

MEMORANDUM OF UNDERSTANDING

Between the

Virginia Association of Soil and Water Conservation Districts

and the

_____ **Soil and Water Conservation District**

I. Purpose

This Memorandum of Understanding (“MOU”) between the Virginia Association of Soil and Water Conservation Districts (“Association”) and the _____ Soil and Water Conservation District (“District”) is an agreement to implement the Start-Up Payment Program (“*SUPP*”) as a component of the Virginia Conservation Assistance Program (VCAP).

II. Overview:

This *SUPP* will provide a partial cost-share payment to the landowner, called a “start-up payment”, which will cover a component of the costs to begin the VCAP project. Many contractors request a start-up fee, which is an upfront flat rate or percentage-based payment required of the landowner before any available resources are directed to the construction of the best management practice. This start-up payment should make VCAP more equitable, granting access for communities and landowners that have not previously been able to participate in VCAP because of the up-front costs to install stormwater best management practices.

The Association will:

- A. Provide timely and thorough support to the District during the implementation of the *SUPP*; and
- B. Adhere to the *SUPP* guidelines set out in this MOU.

The District will:

- A. Coordinate with the Association throughout the lifespan of the *SUPP*, including coordinating with the VCAP staff to ensure appropriate cost-share disbursements for the District;
- B. Ensure District staff attend trainings provided by the Association regarding the *SUPP*; and
- C. Adhere to the *SUPP* guidelines set out in this MOU.

Both the Association and the District will discuss the *SUPP* throughout its lifespan to address any unanticipated obstacles to implementation and to discuss any revisions that may be needed to improve its implementation.

III. Eligible Participants

In order to participate in the *SUPP*, an individual must be eligible to participate in VCAP.

IV. SUPP Payments

The *SUPP* will provide a payment up to 50% of the estimated cost-share for the best management practice.

This payment cap applies even in cases where the participant signs up for multiple eligible BMPs.

V. SUPP Participation Stipulations

- A. Any eligible participant may apply to take part in the *SUPP*.
- B. All eligible participants must complete, sign, and submit the Form 8 “Opt-in” form provided by the Association to the District in addition to the VCAP contract application.
- C. By submitting the form to the District, the eligible participant acknowledges and understands that:
 - 1. All VCAP requirements, including practice specifications, practice lifespans, randomized verification and maintenance requirements will be adhered to;
 - 2. The landowner has until June 1 of the year following approval to complete the BMP installation and final inspection.
 - 3. If the BMP fails to be implemented or installed during the timeline documented on the contract, the associated VCAP contract will be canceled and the participant will be responsible for returning the full start-up payment directly to the District within 60 days of the contract being cancelled. If the participant fails to return the start-up payment, the contract repayment shall be referred by the District to the Office of the Attorney General and the participant shall be prohibited from receiving any further VCAP payments.
 - 4. If the participant is unable to refund the start-up payment for hardship reasons such as life-threatening illness or bankruptcy, the hardship process established in the VCAP Manual may be utilized to request forgiveness of the repayment requirement.
- D. The District is responsible for ensuring that:
 - 1. The participant completes, signs, and submits all applicable *SUPP* forms and the associated contract;
 - 2. All VCAP requirements, including practice specifications, practice lifespans, randomized verification and maintenance requirements are adhered to and the landowner is informed of these parameters;
 - 3. The BMP is fully implemented or installed within timeline outlined on the contract and on this MOU (until June 1 of the year following approval); and
 - 4. All associated VCAP contracts that are not fully implemented or installed by the end of the installation period are canceled and procedures are initiated for the return of the start-up payment in accordance with the procedures established in the VCAP Manual.

5. Ensuring that any participant who fails to return the start-up payment does not receive any future VCAP payments.
6. Initiating the hardship process established in the VCAP Manual if a participant is unable to refund the start-up payment and requests forgiveness of the repayment requirement.

VI. SUPP Payment Timing

SUPP payments will be issued no earlier than 60 days before the documented intended start date after the following:

- A. All standard VCAP Program requirements for a VCAP contract are completed;
- B. The District Board formally approves the *SUPP* practice, including the start-up payment, by separate motion recorded in the minutes;
- C. All *SUPP* forms, including the applicable VCAP contract have been completed, signed, and submitted to the District.

VII. SUPP Impact on 1099s

In cases where the start-up payment and final cost-share payment are issued in different calendar years, the participant will be issued two 1099s, one for each year in which a payment was provided.

VIII. Amendments

This MOU may only be amended by an agreement of both signatories.

IX. Termination and Expiration

- A. Effective Period
 1. This MOU will be in effect upon signature and approval and will be terminated by verbal agreement of the parties or if an updated version of the MOU is signed by both parties.
- B. Termination
 1. This MOU may be terminated by either the Association or the District upon the failure of either the Association or the District to adhere to the requirements set out in this MOU, or;
 2. At any time by mutual written agreement with a 30 calendar day notice transmitted in writing between parties.

In witness whereof the parties have caused this MOU to be executed by the following duly authorized officials:

SOIL AND WATER
CONSERVATION DISTRICT

ASSOCIATION OF SOIL AND
WATER CONSERVATION
DISTRICTS

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____