

Nebraska Grape and Winery Board

Annual Report 2010

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OVERVIEW of ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors met three times this fiscal year. The fiscal year began July 1, 2009, and ended June 30, 2010. Emphasis was placed on supporting marketing and promotional activities and conducting research to assist in the betterment and development of Nebraska's grape and wine industry.

Legislation approved on May 30, 2007, amended §§53-123.15 and 53-304 of the Nebraska Revised Statutes and repealed the original sections. The act, relating to alcoholic liquor, changed the provisions relating to shippers' license fees and provided an excise tax on grapes. Within the act, terms were defined, powers and duties were assigned, and a penalty was enacted. Until April 30, 2012, shipping license fees will be collected by the Nebraska Liquor Control Commission and remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. Additionally, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. Excise taxes are also remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. The license fees and excise taxes resulted in a substantial increase in Board revenue for the third year in a row. The Board's revenue increased from \$152,437.58 in the previous fiscal year to \$162,220.35. The Board's total available cash for the 2009-2010 Fiscal Year reached \$235,599.24, which was largely due in part to a beginning cash balance carryover of \$73,378.89 from the previous fiscal year.

The revenue increase over the past three years has enabled the Board to fund several meaningful projects that have aided in the betterment 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 Board released an RFP soliciting grant proposals on November 17, 2009. Proposals were aimed at enhancing the competitiveness of Nebraska's grape and wine industry. In response to the RFP, eight proposals were submitted, of which the Board voted to fund five. By the time the fiscal year ended, the Board had decided to fund 21 projects totaling \$206,863. For a complete list of all projects and their respective amounts, please refer to the 2009-2010 Fiscal Report found on page 56. To see a copy of all signed contracts and their respective final reports, please contact the Nebraska Department of Agriculture (NDA).

The Board also continued to allocate \$5,000 to pay the salary of a part-time clerical assistant to assist with Board duties that will enhance the accountability and reporting requirements of Board-funded projects. The Board asked NDA to find an individual to fill this position. A job description for this position can be found on pages 153 – 154. A University of Nebraska-Lincoln (UNL) graduate student was hired in August 2010 and is under the direction and supervision of NDA.

During the past fiscal year, the Board decided to increase its public profile by developing a web site. An RFP for this project was announced and three bids were received. Nebraska Interactive, LLC was chosen by the Board to establish the web site. The web site was completed and presented to the Board at the March 31, 2010, meeting. All documents and information pertinent to the Board's functions and history can be accessed on the web site at: <http://www.grapeandwineryboard.nebraska.gov>.

At the October 2009 meeting, the Board decided to develop a strategic plan that would clearly provide a framework of the Board's future goals. At the subsequent Board meeting on March 4, 2010, the strategic plan was presented and approved. Following the development of the Board's website, the strategic plan was posted on the website for public viewing.

To further promote the Nebraska grape and wine industry, the Board commissioned a Wine Quality Assurance Feasibility Study. The Board approved Dr. Stephen Menke's proposal of study, which was completed by June 30, 2010.

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

This annual report includes the strategic plan, Board meeting minutes, a news release, RFP, 2009 – 2010 fiscal report, contracts, bylaws, statutes, and other documents pertaining to Board matters.

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 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 -15F. 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 -30F. 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 would help accomplish this goal. This would enable 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 will enable 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. However, in order to establish a web domain and create this web site, the Board is jointly working with the Nebraska Department of Agriculture (NDA) to obtain bids from potential subcontractors who would be able to create this web site and the cost needed to complete this task.

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 will be collected by the Nebraska Liquor Control Commission and remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. Additionally, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. Excise taxes are also remitted to the State Treasurer for credit to the Winery and Grape Producers' Promotional Fund. The license fees and excise taxes resulted in a substantial increase in Board revenue.

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. Develop a Request for Proposal (RFP) process to find at least three subcontractors who could develop a NGWB web site;
- b. Establish evaluation criteria for which bids will be competitively ranked and scored;
- c. Select a subcontractor to create the web site; and
- d. Determine how the web site will be updated and maintained.

Creating Partnerships Within the Industry

Strategy 8.1 Maintain and increase NGWB agricultural partnerships.

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

Maintaining Financial Viability and Revenue of the Grape and Winery Board

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

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

- f. Expend at least 75 percent of NGWB annual revenue on meaningful projects aimed at improving grape and wine research and promoting the entire industry;
- g. Collect and compile final reports in a timely manner from Board-funded projects;
- h. Evaluate the efficacy of final reports as to how they relate to the Strategic Plan; and
- i. Ensure sufficient revenue is available to address future needs.

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

- a. The name and address of each Board member and a copy of all rules and regulations adopted and promulgated by the Board;
- b. A detailed explanation of all programs for which the Board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production and marketing of Nebraska wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry; and
- c. Present the report to the Nebraska Liquor Control Commission within 30 days after its publication and made available also to any persons who request a copy.

Strategy 9.3 Develop a culture of continuous improvement.

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

MONITOR AND UPDATE THE PLAN

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

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

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

THE BOARD'S COMMITMENT

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

CONCLUSION

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

**REQUEST
FOR
PROPOSALS**

NEWS RELEASE
For Immediate Release

November 17, 2009

Contact: Casey Foster: 800-422-6692
Ellen Burdick: 308-778-5543

NEBRASKA GRAPE AND WINERY BOARD SEEKS GRANT PROPOSALS

November 17, 2009 - The Nebraska Grape and Winery Board is seeking grant proposals from individual growers, farm wineries, organizations, industry groups, or academic institutions that aim to assist in the betterment of Nebraska's grape and wine industry. The Board's goal is to fund meaningful projects that have the highest likelihood of significant, positive impact on grape and wine production in Nebraska.

Grant proposals will be considered on a competitive basis. Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Grape and Winery Board. Proposals must clearly explain how the money will be used and how it will enhance the competitiveness of Nebraska's grape and wine industry. The Board anticipates funding proposals during the current fiscal year (July 1, 2009 – June 30, 2010). Applications must be submitted electronically or by U.S. mail to Meghan Schembri, Nebraska Department of Agriculture, PO Box 94947, Lincoln, Nebraska, 68509. The e-mail address is meghan.schembri@nebraska.gov. Applications must be postmarked on or before Friday, January 29, 2010.

Eligible projects must enhance the competitiveness of Nebraska's grapes and wines and may focus on research, promotion, marketing, trade enhancement, education, "buy local" programs, improved efficiency and reduced costs of distribution systems, product development, developing cooperatives, and other opportunities. Proposals should be initiated by individual growers, farm wineries, organizations, industry groups or academic institutions, or should involve collaboration or partnerships between producers, industry groups, academics, or other organizations. Grant proposals must show how the project will benefit the entire grape and wine industry, and not a particular business venture. Any and all outcomes and records, resulting from a funded project, must be available for examination upon request by members of the public. Two – five year project proposals will be considered, subject to annual review and re-authorization.

Grant proposal guidelines and application information can be found at <http://agronomy.unl.edu/viticulture/> or by contacting the Nebraska Department of Agriculture at 800-422-6692. For more information, contact Casey Foster at 800-422-6692 or Ellen Burdick at 308-778-5543.

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**Nebraska Grape and Winery Board
Request for Proposal Application Instructions
2010 – 2011 Fiscal Year**

Applications Due: **FRIDAY, January 29, 2010**

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

Announcement of Final Decisions on Approved Grants: April 30, 2010

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

Meghan Schembri, Board Staff Assistant
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, NE 68509-4947
meghan.schembri@nebraska.com

For More Information Contact:

Casey Foster, Board Ex-Officio Member
Nebraska Department of Agriculture
800-422-6692
casey.foster@nebraska.gov

Ellen Burdick, Board Chair
308-778-5542
17ranch@scottsbluff.net

RFP2010-2011Instructions_110509.doc

Introduction

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

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

Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Grape and Winery Board. Proposals must clearly explain how the money will be used, and how it will enhance the competitiveness of Nebraska's grape and wine industry. This RFP is for the next fiscal year, July 1, 2010 – June 30, 2011. 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 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 grape and/or wine industry in general 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, 2010, and prior to June 30, 2011. Invoices shall be presented to the Department of Agriculture from which payment shall be made. A final report of the project will be provided to the Board and the Department of Agriculture. There will be no funding match requirement of applicants, although priority will be given to those projects that show in-kind and additional cash commitment to supplement the funding request.

Proposals will NOT fund the following expenses:

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

Grant Proposal Review and Selection

Grant applications will be reviewed and decided upon by the Nebraska Grape and Winery Board with input from 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

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 grape and/or wine industry in general 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 which the applicant plans to use for the project. This information provides assurance that the applicant will have sufficient resources to meet project goals. Page 6 provides a budget example from which to refer to and use when creating your budget.

Major consideration will be given to whether:

- *The project makes good business sense according to the proposed expenses and activities noted in the budget;*
- *The budget supports the anticipated benefits and whether the benefits are commensurate with the total project financing;*
- *The project coordinating entity has a process in place to track and account for grant fund expenditures; can accounting and project records be readily retrieved and reported?*
- *Budget line item expenses could include costs associated with personnel, travel, equipment, supplies, and/or contracted work.*

Budget Example

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

H. Signed Agreements Page

Agreement:

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

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

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

Social Security Number or Federal Tax ID

Number: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

Signed: _____

Date: _____

Title: _____

Nebraska Grape and Winery Board Wine Quality Assurance Program Feasibility Study Request for Proposal

In order to increase the quality and improve Nebraska's grape and wine industry, the Nebraska Grape and Winery Board (NGWB) is looking into the establishment of a Nebraska Wine Quality Assurance Program. Under this program, Nebraska wines would be graded against a rating system that is based on industry standards to identify the best estate-grown wines in Nebraska. Wines that meet or exceed program criteria would be designated as *Nebraska Quality Wines*. A seal of distinction would be developed that would create awareness of Nebraska Quality Wines with consumers while promoting the best of the Nebraska wine industry. The purpose of this program would be to spur investment in new vineyards in Nebraska 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. However, before embarking on implementation of such a program in Nebraska, the NGWB is jointly working with the Nebraska Department of Agriculture (NDA) to obtain bids from potential subcontractors who would be able to develop a Wine Quality Assurance Program Feasibility Study to determine the cost of establishing such a program in Nebraska.

Sealed bids will be accepted by NDA until the close of business on **February 28, 2010**. Bids must be sent to NDA either by mail or email. Bidders must submit one original bid along with the number of feasibility studies they have conducted and / or a description of their experience in the grape and / or wine industry or a similar agricultural field. Bidders must also include a copy of their company's policy for a drug-free workplace and a detailed description of the steps to perform to develop this study. For each step, bidders must identify the estimated number of hours, cost per hour, total cost, and projected timeline.

Once all bids are obtained, they will be competitively ranked and scored by the Board. The bids will be ranked against the evaluation criteria established in this RFP. The evaluation criteria and respective points for each are as follows:

- a. Subcontractor's background and ability to perform the study in a timely manner (25 points);
- b. Subcontractor's proposed approach from which to perform and carryout the study (25 points);
- c. Subcontractor's total cost to perform the study (50 points).

The applicant with the highest combined score will be awarded the bid. The successful vendor will enter into a fixed price per hour for actual work performed, not exceeding a total dollar amount of **\$10,000**. The vendor selected to perform this study must have it completed by **June 30, 2010**. There will be an option to amend the contract, based on

availability of funding, for additional work within the scope of the agreement entered into. Please submit sealed bids by **February 28, 2010**, either by mail or email to:

Casey Foster
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, Nebraska, 68509
casey.foster@nebraska.gov

For questions regarding this RFP, please contact Casey Foster at 800-422-6692.

Nebraska Grape and Winery Board Nebraska Grape and Winery Board Web Site Project Request for Proposal

The Nebraska Grape and Winery Board (NGWB) is expending up to \$3,000 to develop a NGWB web site. This will enable 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 will enable 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.

However, in order to establish a web domain and create this web site, the NGWB is jointly working with the Nebraska Department of Agriculture (NDA) to obtain bids from potential subcontractors who would be able to create this web site and the cost needed to complete this task.

Sealed bids will be accepted by NDA until the close of business on **February 28, 2010**. Bids must be sent to NDA either by mail or email. Bidders must submit one original bid along with the number of web sites they have created and the location(s) of those sites. They must also provide a description of their experience in the grape and / or wine industry or a similar agricultural field, if available. Bidders must include a copy of their company's policy for a drug-free workplace and a detailed description of the steps to perform to develop this web site. For each step, bidders must identify the estimated number of hours, cost per hour, total cost, and projected timeline.

Once all bids are obtained, they will be competitively ranked and scored by the Board. The bids will be ranked against the evaluation criteria established in this RFP. The evaluation criteria and respective points for each criteria are as follows:

- a. Subcontractor's background and ability to establish the web domain and develop the web site in a timely manner; (25 points);
- b. Subcontractor's proposed approach from which to create and develop the web site (25 points); and
- c. Subcontractor's total cost to complete this project (50 points).

The applicant with the highest combined score will be awarded the bid. The successful vendor will enter into a fixed price per hour for actual work performed, not exceeding a total dollar amount of **\$3,000**. The vendor selected to perform this study must have it completed by **June 30, 2010**. There will be an option to amend the contract, based on availability of funding, for additional work within the scope of the agreement entered into. Please submit sealed bids by **February 28, 2010**, either by mail or email to:

Casey Foster
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, Nebraska, 68509
casey.foster@nebraska.gov

For questions regarding this RFP, please contact Casey Foster at 800-422-6692.

NEBRASKA GRAPE & WINERY BOARD

Nebraska Wineries:

Last year, the Nebraska Grape and Winery Board, in cooperation with the Nebraska Department of Agriculture and the Nebraska Winery and Grape Growers Association, conducted a Nebraska Grape Growers Survey.

Current and accurate numbers are essential in order to track the trends and growth of our industry. These data are collected every two years and are used to update the state's strategic planning, to provide the Nebraska Unicameral with information to assist in their decision making process, and to identify potential needs of our industry. Attached you will find a listing of the growers who have responded to this survey and their respective counties.

To date, we have not received a completed survey from you. Therefore, we would ask that you please take a moment to fill out the survey and return it, in the enclosed envelope, **by May 1, 2010**. Additionally, please check the list to see that all of your growers have responded. If you find someone is missing, please write their name(s) on the bottom of the survey, and we will send them a survey to complete.

Please note that only group, not individual data, will be reported. By completing and returning this survey, you will help ensure that this information will be highly accurate and most useful to the support of our industry. Thank you for your assistance and cooperation.

PLEASE RETURN YOUR COMPLETED SURVEY IN THE ENCLOSED ENVELOPE
BY MAY 1, 2010.

Sincerely,
Nebraska Grape and Winery Board

NEBRASKA GRAPE & WINERY BOARD

Nebraska Grape Growers:

Last year, the Nebraska Grape and Winery Board, in cooperation with the Nebraska Department of Agriculture and the Nebraska Winery and Grape Growers Association, conducted a Nebraska Grape Growers Survey.

Current and accurate numbers are essential in order to track the trends and growth of our industry. These data are collected every two years and are used to update the state's strategic planning, to provide the Nebraska Unicameral with information to assist in their decision making process, and to identify potential needs of our industry.

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Please note that only group, not individual data, will be reported. By completing and returning this survey, you will help ensure that this information will be highly accurate and most useful to the support of our industry. Thank you for your assistance and cooperation.

**PLEASE RETURN YOUR COMPLETED SURVEY IN THE ENCLOSED ENVELOPE
BY MAY 1, 2010.**

Sincerely,
Nebraska Grape and Winery Board

MEETING MINUTES

Nebraska Grape and Winery Board Meeting Minutes
October 30, 2009
Misty's Restaurant and Lounge
6235 Havelock Avenue
Lincoln, NE

Board Members Present:

Ellen Burdick, President
Max McFarland, Vice-president
Bart Holmquist, Secretary
Terry Ryan
Dave Hanna

Ex-officio Members Present:

Casey Foster, Department of Agriculture
Dan Duncan, University of Nebraska

Guests Present:

Tom Zumpfe
Dr. Paul Read, UNL
Steve Gamet, UNL
Al Vibrial
Mick McDowell
Ginger Langemeier, Department of
Agriculture
Bob Storant, Department of Agriculture

Notice of this meeting was posted in the October 12 edition of the *Omaha World Herald*.

In the President's absence (Ellen is on the road and will be about one hour late) Vice President Max McFarland opened the meeting at 3:08 p.m. All present introduced themselves and the agenda was amended to include an update regarding the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show. This was included as item number five in the agenda. It was moved and seconded by Terry and Dave, respectively, to approve the agenda. The motion carried unanimously. There were no additions or corrections to the minutes of the April meeting and it was moved by Terry and seconded by Dave that they be approved. The motion carried. Dave Hanna was also recognized as the newest member to the Nebraska Grape and Winery Board.

Old Business:

- Viticulture Update: Paul Read handed out a printed summary of the UNL viticulture activities, but said a more detailed report will be forthcoming. Variety trials in Pawnee City and Scottsbluff and a new planting in Tom Zumpfe's vineyard are going well. He is planning further studies on the value of double trunks, chlorosis origins, seedless table grapes, and organic growth in western Nebraska. Paul's secretary recently retired. The UNL viticulture web site has additional information on UNL activities. Field days are continuing and the mid-year conference will highlight vineyard floor management.

- NWGGA Update: Tom Zumpfe handed out Carey's memorandum report on the NWGGA activities. Specifically, the conference planning is going well with a meeting to finalize most issues scheduled. Four regions for the wine trails have been defined, each of which will receive \$1,500 from the NWGGA for trail development. Mick said a brochure for all trails is slated for 2011. A direct marketing piece is to be sent to 10,000 recipients to advertise the industry. NWGGA may ask for a grant from the Board for dealing with a legislative change for highway signage for the state. On January 13, the legislative reception will be held.

- Growers Survey Results: Casey distributed the survey results to the Board. Max, who was responsible for compiling the data, summarized the results. A total of 116 surveys, detailing type, amount, and location, were identified. Discussion followed on how to improve the results. The Board decided to conduct the following steps in an effort to collect more surveys.
 1. Each Board member was asked to identify any growers or wineries who have not sent in their surveys. Any missing names are to be sent to Max by November 13.

 2. Max will work with the Nebraska Department of Agriculture (NDA) to write a that will include a copy of the survey form and compiled data. This information will be mailed to the vineyard owners and wineries who have not completed a survey.

 3. The Board's assistant, Meghan Schembri, will follow-up with a phone call reminding them to complete and send in their survey. Surveys will be sent to UNK for tabulation.

 4. Steve Gamet and CALMIT will then estimate the total grape acreage in Nebraska.

The grower listing will also be sent to Nebraska wineries, which will include grower names and their respective counties. The motion was made by Max and seconded by Ellen to conduct these tasks. The motion passed unanimously.

- Grape Consortium: Many of the individuals attending the meeting had to leave so the agenda was modified to briefly discuss the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show, which will be held in March 2010. Tom Zumpfe reviewed what had transpired thus far and Max reviewed the status from the Board's perspective. The groups involved the planning this event include individuals representing UNL, NWGGA, and the Board. Two meetings have been held thus far, and the Board has been pleased with the progress being made. Changes adopted for the upcoming conference include banquet time and location of the trade show.

- 2008-2009 Fiscal Budget: Casey handed out a binder to each board member, which contained fiscal reports, statutes, contracts, bylaws, and other documents pertaining to board matters. The year ending July 2008 - June 2009 fiscal report was discussed. The Board's revenue totaled \$152,437.58. The Board's total available cash for the year ending reached a historical high of \$242,581.79, which was largely due in part to a beginning cash balance carryover of \$90,144.21 from the previous fiscal year. However, expenditures totaling \$162,202.90 exceeded total revenue. A total of \$73,378.89 was carried over into the 2009 – 2010 fiscal year. However, it was noted that the legislature is currently looking to balance the state's budget and commodity board revenues might be used to achieve this task. It was agreed by all that the board cannot do much about this situation and that they must proceed as normal to fund programs that aid in the betterment of Nebraska's grape and wine industry. NDA recommended that the Board's ending cash balance should not exceed 25 percent of their total revenue.

The September fiscal report was distributed to the Board members. (It is important to note that the headings included in this report were corrected to so that the columns reflected the 2009 – 2010 fiscal year, not the 2008 – 2009 fiscal year.) The Board's ending cash balance totaled \$73,975.45. The Board decided to fund more projects to further support the grape and wine industry and to utilize at least 75 percent of the Board's total revenue.

Various allocations were discussed and considered including requests from UNL and the NWGGA. Discussion of funding projects was discussed under new business.

New Business:

- NWGGA Officer Positions and Relationship to Grape and Winery Board: Dave Hanna had to resign from his position as Treasurer of the NWGGA. The Nebraska Accountability and Disclosure Commission and the NWGGA believed it was a conflict of interest to serve as both an elected officer of the NWGGA and as a Nebraska Grape and Winery Board member. Prior to the meeting, Dave presented his Treasurer resignation letter to the NWGGA President. His resignation was accepted and was effective immediately. Ellen moved that the Board accept and adopt the opinion of the Nebraska Accountability and Disclosure Commission and that the Board utilize this decision as a reference if similar situations were to arise in the future. Dave seconded the motion. The motion carried. Dave also moved that this decision be incorporated into the Board's bylaws. Ellen seconded the motion. The motion carried.
- Board Web Site: The Board considered creating its own web site, like those of the other commodity boards. The Board's assistant will obtain some bids to determine what it will cost to develop a web site.

- Final Reports: The Board's assistant will be compiling detailed spending reports for the Board and will eventually make available, to the Board, information that pertains to previously funded Board project. This information will likely include copies of contracts and final reports.
- Strategic Plan: Casey has put together a framework for a Nebraska Grape and Winery Board Strategic Plan and presented it to the Board. Max offered some primary topics that should be included in this plan. They which included sustainability, quality assurance, marketing, education, and partnerships. Max asked the Board members to send him comments regarding this framework so that the plan can be further developed. He will work with Casey and develop a final draft, which will be available for the Board's review in March 2010. Ellen suggested a review of the NWGGA plan would be a valuable resource to utilize as this plan is being developed.
- RFPs for March meeting. It was moved by Dave that Casey update the previous Request For Proposal document used last year. Once complete, Bart will send out the final version. Terry seconded and the motion passed unanimously. The deadline for grant submission will be January 29, 2010.
- Return to Fiscal Budgeting: The Board discussed additional projects to funds this fiscal year. They are as follows:
 1. Wine Quality Assurance Feasibility Study - \$10,000
 2. NWGGA Wine Trail Marketing Package - \$18,000
 3. NWGGA Passport Program - \$6,000
 4. 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show - \$5,000
 5. NWGGA Web Site Update - \$7,000
 6. UNL Viticulture Program (project expenses associated with research) - \$10,000
 7. Nebraska Grape and Winery Board Web Site Feasibility Study - \$3,000

Funding all seven projects totals \$59,000. The NDA will write contracts to allow for the transfer of funds. The Wine Quality Assurance Feasibility Study will be a joint endeavor. Members involved in this project will include six members -- two Board members (Ellen and Bart), two NWGGA members, and two UNL employees. It was moved and seconded by Ellen and Terry, respectively, that the Board approve funding for the projects mentioned above. The motion carried.

- Date for next board meeting: The date for the next Board meeting was discussed. While the meeting will be held in conjunction with the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show, a specific date and time was postponed until a final schedule for the conference was set.

- Expense Vouchers: Casey explained how to fill out expense reimbursement vouchers.
- It was moved and seconded by Ellen and Dave, respectively, that the meeting be adjourned. The motion carried. The meeting adjourned at 8:30 p.m.

Respectively submitted,
Bart Holmquist, Nebraska Grape and Winery Board Secretary
December 13, 2009

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, NE 68845
March 4, 2010

Board Members Present:	Ellen Burdick, President Max McFarland, Vice-president Bart Holmquist, Secretary Dave Hanna
Ex-officio Members Present:	Casey Foster, Department of Agriculture Bob Storant, Department of Agriculture Dan Duncan, University of Nebraska
Board Staff Assistant Present:	Meghan Schembri, Staff Assistant
Guests Present:	Tom Zumpfe Carey Potter Dr. Paul Read, UNL Steve Gamet, UNL Al Vibrial Mick McDowell Steve Menke Jennifer Reeder Jon Reeder Marc Shoemaker

President Ellen Burdick opened the meeting at 9:05 a.m. It was moved and seconded by Max and Dave, respectively, that the agenda be accepted. The motion passed unanimously. Meghan passed out a folder of materials for the board members, including the minutes from the October 30, 2009, meeting. All present were introduced and it was moved and seconded by Max and Dave, respectively, that minutes for the October 30, 2009 meeting be accepted as written. The motion carried unanimously.

Notice of this meeting was posted in the February 14 edition of the *Omaha World Herald*.

Board Elections: It was moved by Dave that Bart serve as Secretary. Max seconded and the motion was unanimously approved. It was moved by Bart and seconded by Dave that that Max be elected as Vice Chairman. He accepted the nomination and the

motion was unanimously approved. It was moved by Dave and seconded by Bart that Ellen serve as the Board Chairman. She accepted the nomination and the motion was unanimously approved.

Old Business:

Viticulture Update: Paul Read provided the Board with an update regarding the activities conducted by the UNL Viticulture department. Items discussed included cultivar research, bud break studies, hardiness evaluations, pest management practices, Czechland Vineyards trellis study, nutrient deficiency research in western Nebraska, summary of the Nebraska Winery and Grape Growers Forum and Tradeshow planning, status of the sensitive crop locator project, and educational seminar planning. Ellen commented that once the Board's website is established, it should be stated how Board funds have decreased the registration cost of the Nebraska Winery and Grape Growers Forum by approximately 25 to 40 percent. Additionally, Ellen recommended the conference materials show the cooperative partnership between UNL, NWGGA and the Board. Paul indicated he will add this information to the next *Vinelines Newsletter*, and Jennifer indicated she will recognize this partnership in her farewell speech to the conference on Friday, March 5, 2010. Paul informed the Board that Jim Hrusocki has resigned from his position as Extension Educator and Paul will try to finish the cluster study.

NWGGA Update: Jennifer handed out a memorandum report describing the NWGGA activities, which included updates regarding the Passport Program, the Kearney Wine and Jazz Festival, and web site update. She further indicated that the 4 wine trails funded in the \$18,000 Board grant has been changed to three regions. The wine trails will only include wineries, no tasting rooms. Discussion followed as to how the wine trails will be designed and organized and the changes the NWGGA was contemplating. It was moved by Dave that the Board rescind contract 18-13-102, which was seconded by Max. Upon subsequent discussion, Dave removed his motion from the floor in favor of a motion to amend the contract to be for three rather than four regions. It was moved and seconded that the contract be amended to read, "Nebraska will be divided into three regions. A brochure highlighting the regions and web site will be created showcasing all regions." The motion passed unanimously.

As for contract 18-13-189, Max made a motion to add ". . . and/or participation in statewide wine festivals . . ." into the contract. It was seconded by Dave. Motion carried unanimously.

Tom Zumpfe indicated that a new Executive Director for NWGGA will be hired since Carey has decided to step down from this position. The Board acknowledged her hard work and dedication to this position.

The NWGGA web site is not totally functional. Grant funds allocated to the NWGGA are currently being used to improve the web site. The new NWGGA Executive Director will take over the web site and will make sure it is more user-friendly.

Max made motion to amend the agenda and allow Steve Menke to talk about his Wine Quality Assurance Feasibility Study proposal. It was seconded by Dave. Motion passed unanimously.

Wine Quality Assurance Feasibility Study: Steve Menke presented his grant proposal to the Board. This project will involve bringing in experts to Nebraska to talk about quality assurance. Upon demonstrated interest of NWGGA members, a four day tour with two Board members to visit as many wineries as possible and convince them of the value of a quality assurance system will be conducted. Max suggested that the cost for the tour is underestimated, but Steve indicated the wineries are expected to provide lodging for the tour members.

Models for this system might be comparable to those used in New Jersey, Pennsylvania, or Colorado. Steve suggested that if this system is totally supported by the wineries, it will cost approximately \$55 per bottle. The systems typically are voluntary. He believes “the quality” will pay for itself. Max moved that the Board approve Menke’s proposal. Dave seconded the motion. The Board unanimously approved the proposal.

Because of time constraints, Max suggested we alter the agenda to review, discuss and vote on the grants submitted for the 2010 2011 fiscal year. Dave seconded the motion. The motion was unanimously approved.

Review of Grant Applications:

- The NWGGA proposal was discussed, with input from Carey Potter’s. NWGGA’s proposal to fund the Executive Director’s position and marketing activities for next fiscal year was approved in the amount of \$50,000. However, Max expressed his concern regarding the sustainability of the Executive Director position since the Board may choose not to fund this position in the future.
- Mac’s Creek Vineyard and Winery Ozone proposal was discussed. This project will investigate the feasibility of eliminating/reducing chemical usage in disease control via the usage of ozone technology, thereby enhancing sustainability, reducing environmental carbon footprint, enhancing the positive image of the Nebraska industry and protecting the consumer. Seth McFarland was present to field questions regarding this proposal. Bart was concerned with the effects of ozone in the atmosphere and EPA and/or OSHA’s concern regarding this treatment option. Seth contacted both agencies regarding this project. Seth said safety and environmental responsibility are of primary importance. The Board agreed to fund this proposal in the amount of \$6,092.
- Paul Read’s proposal was discussed. Dr. Read mentioned that that Steve Gamet’s part-time salary was the highest priority in his proposal. His project consisted of a number of different research projects including, cultivar and new genotype evaluation, multi-state project evaluating performance of a common set of grape cultivars in multiple locations, studies of trellis construction systems and new cultivar performance, evaluation of cold-hardiness, spring

bud-break and cold temperature damage prevention and management, potential efficacy of chemical and physical treatments to delay spring bud-break, investigation of high pH-induced chlorosis problems, cultivar growing degree studies, and disease and insect management. The Board agreed to fund this proposal in the amount of \$47,718.

- SchillingBridge Winery & Microbrewery’s project of grafting improved cultivars onto existing root systems was discussed. Bart asked if the grafts survived the 2009 – 2010 this winter. Paul said they survived. The Board agreed to fund this proposal in the amount of \$1,505.
- The Amateur Wine Club proposal submitted by Bart Holmquist was discussed. Funding for this proposal would be used to establish the non-profit Nebraska Amateur Wine Club, which would include development of a web site, production of newsletters, and expenses associated with monthly meetings. Max suggested that Bart contact the NWGGA to share the marketing responsibilities associated with this club. Carey requested that she become the Secretary for the club. Bart agreed to Max’s suggestion and accepted Cary’s request. The Board agreed to fund this proposal in the amount of \$1,060.
- Strohm Vineyards submitted a proposal to create a documentary DVD and web site to educate, share, and generate interest in Nebraska's viticultural industry. The Board decided that this project was of lower priority, premature, and too costly. Max indicated that NWGGA would be a better collaborator for this project and recommended that Strohm approach the NWGGA regarding this activity. The Board did not fund this proposal.
- Dr. Yiqi Yang’s proposal to find renewable, sustainable and environmentally friendly sources for natural cellulose fibers and reinforcements for composites was discussed. Dave questioned the economic feasibility of this project given that only about 600 acres of cuttings would be available producing seemingly too small amount of cuttings as raw material. The Board did not fund this proposal.
- Amy Timmerman’s proposal to determine if Pierce’s disease, caused by the bacterium Xylella Fastidiosa, is present in Nebraska grape production areas was examined. The Board suggested that there should be an instance of the disease in the state before a study should be funded.

Below is a listing of the proposals the Board approved for funding.

NWGGA	\$50,000
UNL Viticulture Department	\$47,718
Mac’s Creek Vineyard and Winery	\$6,902
SchillingBridge Winery & Microbrewery	\$1,505
Amateur Wine Club	\$1,060

Dave moved that the Board accept the above grants in the amounts shown for funding. Bart seconded the motion and it passed unanimously. By acclamation it was decided to adjourn the meeting at 1:15 p.m. but resume the meeting at about 5 p.m. in room 102 of the Holiday Inn. The meeting resumed at 5:13 p.m.

Financials: Casey indicated that on June 30, 2009, the Board had \$242,581.79 of total available cash. As of February 2010, the available cash was at \$144,871.25. If all bills are paid in full as of June 30 of this year, the Board will have \$70,500 remaining.

New Business:

2009-2010 Fiscal Budget. Casey presented an update of the Board's 2009-2010 fiscal report.

Meghan is currently in the process of collecting final reports for projects the Board has funded over the past three year. This task is nearly complete. A notebook was distributed at the meeting for the Board to review the progress that has been made in accomplishing this task. Max said he was very happy with the progress made thus far.

A discussion regarding the sustainability of the NWGGA was again discussed. The NWGGA needs to make efforts to become self-sustainable, without Board funding. This includes funding the NWGGA's Executive Director's salary. The Board needs continual feedback as to the direction of the Association as the industry continues to evolve

It was suggested that NWGGA and UNL consider seeking other funding sources in the event the Board's revenue should decrease after April 2012. Casey mentioned that the Nebraska Department of Agriculture is seeking Specialty Crop Block Grant applications up until April 29, 2010. He encouraged UNL and the NWGGA to explore this grant opportunity in greater detail in case they have projects they would like to have funded under this program. Application instructions are available at www.agr.ne.gov.

Strategic Plan. Casey presented a draft of the strategic plan for the Nebraska Grape and Winery Board that he and Max wrote. A printed version was provided in the folder given to the Board members at this meeting. He provided a summary of the plan via a PowerPoint presentation. It was moved by Dave that the Board approve the Strategic Plan as written with a few of the recommended corrections. Max seconded the motion, which was approved unanimously by the Board. Max excused himself from the meeting to attend to tradeshow responsibilities.

Board Web Site: The Board received three RFPs for the development of a Board web site. The proposals and example pages were provided for the Board's review. After a lengthy discussion, each proposal was evaluated. It was decided that Nebraska.gov develop the Board's web site. Dave moved to accept Nebraska.gov's proposal and have NDA serve as the webmaster for the web site, once developed. The motion was seconded by Bart. The motion passed unanimously.

Bylaws Update: Bart moved to change the text in the bylaws to correct the proper name of the Board as the Nebraska Grape and Winery Board. Dave seconded the motion, which carried unanimously.

Additional Requests: Tom informed the Board that funding was need for three NWGGA Grower Field Days and purchase of *VineBalance* Workbooks. The workbooks could be purchased by NWGGA member for \$15 per book. Dave made a motion, which was seconded by Bart, that the Board allocate \$2,500 to assist in paying for expenses associated with the three Grower Field Days and \$3,750 to purchase 125 *VineBalance* Workbooks. The motion passed unanimously. The Board has approximately \$34,652 that should be allocated before June 30, 2010.

Date for next board meeting: The date for the next Board meeting will be sometime in May, the particulars to be decided at a later date and time.

It was moved by Dave and seconded by Bart that the meeting be adjourned. The motion carried. The meeting adjourned at 8:20 p.m.

Respectively Submitted,
Bart Holmquist, secretary
Nebraska Grape and Winery Board

Nebraska Grape and Winery Board Meeting Minutes
Wingate Inn
108 3rd Avenue
Kearney, NE 68845
March 31, 2010

Board Members Present:	Ellen Burdick, President Max McFarland, Vice-president Bart Holmquist, Secretary Dave Hanna Terry Ryan
Ex-Officio Members Present:	Casey Foster, Department of Agriculture
Board Staff Assistant Present:	Meghan Schembri
Guests Present:	Tom Zumpfe, NWGGA Dr. Paul Read, University of Nebraska - Lincoln

President Ellen Burdick opened the meeting at 1:10 p.m. It was moved and seconded by Dave and Max, respectively, that the agenda be accepted. The motion passed unanimously. It was moved by Max to approve the minutes as written. The motion was seconded by Dave and the motion carried unanimously.

Notice of this meeting was posted in the March 17, 2010, edition of the *Omaha World Herald*.

Old Business

- Grape and Winery Board Website Update
Casey presented the newly created Nebraska Grape and Winery Board web site to the board. Comments were fielded from board members for suggested changes. It was recommended that the mission statement be posted on the home page in a font that is easy to read, and it was decided that the board's chair e-mail address be used as the contact if individuals had questions to ask the board via the web site. Any messages are directed to the chair. When the board's RFP application becomes available, the "Grant" link should flash to draw special attention to the availability of board funds. It was also suggested that the names of board members and their town be included on the web site. It was suggested that photos of Nebraska's vineyards during each of the 4 seasons be shown on the homepage in a rotating pattern. It was moved and seconded by

Terry and Dave, respectively, that the web site be approved as presented and that the changes be made. The motion carried unanimously.

- Wine Quality Assurance Feasibility Study Update:
Ellen reported that Steve Menke has Todd Steiner scheduled to arrive in Nebraska on May 22nd. The itinerary has scheduled 19 wineries in four days. It was thought that the plan is good and should work. Steve adjusted the cost of this study to \$7,780.
- UNL Viticulture Program Update
Dr. Paul Read provided a verbal report to the board regarding his research projects. Despite the slight decrease in attendance at the 13th Annual Nebraska Grape and Winery Forum and Trade Show, several positive comments were shared, including hosting the banquet on Saturday and the wine tasting on Friday. He said the board's "seed" money for the March conference has been spent. The increased cost of the conference was a direct result of additional activities added to this year's conference.

The *VineLines* newsletter has been written and should be sent out shortly detailing the results of the conference. Paul asked that a board member write-up a short summary of what the board is doing so that it can be included in the *VineLines* newsletters.

Upcoming field days included May 22 in Ravenna, June 12 at Deer Springs Winery, and June 14 at SchillingBridge Winery. On July 19, the Armstrong Facility in Iowa will be the location of the tri-state grape meeting. The recent winter was not as damaging on grape vines primarily due to the high snow cover and warm spring.

- NWGGGA Update
Tom Zumpfe provided a report on NWGGGA activities. The NWGGGA is currently re-defining the position of their Executive Director position before finding an individual to fill this vacancy. A new NWGGGA web site webmaster has been identified, who will update and improve the existing web site. The popular Passport Program will start May 1, 2010. The Vine Balance Grower Self-Assessment Workbooks were ordered in March. Funds for all of these activities have been possible as a direct result of board funding.

Tom also requested \$5,000 be allocated to each of Nebraska's wine trails. A lengthy discussion ensued, which was focused on the nature of the trail system and how they are being developed. Although there were no clear answers, how the trails were to be developed was forthcoming. It was moved by Dave and seconded by Max to edit the \$18,000 NWGGGA Wine Trail Package contract, which is designed to increase public awareness of Nebraska's grape and wine industry, educate consumers, and attract wine enthusiasts to Nebraska's

wineries. For the purposes of this grant, it was decided that Nebraska be divided into three regions, rather than four, as originally stated in the contract. The three wine trail regions are identified as the Southeast Nebraska Winery Trail, Wines on the Historic Trails, and Heart of Nebraska Wine Trail. Each region is responsible for setting their own trail guidelines. A brochure highlighting the regions and web site will be created showcasing all regions. Casey recorded the wording alternations suggested by the board and will write an amendment to this contract to reflect these changes. The expiration of the contract, set as June 30, 2010, will remain unchanged but a final written report is due 90 days after the expiration of this agreement. The motioned passed unanimously. Max pointed out that the new trail system is independent of NWGGA.

Max moved and Dave seconded a motion to include the phrase “and/or participation in statewide wine festivals” into contract 18-13-189. The motion passed unanimously. Casey recorded the wording alternation and will write an amendment to the contract to reflect these changes. The expiration of the contract, set as June 30, 2010, will remain unchanged but a final written report is due 90 days after the expiration of this agreement. This is Carey Potter’s last day as NWGGA’s Executive Director and Tom thanked her for her help. Tom requested that board RFP grant notices be coordinated so that they are published at least six months prior to the grant submission due date.

- Staff Assistant Position

The board’s staff assistant, Meghan Schembri, will be leaving at the end of June to pursue her dietetic internship at the University of Nebraska Medical Center. Paul offered to look for an individual to fill this vacancy; it is hoped that this position will be filled by July 1, 2010. The board has allocated \$5,000 to pay for the staff assistant’s salary, but he or she will be hired by and under the direct supervision of the Nebraska Department of Agriculture.

- Grape and Winery Display Booth

Casey said he will look into the costs for purchasing a display for the board. Displays can cost up to \$2,000. Bids will try to be obtained and presented to the board at the next meeting.

New Business

- 2009-2010 Fiscal Budget Update

Casey provided an update of the board’s revenue expectations and explained the current financial position. The figures showed that the board has \$34,652 to potentially allocate before June 30, which should provide a carryover amount of approximately \$17,000. A discussion as to whether hire a Nebraska Grape and Winery Board Executive Director ensued, but it was decided that such a decision should wait until the board becomes more financially sustainable.

- Board Proposals for 2009 - 2010

Using the conference's white board, Terry listed the grant proposals submitted to the board. Each proposal was reviewed and discussed. Below is a summary of the proposals the board decided to fund for the remainder of the 2009 -2010 fiscal year.

- SchillingBridge Winery and Microbrewery was awarded \$1,505 to conduct the second phase of a project that explores the suitability of using existing cultivars as rootstock by grafting cultivars with greater wine grape value to mature Lacrosse and/or deChaunac vines. An additional \$1,565 was allocated to this winery for continuation of this project into the 2010 – 2011 fiscal year.
- UNL Viticulture Program was awarded the following:
 - \$6,000 to pay for expenses associated with the labor, transportation costs, maintenance and oversight of the Scottsbluff research location.
 - \$3,100 to demonstrate the planting of newly available grape genotypes. The funds will be used to pay for several costs associated with this activity including plants, site preparation, trellis materials, chemicals, and other related costs.
 - \$3,150 to pay for bird netting and fertilizer at the Nemaha, Peru, and Nebraska City research locations.
 - \$4,200 to enhance the Viticulture Program's Extension efforts. The funds will pay for several extension visits to growers and wineries in distant parts of Nebraska and attendance at the American Society of Enology and Viticulture Annual Conference.
- Mac's Creek Vineyard and Winery was awarded \$3,700 to conduct a Tasting Room Profitability and Wine Club Development Seminar. Elizabeth Slater is being considered as a potential speaker for this event. The seminar is open to anyone involved or interested in Nebraska's grape and/or wine industry.
- The Southeast Nebraska Winery Trail Association was awarded \$5,000 to assist in paying for a marketing campaign, which is designed to build awareness of southeast Nebraska as a premium wine region. The primary goal of this project is to focus marketing efforts between all of the eight wineries in this region by establishing collaborative events, which are designed to generate enough money to fund the annual events in subsequent years. The funds will be used to pay for the costs associated with these events.
- The Heart of Nebraska Wine Trail (HNWT) was awarded \$5,000 to pay for the development of a web site and print advertisements for HNWT.
- The Wines on the Historic Trails Association was awarded \$5,000 to assist in encouraging tourists and wine enthusiasts to visit wineries, tasting rooms, and vineyards in western Nebraska. The funds will be used to pay for a web site, passport program, and radio and newspaper advertisements.

If all projects fully expend their board funding allocations, the ending cash balance for the 2009 – 2010 fiscal year will be approximately \$13,073. A motion to approve the updated budget was made by Dave and seconded by Terry. The motion passed unanimously.

- Board Proposals for 2010 -2011
 - The board approved the following projects for the 2010 – 2011 fiscal year:
 - \$50,000 to pay for NWGGA’s Executive Director and marking activities;
 - * \$2,745 to pay for an NWGGA nutritional workshop;
 - \$47,718 for UNL’s Viticulture Program research projects;
 - \$6,092 for Mac’s Creek Vineyard and Winery’s Ozone Technology project;
 - * \$1,565 for SchillingBridge Winery and Microbrewery’s rootstock grafting cultivar project;
 - \$1,060 for an Amateur Wine Club;
 - * \$2,000 for a Nebraska Grape and Winery Board display booth;
 - \$5,000 for a board staff assistant; and
 - \$2,500 for the Nebraska Department of Agriculture’s fee collection process.
 - Additional expenditures included printing costs (\$500), room rental (\$125), board meeting notices (\$400), and board expenses (\$3,500).

* Denotes projects approved for funding during this meeting. The others were approved during the March 4, 2010, board meeting.

The total expenditures for fiscal year 2010 – 2011 equates to \$123,205. Bart motioned that the board approve the additional projects and the total budget, as adjusted. Max seconded. The motion passed unanimously.

Casey suggested that the board meet four times a year. After discussion, it was decided that meetings be held in March, April, July, and October, if possible.

Max moved to adjourn and it was seconded by Bart. The motion passed unanimously. The meeting adjourned at 5:50 p.m.

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

**2009 – 2010
FISCAL
REPORT**

WINE & GRAPE PRODUCTION PROMOTION BOARD
JULY 1, 2009 - JUNE 30, 2010

DESCRIPTION	FY2010-11 BUDGET	JUNE, 2010	FY2010-11 YR-TO-DATE	YTD AS % OF BUDGET
BEGINNING CASH BALANCE	\$ 73,379	\$ 135,108.88	\$ 73,378.89	
REVENUE:				
Shipper License Fees	\$ 125,000	\$ 3,500.00	133,000.00	
Check-Off Fee	9,696	0.00	9,696.05	
Crushed Grape Fees	16,281	0.00	16,647.64	
Investment Interest	2,000	332.91	2,876.66	
Total Revenue	\$ 152,977	\$ 3,832.91	\$ 162,220.35	106%
TOTAL AVAILABLE CASH	\$ 226,356	\$ 138,941.79	\$ 235,599.24	
EXPENDITURES:				
Printing (Annual Report)	\$ 310	\$ 0.00	\$ 310.94	
Room Rental	210	0.00	165.00	
Board Meeting Notices	400	0.00	307.38	
NWGGA Contracts				
NWGGA - Exec. Dir. & Marketing	50,000	14,665.68	44,665.68	
NWGGA - Wine Trail Package	18,000	16,733.93	16,733.93	
NWGGA - Passport Program	6,000	6,000.00	6,000.00	
NWGGA - Web Site	7,000	6,130.00	6,130.00	
NWGGA - Grower Field Days	2,500	0.00	2,500.00	
NWGGA - Vine Balance Books	3,750	0.00	3,134.60	
UNL Contracts				
UNL - Extension Grape Cluster	1,900	0.00	1,776.83	
UNL - Viticulture 18-01-188	56,618	10,000.00	56,618.00	
Grape & Winery Conference	5,000	5,000.00	5,000.00	
UNL - Extension	4,200	0.00	4,200.00	
UNL - Grape Genotypes	3,100	3,100.00	3,100.00	
UNL - Netting & Fertilizer	3,150	3,150.00	3,150.00	
UNL - Scottsbluff Planting	6,000	6,000.00	6,000.00	
Contracts (Misc.)				
Mac's Creek – Yr 3 Cold Hardiness	3,940	0.00	3,940.00	
Mac's Creek – Training Workshop	3,700	3,700.00	3,700.00	
NDA Fee Collection	2,500	0.00	1732.04	
Quality Assurance Feasibility Study	10,000	6,349.66	7,157.26	
Grape & Wine Board Web Site	3,000	250.00	250.00	
SENE Wine Trail Assn	5,000	5,000.00	5,000.00	
HN Wine Trail (dba/Mac's Creek)	5,000	5,000.00	5,000.00	
WHT Wine Trail Assn	5,000	4,748.87	4,748.87	
SchillingBridge – Cultivar Grafting	1,505	723.00	723.00	
Board Assistant	2,000	254.74	1,009.06	
Board Expense	3,500	0.00	3,410.74	
Total Expenditures	\$ 213,283	\$ 96,805.88	\$ 196,463.33	92%
Adjustment to Fund Balance	0	(3,000.00)	0.00	
ENDING CASH BALANCE	\$ 13,073	\$ 39,135.91	\$ 39,135.91	

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

Percent of Fiscal Year Elapsed: 100%

FY08-09 Revenue to Date: \$152,437.58

FY08-09 Expenditures to Date: \$169,202.90

CONTRACTS

AGREEMENT

between

MAC'S CREEK VINEYARD AND WINERY

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-060

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved three thousand nine hundred forty dollars (\$3,940) from the Winery and Grape Producer's Promotional Fund to assist the Vineyard in paying for the evaluation of techniques, which are designed to enhance grapevine cold hardiness. This project will study the effects of late winter spraying of dormant vines using products which are designed to either delay de-acclimation and/or bud break.

This is the third year of a continuing research project, which will investigate the effectiveness of multiple applications of Amigo Oil at three vineyard sites representing very different microclimates. The vineyard sites will be located in Raymond, Lexington, and Cozad, Nebraska. Unlike the previous two years, this year's project will also expand the application of this oil to the Edelweiss vines.

The goals of this project are to:

- a. Replicate second year investigation results using air blast sprayer application techniques;
- b. Expand the investigation of the effectiveness of the oil when applied to vineyards located in the eastern and western part of the state, each representing different microclimates;
- c. Expand the application of the oil to the Edelweiss vines to determine its impact on this cultivar.

Two groups of vines will be identified on each of the three vineyard sites. They include a control group and a treatment group. Sample plants will be selected via an alternating sequence in a counter balanced manner. Obviously, weakened or fragile vines will be omitted from the study. Sample vines will be pruned prior to the first application of the oil. The control group will not receive treatment, but the treated groups will be sprayed with the oil beginning in March 2010. It will be reapplied once every two weeks until bud break.

Results from this project are to determine if there is a difference in delayed bud break counts and harvest yields in the Marechal Foch, Brianna, and Edelweiss cultivars.

The amount of three thousand nine hundred forty dollars (\$3,940) will partially pay for costs involved with this project, which include chemicals, labor (pruning and application), manager training, consultant expenses (time, travel, and lodging) and data collection, entry, and analysis.

2. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2009, to June 30, 2010.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producer's Promotional Fund.
4. The Vineyard agrees to provide a copy of the results to the Department with a report of the costs involved for this project. The report will be made public for the use of all Nebraska growers and given to the Board to publish for that purpose.
5. Payment in the amount of three thousand nine hundred forty dollars (\$3,940) from the Winery and Grape Producer's Promotional Fund to the Vineyard will be payable in full upon both parties signing this Agreement, and the Vineyard incurring an obligation for this project. The Vineyard shall present an invoice to the Department from which payment shall be made.
6. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.

8. The Vineyard shall utilize funds provided by the Department only for facilities, materials, and personnel to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.

9. The parties mutually agree as follows:

a. The Vineyard shall:

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

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

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

c. The Vineyard agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Vineyard workplace;
- (2) The specific actions that will be taken against employees for violating the policy; and
- (3) A requirement that each employee shall receive a copy of the policy.

d. The Vineyard shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of or on account of any failure on the part of the Vineyard to perform such duties for the Department as herein specified. This obligation shall survive the expiration or termination of this Agreement.

e. The books of account, files, and other records of the Vineyard which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Vineyard.

- f. The Vineyard agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Vineyard shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved, and the Department has agreed that such records no longer need to be retained.
- g. The Vineyard, specifically, agrees that funds given to the Vineyard shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Vineyard under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Vineyard fails to perform as outlined herein, the Vineyard shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Vineyard under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Vineyard that the Vineyard is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Vineyard guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

MAC'S CREEK VINEYARD AND
WINERY

Date

Seth McFarland, Vineyard Manager

macscreekvineyards-contract070108.doc

AGREEMENT

between

MAC'S CREEK WINERY AND VINEYARDS

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-115

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved up to three thousand seven hundred dollars (\$3,700.00) from the Winery and Grape Producer's Promotional Fund to provide a Tasting Room Profitability and Wine Club Development Seminar. The goal of this seminar is to provide training for all Nebraska wineries in the diversification of winery programs beyond the tasting room. Topics addressed will include wine club development,

development of long-distance customer relations, and Nebraska's wine image.

- 2. Up to three thousand seven hundred dollars (\$3,700.00) from the Winery and Grape Producer's Promotional Fund will help pay for the costs associated with this project. Below is a breakdown of how the funds will be used.

Presenter

Consulting Fee	\$2,000.00
Expenses	\$ 800.00

Participant Expenses (includes lunch (2 days) and materials)
Funds will be used to pay for thirty (30) NWGGA member registrations. Non-NWGGA members will be required to pay the thirty dollar (\$30.00) registration fee. It is expected that 30 NWGGA members will attend this event.

30 NWGGA members x \$30	\$ 900.00
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- 3. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
- 4. The Winery agrees to provide a final report to the Department within 90 days after the Agreement expires.
- 5. The Department agrees to provide the funds, as set out above, from the Winery and Grape Producer's Promotional Fund.
- 6. Payment in the amount of up to three thousand seven hundred dollars (\$3,700.00) from the Winery and Grape Producer's Promotional Fund to the Winery will be payable in full upon both parties' signatures to this Agreement and the Winery incurring an obligation of at least this amount. The Winery shall present an invoice(s) to the Department from which payment(s) shall be made.
- 7. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
- 8. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.

9. The Winery shall utilize funds provided by the Department only for the expenses associated with this project. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Winery shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

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

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

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

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

- I. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Winery guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Winery is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

MAC'S CREEK WINERY AND
VINEYARDS

Date

Barry McFarland, Business/Public
Relations Director

macscreek-trainingworkshop033110.doc

AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-189

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved fifty thousand dollars (\$50,000) from the Winery and Grape Producers Promotional Fund to fund an Executive Director position (\$36,000), and to pay for marketing activities (\$14,000), both of which are designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.

An amount of thirty-six thousand dollars (\$36,000) will be used to pay for the salary of the NWGGA's Executive Director's position. The remaining fourteen thousand dollars (\$14,000) will be used to pay for brochures, media campaign, the Wine Tour Passport Program, web page improvement, educational seminars, and grower field days. It will be the responsibility of the Executive Director to administer and execute these programs.

2. Duration of Agreement. This Agreement shall be in force and effective from July 1, 2009, to June 30, 2010.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers Promotional Fund.
4. Payment in the amount of fifty thousand dollars (\$50,000) from the Winery and Grape Producers Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement and NWGGA incurring an obligation. NWGGA shall present invoices to the Department from which payments shall be made.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department only for funding an Executive Director position and marketing activities to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

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

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

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees, that may arise out of, or on account of, any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of NWGGA which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
- f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any

claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

nwgacontract-execdir&mkting_070109.doc

THE FIRST AMENDMENT TO THE AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-189

THE AGREEMENT, in force and effective July 1, 2009, to June 30, 2010, between the Nebraska Winery and Grape Growers' Association (NWGGA) and the Nebraska Department of Agriculture is hereby amended as follows:

Page 2, paragraph number 1, shall be amended to read:

1. The Nebraska Grape and Winery Board approved fifty thousand dollars (\$50,000.00) from the Winery and Grape Producers Promotional Fund to fund an Executive Director position (\$36,000.00), and to pay for marketing activities (\$14,000.00), both of which are designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry.

An amount of thirty-six thousand dollars (\$36,000.00) will be used to pay for the salary of the NWGGA's Executive Director. The remaining fourteen thousand dollars (\$14,000.00) will be used to pay for brochures, media campaign, the Wine Tour Passport Program, web page improvement, educational seminars, grower field days, and/or participation in statewide wine festivals. It will be the responsibility of the Executive Director to administer and execute these programs.

Page 2, paragraph number 3, shall be amended to read:

3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers Promotional Fund. The NWGGA is expected to provide a final written report of the projects to the Department and the Nebraska Grape and Winery Board ninety (90) days after the expiration of this Agreement.

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

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

R. Thomas Zumpfe, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-109

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA for Grower Field Days, which are designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approves up to two thousand five hundred dollars (\$2,500.00) from the Winery and Grape Producers Promotional Fund to conduct three (3) Grower Field Days. These educational events will be held during the months of April, May, and June and will focus on a variety of management control practices that will benefit Nebraska grape growers. The events will focus on several aspects including:

- a. How to establish and begin a fungicide spray program;
 - b. Controlling weeds, pests, and insects;
 - c. Late or final pruning of vines after frost danger to provide attention to lateral or secondary bud development;
 - d. Monitoring disease pressure; and
 - e. Shoot positioning, canopy development, and animal control.
2. This Agreement shall be in force and effective from March 4, 2010, to June 30, 2010.
 3. The Department agrees to provide the funds, as set out in Paragraph 1 from the Winery and Grape Producers Promotional Fund. Payment up to two thousand five hundred dollars (\$2,500.00) from the Winery and Grape Producers Promotional Fund will be payable upon NWGGA incurring a purchase order or contractual obligation up to this amount and presenting invoice(s) and supporting documentation to the Department from which payments shall be made. Failure to present invoices prior to June 30, 2010, will result in nonpayment.
 4. NWGGA shall provide a written final report detailing the use of these funds to the Department and the Nebraska Grape and Winery Board within 90 days after completion of the last educational event.
 5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers Promotional Fund.
 6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
 7. NWGGA shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.

8. The parties mutually agree as follows:
- a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
 - c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
 - d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.

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

- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

R. Thomas Zumpfe, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-099

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA for Nebraska's Wine Tour Passport Program, which is designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approves six thousand dollars (\$6,000) from the Winery and Grape Producers Promotional Fund to continue the promotion of Nebraska's Wine Tour Passport Program. The Passport lists the locations and contact information of approximately 20 wineries, 8 tasting rooms, and 1 vineyard. Consumers who tour participating locations and purchase a wine tasting, will receive a stamp

from each location. A total of 15 different winery and 2 tasting room stamps are needed to receive \$50 in "Winery Bucks." A visit to all 28 locations will result in \$75 "Winery Bucks." The "Winery Bucks" are used to purchase wine from any Passport participating location.

2. Duration of Agreement. This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers Promotional Fund.
4. Payment in the amount of six thousand dollars (\$6,000) from the Winery and Grape Producers Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement and NWGGA incurring an obligation. NWGGA shall present invoices to the Department from which payments shall be made.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from

receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

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

further acknowledges that expenditures shall not be used for political activity.

- h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement, during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and NWGGA, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-110

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA to purchase educational books, which are designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approves up to three thousand seven hundred fifty dollars (\$3,750.00) from the Winery and Grape Producers Promotional Fund to purchase educational books entitled "*VineBalance*." This workbook documents sustainable grape growing practices already in place and promotes sustainable practices throughout the industry. The workbook addresses specific production practices growers use to manage soil resources, vine growth, and vineyard pests to

educate them about sustainable options for accomplishing these tasks. By comparing their current practices with examples provided in the workbook, growers can both assess and discover ways to improve their sustainability. The self-assessment from the grower provides a baseline for modifications detailed in an action plan drawn up after completing the workbook.

2. This Agreement shall be in force and effective from March 4, 2010, to June 30, 2010.
3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers Promotional Fund. Payment up to three thousand seven hundred fifty dollars (\$3,750.00) from the Winery and Grape Producers Promotional Fund will be payable upon NWGGA incurring a purchase order or contractual obligation up to this amount and presenting invoice(s) and supporting documentation to the Department from which payments shall be made. Failure to present invoices prior to June 30, 2010, will result in nonpayment.
4. NWGGA shall provide a written final report detailing the use of these funds to the Department and the Nebraska Grape and Winery Board within 90 days after the expiration of this Agreement.
5. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
 - c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
 - d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
 - e. The books of account, files, and other records of NWGGA which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.
 - f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any

claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

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

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

R. Thomas Zumpfe, President

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-104

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA to update their web site.

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

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

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

WHEREAS, updating the NWGGA web site will greatly assist the Nebraska grape and winery industry;

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

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

1. The Nebraska Grape and Winery Board approves up to seven thousand dollars (\$7,000) from the Winery and Grape Producers' Promotional Fund to update and improve the NWGGA web site.
2. NWGGA will establish a Request for Proposal (RFP) process to select a subcontractor from which to update the web site.

3. The Department will obtain three (3) bids from potential subcontractors who are able to update the NWGGA web site. Once the bids are obtained, the subcontractors will be competitively ranked and scored by the NWGGA's Executive Director and two other NWGGA officers. The bids will be ranked against the evaluation criteria established in the RFP. The criteria and respective points for each area will be as follows:
 - a. Subcontractor's background and ability to update the web site in a timely manner (25 points);
 - b. Subcontractor's proposed approach from which to update the web site (25 points); and
 - c. Subcontractor's total cost to complete this project (50 points).
4. Duration of Agreement. This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
5. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
6. Payment in the amount of up to seven thousand dollars (\$7,000) from the Winery and Grape Producers' Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement and NWGGA incurring an obligation. NWGGA shall present invoices to the Department from which payments shall be made.
7. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
8. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
9. NWGGA shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. NWGGA shall:

- (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. NWGGA agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
- (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the NWGGA workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. NWGGA shall indemnify and hold harmless the Department from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of NWGGA to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of NWGGA which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of NWGGA.

- f. NWGGA agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and NWGGA, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

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AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-102

This Agreement, entered into by and between the Nebraska Winery and Grape Growers' Association, hereinafter called the "NWGGA," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to NWGGA toward funding a Wine Trail Marketing Package, designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approves eighteen thousand dollars (\$18,000) from the Winery and Grape Producers Promotional Fund to assist in paying for the development of a Nebraska Wine Trail Marketing Package to increase public awareness of Nebraska's grape and wine industry, educate consumers, and attract wine enthusiasts to Nebraska wineries.

Nebraska will be divided into four regions – North, West, Southeast, and Central. Each region will be responsible for setting their own trail guidelines. Trails will likely identify wineries, vineyards, tasting rooms, tourism locations, bed and breakfasts, and iconic restaurants in their area. A four trail brochure and web site will likely be created showcasing all four regions.

2. Duration of Agreement. This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
3. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers Promotional Fund.
4. Payment in the amount of eighteen thousand dollars (\$18,000) from the Winery and Grape Producers Promotional Fund to NWGGA will be payable in full upon both parties signing this Agreement and NWGGA incurring an obligation. NWGGA shall present invoices to the Department from which payments shall be made.
5. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers Promotional Fund.
6. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
7. NWGGA shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
8. The parties mutually agree as follows:
 - a. NWGGA shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

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

- g. NWGGA specifically agrees that funds given to NWGGA shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to NWGGA under this Agreement, and not fully utilized and earned pursuant to this Agreement, during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if NWGGA fails to perform as outlined herein, NWGGA shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and NWGGA, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that NWGGA is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. NWGGA guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. NWGGA is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

Carey Potter, Executive Director

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THE FIRST AMENDMENT TO THE AGREEMENT

between

NEBRASKA WINERY AND GRAPE GROWERS' ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-102

THE AGREEMENT, in force and effective October 31, 2009, to June 30, 2010, between the Nebraska Winery and Grape Growers' Association (NWGGA) and the Nebraska Department of Agriculture for a project entitled "Wine Trail Marketing Package," is hereby amended as follows:

Pages 1 and 2, paragraph number 1, shall be amended to read:

1. The Nebraska Grape and Winery Board approves eighteen thousand dollars (\$18,000.00) from the Winery and Grape Producers Promotional Fund to assist in paying for the development of a Nebraska Wine Trail Marketing Package to increase public awareness of Nebraska's grape and wine industry, educate consumers, and attract wine enthusiasts to Nebraska wineries.

Nebraska will be divided into three regions. A brochure highlighting the regions and web site will be created showcasing all regions.

Page 2, paragraph number 3, shall be amended to read:

3. The Department agrees to provide the funds as set out in Paragraph 1 from the Winery and Grape Producers Promotional Fund. The NWGGA is expected to provide a final written report of the project to the Department and the Nebraska Grape and Winery Board ninety (90) days after the expiration of this Agreement.

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

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE
GROWERS' ASSOCIATION

Date

R. Thomas Zumpfe, President

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AGREEMENT

between

SCHILLINGBRIDGE WINERY AND MICROBREWERY

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-116

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved up to one thousand five hundred five dollars (\$1,505.00) from the Winery and Grape Producer's Promotional Fund to enable the Winery to conduct the second phase of a project that explores the suitability of using existing cultivars as rootstock by grafting cultivars with greater wine grape value to mature Lacrosse and/or deChaunac vines. The funds will be used to pay for

some of the costs associated with this activity such as supplies, labor, travel, and field day expenses.

The goals of this project are as follows:

- a. Evaluate the suitability of Lacrosse and/or deChaunac as rootstock cultivars. The survival rate and growth characteristics of the scion cultivars relative to re-establishing production of the vineyard will be evaluated.
 - b. Quantify the economic costs and benefits of this activity. The labor and other input costs associated with training the scion cultivars will also be evaluated.
 - c. Provide a venue to educate Nebraska grape growers on this viticultural practice. The Winery and the UNL Viticulture Program will jointly host an educational field day for grape growers and wineries to become familiar with this management practice.
2. Up to one thousand five hundred five dollars (\$1,505.00) from the Winery and Grape Producer's Promotional Fund will partially pay for the costs associated with this project.
 3. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
 4. The Winery agrees to provide a final report to the Department within 90 days after the Agreement expires.
 5. The Department agrees to provide the funds, as set out in Paragraph 1, from the Winery and Grape Producer's Promotional Fund.
 6. Payment in the amount of up to one thousand five hundred five dollars (\$1,505.00) from the Winery and Grape Producer's Promotional Fund to the Winery will be payable in full upon both parties' signatures to this Agreement and the Winery incurring an obligation of at least this amount. The Winery shall present an invoice(s) to the Department from which payment(s) shall be made.
 7. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
 8. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this

Agreement, and provided resources are available, this Agreement may be amended.

9. The Winery shall utilize funds provided by the Department only for the expenses associated with this project. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Winery shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

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

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

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

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

- I. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Winery guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Winery is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

SCHILLINGBRIDGE WINERY AND
MICROBREWERY

Date

Max Hoffman, Vinter and Vineyard
Manager

AGREEMENT

between

SOUTHEAST NEBRASKA WINERY TRAIL ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-117

This Agreement, entered into by and between the Southeast Nebraska Winery Trail Association, hereinafter called the "SENE," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to SENE toward funding a wine trail located in eastern region of the state. This project is designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund to assist in paying for a marketing campaign designed to build awareness of southeast Nebraska as a premium wine region. Stimulating interest and demand for Nebraska wine products and attracting customers to individual wineries will expand the income and economic opportunities for southeast Nebraska wineries. The primary goal of this project is to focus marketing efforts between all of the eight (8) wineries in the SENE by establishing collaborative events, which are designed to generate enough money to fund the annual events in subsequent years. The funds will be used to pay for the costs associated with these events.

2. Duration of Agreement. This Agreement shall be in force and effective from March 31 to June 30, 2010.
3. SENE agrees to provide a final report to the Department within 90 days after the Agreement expires.
4. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producer's Promotional Fund.
5. Payment in the amount of up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund to the SENE will be payable in full upon both parties signing this Agreement and SENE incurring an obligation. SENE shall present invoices to the Department from which payments shall be made.
6. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. SENE shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. SENE shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if SENE is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.

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

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and SENE, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and SENE that SENE is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. SENE guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. SENE is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

SOUTHEAST NEBRASKA WINERY
TRAIL ASSOCIATION

Date

Jim Partington, President

S:\AGD_WP\casey\Winery Board\2009-2010Reports\SENEWineTrail033110.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-01-188

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved forty-six thousand six hundred eighteen dollars (\$46,618) from the Winery and Grape Producer's Promotional Fund to pay for the viticulture technologist's salary, student hourly labor, vineyard supplies, planting stock, chemicals, travel, and fuel and vehicle rental costs involved in oversight and implementation of Viticulture Program activities. These studies are continuous from one year to the next. Like previous years, they will consist of:

- a. Cultivar and new genotype evaluation;
 - b. Multi-state project evaluating performance of a common set of grape cultivars in multiple locations;
 - c. Studies of trellis construction systems and new cultivar performance;
 - d. Evaluation of cold-hardiness, spring bud-break, and cold 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 potential efficacy of chemical and physical treatments to delay spring 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;
 - j. Trunk studies; and
 - k. Sustainable and potentially organic grape production projects.
2. The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.
 3. Duration of Agreement: This Agreement shall be in force and effective from July 1, 2009, to June 30, 2010.
 4. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
 5. Payment in the amount of twenty-three thousand three hundred nine dollars (\$23,309) from the Winery and Grape Producer's Promotional Fund will be advanced to the Viticulture Program upon both parties' signature to this Agreement. The remaining twenty-three thousand three hundred nine dollars (\$23,309) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments

shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.

6. Funding for this project is subject to legislative appropriations and funding being available.
7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
8. The Viticulture Program shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

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

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

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviticulturecontract070109.doc

FIRST AMENDMENT TO AGREEMENT
BETWEEN
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA
AND
NEBRASKA DEPARTMENT OF AGRICULTURE
#18-01-188

The Agreement between the above parties for the period of July 1, 2009, through June 30, 2010, is hereby amended as follows:

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

1. The Nebraska Grape and Winery Board approves fifty-six thousand six hundred eighteen dollars (\$56,618) from the Winery and Grape Producer's Promotional Fund to pay for the viticulture technologist's salary, student hourly labor, vineyard supplies, planting stock, chemicals, travel, and fuel and vehicle rental costs involved in oversight and implementation of Viticulture Program activities. These studies are continuous from one year to the next. Like previous years, they will consist of:
 - a. Cultivar and new genotype evaluation;
 - b. Multi-state project evaluating performance of a common set of grape cultivars in multiple locations;
 - c. Studies of trellis construction systems and new cultivar performance;
 - d. Evaluation of cold-hardiness, spring bud-break, and cold 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 potential efficacy of chemical and physical treatments to delay spring 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;
 - j. Trunk studies; and

- k. Sustainable and potentially organic grape production projects.

The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.

Page 2, paragraph number 5, shall be amended to read:

- 5. Payment in the amount of twenty-three thousand three hundred nine dollars (\$23,309) from the Winery and Grape Producer's Promotional Fund will be advanced to the Viticulture Program upon both parties' signature to this Agreement. The remaining thirty-three thousand three hundred nine dollars (\$33,309) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director
Nebraska Department of Agriculture

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviticulturecontract070109-amendment.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-114

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved four thousand two hundred dollars (\$4,200.00) from the Winery and Grape Producer's Promotional Fund to enhance the Viticulture Program's Extension efforts. These funds will pay for the following:

- a. Several Extension visits to growers and wineries in distant parts of Nebraska (southwest, northwest, northeast, and central Nebraska), which will take place in the spring and early summer of 2010; and
 - b. Attendance at the American Society of Enology and Viticulture Annual Conference.
2. The overall goal of the Viticulture Program is to provide science-based research information that will greatly assist in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.
3. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
4. The Viticulture Program agrees to provide a final report to the Department within 90 days after the Agreement expires.
5. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
6. Payment in the amount of four thousand two hundred dollars (\$4,200.00) from the Winery and Grape Producer's Promotional Fund will be payable upon both parties signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.
7. Funding for this project is subject to legislative appropriations and funding being available.
8. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
9. The Viticulture Program shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Viticulture Program shall:

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

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

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified, to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of the Viticulture Program.

- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Viticulture Program, specifically, agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned, pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Viticulture Program is required, and hereby agrees, to use a federal immigration verification system to determine the work

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

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

unlviculturecontract-extension033110.doc

AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-103

This Agreement, entered into by and between the Board of Regents of the University of Nebraska, hereinafter called the "Viticulture Program," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board funds to assist the Viticulture Program with costs associated with the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approves five thousand dollars (\$5,000) from the Winery and Grape Producer's Promotional Fund to assist in paying for some of the expenses associated with the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show.

This educational conference and trade show will be held in Kearney, Nebraska, March 4-6, 2010. It is presented by the University of Nebraska

Viticulture Program in collaboration with the Nebraska Winery and Grape Growers Association (NWGGA). The event will feature several speakers and workshops, an awards banquet, and a trade show.

2. The overall goal of the Viticulture Program is to provide science-based research information that will assist the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus enhancing the economic viability of Nebraska communities.
3. Duration of Agreement: This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
4. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
5. Payment in the amount of two thousand five thousand dollars (\$2,500) from the Winery and Grape Producers Promotional Fund will be advanced to the Viticulture Program upon both parties' signatures to this Agreement. The remaining two thousand five hundred dollars (\$2,500) will be paid to the Viticulture Program after incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.
6. Funding for this project is subject to legislative appropriations and funding being available.
7. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
8. The Viticulture Program shall utilize funds provided by the Department only for the expenses associated with the 13th Annual Nebraska Winery and Grape Growers Forum and Trade Show. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if the Viticulture Program is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of, the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is

begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

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

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

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

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AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-112

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved three thousand one hundred dollars (\$3,100.00) from the Winery and Grape Producer's Promotional Fund to demonstrate the planting of newly available grape genotypes. The funds will be used to pay for several costs associated with this activity including plants, site preparation, trellis materials, chemicals, and other related costs.

2. The release of the new cultivars such as Petite Pearl, Frontenac Blanc, Crimson Cabernet, and others have led to many questions from growers and winery personnel. This project attempts to answer these questions by planting several of these genotypes. The goal is to establish a track record similar to what was conducted with the Frontenac (MN 1047), LaCrescent (MN 1166), and Marquette (MN 1211) genotypes.
3. The overall goal of the Viticulture Program is to provide science-based research information that will greatly assist in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.
4. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
5. The Viticulture Program agrees to provide a final report to the Department within 90 days after the Agreement expires.
6. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
7. Payment in the amount of three thousand one hundred dollars (\$3,100.00) from the Winery and Grape Producer's Promotional Fund will be payable upon both parties signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.
8. Funding for this project is subject to legislative appropriations and funding being available.
9. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
10. The Viticulture Program shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
11. The parties mutually agree as follows:
 - a. The Viticulture Program shall:

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

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

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified, to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of the Viticulture Program.

- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.
- g. The Viticulture Program, specifically, agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned, pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

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AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-113

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved three thousand one hundred fifty dollars (\$3,150.00) from the Winery and Grape Producer's Promotional Fund to pay for bird netting and fertilizer at the Nemaha, Peru, and Nebraska City research locations.

2. The overall goal of the Viticulture Program is to provide science-based research information that will greatly assist in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.
3. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
4. The Viticulture Program agrees to provide a final report to the Department within 90 days after the Agreement expires.
5. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
6. Payment in the amount of three thousand one hundred fifty dollars (\$3,150.00) from the Winery and Grape Producer's Promotional Fund will be payable upon both parties signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.
7. Funding for this project is subject to legislative appropriations and funding being available.
8. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
9. The Viticulture Program shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.

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

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified, to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully

resolved and the Department has agreed that such records no longer need to be retained.

- g. The Viticulture Program, specifically, agrees that funds given to the Viticulture Program shall be used only for the projects and purposes enumerated herein and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Viticulture Program under this Agreement, and not fully utilized and earned, pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if the Viticulture Program fails to perform as outlined herein, the Viticulture Program shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Viticulture Program guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Viticulture Program is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by

the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

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AGREEMENT

between

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-111

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

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved six thousand dollars (\$6,000.00) from the Winery and Grape Producer's Promotional Fund to pay for expenses associated with the labor, transportation costs, maintenance and oversight of the Scottsbluff research location.
2. The Extension Educator's responsibilities of handling the oversight of this location have changed thus reducing his involvement in viticulture

activities. These funds will enable the planting of grape cultivars and management of the location to continue, which will also aid in obtaining useful information during the 2010 growing season.

3. The overall goal of the Viticulture Program is to provide science-based research information that will greatly assist in the development of the Nebraska grape and wine industry in a sustainable and profitable manner, thus, enhancing the economic viability of Nebraska communities.
4. The Viticulture Program agrees to provide a final report to the Department within 90 days after the Agreement expires.
5. Duration of Agreement: This Agreement shall be in force and effective from March 31 to June 30, 2010.
6. The Department agrees to provide the funds as set out above from the Winery and Grape Producer's Promotional Fund.
7. Payment in the amount of six thousand dollars (\$6,000.00) from the Winery and Grape Producer's Promotional Fund will be payable upon both parties signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made. Failure to submit IBTs prior to June 30, 2010, will result in nonpayment.
8. Funding for this project is subject to legislative appropriations and funding being available.
9. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
10. The Viticulture Program shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
11. The parties mutually agree as follows:
 - a. The Viticulture Program shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

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

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

- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
- c. The Viticulture Program agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - (1) A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Viticulture Program workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee receives a copy of the policy.
- d. To the extent allowed by Nebraska law, the Viticulture Program shall indemnify and hold harmless the Department from any and all claims and liabilities, including costs and legal fees that may arise out of, or on account of, any failure on the part of the Viticulture Program to perform such duties for the Department, as herein specified, to the extent allowed by Nebraska law. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Viticulture Program, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to, and for the account or benefit of the Viticulture Program.
- f. The Viticulture Program agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is

begun or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

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

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

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE
UNIVERSITY OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

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AGREEMENT

between

NEBRASKA GRAPE AND WINERY BOARD

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-100

This Agreement entered into by and between the Nebraska Grape and Winery Board hereinafter called the "Board" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to pay for a Wine Quality Assurance Feasibility Study.

WHEREAS, it has been proven that high-quality grapes are grown to create Nebraska wines;

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

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§ 53-301 to 53-305, has conducted a public board meeting and directed the Department to provide funds for a Wine Quality Assurance Feasibility Study;

WHEREAS, the activities approved by the Board assists in the betterment of Nebraska's grape and winery industry;

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

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

1. The Nebraska Grape and Winery Board approves the Department to expend up to ten thousand dollars (\$10,000) from the Winery and Grape Producers' Promotional Fund to pay for a Wine Quality Assurance Feasibility Study. This study will determine how much money is needed to implement a wine quality assurance program in Nebraska. It will also help the Board assess as to whether implementing such a program in Nebraska is affordable. A Wine Quality Assurance Program would enable Nebraska wine makers to improve the quality of their wine, therefore, benefiting Nebraska's entire grape and wine industry.
2. The Board will establish a Request for Proposal (RFP) process to select a subcontractor from which to perform this study.

3. The Department and the Board will work together to obtain three (3) bids from potential subcontractors who are able to perform this study. Once the bids are obtained, the subcontractors will be competitively ranked and scored by the Board. The bids will be ranked against the evaluation criteria established in the RFP. The criteria and respective points for each area will be as follows:
 - a. Subcontractor's background and ability to perform the study in a timely manner (25 points);
 - b. Subcontractor's proposed approach from which to perform and carryout this study (25 points); and
 - c. Subcontractor's total cost to perform the study (50 points).
4. Duration of Agreement: This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
5. The Department agrees to provide the funds, as set out above from the Winery and Grape Producers' Promotional Fund.
6. Payment in the amount of up to ten thousand dollars (\$10,000) from the Winery and Grape Producers' Promotional Fund will be paid in full to the selected subcontractor upon both parties' signature to this Agreement and the Board incurring an obligation. Invoices shall be presented to the Department from which payments shall be made. Failure to present invoices prior to June 30, 2010, will result in nonpayment.
7. Funding for this project is subject to legislative appropriations and funding being available.
8. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
9. The Board shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Board shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if the Board is in violation of this clause, it shall be barred forthwith from receiving further

funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

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

the Board fails to perform as outlined herein, the Board shall be required to repay any unearned funds received under this Agreement.

- i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and the Board under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Board that the Board is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
 - l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
 - m. The Board guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
 - n. This Agreement becomes valid upon the date of the final signature.
11. The Board is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA GRAPE AND WINERY
BOARD

Date

Ellen Burdick, Chair

AGREEMENT

between

STEPHEN MENKE

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-108

This Agreement, entered into by and between Stephen Menke, hereinafter called the "Subcontractor" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to the Subcontractor to conduct a Wine Quality Assurance Program Feasibility Study.

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

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

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

WHEREAS, developing a Wine Quality Assurance Program Feasibility Study will assist in the betterment of the Nebraska's grape and wine industry; and

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

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

1. The Nebraska Grape and Winery Board approves up to ten thousand dollars (\$10,000.00) from the Winery and Grape Producers' Promotional Fund to pay for a Wine Quality Assurance Program Feasibility Study. This study will determine how much money is needed to implement a Wine Quality Assurance Program in Nebraska. It will also help the Board assess as to whether implementing such a program in Nebraska is affordable. A Wine Quality Assurance Program would enable Nebraska wine makers to improve the quality of their wine, therefore, benefiting Nebraska's entire grape and wine industry.

2. The Board established a Request for Proposal (RFP) process from which to obtain bids from potential subcontractors who would be able to perform this study. Only one bid was submitted. This Subcontractor was competitively ranked and scored by the Board against the evaluation criteria established in the RFP. The criteria and respective points from which the Subcontractor was scored was based upon three criteria:
 - a. Subcontractor's background and ability to perform the study in a timely manner (25 points);
 - b. Subcontractor's proposed approach from which to perform and carryout this study (25 points); and
 - c. Subcontractor's total cost to perform the study (50 points).
3. The Subcontractor, who has been selected to develop this study, is expected to provide a final written report of the study to the Department and the Nebraska Grape and Winery Board ninety (90) days after the expiration of this Agreement.
4. This Agreement shall be in force and effective from March 4, 2010, to June 30, 2010.
5. The Department agrees to provide the funds as set out in Paragraph 1, from the Winery and Grape Producers' Promotional Fund.
6. Payment in the amount of up to ten thousand dollars (\$10,000.00) from the Winery and Grape Producers' Promotional Fund to the Subcontractor will be paid upon the Subcontractor incurring an obligation and presenting invoices to the Department from which payments shall be made. Failure to present invoices prior to June 30, 2010, will result in nonpayment.
7. Funding for this project is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producers' Promotional Fund.
8. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
9. The Subcontractor shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Subcontractor shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

- (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if the Subcontractor is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. The Subcontractor 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 Subcontractor'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.
- d. The Subcontractor shall indemnify and hold harmless the Department from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of the Subcontractor to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of the Subcontractor, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of the Subcontractor.
- f. The Subcontractor 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 Subcontractor shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Department has agreed that such records no longer need to be retained.

- g. The Subcontractor specifically agrees that funds given to him shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to the Subcontractor under this Agreement, and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Subcontractor fails to perform as outlined herein, the Subcontractor shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and the Subcontractor, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and the Subcontractor that the Subcontractor is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. The Subcontractor guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. The Subcontractor is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This Agreement becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

STEPHEN MENKE

Date

Stephen Menke

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AGREEMENT

between

NEBRASKA GRAPE AND WINERY BOARD

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-101

This Agreement entered into by and between the Nebraska Grape and Winery Board hereinafter called the "Board" and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to pay for development of a Nebraska Grape and Winery Board web site.

WHEREAS, it has been proven that high-quality grapes are grown to create Nebraska wines;

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

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

WHEREAS, the activities approved by the Board assists in the betterment of the Nebraska's grape and winery industry;

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

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

1. The Nebraska Grape and Winery Board approves the Department to expend up to three thousand dollars (\$3,000) from the Winery and Grape Producers' Promotional Fund to develop a Nebraska Grape and Winery Board web site. This will enable 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 will enable 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.

2. The Board will establish a Request for Proposal (RFP) process to select a subcontractor from which to develop a web site.
3. The Department will obtain three (3) bids from potential subcontractors who are able to develop a web site for the Board. Once the bids are obtained, the subcontractors will be competitively ranked and scored by the Board. The bids will be ranked against the evaluation criteria established in the RFP. The criteria and respective points for each area will be as follows:
 - a. Subcontractor's background and ability to establish the web domain and develop the web site in a timely manner (25 points);
 - b. Subcontractor's proposed approach from which to create and develop the web site (25 points); and
 - c. Subcontractor's total cost to complete this project (50 points).
4. Duration of Agreement: This Agreement shall be in force and effective from October 31, 2009, to June 30, 2010.
5. The Department agrees to provide the funds, as set out above from the Winery and Grape Producers' Promotional Fund.
6. Payment in the amount of up to three thousand dollars (\$3,000) from the Winery and Grape Producers' Promotional Fund will be paid in full to the selected subcontractor upon both parties' signature to this Agreement and the Board incurring an obligation. Invoices shall be presented to the Department from which payments shall be made. Failure to present invoices prior to June 30, 2010, will result in nonpayment.
7. Funding for this project is subject to legislative appropriations and funding being available.
8. It is understood that, after the Agreement begins, if additional costs would be incurred, with the mutual written consent of all parties and, provided resources are available, this Agreement may be amended.
9. The Board shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
10. The parties mutually agree as follows:
 - a. The Board shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and

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

- h. Any funds paid to the Board under this Agreement, and not fully utilized and earned, pursuant to this Agreement during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producers' Promotional Fund, unless otherwise agreed. Furthermore, if the Board fails to perform as outlined herein, the Board shall be required to repay any unearned funds received under this Agreement.
 - i. This Agreement is not assignable without the express written approval of the Department.
 - j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
 - k. The relationship of the Department and the Board under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Board that the Board is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
 - l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
 - m. The Board guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
 - n. This Agreement becomes valid upon the date of the final signature.
11. The Board is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly-hired employee.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA GRAPE AND WINERY
BOARD

Date

Ellen Burdick, Chair

AGREEMENT

between

**MAC'S CREEK WINERY AND VINEYARDS, DOING BUSINESS AS
HEART OF NEBRASKA WINE TRAIL**

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-118

This Agreement, entered into by and between Mac's Creek Winery and Vineyards, doing business as Heart of Nebraska Wine Trail, hereinafter called the "HNWT," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to HNWT to fund projects promoting wineries located in the central region of the state. The projects are designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund for development of a web site and print advertisements for HNWT.

2. Web Site Development. The web site will:
 - a. Provide links to all other Nebraska wine trails and all bonded Nebraska wineries;
 - b. Feature current events; and
 - c. Highlight other tourism entities in the central region of the state in an effort to encourage travelers to visit these locations while exploring and discovering central Nebraska and their respective wineries.
3. Print Advertisement. The print advertisements will be placed in state and regional trade magazines and electronic tourism media outlets.
4. Stimulating interest and demand for Nebraska wine products and attracting customers to this region of the state will expand the income and economic opportunities in central Nebraska.
5. Duration of Agreement. This Agreement shall be in force and effective from March 31 to June 30, 2010.
6. HNWT agrees to provide a final report to the Department within 90 days after the Agreement expires.
7. The Department agrees to provide the funds as set out above, from the Winery and Grape Producer's Promotional fund.
8. Payment in the amount of up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund to HNWT will be payable in full upon both parties signing this Agreement and HNWT incurring an obligation. HNWT shall present invoices to the Department from which payments shall be made.
9. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
10. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
11. HNWT shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
12. The parties mutually agree as follows:

- a. HNWT shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if HNWT is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
- b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.
- c. HNWT 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 HNWT workplace;
 - (2) The specific actions that will be taken against employees for violating the policy; and
 - (3) A requirement that each employee shall receive a copy of the policy.
- d. HNWT shall indemnify and hold harmless the Department from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of HNWT to perform such duties for the Department, as herein specified. This obligation shall survive the expiration or termination of this Agreement.
- e. The books of account, files, and other records of HNWT, which are applicable to this Agreement, shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefit of HNWT.
- f. HNWT 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, HNWT shall retain the records beyond the

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

- g. HNWT specifically agrees that funds given to HNWT shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.
- h. Any funds paid to HNWT under this Agreement, and not fully utilized and earned pursuant to this Agreement, during the Agreement period, shall be returned to the Department and credited to the Winery and Grape Producer's Promotional Fund, unless otherwise agreed. Furthermore, if HNWT fails to perform as outlined herein, HNWT shall be required to repay any unearned funds received under this Agreement.
- i. This Agreement is not assignable without the express written approval of the Department.
- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and HNWT, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and HNWT that HNWT is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. HNWT guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. HNWT is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

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

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

MAC'S CREEK WINERY AND
VINEYARDS, DOING BUSINESS AS
HEART OF NEBRASKA WINE TRAILS

Date

Barry McFarland

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AGREEMENT

between

WINES OF THE HISTORIC TRAILS ASSOCIATION

and

NEBRASKA DEPARTMENT OF AGRICULTURE

#18-13-119

This Agreement, entered into by and between the Wines of the Historic Trails Association, hereinafter called the "WHT," and the Nebraska Department of Agriculture, hereinafter called the "Department," provides for the funding from the Nebraska Grape and Winery Board to WHT to fund a wine trail located in western region of the state. This project is designed to assist in the betterment of Nebraska's grape and wine industry.

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

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

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

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

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

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

1. The Nebraska Grape and Winery Board approved up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund to assist in encouraging tourists and wine enthusiasts to visit wineries, tasting rooms, and vineyards in western Nebraska. Stimulating interest and demand for Nebraska wine products and attracting customers to these locations will expand the income and economic opportunities in western Nebraska. Funding to WHT will be used to pay for a web site, passport program, and radio and newspaper advertisements.

2. Duration of Agreement. This Agreement shall be in force and effective from March 31 to June 30, 2010.
3. WHT agrees to provide a final report to the Department within 90 days after the Agreement expires.
4. The Department agrees to provide the funds, as set out in above, from the Winery and Grape Producer's Promotional Fund.
5. Payment in the amount of up to five thousand dollars (\$5,000.00) from the Winery and Grape Producer's Promotional Fund to WHT will be payable in full upon both parties signing this Agreement and WHT incurring an obligation. WHT shall present invoices to the Department from which payments shall be made.
6. Funding for these projects are subject to legislative appropriations and funding being available. Any unused funds shall be refunded to the Department and credited back to the Winery and Grape Producer's Promotional Fund.
7. After the Agreement begins, it is understood that, if additional costs should be incurred, with the mutual written consent of all parties to this Agreement, and provided resources are available, this Agreement may be amended.
8. WHT shall utilize funds provided by the Department to conduct the duties called for in this Agreement. Department funds collected from a checkoff fee paid by the industry are not to be used to pay administrative or indirect costs.
9. The parties mutually agree as follows:
 - a. WHT shall:
 - (1) Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - (2) Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.
 - (3) It is further understood and agreed that, if WHT is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.
 - b. This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party of the Agreement to be valid.

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

- j. This Agreement may be terminated by either of the parties hereto at any time by giving thirty (30) days advance written notice to the other party.
- k. The relationship of the Department and WHT, under this Agreement, shall be that of principal and independent contractor. It is understood by both the Department and WHT that WHT is not an employee of the Department. It is understood that the Department assumes no responsibility beyond those specifically stated in this Agreement.
- l. All provisions of this Agreement are subject to the Americans with Disabilities Act.
- m. WHT guarantees payment of compensation to injured workers according to the Nebraska Workers Compensation Act.
- n. WHT is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.
- o. This contract becomes valid upon the date of the final signature.

Approved:

NEBRASKA DEPARTMENT OF
AGRICULTURE

Date

Greg Ibach, Director

WINES OF THE HISTORIC TRAILS
ASSOCIATION

Date

Jackie Hopken

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**Nebraska Grape and Winery Board
Job Description**

NEBRASKA GRAPE AND WINERY BOARD STAFF ASSISTANT

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

GENERAL DUTIES:

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

KNOWLEDGE/ABILITY AND SKILLS REQUIRED:

Knowledge of:

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

Ability to:

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

Skills in:

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

JOB PREPARATION GUIDELINES:

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

Interested applicants must submit a copy of their resume and list of references by June 25th to:

Casey Foster
Nebraska Department of Agriculture
Ag Promotion and Development Division
P.O. Box 94947
Lincoln, NE 68509
Fax: (402) 471-2759
E-mail: casey.foster@nebraska.gov

If you have questions, please contact Casey Foster at 800-422-6692

BYLAWS

BYLAWS

ARTICLE I. AUTHORITY

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

ARTICLE II. NAME and LOCATION

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

ARTICLE III. PURPOSE

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

ARTICLE IV. MEMBERSHIP

Section 1. The Board shall consist of:

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

Section 2. Board members shall be:

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

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

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

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

ARTICLE V. OFFICERS

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

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

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

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

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

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

Section 6. Officer duties shall include:

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

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

ARTICLE VI. MEETINGS

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

ARTICLE VII. POWERS AND RESPONSIBILITIES OF THE BOARD

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

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

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

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

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

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

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

ARTICLE VIII: COMMITTEES

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

ARTICLE IX: PARLIAMENTARY AUTHORITY

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

ARTICLE X: AMENDMENT

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

ADOPTED: November 2, 2001

Grapebylaws062001

STATUTES

NEBRASKA GRAPE AND WINERY BOARD

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

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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 twenty-one years of age, and (c) either engaged in or previously engaged in wine or grape production or research in this state. At least two board members shall be members of the Nebraska Winery and Grape Growers Association. In addition, the Director of Agriculture and the vice chancellor of the University of Nebraska Institute of Agriculture and Natural Resources or their designees shall be ex officio members of the board but shall have no vote in board matters.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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NEBRASKA GRAPE EXCISE TAX STATUTES

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

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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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FARM WINERIES STATUTES

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

53-123.10 Farm winery license; when issued.

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

Source: Laws 1985, LB 279, § 4.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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