

Nebraska Grape and Winery Board Annual Report 2016

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**BOARD
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OVERVIEW OF ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors held one meeting during the fiscal year. The year began July 1, 2015, and ended June 30, 2016. 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. 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. The projects approved for funding totaled \$303,053; \$280,703.61 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 2015 – 2016 fiscal report found in this report.

The Board released a Request for Proposal (RFP) in February 2016, seeking grant proposals from individual growers, farm wineries, organizations, industry groups, or academic institutions for the 2016 – 2017 fiscal year. The projects approved for funding were decided at the May 17, 2016, Board meeting.

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 Nebraska Winery and Grape Growers Association (NWGGA) activities, and works closely with the University of Nebraska – Lincoln to receive guidance and education based upon industry research.

This Annual Report includes the Board's strategic plan, meeting minutes, RFP, 2015 – 2016 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 framework 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

February 19, 2016

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

NEBRASKA GRAPE AND WINERY BOARD SEEKS GRANT PROPOSALS

February 19, 2016 - 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, 2016 - June 30, 2017). Funding for projects will be subject to the availability of funds. Applications can be submitted electronically on or before Monday, May 2, 2016, to ruthc.anderson@yahoo.com or by U.S. Mail, postmarked on or before Monday, May 2, 2016, and sent to Ruth C. Anderson, 403 Strickler Street, Waco, NE 68460.

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 may 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 Ruth C. Anderson, Nebraska Grape and Winery Board Services Contractor at ruthc.anderson@yahoo.com.

**Nebraska Grape and Winery Board
Request for Proposal Application Instructions
2016 - 2017 Fiscal Year**

Applications Due by U.S. Mail: **Monday, May 2, 2016**
Applications must be postmarked on or before the above date.

Submit applications by U.S. mail to:
Ruth C. Anderson
403 Strickler Street
Waco, Ne 68460

Applications Due Electronically: **Monday, May 2, 2016**
Applications are due on or before the above date.

Submit applications to:
ruthc.anderson@yahoo.com

Questions regarding this grant should be directed to Ruth C. Anderson at
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 §§53-301 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, 2016 – June 30, 2017. 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, 2016, and prior to June 30, 2017. 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 may 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 related 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;*

- *Budget line item expenses could include costs associated with personnel, travel, equipment, supplies, and/or contracted work; and*
- *Accounting and project records can be readily retrieved and reported.*

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 receiving grant funds.

Social Security Number or Federal Tax ID Number of

Applicant: _____

Name of Applicant: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

MEETING MINUTES

Nebraska Grape and Winery Board Meeting Minutes
UNK Alumni House
2222 9th Avenue
Kearney, NE 68845
May 17, 2016
5:00-9:00 p.m.

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

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

Board Services Contractor Present: Ruth Anderson

Guests Present: Dr. Paul Read, University of Nebraska – Lincoln
Dr. Changmou Xu, University of Nebraska - Lincoln
Dr. Stevan Knezevic, University of Nebraska- Lincoln
Lori Paulsen, NWGGA Executive Director
Eric Nelson, NWGGA President
Karen Kollars, Nebraska Tourism Commission
NE Wine Tours, LLC: Kris Ballard & Renae Kelly
American Doorstop Project: Jody Lamp & Melody

Dobson

Mac's Creek Vineyard and Winery: Seth McFarland

Call to Order

Max McFarland called the meeting to order at 5:00 p.m.

Max made a motion to move "Review Proposals" located under new business, to precede the old business. Ellen seconded the motion. The motion carried.

Approve Agenda

The agenda was reviewed by the Board. Dave made a motion to approve the agenda, Bart seconded the motion. The motion carried.

Approve Minutes of May 27, 2015 Meeting

Dave made the motion to approve the minutes. Bart seconded the motion. The motion carried.

It was suggested to revisit the agenda
Reappointment of the Board member positions were up for re-election.

Reappointed positions to the Nebraska Grape and Winery Board are as follows,
Max McFarland: Chair
Bart Holmquist: Vice-Chair
Terry Ryan: Secretary/Treasurer
Ellen Burdick
Dave Hanna

Dave made a motion to accept the nominations and Ellen second the motion.
There was no discussion. Motion carried

Public Notice

It was noted that the date, time, and location of this meeting was published in *The Norfolk Daily News* 5/6/16, *Star Herald* 5/5/16, *North Platte Telegraph* 5/7/16, *Beatrice Daily Sun* 5/6/16 and *Grand Island Independent* 5/6/16 (at least 7 days prior to the meeting).

Review Request for Proposals

- a) UNL represented by Dr. Paul Read
- b) UNL represented by Dr. Changmou Xu
- c) UNL represented by Dr. Stevan Knezevic
- d) NWGGA represented by Lori Paulsen and Eric Nelson
- e) Mac's Creek Vineyard and Winery represented by Seth McFarland
- f) Nebraska Wine Tours, LLC represented by Kris Ballard and Renae Kelly
- g) American Doorstop Project represented by Jody Lamp and Melody Dobson

Old Business

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

Presentation by Lori Paulsen
All project updates attached

University of Nebraska - Viticulture Program Project Updates

Presentation by Dr. Paul Read
All project updates attached

VitiDord Project Update

Presentation by Max McFarland
All project updates attached

Ellen made a motion to pay Max McFarland \$1,733.42 to reimburse his travel expenses to the Wine & Grape Policy Conference held April of 2015. Terry second the motion. Motion carried.

Other

Nebraska Tourism Commission review

Presentation by Karen Kollars
All updates attached

Casey Foster

Presented an overview of the Specialty Crop Block Grant

New Business

2015 – 2016 Fiscal Year Report

Casey handed out the Board's fiscal report
Dave made a motion to approve the fiscal report and Bart second the motion.

The Request for Proposal funding for the 2016-2017 fiscal year was discussed.

Dave made a motion to accept the funding for the 2016-2017 Fiscal Year. The motion was seconded by Ellen. Motion carried.

Other Business

The next Board meeting will be decided at a later time.

Adjourn

Terry made a motion to adjourn the meeting. The motion was seconded by Bart. Motion carried. The meeting adjourned at 10:00 p.m.

Grant Report for NGWB meeting – May 17, 2016
Submitted by Lori Paulsen, Executive Director
Nebraska Winery & Grape Growers Association

18-13-281 NWGGA Executive Director \$69,000

This grant is being utilized by the NWGGA to fund the salary and benefits of the association's full-time Executive Director. The Executive Director continues to advance the goals of the NWGGA strategic plan by:

- managing member relations including regular communications with members
- recruiting new members
- managing the Forum Tradeshow
- acting as NWGGA media spokesperson
- overseeing marketing efforts
- representing the NWGGA at industry activities
- working with an event planner to set up logistics for Toast Nebraska
- outreach to other commodity groups and associations
- working with NWGGA lobbyists to monitor legislation
- providing administrative support for the association
- handling winery buck redemptions for the Passport program
- speaking at public events and conferences

Estimated total expenditures for year \$69,000

18-13-283 NWGGA National Industry Organization \$4,500

This grant is being utilized by the NWGGA to fund the membership and involvement in WineAmerica, the national organization representing the wine industry. These funds are used for membership fees and travel for the Executive Director to attend October 2015 WineAmerica meeting Lexington, Kentucky and to attend the WineAmerica Policy Forum in Washington, D.C. The information learned at these meetings is communicated to all NWGGA members upon return.

Total YTD \$2,847.47

Estimated total expenditures for year \$4,200

18-13-282 NWGGA Marketing Program \$93,000

1. Creation of the NWGGA Comprehensive Marketing Plan. In conjunction with the Minnow Project, a comprehensive marketing plan including market analysis, member input and consumer insight work was completed. Total expenses \$4,010.24.

2. Passport Program – The Nebraska Wine Passport for 2016 was created, printed, distributed and also an online version was created as part of the comprehensive marketing plan. In addition, prizes for the 2015 program were

sent out and all wine bucks will be due back in the office by June 2nd. Passport wine bucks redeemed YTD \$5,840. We anticipate an additional \$5,000 to be redeemed by the May 31st deadline.

3. Implementation of Comprehensive Marketing Plan – The 2016 NWGGA Comprehensive marketing plan included pre-releases, social media, digital advertising, new winery bios on the web site, paid advertising in NE Agriculture and You as well as Edible Omaha and Nebraska Wine Month promotions. Billed and to be billed total (expected expenditure) = \$56,000.

4. Festivals/Sponsorships – The NWGGA partnered with Blur Parties to create Toast Nebraska 2016, May 6-7 at Mahoney State Park. NWGGA paid for VIP wine bags for a total cost of \$1895.69. The NWGGA sponsored the wineries for the Kearney Jazz and Wine Festival, May 20-21, 2016 at the cost of \$4,000, for a total expenditure of \$5,895.69.

Estimated Total Expenditures \$78,000

18-13-284 Strategic Planning \$5,000

The NWGGA Board of Directors participated in a Strategic Planning Session to create a 2016 NWGGA Strategic Plan in order to guide the Association for the next 3-5 years. Member input was collected at the 2015 NWGGA Forum during a series of listening sessions. Additional input was collected via a member survey. The draft plan was presented to the NWGGA Membership during the 2016 NWGGA Annual Membership Meeting. The NWGGA BOD approved the document on April 3, 2016. This plan has already been used to align projects and committees with the priorities determined by the Board of Directors and the membership.

Actual Expenses \$5,000

18-13-285 VitiNord Registration Fee Program \$7,500

VitiNord 2015, held November 2015 in Nebraska City Nebraska, was a world-class educational event specific to cold climate grapes and presented a unique opportunity for Nebraska growers to learn from National and International speakers. This program provided for a NWGGA member discount on the VitiNord registration fee.

Estimated Expenditures \$5,000

University of Nebraska Viticulture Program 2015-16 Preliminary Report to the Nebraska Grape and Wine Board

Program Goal: The overall goal of the University of Nebraska Viticulture Program (UNVP) 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.

Highlights for 2015-2016:

- Over 100 cultivars and selections have been evaluated, leading to recommendations of what to consider growing in specific regions of the state and perhaps more importantly, what not to grow.
- The extremely wet month of May in 2015 exerted extreme disease pressure, especially in eastern Nebraska. As a result, it was possible to categorize genotypes for susceptibility or tolerance to Black Rot and Downy Mildew; data were also acquired that enabled ranking for foliar Phylloxera.
- Canopy and overall vineyard management results have provided growers with insights into choice of trellis system and other management practices.
- New focus areas on vineyard establishment and interactions with water use efficiency and ground covers have been implemented in cooperation with a progressive commercial grower. Preliminary ground cover results are encouraging.
- Vineyard management, including canopy management research results have encouraged Nebraska grape growers to use high cordon or divided canopy systems (HWC, GDC) for several of the most important cultivars, including Frontenac, Edelweiss and Marquette.
- The Northern Grapes Project (NGP) and the NE-1020 Project have begun to yield useful information, although progress with the NE-1020 plantings has been hampered by herbicide drift problems.
- Data have been acquired demonstrating relative susceptibility/tolerance to herbicide drift among cultivars and genotypes.
- Investigations continue with the Frontenac Gris/Frontenac Blanc project and have moved from the microscopy stage to more advanced genetic testing with the hope of identifying the genes responsible for the color variations observed in the Frontenac group of cultivars.
- A major Field Day, an Insect Management Workshop and the 19th Annual Nebraska Winery and Grape Growers Forum and Trade Show were presented by the UNVP (in collaboration with the Nebraska Winery and Grape Growers Association).

- Six issues of the Nebraska VineLines (now transmitted electronically) were published, along with several “Breaking News” items and NGP webinars.
- Several new growers and wineries were visited by UNVP personnel and potential new growers were advised regarding start-up strategies, including exploration of appropriate markets (wineries).
- The UNVP web site has been re-structured, modernized and up-dated. (See <http://viticulture.unl.edu>)
- Norton, Bianca, Petite Pearl, Marquette, Noiret and several numbered UMN selections, including the recently released ‘Itasca’ are being emphasized based upon their demonstrated cold hardiness, disease tolerance, fruit quality and yield.
- Growing Degree Days are being evaluated to predict potential harvest timing and other management practices, with preliminary data suggesting timing of sprays and predictions for harvest times.
- Ben Loseke (PhD student) received a scholarship from the American Society of Enology and Viticulture and was invited to speak about his research at the ASEV-ES conference in Dunkirk, New York.
- Numerous presentations as part of the UNL Speakers Bureau have been employed to tell the Nebraska wine story, along with other radio, newspaper and scientific publications delineating accomplishments resulting from support by the Nebraska Grape and Wine Board.
- Disease management and hail prevention technologies practiced in southern Brazil and Mendoza, Argentina were studied in December, 2016; potential applications for Nebraska are being explored.
- Three sections of HORT/HRTM/NUTR (“Vines, Wines and You”) were taught, with 146 students completing the course. The Nebraska grape and wine industry are featured in this class.

Paul E. Read, Professor of Viticulture, Stephen J. Gamet, Viticulture Technologist and Benjamin A. Loseke, Laboratory Technologist University of Nebraska Viticulture Program, website: <http://viticulture.unl.edu>; email: pread@unl.edu.

VitiNord Project Grant Progress Report

The mission of the International Association for Northern Viticulture (IANV; established in 2006) is to promote the advancement of viticulture in northern environments that are characterized by cool or short summer and/or cold winters. The IANV's conference, VitiNord, is held every three years (2006 in Latvia; 2009 in Quebec; 2012 in Germany/Poland). In 2015 the partnership among the Nebraska Winery and Grape Growers Association, Nebraska Department of Agriculture, Nebraska Tourism Commission and the Nebraska Grape and Winery Board hosted this conference thereby "bringing the world" of viticulture to

Nebraska. Researchers, viticulturists, wine industry supporters from all around the world descended upon Nebraska for four days of sharing best practices to greatly enhance the state of the industry and bring world attention to not only the industry worldwide, but specifically, to the developing prominence and industry leadership emanating from Nebraska.

Two Goals were incorporated into this grant:

Goal #1: Hold conference November 11-14, 2015 at Lied Lodge and Conference Center, Nebraska City, NE. This Goal has been completed. The fourth triennial VitiNord Conference was held Wednesday through Saturday, November 11-14, 2016 in Nebraska City. 228 attendees representing 10 countries and 21 states were in attendance:

VitiNord 2015 Conference Attendance Disaggregated by:

Country

USA	=	191	Sweden	=	2
Canada	=	20	Germany	=	3
Denmark	=	4	Norway	=	1
Estonia	=	3	Switzerland	=	1
Finland	=	2	UK	=	1

State

Alaska	=	1	Michigan	=	3
California	=	3	South Dakota	=	5
Indiana	=	1	North Dakota	=	20
Colorado	=	1	Montana	=	9
Wyoming	=	1	Missouri	=	11
Illinois	=	6	Vermont	=	2
Iowa	=	7	Pennsylvania	=	1
Minnesota	=	19	New York	=	6
Wisconsin	=	10	Ohio	=	1
Kansas	=	10	Nebraska	=	72
Maine	=	1			

Goal #2: Knowledge/satisfaction gained from conference will be measured. This Goal has been completed. To measure this goal, a post-conference evaluation was conducted. Forty-nine surveys were returned representing an approximate 21% return rate. Ratings of satisfaction with various components of conference were rated as follows:

1. Keynote Sessions = 4.5
2. General Sessions = 4.4

- 3. Parallel Sessions = 4.4
- 4. Viticulture Strand = 4.4
- 5. Enology/Winery Strand = 4.3
- 6. Poster Sessions = 3.9
- 7. Wine Tasting Sessions = 4.4

These ratings ranged from 3.9 – 4.5 with an overall average rating of 4.33 on a 5 point scale (1 = Very Dissatisfied ; 5 = Very Satisfied).

Ratings of overall impressions of the conference components:

- 1. The keynote sessions were relevant and useful = 4.5
- 2. I can put what I learned to immediate use = 4.3
- 3. The speakers were knowledgeable and dynamic = 4.4
- 4. The sessions met my expectations = 4.3
- 5. The conference met my expectations = 4.5

These ratings ranged from 4.3-4.5 with an overall average rating of 4.4 on a 5 point scale (1 = Strongly Disagree; 5 = Strongly Agree).

The \$15,000 received in this grant was to be used to pay speaker expenses. Speaker expenses included travel and lodging only. The entire \$15,000 was expended.

Nebraska Grape & Wine Board
Tourism Report
May 17, 2016

- 1) Tourism Town Hall Meeting on Thursday, May 19 in Lexington at the Holiday Inn Express. Hope to see you there.
- 2) Brochure Swap – Lexington Fairgrounds. NETA – members are free
- 3) Commissioners approved doing 4 Media Tours next year (July 1, 2016 – June 30, 2017). Locations have not been selected as of yet. Angela White oversees this program.

4) Educational Webinars at 2 p.m.

June 6 - Customer Service is Key due to online rating/review systems: “How to provide a great experience, how to monitor your reviews and how to respond”

July 11 - Topic and speakers to be announced

August 1 – Funding sources and options for non-profit and for-profit destinations

September 12 – How to keep summer momentum going into the shoulder and off season

October 3 – Travel Conference Preview

November 7 – Mobile Disruption

December 5 – New Trends in Target Marketing

Quarterly Industry Update Webinars at 2 p.m.

July 13

October 12

To log into webinars click on the following link:

<http://netnebraska.org/stream/nettourism> just before 2 p.m. the day of the webinar.

- 5) 2016 Fall / Winter Nebraska Tourism Cares Service Opportunity – Applications due June 30. Awardees will be notified via email no later than July 29th, 2016.

Upcoming NE Tourism Cares Project is cleanup of Cowboy Trail near Chadron June 10-11

- 6) Upcoming Events – Mark Your Calendars
 - a. Nebraska Travel Conference – October 18-20, 2016 in Gering, NE
 - b. Nebraska Agri/Eco-Tourism Workshop – February 21-23, 2017 (Tuesday through Thursday) in Broken Bow, Ne

NOTE: USA Swim Trials will be in Omaha June 28 – July 3, 2016

USDA's Specialty Crop Block Grant Program

Nebraska has an opportunity to access \$620,313.86 in Specialty Crop Block Grant Program funds for fiscal year 2016. NDA received 27 Concept Proposals, which were independently scored by a 6- member review panel. Among the 27 applications, 15 proposals were invited to the second round of our competitive application process, which requires submission of a full grant proposal. Three grape products were among those selected, which includes projects focused on table grape production, ozone application inside a greenhouse/high tunnel environment, and replacing herbicides with groundcover in the vineyard.

The Nebraska Department of Agriculture Director (NDA) is encouraging eligible candidates to submit an application to become a member of the soon-to-be formed Nebraska Craft Brewery Board. The Board was created by statute (LB 1105) recently signed into law by Governor Pete Ricketts. As directed in the statute, the board will consist of seven members to be appointed by the Governor on a nonpartisan basis. At least two board members will be selected by the Governor from a list of no fewer than 10 candidates submitted by the Nebraska Craft Brewers Guild or its successor organization. In addition, at least two board members will be selected by the Governor from a list of no fewer than 10 candidates submitted by the Associated Beverage Distributors of Nebraska or its successor organization. The rest of the board members will be selected from the pool of other candidates submitting applications. Each member will serve for a term of three years and may be reappointed. The law instructs members of the Nebraska Craft Brewery Board to meet within 30 days following the completion of the Governor's appointments. Representatives from NDA and the Nebraska Tourism Commission will serve as non-voting ex-officio members of the board.

**2015-2016
FISCAL REPORT**

WINE & GRAPE PRODUCTION PROMOTION BOARD

JULY 1, 2015 - JUNE 30, 2016

DESCRIPTION	FY2015-16 BUDGET	JUNE, 2016	FY2015-16 YR-TO-DATE	YTD AS % OF BUDGET
BEGINNING CASH BALANCE	\$ 97,954	\$ 130,572.50	\$ 97,953.88	
REVENUE:				
Shipper License Fees	\$ 180,000	\$ 3,500.00	\$ 209,100.00	
Check-Off Fee	8,000	0.00	9,747.89	
Crushed Grape Fees	14,000	0.00	11,903.89	
Investment Interest	2,000	245.25	1,521.78	
Total Revenue	\$ 204,000	\$ 3,745.25	\$ 232,273.56	114%
TOTAL AVAILABLE CASH	\$ 301,954	\$ 134,317.75	\$ 330,227.44	
EXPENDITURES:				
Printing (Annual Report)	\$ 500	\$ 0.00	\$ 358.34	
Room Rental	300	0.00	0.00	
Board Meeting Notices	200	10.74	92.58	
NDA Fee Collection	2,500	0.00	2,973.47	
NWGGA Contracts				
NWGGA – Executive Management Services	69,000	5,750.00	68,683.33	
NWGGA – Education Program (Allocation)	10,000	0.00	0.00	
NWGGA – Marketing Plan	48,000	26,810.49	64,756.71	
NWGGA – Passport Program	10,000	8,912.78	15,242.42	
NWGGA – Marketing Firm	5,000	3,525.00	3,525.00	
NWGGA – Wine Festivals	15,000	3,797.43	5,745.87	
NWGGA – VitiNord Registration Fee Program	7,500	5,400.00	5,400.00	
NWGGA – Wine America	4,500	1,334.03	4,181.50	
NWGGA – Strategic Plan Facilitation & Creation	5,000	5,000.00	5,000.00	
UNL Contracts				
UNL – Viticulture Program/Lab Technician	72,553	26,033.15	62,309.65	
UNL – Viticulture (FY 14-15)	15,900		15,882.41	
Contracts (Misc.)				
Wine Quality Assurance Program	10,000	0.00	0.00	
Journal Communications (NE Magazine Ad)	3,000	0.00	3,730.00	
VitiNord Intl Cold Climate Conference 2015	15,000	0.00	15,000.00	
Board Assistant	5,100	425.00	5,100.00	
Board Expense	4,000	2,032.74	2,722.33	
Total Expenditures	\$ 303,053	\$ 89,031.36	\$ 280,703.61	93%
Adjustment to Fund Balance	0	0.00	(4,237.44)	
ENDING CASH BALANCE	\$ (1,099)	\$ 45,286.39	\$ 45,286.39	

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

Percent of Fiscal Year Elapsed: 100%

FY14-15 Revenue to Date: \$215,560.68

FY14-15 Expenditures to Date: \$220,871.10

CONTRACTS

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-281

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA for an Executive Director position to conduct marketing activities to assist in the betterment of Nebraska's grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to the following:
 - a. Fund an Executive Director position, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.
 - b. Provide a written final report to the Department. 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.

- c. Provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to sixty-nine thousand dollars (\$69,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2016;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources

and hold the NWGGA responsible for any excess cost occasioned thereby.

- b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: 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.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified

parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.

8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for

services to be covered by any contract resulting from this Agreement.

- b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship

Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

Date

Jim Ballard, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-282

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and the Nebraska Winery and Grape Growers Association, (hereafter “NWGGA”).

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to implement a Comprehensive Marketing Program to increase the awareness, consumption, and preference for Nebraska specific wines.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:

- a. Utilize grant funds to implement a Nebraska wine and grape industry Comprehensive Marketing Program that consists of multiple components. The marketing activities will include, but will not necessarily be limited to, the following:

- i. Nebraska's Wine Tour Passport Program. The program is designed to provide an incentive for tourists and consumers to visit a significant number of wineries and tasting rooms across the state. Funds will pay for the printing, mailing, and distribution of the Passports. It will also pay for the creation of a mobile app that can be used in place of the paper Passport. Consumers who visit at least twenty (20) Nebraska wineries and five (5) tasting rooms will receive gift vouchers called "Winery Bucks" that can be used to purchase wine from any participating location. Grant funds will be used to reimburse NWGGA for Winery Bucks expenses of up to ten thousand dollars (\$10,000).
 - ii. Work with a marketing firm to develop a Marketing Plan. Grant funds will be reimbursed for developing a marketing plan of up to five thousand dollars (\$5,000).
 - iii. Promote the components of the Marketing Plan, which include costs associated with purchasing radio, magazine, television, outdoor, digital, and other print media advertisements. Efforts will be used to expand the identity of Nebraska's grape and wine industry. Grant funds will be reimbursed for these efforts of up to sixty-three thousand dollars (\$63,000).
 - iv. Promotion of Nebraska wine festivals such as Toast Nebraska and the Kearney Wine and Jazz Festival. Grant funds will be reimbursed for the festival of up to fifteen thousand dollars (\$15,000).
- b. Provide a written final report to the Department. 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.
 - c. Provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS and PAYMENTS

- 1. The Department shall provide a sum of up to ninety-three thousand dollars (\$93,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;

2. Final NWGGA billing shall be received no later than July 15, 2016;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.
 - b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.

2. **Project Completion:** The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. **Complete Understanding:** 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.
4. **Relationship of Parties:** The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. **Assignable:** This Agreement is not assignable without the express written approval of the Department.
6. **Governing Law:** This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. **Indemnification:**
 - a. **General.** The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed

to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.

8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted

involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.

2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.

3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

Date

Jim Ballard, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-283

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to pay for their membership in Wine America's State and Regional Associations Advisory Council and expenses associated with the Executive Director for attending the National Wine and Grape Policy Conference and National Wine Marketing Conference.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to utilize grant funds to offset the costs associated with the following:
 - b. Wine America's State and Regional Associations Advisory Council membership dues.
 - c. Executive Director's registration and travel expenses to attend the National Wine and Grape Policy Conference. This

conference allows for wine industry leaders from around the country meet to weigh in on the most pressing public policy issues affecting growers and wineries. Wine growing from grape to glass is heavily regulated and this 2½-day conference features speakers, presentations, and insights on the policies affecting the industry.

- d. Executive Director's registration and travel expenses to attend the National Wine Marketing Conference. This is a gathering of winery owners, tourism communities, trade organizations, and governmental wine-support groups who are interested in the growth of the American grape and wine industry.
2. NWGGA will provide a written final report to the Department. 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.
 3. NWGGA will provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to four thousand five hundred dollars (\$4,500) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2016;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.
 - b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: 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.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.

5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law,

including attorney's fees and costs, if the Department is the prevailing party.

10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:

- a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:

- a. The NWGGA, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA

written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

Date

Jim Ballard, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-284

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and the Nebraska Winery and Grape Growers Association, (hereafter “NWGGA”).

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to hire a consultant to facilitate and assist the NWGGA in revising their Strategic Plan.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:

a. Utilize grant funds to hire a consultant to revise their Strategic Plan. Below are the specific steps that will be taken to revise the plan:

i. Identify the ideas (goals, hopes, vision, identification of components, and modification of work plan);

- ii. Conduct a Needs Assessment Survey (Survey NWGGA members and nonmembers to identify need for services, types of services, areas of improvement, et cetera);
 - iii. Conduct a work session with NWGGA Board to begin drafting the Plan;
 - iv. Follow-up/create report and consult with NWGGA Board, President, and Executive Director; and
 - v. Finalize the Plan.
- b. Provide a written final report to the Department. 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.
 - c. Provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS and PAYMENTS

- 1. The Department shall provide a sum of up to five thousand dollars (\$5,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
- 2. Final NWGGA billing shall be received no later than July 15, 2016;
- 3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
- 4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
- 5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.
 - b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: 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.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the

Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.

5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.

9. **Attorney's Fees:** In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. **Severability:** If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. **Penalty for Breach:** In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. **Records Available:** The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. **Auditing Standard:** The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.

5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may

immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

Date

Jim Ballard, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-285

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to offer a registration discount to any NWGGA member attending the 2015 VitiNord International Viticulture and Enology Conference. The mission of VitiNord is to promote the advancement of viticulture and oenology in northern environments that are characterized by cool or short summers and/or cold winters.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize grant funds to provide a \$100 registration fee discount to up to 75 NWGGA members attending the 2015 VitiNord International Viticulture and Enology Conference, which will be held in Nebraska City, Nebraska, November 11 – 14, 2015.

- b. Provide a written final report to the Department. 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.
- c. Provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to seven thousand five hundred dollars (\$7,500) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2016;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach

which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.

b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.

2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: 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.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save

harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.

8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney’s fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department

may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall

be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.

- b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.

- b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

Date

Jim Ballard, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND
VITINORD PLANNING COMMITTEE

#18-13-286

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and VitiNord Planning Committee (hereafter “Committee”).

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the Committee to pay for expenses associated with the presenters at the 2015 VitiNord International Viticulture and Enology Conference. Researchers, viticulturists, and wine industry representatives from around the world will travel to Nebraska to share cold climate best management practices.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to the Committee.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. The Committee agrees to:
 - a. Utilize grant funds to pay for travel and/or honorarium expenses associated with the speakers who present at the 2015 VitiNord International Viticulture and Enology Conference, which will be held in Nebraska City, Nebraska, November 11 – 14, 2015.

- b. Provide a written final report to the Department. 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.
- c. Provide services from July 1, 2015, through June 30, 2016.

The mission of VitiNord is to promote the advancement of viticulture and oenology in northern environments that are characterized by cool or short summers and/or cold winters.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to fifteen thousand dollars (\$15,000) from the Winery and Grape Producers Promotional Fund to the Committee upon both parties signing this Agreement and the Committee incurring an obligation;
2. Final Committee billing shall be received no later than July 15, 2016;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. The Committee specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to the Committee under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if the Committee fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow the

Committee to cure a failure or breach within the Department's specified period of time. Allowing the Committee time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the Committee, the Department may contract from other sources and hold the Committee responsible for any excess cost occasioned thereby.

- b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the Committee, except that the Department agrees to pay the Committee for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the Committee's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the Committee completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: 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.
4. Relationship of Parties: The relationship of the Department and the Committee under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Committee that the Committee is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.

7. Indemnification:
 - a. General. The Committee, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Committee, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The Committee shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Committee.
8. Authority to Enter Agreement: The Committee warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the Committee accordingly.
9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the Committee agrees to pay all expenses of such action, as permitted by law, including attorney’s fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be

construed and enforced as if this Agreement did not contain the particular provision held to be invalid.

11. Penalty for Breach: In the event that the Committee fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the Committee, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the Committee which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the Committee. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the Committee shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the Committee providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the Committee providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The Committee, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for

employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The Committee guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Committee shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.

- b. It is further understood and agreed, that if the Committee is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The Committee, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The Committee and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The Committee, and any and all subcontractors shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.

- b. If the Committee is an individual or sole proprietorship, the Committee shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the Committee indicates on such attestation form that he or she is a qualified alien, the Committee shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the Committee's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The Committee understands and agrees that lawful presence in the United states is required and Committee may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The Committee certifies that Committee is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The Committee further certifies that the Committee has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the Committee has had an agreement terminated early by the State of Nebraska, the Committee shall provide the agreement number, along with an explanation of why the agreement was terminated early. The Committee also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The Committee shall immediately notify the Department if, during the term of this Agreement, the Committee becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the Committee written notice if the Committee becomes debarred or if Committee has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

VITINORD PLANNING COMMITTEE

Date

David Hanna, Treasurer

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA ON BEHALF OF THE
UNIVERSITY OF NEBRASKA – LINCOLN

#18-13-280

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and the Board of Regents of the University of Nebraska on behalf of the University of Nebraska – Lincoln, (hereafter “Viticulture Program”).

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the Viticulture Program to conduct research activities that are designed to assist in the betterment of Nebraska’s grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to the Viticulture Program.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. The Viticulture Program agrees to the following:
 - a. Utilize grant funds to pay for viticulture technician’s salary and benefits, graduate student stipend, student hourly labor, fertilizers, chemicals, fuel, vehicle rental, travel, computer support, publications, and indirect costs. These expenses

are involved in the oversight and implementation of Viticulture Program activities.

- b. The activities will consist of:
 - i. Cultivar and new genotype evaluation;
 - ii. Multi-state project evaluating performance on a common set of grape cultivars in multiple locations;
 - iii. Stability of Frontenac Sports;
 - iv. Evaluation of cold-hardiness, spring bud-break, and cold temperature damage prevention and management;
 - v. Mulch and ground cover studies;
 - vi. 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;
 - vii. Disease and insect management;
 - viii. Reduced pesticide input;
 - ix. Sustainable and potentially organic grape production projects; and
 - x. Educational programming, including the Annual Forum, workshops, field days, and formal UNL courses.
- c. Provide a written final report to the Department. 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.
- d. Provide services from July 1, 2015, through June 30, 2016.

B. ALLOWABLE COSTS AND PAYMENTS

- 1. The Department will advance a sum of thirty-six thousand two hundred seventy-six dollars and fifty cents (\$36,276.50) from the Winery and Grape Producers Promotional Fund to The Viticulture Program upon both parties' signature to this Agreement. The remaining thirty-six thousand two hundred seventy-six dollars and fifty cents (\$36,276.50) 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.

2. Final Viticulture Program billing shall be received no later than July 15, 2016.
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
4. The Viticulture Program specifically agrees that funds provided under this Agreement shall be used only for the project and purposes enumerated herein.
5. 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.

C. AGREEMENT PERIOD

The term of this Agreement is from July 1, 2015, to July 15, 2016, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement in whole or in part, if the Viticulture Program fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow the Viticulture Program to cure a failure or breach within the Department's specified period of time. Allowing the Viticulture Program time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the Viticulture Program, the Department may contract from other sources and hold the Viticulture Program responsible for any excess cost occasioned thereby.
 - b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further

obligation to the Viticulture Program, except that the Department agrees to pay the Viticulture Program for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the Viticulture Program's termination.

2. **Project Completion:** The project will be deemed to be complete when to the Department's satisfaction the Viticulture Program completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. **Complete Understanding:** 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.
4. **Relationship of Parties:** 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 and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. **Assignable:** This Agreement is not assignable without the express written approval of the Department.
6. **Governing Law:** This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. **Indemnification:**
 - a. **General.** The Viticulture Program, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Viticulture Program, its employees, subcontractors, consultants, representatives, and

agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement.

- b. Personnel. The Viticulture Program shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Viticulture Program.
8. Authority to Enter Agreement: The Viticulture Program warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the Viticulture Program accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the Viticulture Program agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the Viticulture Program fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the Viticulture Program, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the Viticulture Program which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, 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 benefits of the Viticulture Program. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. 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 claim has been fully resolved and the Department has agreed that such records do not need to be retained.

2. Auditing Standard: The Department, under Auditing Standard A-133, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the Viticulture Program providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the Viticulture Program providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The Viticulture Program, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The Viticulture Program guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Viticulture Program shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the Viticulture Program is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The Viticulture Program, and any and all subcontractors guarantee payment of compensation to injured workers

according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.

4. Drug Free: The Viticulture Program, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The Viticulture Program, and any and all subcontractors, shall 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 electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as 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 newly hired employees.
 - b. If the Viticulture Program is an individual or sole proprietorship, the Viticulture Program shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materia/purcahsing.html>. If the Viticulture Program indicates on such attestation form that he or she is a qualified alien, the Viticulture Program shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the Viticulture Program's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The Viticulture Program understands and agrees that lawful presence in the United states is required and the Viticulture Program may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The Viticulture Program certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared

ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The Viticulture Program further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the Viticulture Program has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The Viticulture Program also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The Viticulture Program shall immediately notify the Department if, during the term of this Agreement, the Viticulture Program becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the Viticulture Program written notice if the Viticulture Program becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

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 July 1, 2015, to June 30, 2016, with one successive one-year option 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 (10) hours per week, with a total value not to exceed five thousand one hundred dollars (\$5,100) by June 30, 2016. 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 this position.

Payment in the amount of up to five thousand one hundred dollars (\$5,100) from the Winery and Grape Producers' Promotional Fund to the Independent Contractor will be payable, in full, by June 30, 2016, 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

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 2013 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.

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<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 twentyone 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 wineproducing 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 53305.

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) or (5) 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.

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.

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<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.

2-2601. 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.

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FARM WINERIES STATUTES

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<u>Section</u>	<u>Subject</u>
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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.

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 53124.01 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 manufacturer who sells and ships alcoholic liquor from another state directly to a consumer in this state if the manufacturer satisfies the requirements of subsections (7) through (9) of this section. A person manufacturer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacture 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 commission may issue a shipping license to any retailer who is licensed within or outside Nebraska, who is authorized to sell alcoholic liquor at retail in the state of domicile of the retailer, and who is not a manufacturer if such retailer satisfies the requirements of subsections (7) through (9) of this section to ship alcoholic liquor from another state directly to a consumer in this state. A retailer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a retail 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.
- (6) The application for a shipping license under subsection (2) or (3) of this section 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 sections 53-162 and 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 53164.01 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, cancel, or revoke such shipping license for such period of time as it may determine.
- (7) The application for a shipping license under subsection (4) or (5) of this section shall be in such form as the commission prescribes. The application shall require an applicant which is a manufacturer, a craft brewery, a craft distillery, or a farm winery to identify the brands of alcoholic liquor that the applicant is requesting the authority to ship either into or within Nebraska. For all applicants, unless otherwise provided in this section, 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 or retailers 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 sections 53-162 and 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 53164.01 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;
 - (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 or retailers, the commission may suspend, cancel, or revoke such shipping license for such period of time as it may determine;
 - (d) That the applicant agrees to notify the commission of any violations in the

state in which he or she is domiciled and any violations of the direct shipping laws of any other states. Failure to notify the commission within thirty days after such a violation may result in a hearing before the commission pursuant to which the license may be suspended, canceled, or revoked; and

- (e) That the applicant, if a manufacturer, craft brewery, craft distillery, or farm winery, agrees to notify any wholesaler licensed in Nebraska that has been authorized to distribute such brands that the application has been filed for a shipping license. The notice shall be in writing and in a form prescribed by the commission. The commission may adopt and promulgate rules and regulations as it reasonably deems necessary to implement this subdivision, including rules and regulations that permit the holder of a shipping license under this subdivision to amend the shipping license by, among other things, adding or deleting any brands of alcoholic liquor identified in the shipping license.
- (8) Any manufacturer or retailer who is granted a shipping license under subsection (4) or (5) of this section shall:
- (a) Only ship the brands of alcoholic liquor identified on the application;
 - (b) Only ship alcoholic liquor that is owned by the holder of the shipping license;
 - (c) Only ship alcoholic liquor that is properly registered with the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury;
 - (d) Not ship any alcoholic liquor products that the manufacturers or wholesalers licensed in Nebraska have voluntarily agreed not to bring into Nebraska at the request of the commission;
 - (e) Not ship more than nine liters of alcoholic liquor per month to any person in Nebraska to whom alcoholic beverages may be lawfully sold. All such sales and shipments shall be for personal consumption only and not for resale; and
 - (f) Cause the direct shipment of alcoholic liquor to be by approved common carrier only. The commission shall adopt and promulgate rules and regulations pursuant to which common carriers may apply for approval to provide common carriage of alcoholic liquor shipped

by a holder of a shipping license issued pursuant to subsection (4) or (5) of this section. The rules and regulations shall include provisions that require (i) the recipient to demonstrate, upon delivery, that he or she is at least twentyone years of age, (ii) the recipient to sign an electronic or paper form or other acknowledgement of receipt as approved by the commission, and (iii) the commission-approved common carrier to submit to the commission such information as the commission may prescribe. The commission-approved common carrier shall refuse delivery when the proposed recipient appears to be under the age of twenty-one years and refuses to present valid identification. All holders of shipping licenses shipping alcoholic liquor pursuant to this subdivision shall affix a conspicuous notice in sixteen-point type or larger to the outside of each package of alcoholic liquor shipped within or into the State of Nebraska, in a conspicuous location, stating: CONTAINS ALCOHOLIC BEVERAGES; SIGNATURE OF PERSON AT LEAST 21 YEARS OF AGE REQUIRED FOR DELIVERY. Any delivery of alcoholic beverages to a minor by a common carrier shall constitute a violation by the common carrier. The common carrier and the holder of the shipping license shall be liable only for their independent acts.

- (9) For purposes of sections 53-160, 77-2703, and 77-27,142, each shipment of alcoholic liquor by the holder of a shipping license under subsection (3), (4), or (5) of this section shall constitute a sale in Nebraska by establishing a nexus in the state. The holder of the shipping license shall collect all the taxes due to the State of Nebraska and any political subdivision and remit any excise taxes monthly to the commission and any sales taxes to the Department of Revenue.
- (10) By July 1, 2014, the commission shall report to the General Affairs Committee of the Legislature the number of shipping licenses issued for license years 2013-14 and 2014-15. The report shall be made electronically.

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; Laws 2013, LB 230, § 1.