeting adjourned at 9:20 p.m.

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, Nebraska
May 21, 2012

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chair
Dave Hanna, Secretary/Treasurer
Terry Ryan
Ellen Burdick

Ex-Officio Member Present: Casey Foster, Nebraska Department of Agriculture
Board Services Contractor Present: Ruth Anderson

Guests Present: Dr. Paul Read, University of Nebraska – Lincoln
Hilary Niver-Johnson

Call to Order

Max McFarland called the meeting to order at 5:09 p.m.

Approve Agenda

The agenda was reviewed by the Board. It was moved and seconded by Dave and Bart, respectively, that the agenda be approved as presented. The motion carried.

Approve Minutes of April 2, 2012, Meeting

Max opened discussion regarding approval of the April 2, 2012, minutes. It was requested that changes be made on pages 3 and 4. It was recommended that line item “c” and the last paragraph on page 3 be stricken from the minutes. On page 4, under 2011 Passport Expenses, it was asked that a spelling correction be made to the phrase “Winery Bucks.” Dave motioned and Bart seconded that the minutes be approved, as corrected. The motion passed by unanimous consent.

Public Notice

It was noted that the date, time, and location of this meeting was published in the editions of the *Norfolk Daily News*, *Star Herald*, *Grand Island Independent*, *Beatrice Daily Sun*, and *North Platte Telegraph*.

Old Business

Nebraska Winery and Grape Growers' Association (NWGGA) Project Updates

The NWGGA President, President-Elect, and Executive Director were not present at the meeting. Therefore, no official report was given. However, Max was able to give the Board an update regarding the progress on some of NWGGA's Board-funded projects.

Wine Quality Assurance Program. NWGGA will accomplish the major components of this project during the 2012-13 fiscal year. Listed below are the three components:

- a. Sensory/Hedonistic Panel Evaluation
- b. Educational Follow-Up
- c. Chemical Analyses of Wines

The NWGGA will work with an enologist, who will serve as the project consultant. The first step will involve assembly of a Wine Sensory Quality Assurance Panel. Nebraska wineries will be able to submit wines for evaluation. Wines will be evaluated in a laboratory by trained panelists from a Hedonistic Panel (smell and taste) and from a Quantitative Faults Panel (smell only). Once completed, the scores will be tabulated and combined to provide an aggregate overview of the quality of Nebraska's commercial wines. The intent is to identify any wine flaws associated with each variety so corrections can be made to improve the quality of Nebraska wines.

The second step will involve an educational workshop for Nebraska winemakers. This will be a one- or two-day seminar that will serve as a follow-up to the wine evaluations. It will provide resources to assist wineries in addressing problems that result in wine flaws. It is anticipated that the information provided at the workshop will be used to make adjustments or corrections to wine productions, if necessary.

The third step involves a chemical analyses of Nebraska wines in a laboratory. Chemical tests will be run to identify acidity, bacteria, glucose, fructose, and other ingredients that are included in bottled wines.

During the meeting, the Board decided to allocate \$24,000 to the NWGGA to accomplish the major components of this project during the 2012-13 fiscal year.

Executive Director. It was mentioned that the NWGGA Executive Director will resign effective July 31, 2012. NWGGA plans to hire an individual to fill this soon-to-be vacated position.

Wine Expo/Festival. NWGGA hired a consultant to investigate and determine the feasibility and requirements for developing a Nebraska Wine Expo/Festival. The consultant will work with the Expo Committee members and will travel to one or two successful festivals to get a feel for the atmosphere, obtain ideas, and visit with the

festival directors to gain additional insight. The end goal is to develop a plan for a Nebraska Wine Expo/Festival.

A Nebraska Wine Expo/Festival will provide much needed exposure to the industry and can provide a stable source of income for the association to utilize. The initial vision for this activity is to develop a weekend event that would contain a number of activities pertaining to the industry. Examples might include a tasting event featuring Nebraska wines and wine seminars tailored to the public (wine and food pairing, wine 101) and NWGGA members (in-depth learning session featuring pertinent speakers from across the country). The location, time of year, and other elements will be determined by this study.

Mac's Creek Vineyards and Winery – Cold Hardiness Study

Max provided a brief report regarding his cold hardiness study. It was reported that last year's study results indicated that a 14-day delay can be attained with two Amigo Oil applications while no significant delay resulted from a single application. The study was to determine the effects of single versus multiple applications. The unusual weather conditions of the past winter and spring seasons made it difficult to determine whether these results can be replicated and expected in future years. This study will need to be conducted a second year to obtain more concrete data.

University of Nebraska – Lincoln Viticulture Program Project Updates

Dr. Paul Read provided a brief overview of UNL's Viticulture Program focus areas.

Western Nebraska Grape Project. In 2001, a grape variety trial was established at the Panhandle Research and Extension Center in Scottsbluff, Nebraska. A total of 15 varieties were planted in the initial year and various other varieties were added in subsequent years for a total of 37 varieties evaluated over a 10 year period. The later planted material was marginally suited to the area, but the material had grower and winery interest. Out of that material, only Vignoles, Prairie Star, Mars, and St. Vincent had produced fruit in one of the four years it was tested. Varieties that showed good potential for western Nebraska include Frontenac, Valiant, Leon Milot, Marcheal Foch, Elvira, and deChaunac with yield averaging above 10 pounds per plant. Yields were not taken in 2010 due to late spring freeze, heavy grasshopper pressure, and bird damage at harvest. Overall, it was discovered that some cultivars fared well in Nebraska's panhandle climate, and a summary of UNL's evaluation in this area of the state will remain on UNL's web site.

The Western Nebraska Project has closed. Jim Schild (UNL Extension Educator at the Panhandle Research and Extension Center) resigned in 2011. This position has been redefined to focus on dry edible beans, and UNL decided to destroy the viticulture test plot in Scottsbluff. All vines have been removed.

Northeast Nebraska Regional 1020 Program. The UNL Viticulture Program was accepted into the Northeast Nebraska Regional 1020 Program, which is a federally-

funded program. Uniform data analysis using a lab in Iowa will be performed to study cultivar performance.

Trellis Systems. UNL continues to research trellises that are used for bearing fruit. Despite the invasion of deer, there has been some fruit success. It has been discovered that 6 foot trellis systems work better for production than the 3 foot systems. Some repellants, including hot peppers, rotten eggs, and dryer sheets, have been used to deter deer from entering the vineyards and damaging the crop.

Amigo Oil. The UNL Viticulture Program has applied Amigo Oil to grape vines in an effort to delay bud break. This research is parallel to Mac's Creek's Cold Hardiness Study.

Vineyard Floor Management Practices. UNL is also working with James Arthur Vineyards to research best management practices for vineyard floors. The use of ethanol byproducts and other materials, such as crushed glass, oyster shells, and dry grains, are being considered as alternative, conventional mulch applications for moisture retention and weed control.

Growing Degree Day Study. Preliminary data has been collected to measure the growing degree days in Nemaha, Peru, and Nebraska City. There were 374, 344, and 339 days in Nemaha, Peru, and Nebraska City, respectively, where temperatures did not drop below 50 degrees Fahrenheit. The number of growing degree days increased 300% compared to previous years.

Insect and Disease Management Practices. Insect and disease management continues to be monitored. In the eastern portion of the United States, there is a migration of the Multicolored Asian Lady Beetle and the Brown Marmorated Stink Bug, both of which are nuisance pests.

New Business

On April 4th, the Board released an RFP seeking grant proposals from individual growers, farm wineries, organizations, industry groups, or academic institutions that aimed to assist in the betterment of Nebraska's grape and wine industry. The Board's goal was to fund meaningful projects during the 2012-13 fiscal year that would have the highest likelihood of significant, positive impact on grape and wine production in Nebraska. Applications were due by U.S. Mail on Saturday, May 12th or electronically by Monday, May 14th. All proposals were submitted to Ruth Anderson, the Board's Services Contractor. After the proposal deadline had expired, Ruth sent all of the proposals to the Board members for their review. The Board members ranked each proposal against a score sheet that accompanied each proposal. A total of 14 proposals were submitted.

Max made a motion to move agenda item "b. Review of Proposals" to the first order of business under the New Business portion of the meeting. It was seconded by Dave.

The motion carried. Below is a brief overview of the proposals that were received.

Pomace Processing Project. Hilary Niver-Johnson's proposal would identify and communicate methods of increasing vineyard sustainability by reducing energy inputs, increasing output and creating methods for recovering bio-products from the traditional waste streams of grape pruning and grape pressing. Hilary attended the meeting to field questions from the Board regarding her proposal.

UNL Viticulture Program. Dr. Read's proposal would pay for the viticulture technologist's salary and benefits, student hourly labor, fertilizers, chemicals, trellis materials, planting stock, drip irrigation, fuel and vehicle rental costs, travel expenses, and indirect costs involved in the oversight and implementation of viticulture program activities. These activities are continuous from one year to the next. Like previous years, they would 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. Mulch and ground cover studies;
- g. Research to determine the number of Growing Degree Days (GDD) required for specific cultivars to reach bud-break and the GDD number between bud-break and harvest;
- h. Disease and insect management;
- i. Reduced pesticide input;
- j. Sustainable and potentially organic grape production projects; and
- k. Educational programming, including the Annual Forum, workshops, field days, and formal UNL courses.

Dr. Read attended the meeting to answer questions regarding his proposal. He also took a moment to speak on behalf of three other UNL proposals submitted to the Board for funding under the 2012-13 fiscal year. These proposals consisted of the following:

1. **High Value Fibers and Composites from Grape Vines.** Professor Yiqi Yang's proposal would extract high quality natural cellulose fibers from grape vines and utilize the grape vine fibers to develop high value composites.
2. **Mycotoxin Fumonisin in Nebraska Grapes and Wines.** Liangcheng Du's proposal would investigate fumonisin contamination in Nebraska's grapes and wines.
3. **Compounds in Grapes & Leaf Extracts Decrease Obesity Risk.** Dr. Janos Zempleni's proposal would establish a strategic alliance with grape and wine producers in Nebraska in order to demonstrate the belief that the consumption of grape products can help combat the nation's obesity epidemic.

Mac's Creek Vineyards and Winery submitted the following two proposals:

1. **Amigo Oil: Single vs. Multiple Applications.** This proposal would begin the second year of investigating the effects of single versus multiple applications of the Amigo Oil to grape vines.
2. **Increasing Sustainability of Viticulture in Nebraska by "Going Green."** This proposal would investigate the feasibility of utilizing ozone technology to control viticulture diseases.

The NWGGA submitted seven proposals. They were as follows:

1. **NWGGA Executive Management Services.** This proposal would fund an Executive Director position, which would increase the competitiveness and sustainability of Nebraska's grape and wine industry.
2. **NWGGA Regional Wine Festivals.** This proposal would provide for the financial underwriting of two regional wine festivals in exchange for promotional recognition of NWGGA and Nebraska's grape and wine industry. Nebraska wineries would be invited to showcase their wines at the wine pouring held in conjunction with the festivals.
3. **NWGGA Economic Impact Study.** This proposal would enable the NWGGA to hire a research analyst to conduct a current economic impact study of the production of wine and grapes in Nebraska. This report would gauge where the industry stands in the current business climate.
4. **NWGGA Education Program.** This proposal would enable the NWGGA to schedule a series of educational seminars to provide the latest industry related best management practices and other technological innovations to Nebraska wineries and grape growers.

5. **NWGGA Marketing Program.** The objective of this proposal would consist of promoting the quality of Nebraska wines, increasing the total percent of Nebraska wines sold within the state, turning the novelty of less familiar wine varieties into an advantage, and emphasizing the Wine Quality Assurance Program among NWGGA members. A detailed marketing and branding campaign of Nebraska wines would promote the quality and desirability of Nebraska wine products to consumers in Nebraska and across the country.
6. **NWGGA Passport Program 2012 – 2013.** This proposal would pay for the expenses associated with the 2012 – 2013 Passport Program.
7. **NWGGA Wine Quality Assurance Program.** This proposal would continue the development of a statewide Wine Quality Assurance Program. The activities would be multi-faceted, administered by a consultant, and developed in consultation with NWGGA member wineries.

2011 – 2012 Fiscal Year Report

Casey handed out the April 2012 fiscal report. He mentioned that the Board has a large ending cash balance and that Ruth Anderson will be working with the NWGGA and other grantees on collecting invoices so that payments can be made before June 30th. Dave made a motion to approve the April budget as presented. It was seconded by Bart. Motion carried.

Casey then handed out the proposed 2012-13 fiscal year budget. It was estimated that the Board would carryover \$49,000 into the 2012-13 fiscal year. The Board estimated to collect \$171,490 in total revenue under the upcoming fiscal year. This would give the Board a total available cash balance of \$220,490.

Discuss allocations of Funding for 2012-2013 Fiscal Year

The Board tabulated their proposal scores and discussed each one in great detail.

The proposals approved for funding for the 2012-13 fiscal year were as follows:

NWGGA Executive Management Services	\$36,000.00
NWGGA Regional Wine Festivals	\$10,000.00
NWGGA Economic Impact Study	\$12,000.00
NWGGA Education Program	\$10,000.00
NWGGA Marketing Program	\$20,000.00
NWGGA Passport Program 2012-2013	\$10,000.00
NWGGA WQA Program	\$24,000.00
UNL Viticulture Program	\$53,761.00
Amigo Oil: Single vs. Multiple Applications	\$5,975.00
Increasing Sustainability of Viticulture in Nebraska by "Going Green"	\$7,300.00

Below are the proposals that were not funded:

Pomace Processing Project	\$49,400.00
High Value Fibers and Composites from Grape Vines	\$49,973.00
Mycotoxin Fumonisin in Nebraska Grapes and Wines	\$43,994.00
Compounds in Grapes & Leaf Extracts Decrease Obesity Risk	\$78,661.00

Dave made a motion to approve the 2012-13 fiscal budget, which included the above funded projects. It was seconded by Bart. Motion carried.

Other Business

The Board members completed their expense vouchers and turned them in. No decision was made as to when the next meeting will be held.

Adjourn

Max made a motion to adjourn and Ellen seconded it. Motion carried. The meeting adjourned at 9:30 p.m.

**2011 – 2012
FISCAL
REPORT**

WINE & GRAPE PRODUCTION PROMOTION BOARD
JULY 1, 2011 - JUNE 30, 2012

DESCRIPTION	FY2011-12 BUDGET	JUNE, 2012	FY2011-12 YR-TO-DATE	YTD AS % OF BUDGET
BEGINNING CASH BALANCE	\$ 71,797	\$ 168,333.35	\$ 71,796.78	
REVENUE:				
Shipper License Fees	\$ 142,500	\$ 2,500.00	\$ 155,000.00	
Check-Off Fee	7,783	0.00	7,783.22	
Crushed Grape Fees	12,407	0.00	12,406.94	
Investment Interest	1,300	375.60	2,262.25	
Other Revenue	2,240	0.00	2,240.37	
Total Revenue	\$ 166,230	\$ 2,875.60	\$ 179,692.78	108%
TOTAL AVAILABLE CASH	\$ 238,027	\$ 171,208.95	\$ 251,489.56	
EXPENDITURES:				
Printing (Annual Report)	\$ 500	\$ 0.00	\$ 367.42	
Room Rental	354	110.00	369.25	
Board Meeting Notices	400	31.91	446.69	
NWGGA Contracts				
NWGGA - Exec. Director	36,000	5,800.00	32,800.00	
NWGGA - Premium Wine Marketing Camp.	6,100	6,100.00	6,100.00	
NWGGA - Wine Expo/Festival	12,000	10,000.00	10,000.00	
NWGGA - Winery Council Wrksp (TTB & Faults)	5,000	918.01	918.01	
NWGGA - Wine Quality Program Yr 1	6,000	0.00	0.00	
NWGGA - DMACC Training	4,500	300.00	300.00	
NWGGA - Strategic Plan Facilitation	5,000	5,000.00	5,000.00	
NWGGA - Grape Grower Workshop	5,000	0.00	0.00	
NWGGA - 10/11 Passport Program	7,114	0.00	7,113.76	
NWGGA - 2011 Winery Bucks	12,000	4,990.00	4,990.00	
NWGGA - Travel Buddy Magazine	35,000	35,000.00	35,000.00	
NWGGA - Wine Festival Campaign	8,000	4,500.00	4,500.00	
Grape and Winery Board Display Booth	1,022	0.00	1,021.50	
WQA - Phase III	18,000	0.00	0.00	
UNL Contracts				
UNL - Viticulture	38,038	0.00	38,038.00	
Contracts (Misc.)				
Mac's Creek - Cold Hardiness Study (Yr 5)	5,500	5,500.00	5,500.00	
NDA Fee Collection	2,500	0.00	1,978.20	
Mid-Nebraska Wine Trail	5,000	0.00	0.00	
Grape Growers Survey	1,000	0.00	714.72	
Board Assistant	5,000	425.00	1,700.00	
Board Expense	3,500	137.40	2,793.68	
Total Expenditures	\$ 222,528	\$ 78,812.32	\$ 159,651.23	72%
Adjustment to Fund Balance	0	(558.30)	0.00	
ENDING CASH BALANCE	\$ 15,499	\$ 91,838.33	\$ 91,838.33	

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

Percent of Fiscal Year Elapsed: 100%

FY10-11 Revenue to Date: \$166,519.37

FY10-11 Expenditures to Date: \$133,858.50

CONTRACTS

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-120

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 to NWGGA to fund an Executive Director position and to conduct marketing 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 NWGGA;

WHEREAS, the promotional activities 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 thirty-six thousand dollars (\$36,000) from the Winery and Grape Producers' Promotional Fund to fund an Executive Director position, which is 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.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 thirty-six thousand dollars (\$36,000) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department only for funding the Executive Director position. 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1234a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

nwggcontract-execcdir_070111.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 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; 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 up to five thousand five hundred dollars (\$5,500) from the Winery and Grape Producers' Promotional Fund to assist the Vineyard in paying for the fifth year of a cold hardiness study.

Similar to the past four years, this project will investigate the effects of applying Amigo Oil to dormant grape vines in order to delay bud break so that considerable damage from cold temperatures can be avoided.

However, minimal research, with inconclusive and equivocal results, has attempted to evaluate the number of applications necessary to maximize these results. Therefore, this project will investigate the effects of single versus multiple applications of the Amigo Oil to grape vines. The results from this study could make it possible for grape growers to significantly increase profitability without having to increase the number of acres planted. Specific research questions that will be addressed during this project will include:

- a. Is there a difference in the extent of bud delay when comparing single versus multiple applications across three cultivars in a commercial vineyard application?
- b. Is there a difference in the extent of bud delay when comparing single versus multiple applications within each of the three cultivars investigated (i.e., Marechal Foch, Brianna, Edelweiss)?
- c. Is there a difference in the degree of bud delay related to the number of applications?

Each of the three cultivars (Marechal Foch, Brianna, and Edelweiss) will be divided into four groups by row and will consist of at least 30 vines in each group. The Control Group and will not receive any Amigo Oil applications, Treatment #1 will receive one, Treatment #2 three, and Treatment #3 five.

Up to five thousand five hundred dollars (\$5,500) will pay for the costs associated with this project, which include Amigo Oil, labor, equipment leasing, research assistant, research consultant, mileage, and lodging.

2. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and use of funds, will be made public by the Nebraska Grape and Winery Board.
5. Payment in the amount of up to five thousand five hundred dollars (\$5,500) 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 for this project. The Vineyard

shall present an invoice to the Department from which payments 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 maybe 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;

- (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 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. The Vineyard is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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, Vineyard Manager

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AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-122

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 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 the Viticulture Program;

WHEREAS, the research activities conducted by the Viticulture Program 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 thirty-eight thousand thirty-eight dollars (\$38,038) from the Winery and Grape Producers' Promotional Fund to pay for the viticulture technologist's salary and benefits, student hourly labor, and fuel and vehicle rental costs involved in oversight and implementation of Viticulture Program activities. These activities are continuous from one year to the next. Like previous years, they 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 damage prevention and management;
 - e. Potential efficacy of chemical and physical treatments on seedless table grape vines to delay spring bud-break;
 - f. Chambourcin research;
 - g. Research to determine the number of Growing Degree Days (GDD) required for specific cultivars to reach bud-break and the GDD number between bud-break and harvest;
 - h. Disease and insect management;
 - i. Reduced pesticide input;
 - j. Sustainable and potentially organic grape production projects;
 - k. Mulch and ground cover studies; and
 - l. Educational programming including the Annual Forum, workshops, field days, and formal UNL courses.
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, 2011, to June 30, 2012.
 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 nineteen thousand nineteen dollars (\$19,019) from the Winery and Grape Producers' Promotional Fund will be advanced to the Viticulture Program upon both parties' signature to this Agreement. The remaining nineteen thousand nineteen dollars (\$19,019) 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, 2012, will result in nonpayment.

6. The Viticulture Program shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
7. Funding for this project is subject to legislative appropriations and funding being available.
8. 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.
9. The Viticulture Program shall utilize funds provided by the Department 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.
10. 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. The Viticulture Program is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-147

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 to NWGGA to initiate the development of a statewide Wine Quality Assurance Program 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 up to six thousand dollars (\$6,000) from the Winery and Grape Producers Promotional Fund to pay for the second phase of the development of a statewide Wine Quality Assurance Program administered by a consultant and developed in consultation with NWGGA member wineries.

The second phase of this project is to provide the wineries, who participated in the first phase of this project, with follow-up to their wine quality analyses. This will include appropriate educational opportunities, workshops, and resources to assist wineries in addressing problems that are resulting in wine flaws. Up to six thousand dollars (\$6,000) will be used to pay for these expenses.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
3. The Department agrees to provide the funds, as set out in Paragraph 1, from the Winery and Grape Producers Promotional Fund. Payment 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.
4. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
5. 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.
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 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1234a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-148

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 to NWGGA for viticulture and enology education.

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 up to four thousand five hundred dollars (\$4,500) from the Winery and Grape Producers' Promotional Fund to NWGGA to pay for registration costs associated with a two-credit on-line viticulture or enology course conducted through the Des Moines Area Community College (DMACC).

Funds used to offset these costs will provide an incentive for individuals interested or involved in the industry to enroll in this on-line course to

increase their overall knowledge of the latest techniques and innovations for grape and wine production within the state of Nebraska. Participation in this course will help improve the competitiveness and betterment of Nebraska's grape and wine industry.

The goal of this program is to enhance the collective knowledge in the grape and wine production industries within the state of Nebraska. It is anticipated that the on-line course applicants will collectively impute their knowledge to fellow co-workers, thereby increasing the overall impact of the program.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 up to four thousand five hundred dollars (\$4,500) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program

authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

- o. 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

Richard Hilske, President

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THE FIRST AMENDMENT TO THE AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-148

This Agreement, in force and effective July 1, 2011, to June 30, 2012, between the Nebraska Winery and Grape Growers' Association (NWGGA) and the Nebraska Department of Agriculture is hereby amended as follows:

Page 1, paragraph 1, shall be amended to read:

1. The Nebraska Grape and Winery Board approved up to four thousand five hundred dollars (\$4,500) from the Winery and Grape Producers' Promotional Fund to NWGGA to pay for registration costs associated with an on-line viticulture or enology course from an educational institution.

Funds used to offset these costs will provide an incentive for individuals interested or involved in the industry to enroll in this on-line course to increase their overall knowledge of the latest techniques and innovations for grape and wine production within the state of Nebraska. Participation in this course will help improve the competitiveness and betterment of Nebraska's grape and wine industry.

The goal of this program is to enhance the collective knowledge in the grape and wine production industries within the state of Nebraska. It is anticipated that the on-line course applicants will collectively impute their knowledge to fellow co-workers, thereby increasing the overall impact of the program.

This First Amendment shall become effective as of the date of last signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Richard Hilske, President

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-154

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 to NWGGA for a wine advertising campaign.

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 up to six thousand one hundred dollars (\$6,100) from the Winery and Grape Producers' Promotional Fund to NWGGA to pay for a Stepped Up Premium Wine Advertising Campaign.

The purpose of this project is to conduct a campaign to promote the quality and desirability of Nebraska wine products to be conducted

regionally and across the country. The project is separated into three parts, but the Board approved only the first two.

a. Advertising Campaign Study/Consultation.

NWGGA will utilize up to two thousand five hundred dollars (\$2,500) to hire the IDEA Bank in Hastings, Nebraska, to prepare a marketing plan for the Nebraska wine industry. From this plan, an effort toward enhancing the image of the Nebraska wine industry would be formulated and implemented.

b. Contract with IDEA Bank for six (6) news releases.

NWGGA will utilize up to three thousand six hundred dollars (\$3,600) to create news releases touting the success of NWGGA's promotional programs. Topic examples used in the news releases might include the Passport Program, increasing the awareness of the use of wines for holiday cooking, and purchasing Nebraska wines as Christmas gifts.

There are some reoccurring concerns of interest pertaining to the Nebraska wine industry. They are as follows:

- (1) Increasing Nebraska wines share of the total wine market in our state;
- (2) Maintaining a profitable price point for Nebraska wineries;
and
- (3) Promoting a Quality Assurance Program among members.

A stepped up wine advertising campaign will address these concerns of interest and will promote the quality and desirability of Nebraska wine products to consumers in Nebraska and across the country.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 up to six thousand one hundred dollars (\$6,100) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-155

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 to NWGGA to conduct a feasibility study for a Nebraska Wine Expo/Festival.

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 up to twelve thousand dollars (\$12,000) from the Winery and Grape Producers' Promotional Fund to NWGGA to investigate and determine the feasibility and requirements for developing a Nebraska Wine Expo/Festival.

Grant funds will be used to pay for the following activities:

- a. Hire a consultant to give the Expo Committee an overview of what is needed to host a festival;
- b. The Expo Committee members will travel to one (1) to two (2) successful festivals in the country to get a feel for the atmosphere, obtain ideas, and visit with the festival directors to gain additional insight; and
- c. Develop a plan for a Nebraska Wine Expo/Festival. Meet with wineries and NWGGA members to discuss and gain feedback.

A Nebraska Wine Expo/Festival would provide much needed exposure to the industry and can provide a stable source of income for the association to utilize. The initial vision for this activity is that it would develop into a weekend event that would contain a number of activities pertaining to the industry. Examples might include a tasting event featuring Nebraska wines and wine seminars tailored to the public (wine and food pairing, wine 101) and NWGGA members (in-depth learning session featuring pertinent speakers from across the country). The location, time of year, and other elements would be determined by this study.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 up to twelve thousand dollars (\$12,000) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-156

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 to NWGGA to conduct workshops for Nebraska farm wineries.

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 up to five thousand dollars (\$5,000) from the Winery and Grape Producers' Promotional Fund to NWGGA to conduct workshop(s) for Nebraska farm wineries. Below are the topics to be covered at the workshop(s):

- a. The Federal Tax and Trade Bureau's (TTB) compliance/audit issues;
- b. Current OSHA compliance issues/policies/procedures as they pertain to Nebraska farm wineries;
- c. Prevention of wine faults and filtration techniques.

Federal regulatory and compliance policies/procedures/issues continue to be an extremely difficult area for most farm wineries. Over time, these policies and issues continually change and, without the most recent information, wineries may inadvertently fall out of alignment. Upon the recommendation of TTB personnel, such comprehensive training should be conducted every two years. This information will be addressed during the workshop(s).

Secondly, Scott Laboratories will present a seminar on the prevention of wine faults from yeasts, bacteria, nutritional imbalance, and sanitation. They will also discuss filtration techniques. This information is to be applied to Nebraska wineries to identify problems in their wine making practices and to help improve the quality of their wines.

Funds are only to be used to pay for speaker honorariums, speaker expenses, meeting room cost(s), and workshop materials.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 up to five thousand dollars (\$5,000) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.

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. NWGGA shall utilize funds provided by the Department 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. 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;
 - (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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-157

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 to NWGGA to facilitate and create a strategic planning process for the NWGGA.

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 up to five thousand dollars (\$5,000) from the Winery and Grape Producers' Promotional Fund to NWGGA for a Strategic Plan Facilitation and Creation Project.

The goals of this project are as follows:

- a. Survey NWGGA Board;
 - b. Conduct three (3) membership Strategic Planning input sessions;
 - c. Compile and create a summary of input and report back to NWGGA Board;
 - d. One day work session with NWGGA Board;
 - e. Follow-up/create draft report and meet with NWGGA Board; and
 - f. Create and print NWGGA Strategic Plan.
2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
 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 up to five thousand dollars (\$5,000) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 6. 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.
 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. NWGGA shall utilize funds provided by the Department 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. 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.
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- 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility

status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

- o. 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

Richard Hilske, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-158

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 to NWGGA to conduct grape grower educational seminars.

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 up to five thousand dollars (\$5,000) from the Winery and Grape Producers' Promotional Fund to NWGGA to conduct grape grower educational seminars. The purpose of this project is to provide the latest industry-related best management practices and technological innovations to grape growers across the state.

Seminars will focus on areas of interest for winery establishments and grape growers. The seminars to be held are as follows:

- a. Canopy Management and Crop Sustainability Issue Seminar. Attendees will learn about canopy management and how it is determined by the interaction of the cultivar, vineyard site, seasonal climate, inputs, and trellis systems.
- b. VINEBALANCE Program Seminars. Two educational seminars will be held covering the appropriate chapters from the VINEBALANCE self-assessment workbook.

Funds are only to be used to pay for speaker honorariums, speaker expenses, meeting room costs, and seminar materials.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
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 up to five thousand dollars (\$5,000) 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. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Richard Hilske, President

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Agreement
between
MID-NEBRASKA WINE TRAIL
and
NEBRASKA DEPARTMENT OF AGRICULTURE
#18-13-159

This Agreement, entered into by and between the Mid-Nebraska Wine Trail, hereinafter called the "MNWT," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to MNWT toward funding a wine trail located in the central region of the state. This project is designed 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 MNWT;

WHEREAS, the promotional activities conducted by MNWT 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 up to five thousand dollars (\$5,000.00) from the Winery and Grape Producers' Promotional Fund to assist in paying for development of a web site, wine trail consultation, print advertisements, and marketing campaign designed to build awareness of the MNWT. Below are more details describing how these funds will be used.

- a. Central Nebraska is home to approximately 25% of Nebraska's population. This trail will focus on enriching the life experiences of adults. It is hoped that traffic from new customers in central Nebraska and areas east toward the Omaha metro region will be attracted to activities planned and sponsored by this trail.
- b. Advertising: Web page development promoting the trail and trail events will be a key element in posting activities and promoting special events. Other printed promotional material will need to be developed in order to assist in achieving a 3,000 person increase in annual visits per winery.
- c. Wine trail consultation will be sought with one of the region's foremost experts on wine trails. This individual will be hired to provide advice on additional efforts, event ideas, and organizational strategies that will help MNWT succeed the first three (3) years after the formation of the MNWT Association. Additional time with the consultant might be scheduled for Nebraska Winery and Grape Growers' Association members, should sufficient interest be expressed.
- d. Collaborative efforts to include other area attractions will be made to enhance the tourism attractiveness for the area surrounding each of the participating wineries.

The primary goal of this project is to focus marketing efforts between the three (3) wineries in central Nebraska by establishing collaborative events, which are designed to generate enough money to fund the annual events in subsequent years. The funds will be used to pay for the costs associated with these events.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
3. MNWT agrees to provide a final report to the Department within 90 days after the Agreement expires.
4. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
5. Payment in the amount of up to five thousand dollars (\$5,000.00) from the Winery and Grape Producers' Promotional Fund to the MNWT will be payable in full upon both parties signing this Agreement and MNWT incurring an obligation. MNWT shall present invoices to the Department from which payments shall be made.

6. MNWT shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
7. 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.
8. 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.
9. MNWT shall utilize funds provided by the Department 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.
10. The parties mutually agree as follows:
 - a. MNWT 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.
 - (3) It is further understood and agreed that, if MNWT 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. MNWT 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 MNWT 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. MNWT 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 MNWT 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 MNWT, 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 MNWT.
 - f. MNWT 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, MNWT 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. MNWT specifically agrees that funds given to MNWT 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 MNWT 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 MNWT fails to perform as outlined herein, MNWT 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 MNWT, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and MNWT that MNWT 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. MNWT guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. MNWT is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

MID-NEBRASKA WINE TRAIL

Date

Nick Ryan, President

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AGREEMENT

between

NEBRASKA GRAPE AND WINERY BOARD

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-160

This Agreement entered into by and between the Nebraska Grape and Winery Board, hereinafter called the "Board," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Winery and Grape Producers' Promotional Fund to the Board for the creation of a display booth.

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 Board;

WHEREAS, the Board's mission is to work collaboratively towards a profitable, sustainable future that advances the interests of Nebraska's grape and wine industry through advocacy and education; 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 up to two thousand dollars (\$2,000) from the Winery and Grape Producers' Promotional Fund to pay for the creation of a Board display booth.
2. The Board will establish a process from which to obtain bids from potential subcontractors who would be able to create this display. The

subcontractors will be competitively ranked and scored by the Board. The criteria and respective points from which the subcontractors will be scored will be based upon three criteria:

- a. Background and ability to create the booth in a timely manner (25 points);
 - b. Proposed approach from which to perform and carryout the work (25 points); and
 - c. Total cost (50 points).
3. The purpose of the booth is to assist in the promotion of Nebraska's emerging grape and wine industry. Up to two thousand dollars (\$2,000) will be used to pay for the creation of this display.
 4. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2011, to June 30, 2012.
 5. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
 6. The Board agrees to provide a final report of the costs to the Department after the booth has been created.
 7. Payment in the amount of up to two thousand dollars (\$2,000) from the Winery and Grape Producers' Promotional Fund to the Board will be payable in full upon both parties signing this Agreement, and the Board incurring an obligation. The Board shall present invoices to the Department from which payments shall be made.
 8. The Board shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 9. 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.
 10. 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.

11. The parties mutually agree as follows:

a. The Board 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 Board 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 Board 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 Board 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 Board 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 the Board 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 Board 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 Board.

- f. The Board 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 Board 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 Board specifically agrees that funds given to the Board 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 Board 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 Board fails to perform as outlined herein, the Board 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 Board under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Board that the Board 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 Board guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Board is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility

status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA GRAPE AND WINERY
BOARD

Date

Max McFarland, Board Chair

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-175

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 to NWGGA to pay for 2011 Passport Program related expenses.

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; 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 up to twelve thousand dollars (\$12,000) from the Winery and Grape Producers Promotional Fund to pay for the expenses associated with the 2011 Passport Program. NWGGA Passports list the locations and contact information of Nebraska wineries and tasting rooms. Consumers who tour participating locations and purchase a wine tasting, receive a stamp from each visited location. If enough stamps are obtained, NWGGA provides gift cards, called

“Winery Bucks,” to those consumers. The “Winery Bucks” are used for the purchase of wine from any Passport participating location.

The goal of this Program is to make the Nebraska grape and wine industry a highly viable and sustainable industry throughout the state. An additional goal is to promote tourism and consumer demand for wine and grape-related products produced in the state of Nebraska.

2. Duration of Agreement. This Agreement shall be in force and effective from November 30, 2011, to June 30, 2012.
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 up to twelve thousand dollars (\$12,000) 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. Funds tied to this Agreement are only to be used to pay for 2011 Passport Program expenses.
6. NWGGA shall provide a written final report to the Department within ninety (90) days after the Agreement has expired. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
7. 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.
8. 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.
9. NWGGA shall utilize funds provided by the Department 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.

10. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility

status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

- o. 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

Richard Hilske, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-181

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 to NWGGA for a wine promotional campaign.

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;

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 up to thirty-five thousand dollars (\$35,000) from the Winery and Grape Producers' Promotional Fund to pay for "*Travel Buddy*," which is a multipage magazine to be distributed in conjunction with the *Nebraska Life* magazine. The goal of this project is to showcase Nebraska wineries and the activities and attractions located near each establishment. All Nebraska wineries will be notified and provided the opportunity to participate in this promotional activity.

NWGGA will need to start making payments to *Nebraska Life* by May 1, 2012, to begin the project.

The magazine will include a picture and article of each winery and its respective local attractions. It will also include an Events Calendar enabling wineries to promote date specific events and activities.

NWGGA will receive 50,000 "*Travel Buddy*" magazines. Approximately 40,000 will be distributed to the *Nebraska Life* readership; NWGGA will use the remaining 10,000 to disburse to Nebraska wineries and other locations.

2. This Agreement shall be in force and effective from April 2 to June 30, 2012.
3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producer's Promotional Fund.
4. Payment in the amount of up to thirty-five thousand dollars (\$35,000) from the Winery and Grape Producer's Promotional Fund will be payable, upon both parties' signatures to this Agreement and NWGGA incurring a purchase order or contractual obligation. NWGGA shall present an invoice(s) and supporting documentation to the Department from which payment(s) shall be made.
5. NWGGA shall provide a written final report to the Department after the Agreement has expired and the project is complete. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility

status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

- o. 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

Seth McFarland, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-182

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 to NWGGA to promote and sponsor at least two Nebraska wine festivals.

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;

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 up to eight thousand dollars (\$8,000) from the Winery and Grape Producers' Promotional Fund to NWGGA to provide for the financial underwriting of the Nebraska Wine and Jazz Festival and the Nebraska Wine and Balloon Festival in exchange for promotional recognition of NWGGA and Nebraska's grape and wine industry. Nebraska wineries will be invited to showcase their wines at the wine pourings held in conjunction with the festivals.

2. This Agreement shall be in force and effective from April 2 to June 30, 2012.
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 up to eight thousand dollars (\$8,000) from the Winery and Grape Producers' Promotional Fund to NWGGA will be payable upon both parties signing this Agreement and NWGGA incurring purchase orders or contractual obligations. NWGGA shall present invoices to the Department from which payments shall be made.
5. NWGGA shall provide a written final report to the Department after the Agreement has expired and the project is complete. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
6. 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.
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. NWGGA shall utilize funds provided by the Department 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. 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. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. 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

Seth McFarland, President

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AGREEMENT

between

NEBRASKA GRAPE AND WINERY BOARD

and

RUTH ANDERSON

#18-13-179

This Agreement, entered into by and between the Nebraska Grape and Winery Board, hereinafter called the "Board," provides for funding from the Winery and Grape Producers' Promotional Fund to contract with Ruth Anderson, hereinafter called the "Independent Contractor," as the Nebraska Grape and Winery Board Services Contractor.

WHEREAS, the Nebraska Grape and Winery Board was created to:

1. 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. 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;
3. Authorize and approve the Nebraska Department of Agriculture's (NDA) expenditure of funds collected pursuant to §53-304;
4. Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
5. Adopt and promulgate rules and regulations to carry out §§53-301 to 53-305 of the Nebraska Grape and Winery Board Statute.

WHEREAS, for administrative purposes, Board funds are located in NDA and defined as the Winery and Grape Producers' Promotional Fund;

WHEREAS, all revenue credited to this fund is used by NDA 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; and

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53-301 to 53-305, has conducted a public board meeting and directed NDA to prepare a contract with an Independent Contractor to further enhance and maintain the clerical responsibilities of the Board.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties that the Board approves funds to hire an Independent Contractor to perform the work and adhere to the guidelines listed in this Agreement.

TERMS OF AGREEMENT

Subject to the terms and conditions of this Agreement, the Board hereby engages the Independent Contractor to perform the services set forth herein, and the Independent Contractor hereby accepts such engagement.

The Agreement shall be in force and effective from February 1, 2012, to June 30, 2012, with five successive one-year options to renew. This shall include sufficient time to complete the schedule of the work proposed and complete additional tasks as identified by NDA and the Board. This Agreement will incorporate the complete understanding of the parties. Any modification of this Agreement will be in writing and executed by each party of the Agreement to be valid.

SCOPE OF WORK

The Independent Contractor will work closely with NDA on many projects as they relate to the grape and wine industry. The Independent Contractor will be charged to provide the following services. These services shall be termed "work" herein.

1. Collect and forward all project proposals to Board members.
2. Periodically monitor progression of Board-funded grant projects.
3. Collect final reports and invoices from grant recipients.
4. Submit invoices and receipts to NDA in a timely manner.
5. Prepare year-end documentation that includes funded project proposals, contracts, and final reports.
6. 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.
7. Write and compile Board meeting minutes, under direction of Board Secretary.

8. Ensure submission of Board Expense Reimbursement Requests to NDA.
9. Collaborate and communicate with NDA and the Board on a regular basis.
10. Schedule the location, dates, and times of all Board meetings and send this information to Nebraska print media outlets.
11. Coordinate and attend all Board meetings and some industry-related events.
12. Provide general administrative office support to NDA and the Board, as needed.

The Independent Contractor shall perform the work and accomplish such tasks as identified above. These will be designated as the responsibilities of the Independent Contractor. NDA and/or the Board may, from time to time, unilaterally increase or decrease the work to be performed. All of the provisions in this Agreement are intended to be complementary in nature, and any requirements mentioned by one and not mentioned in another section shall nevertheless be performed to the same extent as though required by all.

The Board acknowledges that the Independent Contractor's ability to carry out the work required is heavily dependent upon the Independent Contractor's past experience in the industry and in providing similar services to others.

INDEPENDENT CONTRACTOR RELATIONSHIP

The relationship of the Independent Contractor and the Board, under this Agreement, shall be that of principal and Independent Contractor. It is understood by both parties that the Independent Contractor is not an employee of the Board, and the Board assumes no responsibility beyond those specifically stated in this Agreement.

The Independent Contractor agrees to perform the work herein solely as an Independent Contractor. The parties to this Agreement recognize that this Agreement does not create any actual or apparent agency, partnership, franchise, or relationship of employer and employee between the parties. The Independent Contractor is not authorized to enter into or commit the Board to any agreements, and the Independent Contractor shall not represent itself as the agent or legal representative of the Board.

Furthermore, the Independent Contractor shall not be entitled to any remuneration, benefits, or expenses other than those specifically provided for in this Agreement. The Board shall not be liable for taxes, unemployment insurance, employers' liability, employer's FICA, social security, health benefits, vacation and sick leave benefits, profit sharing plans, withholding tax, or other taxes or withholdings for the Independent Contractor in performing the work under this Agreement. All such costs shall be the Independent Contractor's responsibility for the entire duration of the Independent Contractor's agreement with the Board.

WARRANTIES AND ASSURANCES

The Independent Contractor represents and warrants the following.

1. Does not have any outstanding final judgments against it by the State, including tax liabilities, and agrees that any payments incurred by the State in this Agreement may be applied against such liabilities currently working or incurred in the future.
2. The work will be performed in accordance with, and shall not violate, applicable laws, rules or regulations, and standards prevailing in the industry.
3. The work will be original, clear, and presentable in a timely manner.
4. Possesses the skills in time management, oral and written communication, and literary proficiency, as it relates to writing, spelling, punctuation, and proofreading.
5. Access to a personal computer is readily accessible, which includes, at a minimum, a word processor and an Internet connection.
6. Able to provide independent transportation to all Board meetings and some industry-related events.
7. Equipped with the requisite training, skills, and experience necessary to perform the work described herein.

The Independent Contractor and the Board have the full power and authority to enter into and perform their obligations under this Agreement. This Agreement is a legal, valid, and binding obligation of the Independent Contractor, enforceable against it in accordance with its terms.

COMPENSATION PACKAGE

In full consideration for the performance of the work hereunder, and for any rights granted or relinquished by the Independent Contractor under this Agreement, compensation shall be set at approximately ten hours per week, with a total value not to exceed two thousand one hundred twenty-five dollars (\$2,125) by June 30, 2012. After the Agreement begins, it is understood that, if additional costs should be incurred or the total yearly value needs to increase, with the mutual written consent of all parties tied to the Agreement and provided resources are available, the Agreement may be amended.

The compensation package for this position will be used to pay for work performed, office supplies, communication equipment, travel costs, and other incidental expenses directly associated with the this position.

Payment in the amount of up to two thousand one hundred twenty-five dollars (\$2,125) from the Winery and Grape Producers' Promotional Fund to the Independent Contractor will be payable, in full, by June 30, 2012, upon both parties signature to this Agreement and the Independent Contractor incurring an obligation. On a monthly basis, the Independent Contractor shall present invoices (not to exceed four hundred twenty-five dollars (\$425)) and progress reports outlining the Independent Contractor's activities to NDA from which payments shall be made. Funding for this position is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to NDA and credited back to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Independent Contractor fails to perform as outlined herein, the Independent Contractor shall be required to repay any unearned funds received under this Agreement.

INDEMNIFICATION

The Independent Contractor shall defend, indemnify, hold harmless, and insure the Board 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 Independent Contractor to perform such duties for the Board, as herein specified. This obligation shall survive the expiration or termination of this Agreement.

RECORD KEEPING

The books of account, files, and other records of the Independent Contractor, which are applicable to this Agreement, shall be available for inspection, review, and audit by NDA and the Board to determine the proper application and use of all funds paid to and for the account or benefit of the Independent Contractor.

The Independent Contractor 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 Independent Contractor shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Board has agreed that such records no longer need to be retained.

The Independent Contractor specifically agrees that funds given to him or her shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.

LEGAL COMPLIANCE

The Independent Contractor shall not:

1. Discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

2. Discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, age, or qualified disability.

It is further understood and agreed that, if the Independent Contractor 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.

All provisions of this Agreement are subject to the Americans with Disabilities Act.

The Independent Contractor is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

DRUG-FREE WORKPLACE POLICY

The Independent Contractor 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 Independent Contractor's 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.

TERMINATION

This Agreement may be terminated prior to the completion or achievement of the work by either of the parties hereto at any time by giving thirty (30) calendar days advance written notice to the other party. Any notices to either party, under this Agreement, shall be in writing and delivered by hand or sent by nationally recognized messenger service, or by registered or certified mail, postage pre-paid with return receipt requested, to the address of NDA and the Board Chair.

Upon termination by either party, the Independent Contractor shall provide to NDA any and all copies, in whole or in part, of the work (as they exist) and any and all tangible

materials the Board and/or NDA provided to the Independent Contractor in connection with this Agreement.

This Agreement is not assignable without the express written approval of the Board and becomes valid upon the date of the final signature.

Approved:

NEBRASKA GRAPE AND
WINERY BOARD

Date

Max McFarland, Board Chairman

RUTH ANDERSON

Date

Ruth Anderson, Independent Contractor

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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 Winery 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.

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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, LB 1103, §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. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacturer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (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. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a vintage wine dealer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (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 sections 53-124 and 53-124.01 for a direct sales shipping license. 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, LB 441, § 1; Laws 2010, LB 861, § 55; Laws 2010, LB 867, § 1; Laws LB 286, § 1.

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