



**LAND CONSERVATION COMMITTEE  
WEDNESDAY JUNE 6, 2018 7:00 P.M.  
LAND CONSERVATION DEPARTMENT  
CONFERENCE ROOM  
440 N US HWY 14  
JANESVILLE WI**

**AGENDA**

1. Call Meeting to Order.
2. Approval of Agenda.
3. Approval of Minutes – May 2, 2018.
4. Citizen Participation, Communications, and Announcements.
5. Review Bills Paid.
6. Land and Water Resource Management Program - Approve Cost Share Agreement for Linda Pakes.
7. Groundwater Nitrate Pilot Program - Observation Well Installation update.
8. Purchase of Agricultural Conservation Easements Program
  - A. Approve USDA-NRCS Cooperative Agreement to fund the Agricultural Easement on the Hargarten Property.
  - B. Update.
9. Land Conservation Committee Tour Update.
10. Adjourn.

**STATEMENT OF WORK**  
**to**  
**COOPERATIVE AGREEMENT**  
**between**  
**THE COMMODITY CREDIT CORPORATION**  
**and the**  
**COUNTY OF ROCK**  
**for the**  
**AGRICULTURAL CONSERVATION EASEMENT PROGRAM**  
**AGRICULTURAL LAND EASEMENTS**

This Cooperative Agreement is entered into by and between the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), on behalf of the Commodity Credit Corporation (CCC), and the **County of Rock** (hereinafter, whether singular or plural, **ENTITY**) for the purchase of agricultural land easements under the Agricultural Conservation Easement Program (ACEP-ALE). The CCC will utilize the expertise and services of NRCS to perform its duties identified in this Cooperative Agreement. The term "Parties" as used herein refers collectively to NRCS and the **ENTITY**.

**I. AUTHORITY**

NRCS enters this Cooperative Agreement under the authorities of the Commodity Credit Corporation Charter Act, 15 U.S.C. Section 714 et seq.; the Agricultural Conservation Easement Program, subtitle H of title XII of the Food Security Act of 1985, 16 U.S.C. Section 3865 et seq.; and the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. Section 6304 et seq. This Cooperative Agreement will be administered in accordance with the policies and procedures set forth in the ACEP regulation (7 CFR Part 1468) and uniform regulation for grants and agreements in 2 CFR Parts 25, 170, 200, and 400.

**County of Rock** enters this Cooperative Agreement under the authorities of **Wisconsin Statute 92.07 Land conservation committee; powers (8) obtain property.**

**II. PURPOSE**

This Cooperative Agreement stipulates the terms and conditions under which NRCS will provide ACEP cost-share assistance to the **ENTITY**. The **ENTITY** has signed the Notice of Grant and Agreement Award acknowledging that the award is subject to the terms and conditions of this Cooperative Agreement and all applicable laws, regulations, and policy.

**THEREFORE**, the Parties agree to enter into this Cooperative Agreement to purchase agricultural land easements from eligible landowners (Grantors) to protect the agricultural use, future viability, and related conservation values of eligible land by limiting nonagricultural uses of that land or to protect grazing uses and related conservation values by restoring and conserving eligible land. The Parties have identified these eligible lands on attachments to this Cooperative Agreement as Parcels, here in referred to collectively as "Parcels" or individually as "Parcel."

**III. OBLIGATION OF FUNDS**

- A. Upon execution of this Cooperative Agreement, NRCS will make cost-share assistance available up to the amount specified on the Notice of Grant and Agreement Award for the acquisition by the **ENTITY** of agricultural land easements on the funded Parcels listed on attachments to this Cooperative Agreement. To receive this cost share, the **ENTITY** must purchase the agricultural land easement and request payment of the NRCS cost share in accordance with section VII of this Cooperative Agreement.
- B. NRCS may make additional cost-share assistance available in future fiscal years through the execution of mutually acceptable amendments to this Cooperative Agreement that identify the additional cost-

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

share assistance amount, the additional funded Parcels, and the terms and conditions of the funding if different from the terms and conditions identified herein, as provided in section IX.D.

- C. Upon mutual agreement of the Parties and execution of an amendment, as provided in section IX.D, NRCS may allow substitution of Parcels at any time, provided the Parcels are of comparable conservation value as determined by NRCS.
- D. This Cooperative Agreement will be for a term of at least 3 years and not to exceed 5 years. The **ENTITY** must meet each performance schedule deadline in Table 1. The “Closing Deadline” or “Payment Request Deadline” may be extended for up to one consecutive 12-month period from the date identified in the performance schedule for the individual attachment if the **ENTITY** requests and NRCS approves an extension in writing prior to the original deadline. The “Attachment Expiration Deadline” identified in the performance schedule below and on the corresponding notice of award for the individual attachment cannot be extended. Should the **ENTITY** not meet the Performance Schedule deadlines, NRCS may release any remaining funds from this Cooperative Agreement.

Table 1 – Performance Schedule

FY of Fund Obligation (Attachment)	Attachment Listing Parcels	Closing Deadline	Payment Request Deadline	Attachment Expiration Deadline
2018	A	March 31, 2020	July 31, 2020	August 31, 2021

- E. Nothing in this document obligates NRCS or the **ENTITY** to purchase all or any of the agricultural land easement Parcels listed in the attachments.

**IV. FEDERAL SHARE**

Based on a determination by NRCS that the **ENTITY** has satisfied the terms and conditions of this agreement, NRCS will pay the **ENTITY** a cost-share amount for the purchase of each agricultural land easement acquired by the **ENTITY**. The Federal share will not exceed 50 percent of the fair market value of the agricultural land easement as determined using one of the methods set forth in 7 CFR Section 1468.24. The payment of the Federal share for the purchase of an agricultural land easement on a parcel owned by a legal entity, general partnership, or joint venture will be reduced by an amount commensurate with the direct or indirect ownership interest in the legal entity, general partnership, or joint venture of each person or legal entity determined to have an average adjusted gross income that exceeds the limitation provisions of 7 CFR Part 1400, Subpart F.

**V. COOPERATING ENTITY’S CONTRIBUTION**

- A. The **ENTITY** must contribute an amount for the easement purchase at least equivalent to the Federal share. The **ENTITY** may include as part of its contribution a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the eligible landowner if the **ENTITY** contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by NRCS. If the NRCS State Conservationist has waived a portion of the **ENTITY** cash contribution requirement for individual projects of special significance, the Parcels receiving the waiver must be identified in the attachment and the **ENTITY** must provide a copy of the approved waiver at the time payment is requested.
- B. The **ENTITY** must self-certify on NRCS Form 230, “Confirmation of Matching Funds” (exhibit 4), that the **ENTITY**’s contribution of its own cash resources has not come from additional donations, payments, loans, or fees made by or charged to the Grantor (landowner) of the agricultural land easement, immediate family members, or organizations controlled by or funded by the Grantor (landowner), either through formal or informal agreements. The **ENTITY** must provide a completed NRCS Form 230 to NRCS for a Parcel prior to the closing or an advance of funds for that Parcel.

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

## VI. PAYMENTS

- A. The **ENTITY** must meet the terms and conditions set forth in this agreement and provide NRCS with the items identified in this section and section VII in order to receive the Federal share for a Parcel.
- B. The **ENTITY** may request payment of the Federal share as reimbursement after closing or as an advance payment prior to closing of an agricultural land easement on a Parcel.
- C. To obtain reimbursement or an advance payment of the Federal share, the **ENTITY** must submit the Form SF-270 (Request for Advance/Reimbursement of Funds (exhibit 5)), the SF-270 supplement for noncertified eligible entities (exhibit 6), and the information and documentation required by the supplement to the NRCS contact named on the Notice of Grant and Agreement Award. The **ENTITY** may submit the Form SF-270 payment request package—
  1. 60 days prior to the planned closing date when a payment is to be issued at closing (advance payment);
  2. After the agricultural land easement has been recorded and the landowners have been paid (reimbursement); or
  3. On a quarterly basis for each quarter that agricultural land easements have been recorded and the landowners have been paid (reimbursement).
- D. **ENTITY** must maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Cooperative Agreement.
- E. NRCS will disburse payment following receipt of a fully complete and correct SF-270 payment request package from the **ENTITY** within 30 days if the Federal share for the individual easement is less than \$250,000 and within 60 days if the Federal share for the individual easement is \$250,000 or greater.
- F. If NRCS provides an advance payment, the **ENTITY** must obtain a receipt for the Federal funds from the closing agent and provide it to NRCS prior to closing. The **ENTITY** must ensure the closing agent does not hold the Federal funds in escrow for more than 30 calendar days. If closing does not occur within 30 calendar days of receipt of the advance payment, the **ENTITY** must ensure the Federal funds and any interest earned on those funds while in escrow are returned to NRCS by the 31st calendar day. The **ENTITY** must ensure that the Federal funds are fully insured while held in escrow.

## VII. RESPONSIBILITIES

### A. **ENTITY** Responsibilities:

1. **ENTITY** will purchase agricultural land easements on eligible land from eligible landowners for the Parcels identified on the attachments to this Cooperative Agreement consistent with the requirements identified herein. ACEP agricultural land easements are conservation easements conveyed for the purpose of protecting natural resources and the agricultural nature of the land. The landowner is identified as the Grantor under the terms of the agricultural land easement deed. The **ENTITY** must notify NRCS as soon as possible if there is a change in landownership after the parcel is identified as selected for funding and prior to closing on the easement.
2. **ENTITY** must ensure that the agricultural land easements acquired with funds made available under this Cooperative Agreement and the agricultural land easement deeds satisfy the following requirements:
  - a. Contain the “Minimum Terms for the Protection of Agricultural Use”, attached to this Cooperative Agreement as exhibit 7 (ALE Minimum Deed Terms). The **ENTITY** is authorized to use its own terms and conditions in the agricultural land easement deeds so long as the **ENTITY**'s additional language does not alter or defeat the intent, purpose, or effective enforcement by the Parties of the ALE minimum deed terms, the Agricultural Conservation Easement Program, or the agricultural land easements acquired under this Cooperative Agreement;
  - b. Address all of the regulatory deed requirements identified at 7 CFR Section 1468.25(d);

- c. Address the disposition of the agricultural land easement and the Federal share in the event the agricultural land easement is ever extinguished, terminated, or condemned in whole or in part;
  - d. Are conveyed for the purpose of protecting natural resources and the agricultural nature of the land;
  - e. Run with the land in perpetuity or, where State law prohibits a permanent easement, for the maximum duration allowable under State law;
  - f. Protect the agricultural use, future viability, and related conservation value of the Parcels by limiting nonagricultural uses of that land or protect grazing uses and related conservation values by restoring and conserving eligible land, including grasslands of special environmental significance;
  - g. Provide for the administration, management, and enforcement of the agricultural land easement by the **ENTITY** or its successors and assigns;
  - h. Permit effective enforcement of the conservation purposes of such easements; and
  - i. Subject the Parcel to an agricultural land easement plan that meets the requirements of this section.
3. The **ENTITY** has the following three options for ensuring that the agricultural land easement deed contains the ALE Minimum Deed Terms required in paragraph VII.A.2 above:
- a. Attach the ALE Minimum Deed Terms Addendum as an Exhibit to the Agricultural Land Easement Deed. Under this option the **ENTITY** does not need to have the entire agricultural land easement deed reviewed by NRCS, instead NRCS at the State level will verify prior to the **ENTITY** requesting an advance of the Federal share or closing on an agricultural land easement that the **ENTITY** satisfies all of the following requirements:
    - (i) The ALE Minimum Deed Terms addendum is signed by the landowner and the **ENTITY** and will be attached to the agricultural land easement deed at the time of closing and recordation;
    - (ii) The terms of the ALE Minimum Deed Terms addendum are not modified; and
    - (iii) The paragraph below is inserted at the bottom of the agricultural land easement deed: *This Agricultural Land Easement is acquired with funds provided, in part, by the Agricultural Conservation Easement Program, (ACEP). The EXHIBIT \_\_\_\_ is attached hereto and incorporated herein by reference and will run with the land in perpetuity [or for the maximum duration allowed under applicable State laws]. As required by 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468, and as a condition of receiving ACEP funds, all present and future use of the Protected Property identified in EXHIBIT \_\_\_\_ is and will remain subject to the terms and conditions described forthwith in this Addendum entitled Minimum Terms For The Protection Of Agricultural Use in EXHIBIT \_\_\_\_ that is appended to and made a part of this easement deed.*
  - b. Incorporate the ALE Minimum Deed Terms into the Body of the Agricultural Land Easement Deed. Under this option, the **ENTITY** must ensure the terms as stated in in the ALE Minimum Deed Terms addendum are included in the body of the agricultural land easement deed. The ALE Minimum Deed Terms may be formatted to select options where instructed, conform terms to deed formatting, complete terms with required information, and delete instructions to drafters. Each individual agricultural land easement deed must be reviewed and approved by NRCS National Headquarters prior to the **ENTITY** requesting an advance of the Federal share or closing on an agricultural land easement.
  - c. Entity Agricultural Land Easement Deed Template Approved by NRCS. Upon mutual agreement of the **Parties**, the Cooperative Agreement may include at the time the agreement is executed, or be amended to replace or supplement the attached exhibit 7, an NRCS National Headquarters-approved agricultural land easement deed template to be used for every Parcel listed on attachments to this Cooperative Agreement. The terms and conditions of the agricultural land easement deed template must contain the ALE minimum deed terms and must be approved by NRCS NHQ in advance of the execution of the Cooperative Agreement or an amendment thereto.

If the **ENTITY** uses the approved NRCS NHQ-approved deed template without changing any terms or conditions, then the **ENTITY** is not required to obtain NRCS NHQ review and approval of the individual, final agricultural land easement deeds. NRCS at the State level will verify prior to the **ENTITY** requesting an advance of the Federal share or prior to closing on an agricultural land easement that the individual, final agricultural land easement deed is the same as the NHQ-approved template.

4. The **ENTITY** must provide to NRCS a copy of the agricultural land easement deed and all exhibits at least 90 days before the planned closing date.
5. NRCS may require adjustments to the provisions identified in paragraph VII.A.2 above and require the addition of other provisions if NRCS determines that they are necessary to meet the purposes of ACEP and protect the conservation values of the Protected Property.
6. The **ENTITY** must perform necessary legal and administrative actions to ensure proper acquisition and recordation of valid agricultural land easements.
7. The **ENTITY** must pay all costs of agricultural land easement acquisition and must operate and manage each agricultural land easement in accordance with its easement program, this Cooperative Agreement, 16 U.S.C. Section 3865 et seq., and applicable regulations. NRCS will have no responsibility for the costs or management of the agricultural land easements purchased by the **ENTITY** unless NRCS exercises the rights of the United States under an agricultural land easement.
8. NRCS will not be responsible for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the **ENTITY** in connection with its acquisition or management of the agricultural land easements acquired pursuant to this Cooperative Agreement. This includes but is not limited to acts and omissions of the **ENTITY** agents, successors, assigns, employees, contractors, or lessees that result in violations of any laws and regulations that are now or that may in the future become applicable.
9. The **ENTITY** must prepare a baseline documentation report documenting the condition of the Parcel as of the time the easement is acquired and include a completed baseline documentation report in the payment request package submitted to NRCS pursuant to section VI. The baseline documentation report must contain maps, full descriptions and pictures of the Parcel location, existing structures and infrastructure, land use, land cover and its condition, and any special features for which the Parcel is being protected. The **ENTITY** must provide NRCS a draft baseline documentation report at least 90 days before the planned closing date of the agricultural land easement deed.
10. **ENTITY** must ensure completion of an agricultural land easement plan for each Parcel that must—
  - a. Meet the requirements for an agricultural land easement plan specified in 7 CFR Section 1468.26(a);
  - b. Describe the activities that promote the long-term viability of the land to meet the purposes for which the Parcel was selected;
  - c. Identify required or recommended conservation or management practices or activities that address the purposes and resource concerns for which the Parcel was selected;
  - d. Require the management of any grasslands according to a grassland management plan or contiguous forest lands that exceed the greater of 40 acres or 20 percent of the Parcel according to a forest management plan;
  - e. Require a conservation plan that meets the requirements of 7 CFR Part 12 for any highly erodible cropland. NRCS must approve any highly erodible cropland conservation plan prior to closing; and
  - f. Require, if specified prior to closing, the conversion of highly erodible cropland to less intensive uses.
11. **ENTITY** must select one of the options below to identify the party that the **ENTITY** anticipates will take the lead on completing the agricultural land easement plans (**initial only one option**):

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

- A. **ENTITY** requests that NRCS personnel complete the agricultural land easement plan and **ENTITY** will coordinate with NRCS State office and landowner to ensure that the plan is completed and signed by the landowner, **ENTITY**, and NRCS prior to closing.
- B. **ENTITY** will complete the agricultural land easement plan at its own expense. **ENTITY** must ensure the plan meets NRCS standards and specifications or other applicable industry standards. **ENTITY** must provide the plan to NRCS at least 90 days prior to the planned closing date and must obtain NRCS approval of the plan prior to closing. **ENTITY** will ensure NRCS has authorized access to the property and landowner if needed to review and approve plans prepared using this option. **ENTITY** will ensure the approved plan is signed by the landowner, **ENTITY**, and NRCS prior to closing.
12. In acquiring agricultural land easements, the **ENTITY** must ensure that the title to the lands or interests therein will be unencumbered or that outstanding or reserved interests are subordinated to the agricultural land easement. The **ENTITY** and NRCS must review the title commitment to ensure there are no encumbrances that would allow nonagricultural uses of the property that are not acceptable to the **ENTITY** or NRCS. The **ENTITY** must provide NRCS a copy of the title commitment or title report, a summary of the **ENTITY** title review findings, and any other requested documentation related to title at least 90 days before the planned closing date. Any exceptions to the requirement to remove or subordinate outstanding or reserved interests must be consistent with this Cooperative Agreement, 16 U.S.C. Section 3865 et seq., and applicable regulations, and approved by NRCS and documented on the certificate of use and consent.
13. The **ENTITY** must secure proper title evidence and insurance using an owner's American Land Title Association (ALTA) policy with the **ENTITY** listed as the insured on the policy and the policy issued for the full amount of the agricultural land easement purchase price.
14. The **ENTITY** must obtain a determination of the fair market value of the agricultural land easement for each Parcel at its own cost using one of the methods set forth in 7 CFR Section 1468.24. Individual appraisals must be conducted by a certified general appraiser and must conform to the NRCS Appraisal Specifications provided as exhibit 8 and either the Uniform Standards of Professional Appraisals Practices (USPAP) or the Uniform Appraisal Standards for Federal Land Acquisitions (Interagency Land Acquisition Conference, 2000) (USFLA). The effective date of the appraised value must be within 6 months prior to or after the date the Parcel is added to this agreement as a funded Parcel or within 12 months of the closing date of the agricultural land easement on the Parcel. Use of fair market valuation methodologies other than individual USPAP or UASFLA appraisals must be approved by NRCS in writing prior to entering into this Cooperative Agreement.
15. The **ENTITY** must provide the appraiser the NRCS appraisal specifications (exhibit 8) and all of the items required to be provided by the **ENTITY** as identified in the NRCS appraisal specifications. The **ENTITY** must receive a separate appraisal report for each funded Parcel identified on an attachment. Under no circumstances may the **ENTITY** allow the landowner to approve or disapprove of the appraiser selected to prepare the appraisal report. The landowner may not be listed as the client.
16. The **ENTITY** must provide NRCS a completed appraisal report at least 90 days before the planned closing of the agricultural land easement so that NRCS may conduct a technical review of the appraisal. The **ENTITY** may not close the agricultural land easement until the technical reviewer approves the appraisal report. If the **ENTITY** closes the agricultural land easement prior to the approval of the appraisal by the technical reviewer NRCS may not provide the Federal share for the agricultural land easement and may terminate this agreement.
17. The **ENTITY** may not use ACEP funds to acquire an easement on a property in which the **ENTITY**'s employee or board member, with decisionmaking involvement in easement acquisition and management matters, has a property interest or whose immediate family member or household member has a property

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

interest. The **ENTITY** agrees to conduct itself in a manner so as to protect the integrity of agricultural land easements it holds and avoid the appearance of impropriety or actual conflicts of interest in its acquisition and management of agricultural land easements.

18. The **ENTITY** may not at any time, when the **ENTITY** is named as a Grantee on the agricultural land easement, seek to acquire the remaining fee interest in the Parcel. Likewise, if the **ENTITY** enters into an agreement with another entity to manage or monitor the agricultural land easement, and that entity seeks to acquire the underlying fee, the **ENTITY** agrees to terminate immediately such agreement and arrange for an uninterested party to manage or monitor the Parcel.
19. The **ENTITY** must implement easement enforcement procedures when a violation of the agricultural land easement or agricultural land easement plan is identified by or reported to the **ENTITY**. **ENTITY** enforcement procedures resulting from a violation of a conservation plan may only be initiated after all administrative and appeal rights have been exhausted by the landowner in accordance with 7 CFR Part 12 and 7 CFR Part 614.
20. The **ENTITY** must submit a completed Federal Financial Report Standard Form 425 (FFRs) (exhibit 2) to the NRCS State office at least 5 business days prior to the end of each fiscal quarter (December 31, March 31, June 30, and September 30) for each quarter the **ENTITY** closes an agricultural land easement on a Parcel. Reports must be submitted on an accrual accounting basis. Failure to submit complete reports in accordance with the above schedule may result in suspension or termination of the Cooperative Agreement. A final FFR must be submitted no later than 90 days after the end date of the Cooperative Agreement.
21. At a minimum, the **ENTITY** must monitor every agricultural land easement on an annual basis to ensure and document compliance with the easement deed and agricultural land easement plan provisions. Each year the **ENTITY** must submit the annual monitoring report for that year to the appropriate NRCS State office in the format required by NRCS.
22. Nongovernmental organizations must continue to meet the definition of nongovernmental organization in 7 CFR Section 1468.3 for the entire term of this agreement.
23. This paragraph and paragraphs 2, 7, 8, 9, 10, 17, 18, 19, 20, and 21 of this section VII.A will survive the closing of the agricultural land easement and the termination or expiration of this Cooperative Agreement.

**B. NRCS Responsibilities:**

1. The United States, by and through NRCS, will review applications submitted by the **ENTITY**, determine land and landowner eligibility, rank eligible applications, obtain and review a hazardous substance record search, conduct an onsite visit, and authorize Parcels to be added to the attachments to this Cooperative Agreement as tentatively selected for funding or as substitutes.
2. NRCS will provide technical and other services as requested and to the extent its resources allow, to assist in developing an agricultural land easement plan that meets ACEP requirements and NRCS standards and specifications or other applicable industry standards.
3. NRCS will manage the funds obligated to this Cooperative Agreement and subject to the availability of funds, disburse the appropriate funds to the **ENTITY** in accordance with this Cooperative Agreement.
4. After the required materials have been submitted by the **ENTITY**, prior to closing, NRCS will—
  - a. Review the agricultural land easement deed based on the option selected by the **ENTITY** for incorporating the ALE minimum deed terms, and provide the **ENTITY** with any approval instructions or items requiring resolution;
  - b. Review the title documents submitted by the **ENTITY**, complete a certificate of use and consent, and provide the findings to the **ENTITY** for information or remedy as necessary;

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_



- c. Conduct a technical review of the appraisal submitted by the **ENTITY** and provide the findings to the **ENTITY** for information or resolution as necessary;
  - d. As requested by the **ENTITY**, either develop or review the agricultural land easement plan and identify any items for resolution to the **ENTITY**;
  - e. Review the draft baseline documentation report provided by the **ENTITY** and notify the **ENTITY** if additional information is needed;
  - f. Review and provide notice of determination on any waiver requests submitted by the **ENTITY** in accordance with ACEP policy; and
  - g. After NRCS reviews are completed and the materials are determined acceptable, provide the **ENTITY** with an "Approval for a Non-certified Eligible Entity to Proceed with the ALE Acquisition" letter and the NRCS-signed "Confirmation of Matching Funds."
5. If an advance payment is requested, NRCS will also provide a copy of the NRCS closing agent requirements to the **ENTITY**.
  6. Prior to NRCS disbursement of funds, the NRCS State Conservationist will verify that the **ENTITY** has provided all documentation, certifications and information required by sections VI and VII.A. NRCS will conduct an internal review the SF-270 payment request package in accordance with NRCS easement acquisition internal controls policy. The NRCS State office will submit a copy of the payment request package for national review and approval for all agricultural land easement payments that meet the national review threshold. Complete payment request packages for national review must be submitted by NRCS at the State level to NRCS NHQ no less than 30 days before the planned closing date.
  7. NRCS will certify payment and disburse funds, for Parcels listed as funded on the attachments to this Cooperative Agreement when the **ENTITY** has requested payment by the payment request deadline and acquired agricultural land easements on the funded Parcels by the closing deadline, consistent with the requirements of this agreement.
  8. NRCS will review the annual monitoring reports provided by the **ENTITY** to ensure monitoring is conducted annually and reports are sufficient and submitted to NRCS annually for every NRCS-funded conservation easement held by the **ENTITY**.

#### **VIII. PUBLIC INFORMATION**

- A. The **ENTITY** agrees to acknowledge NRCS cost-share assistance in any public outreach materials or events related to agricultural land easements acquired pursuant to this Cooperative Agreement and to provide draft copies of such information to the NRCS State office for review and comment before public release.
- B. The **ENTITY** agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under section 1244 of the Food Security Act of 1985 (16 U.S.C. Section 3844) and section 1619 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. Section 8791).

#### **IX. GENERAL PROVISIONS**

- A. This Cooperative Agreement constitutes financial assistance and, therefore, all Federal laws, regulations, and Executive orders are applicable, including 2 CFR Parts 25, 170, 200, and 400.
- B. It is the intent of NRCS to fulfill its obligations under this Cooperative Agreement. However, NRCS may not make commitments in excess of funds authorized by law or made administratively available. If NRCS is unable to fulfill its obligations under this Cooperative Agreement because of the unavailability of funds, this Cooperative Agreement will automatically terminate.
- C. No assignment, in whole or in part, will be made of any right or obligation under this Cooperative Agreement without the joint approval of both NRCS and the **ENTITY**. Nothing herein will preclude NRCS or the **ENTITY** from entering into other mutually acceptable arrangements or agreements, except

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

as identified in section VII.A.18 of this Cooperative Agreement. Such documents must be in writing, must reference this Cooperative Agreement, and must be maintained as part of the official Cooperative Agreement file.

- D. This Cooperative Agreement may be amended or modified by written amendment signed by the authorized officials of the NRCS and the **ENTITY**.
- E. NRCS may terminate this Cooperative Agreement if NRCS determines that the **ENTITY** has failed to comply with the provisions of this Cooperative Agreement or if it determines that it is in the best interests of the Federal Government to terminate. In the event that this Cooperative Agreement is terminated for any reason, the financial obligations of the Parties will be as set forth in 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- F. If any recipient of Federal funds under this Cooperative Agreement fails to comply with the terms and conditions of this Cooperative Agreement, NRCS reserves the right to wholly or partially recapture funds provided in accordance with applicable regulations.

**X. ATTACHMENTS and EXHIBITS**

Signature Page – NRCS-ADS-093, "Notice of Grant and Agreement Award"

Attachment A – List of Agricultural Land Easement Parcels funded by NRCS

- Exhibit 1 – NRCS General Terms and Conditions – Grants and Cooperative Agreements
- Exhibit 2 – Standard Form 425 (SF-425), "Federal Financial Report"
- Exhibit 3 – Representation Regarding Felony Convictions and Tax Delinquent Status for Corporate Applicants (AD-3031)
- Exhibit 4 – NRCS Form 230, "Confirmation of Matching Funds for general ACEP-ALE"
- Exhibit 5 – SF-270, "Request for Advance/Reimbursement of Funds"
- Exhibit 6 – SF-270 Supplement for Noncertified Eligible Entities
- Exhibit 7 – Minimum Terms for the Protection of Agricultural Use (ALE Minimum Deed Terms addendum dated October 2017)
- Exhibit 8 – Appraisal– NRCS Specifications and Scope of Work for Appraisals of Real Property for ACEP-ALE
- Exhibit 9 – Certification Regarding Lobbying

NRCS Representative Initial \_\_\_\_\_

Entity Representative Initial \_\_\_\_\_

**NOTICE OF GRANT AND AGREEMENT AWARD**

1. Award Identifying Number 68-5F48-18-005		2. Amendment No.	3. Award/Project Period DOFS - 8/31/2021		4. Type of Award Instrument Cooperative		
5. Agency: Natural Resources Conservation Service (NRCS) (Name and Address)  NRCS - Wisconsin State Office 8030 Excelsior Drive, Suite 200 Madison, WI 53717-2906			6. Recipient Organization: (Name and Address) Rock County, State of Wisconsin 51 S Main St. Janesville, WI 54535  <table border="1"> <tr> <td>DUNS: 073845968</td> <td>EIN: 39-6005736</td> </tr> </table>			DUNS: 073845968	EIN: 39-6005736
DUNS: 073845968	EIN: 39-6005736						
7. NRCS Program Contact: Kristin Westad 608-662-4422 ext 218 Kristin.Westad@wi.usda.gov		8. NRCS Administrative Contact: CentralAgmtPayRequests@wdc.usda.gov		9. Recipient Program Contact: Thomass Sweeney (608) 754-6617 ext 4755 thomas.sweeney@co.rock.wi.us	10. Recipient Administrative Contact: Thomass Sweeney (608) 754-6617 ext 4755 thomas.sweeney@co.rock.wi.us		
11. CFDA Number 10.931	12. Authority 16 U.S.C. 3865 et seq.		13. Type of Action i. New Agreement		14. Project Director N/A		

15. Project Title/Description:  
ACEP/ALE, Nest No. 545F81801PWZ. Rock County. Complete agreement includes this NRCS-ADS-093 (NOA) and attachments listed on page 2.

16. Entity Type:  Profit  Nonprofit  Higher Education  Federal  State/Local  Indian/Native American  
  
 Other

17. Select Funding Type:			18. Accounting and Appropriation Data			
	<input checked="" type="checkbox"/> Federal	<input checked="" type="checkbox"/> Non-Federal	Financial Code	Amount	Fiscal Year	Treasury Symbol
Original Funds Total:	\$ 222,750.00	\$ 222,750.00	NR.SI.ACEA.55.0000.18 XXF	\$ 222,750.00	2018	12X1004
Additional Funds Total:						
Grand Total:	\$ 222,750.00	\$ 222,750.00				

19. APPROVED BUDGET

Personnel	\$	Fringe Benefits	\$
Travel	\$	Equipment	\$
Supplies	\$	Contractual	\$
Construction	\$	Other	\$ 445,500.00
Total Direct Cost\	\$ 445,500.00	Total Indirect Cost	\$
		Total Non-Federal Funds	\$ 222,750.00
		Total Federal Funds Awarded	\$ 222,750.00
		Total Approved Budget	\$ 445,500.00

This agreement is subject to applicable USDA NRCS statutory provisions and Financial Assistance Regulations. In accepting this award or amendment and any payments made pursuant thereto, the undersigned represents that he or she is duly authorized to act on behalf of the awardee organization, agrees that the award is subject to the applicable provisions of this agreement (and all attachments), and agrees that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by NRCS to have been overpaid, will be refunded or credited in full to NRCS.

(Continuation)

**NOTICE OF GRANT AND AGREEMENT AWARD**

<b>Award Identifying Number</b>	<b>Amendment No.</b>	<b>Award/Project Period</b>	<b>Type of Award Instrument</b>
68-5F48-18-005		DOFS - 8/31/2021	Cooperative

List of Attachments:

Statement of Work and Attachment A (list of parcels); Ex. 1, General Terms and Conditions; Ex.2, SF-425 Federal Financial Report; Ex. 3, AD-3031 Assurance for Felony and Tax Delinquency; Ex. 4, NRCS-CPA-230 Confirmation of Matching Funds; Ex. 5, SF-270 Request for Payment; Ex.6, Supplement to SF-270 for Non-Certified Eligible Entities; Ex. 7, Minimum Deed Terms; Ex. 8, Appraisal Specifications; Ex. 9, Certification Regarding Lobbying

<b>Name and Title of Authorized Government Representative</b>	<b>Signature</b>	<b>Date</b>
Angela Biggs, State Conservationist		
<b>Name and Title of Authorized Recipient Representative</b>	<b>Signature</b>	<b>Date</b>
Thomas Sweeney, County Conservationist		

**NONDISCRIMINATION STATEMENT**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

**PRIVACY ACT STATEMENT**

The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. Section 522a).

**Attachment A- Fiscal Year (FY) 2018**

List of Agricultural Land Easement Parcels Funded by NRCS With Fiscal Year 2018 Funds and Identified Substitute Parcels.

NRCS has made cost-share assistance available up to the amount specified on the NRCS-ADS-093, "Notice of Grant and Agreement Award," for parcels on this attachment that have been selected for funding. Parcels listed and not currently selected for funding and parcels identified at the time of the proposed substitution may be substituted for funded parcels that are cancelled upon mutual agreement of the Parties and removed from this attachment.

Funding obligated under this attachment will expire on August 31, 2021.

NEST Parcel ID Number	Total Acres	Estimated Agricultural Land Easement Value	Estimated Federal Contribution	Parcel or Landowner Name(s) <sup>1/</sup>	Selected for Funding (Yes or No)	Reflects determinations made at time parcel is identified as selected for funding only.	
						Approved Cash Contribution Waiver (Yes or No) <sup>2/</sup>	Commensurate Reduction Required (Yes or No) <sup>3/</sup>
545F481801PY4	99	\$445,500	\$222,750	Hargarten	Yes	No	NA
<b>Totals</b>	<b>99</b>	<b>\$445,500</b>	<b>\$222,750</b>				

<sup>1/</sup> The parcel or landowner name on this attachment is for quick reference purposes only, the official NRCS identifier for the parcel is the NEST parcel ID number listed in the first column. NRCS maintains its official record of current landowner information for parcels identified on this attachment in its electronic database systems for easement records and financial transactions.

<sup>2/</sup> Identify whether the parcel has received an eligible entity cash contribution waiver for projects of special significance at the time the parcel is identified as selected for funding. This attachment does not have to be updated to reflect cash contribution waivers granted after the parcel is identified as selected for funding. For all parcels, the entity must submit a copy of the NRCS waiver approval letter with the payment request for the parcel.

<sup>3/</sup> At the time the parcel is identified as selected for funding and again prior to closing, NRCS must determine landowner compliance with adjusted gross income (AGI) limitations and whether a commensurate reduction to the payment of the Federal share is needed. The outcome of the determination made at the time the parcel is selected for funding is identified on this attachment. Prior to closing, NRCS will notify the eligible entity in writing if the results of the AGI and associated commensurate reduction determinations have changed.

Entity Representative Initial \_\_\_\_\_

NRCS Representative Initial \_\_\_\_\_

**NATURAL RESOURCES CONSERVATION  
SERVICE  
U.S. DEPARTMENT OF AGRICULTURE  
  
GENERAL TERMS AND CONDITIONS  
GRANTS AND COOPERATIVE AGREEMENTS**

**I. APPLICABLE REGULATIONS**

- a. The recipient, and recipients of any subawards under this award, agree to comply with the following regulations, as applicable. The full text of Code of Federal Regulations references may be found at <https://www.gpo.gov/fdsys/browse/collectionCfr.action?collectionCode=CFR> and <http://www.ecfr.gov/>.
- (1) 2 CFR Part 25, "Universal Identifier and System of Award Management"
  - (2) 2 CFR Part 170, "Reporting Subaward and Executive Compensation Information"
  - (3) 2 CFR Part 180, "OMB Guidelines To Agencies On Governmentwide Debarment And Suspension (Nonprocurement)"
  - (4) 2 CFR Part 182, "Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)"
  - (5) 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards"
- b. The recipient, and recipients of any subawards under this award, assure and certify that they have and/or will comply with the following regulations, as applicable. The full text of Code of Federal Regulations references may be found at <https://www.gpo.gov/fdsys/browse/collectionCfr.action?collectionCode=CFR> and <http://www.ecfr.gov/>.
- (1) 2 CFR Part 175, "Award Term for Trafficking in Persons"
  - (2) 2 CFR Part 417, "Nonprocurement Debarment and Suspension"
  - (3) 2 CFR Part 418, "New Restrictions on Lobbying"
  - (4) 2 CFR Part 421, "Requirements for Drug-Free Workplace (Financial Assistance)"
- c. Allowable project costs will be determined in accordance with the authorizing statute, the purpose of the award, and to the extent applicable to the type of organizations receiving the award, regardless of tier. The following portions of the Code of Federal Regulations are hereby incorporated by reference. The full text of Code of Federal Regulations references may be found at <https://www.gpo.gov/fdsys/browse/collectionCfr.action?collectionCode=CFR> and <http://www.ecfr.gov/>.
- (1) 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles And Audit Requirements For Federal Awards"
  - (2) 48 CFR Part 31, "Contract Cost Principles and Procedures"

## II. UNALLOWABLE COSTS

The following costs are not allowed:

- a. Costs above the amount authorized for the project
- b. Costs incurred after the expiration of the award including any no-cost extensions of time
- c. Costs that lie outside the scope of the approved project and any amendments thereto
- d. Compensation for injuries to persons or damage to property arising from project activities

This list is not exhaustive. For general information about the allowability of particular items of costs, please see 2 CFR Part 200, "Subpart E - Cost Principles", or direct specific inquiries to the NRCS administrative contact identified in the award.

## III. CONFIDENTIALITY

- a. Activities performed under this award may involve access to confidential and potentially sensitive information about governmental and landowner issues. The term "confidential information" means proprietary information or data of a personal nature about an individual, or information or data submitted by or pertaining to an organization. This information must not be disclosed without the prior written consent of NRCS.
- b. The recipient's personnel will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. Section 552a, and implementing regulations and policies with respect to systems of records determined to be subject to the Privacy Act. The recipient's personnel must also comply with privacy of personal information relating to natural resources conservation programs in accordance with section 1244 of Title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107-171).
- c. The recipient agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under Section 1619 of the Food, Conservation, and Energy Act of 2008 (PL 110-246), 7 U.S.C. 8791.
- d. The recipient agrees to comply with the "**Prohibition Against Certain Internal Confidentiality Agreements:**"
  1. You may not require your employees, contractors, or subrecipients seeking to report fraud, waste, or abuse to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting them from lawfully reporting that waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.
  2. You must notify your employees, contractors, or subrecipients that the prohibitions and restrictions of any internal confidentiality agreements inconsistent with paragraph (1) of this award provision are no longer in effect.
  3. The prohibition in paragraph (1) of this award provision does not contravene requirements applicable to any other form issued by a Federal department or agency governing the nondisclosure of classified information.
  4. If NRCS determines that you are not in compliance with this award provision, NRCS:
    - a. Will prohibit your use of funds under this award, in accordance with sections 743 and 744 of Division E of the Consolidated Appropriations Act, 2016, (Pub. L. 114-113) or any successor provision of law;
    - b. May pursue other remedies available for your material failure to comply with award terms and conditions.

#### IV. PRIOR APPROVAL REQUIREMENTS

The following are the most common situations requiring prior approval. However, the recipient is also bound by any other prior approval requirements of the applicable administrative provisions and Federal cost principles.

- a. Purpose or Deliverables.—When it is necessary for the recipient to modify the purpose or deliverables, the recipient must submit a written request and justification for the change along with the revised purpose or deliverables of the award to the NRCS administrative contact. The request should contain the following:
  1. Grant or agreement number
  2. Narrative explaining the requested modification to the project purpose or deliverables
  3. A description of the revised purpose or deliverables
  4. Signatures of the authorized representative, project director, or both
  
- b. Subaward/contractual Arrangement.—The recipient must submit a justification for the proposed subaward/contractual arrangements, a statement of work to be performed, and a detailed budget for the subaward/contract to the NRCS administrative contact. Subaward/contractual arrangements disclosed in the application do not require additional postaward approval.
  
- c. Absence or Change in Project Leadership.—When a project director or the person responsible for the direction or management of the project—
  1. Relinquishes active direction of the project for more than 3 consecutive months or has a 25 percent or more reduction in time devoted to the project, the grantee must notify the NRCS administrative contact in writing, identifying who will be in charge during the project director's absence. The notification must include the qualifications and the signature of the replacement, signifying his or her willingness to serve on the project.
  
  2. Severs his or her affiliation with the grantee, the grantee's options include—
    - i. Replacing the project director. The grantee must request written approval of the replacement from the NRCS administrative contact and must include the qualifications and the signature of the replacement signifying his or her willingness to serve on the project.
    - ii. Subcontracting to the former project director's new organization. The grantee must request approval from the administrative contact to replace the project manager and retain the award, and to subcontract to the former project director's new organization certain portions of the project to be completed by the former project director.
    - iii. Relinquishing the award. The grantee must submit to the NRCS administrative contact a signed letter by the grantee and the project director that indicates that the grantee is relinquishing the award. The letter must include the date the project director is leaving and a summary of progress to date. A final Standard Form (SF) 425 reflecting the total amount of funds spent by the recipient must be attached to the letter.
  
  3. Transfers the award to his or her new organization, the authorized organization's representative at the new organization must submit the following to the NRCS administrative contact as soon as the transfer date is firm and the amount of funds to be transferred is known:



- i. The forms and certifications included in the application package
- ii. A project summary and work statement covering the work to be completed under the project (deliverables and objectives must be the same as those outlined in the approved proposal)
- iii. An updated qualifications statement for the project director showing his or her new organizational affiliation
- iv. Any cost-sharing requirements under the original award transfer to the new institution; therefore, cost-sharing information must be included in the proposal from the new organization

**Note:** The transfer of an award from one organization to another can take up to 90 calendar days to accomplish, which may result in a delay in the project director resuming the project at the new organization.

- d. Budget Revisions.—Budget revisions will be in accordance with 2 CFR Part 200.308.
- e. No-Cost Extensions of Time.—When a no-cost extension of time is required, the recipient must submit a written request to the NRCS administrative contact no later than 30 calendar days before the expiration date of the award. The request must contain the following:
  - The length of additional time required to complete the project and a justification for the extension
  - A summary of progress to date
  - An estimate of funds expected to remain unobligated on the scheduled expiration date
  - A projected timetable to complete the portions of the project for which the extension is being requested
  - Signature of the grantee and the project director
  - A status of cost sharing to date (if applicable)

**Note:** An extension will not exceed 12 months. Requests for no-cost extensions received after the expiration of the award will not be granted.

## V. PAYMENTS

- a. Payment by NRCS to the entity will be made monthly or quarterly (whichever is mutually agreed upon by both parties) on a reimbursable or advanced basis upon completion of work outlined herein. Payment will be executed upon the submission of a properly executed form SF-270 with supporting documentation. The SF-270 must cite the agreement number, remittance address, and billing period. The SF-270 must be sent to the NRCS administrative contact at the email address identified in block 8 of the Notice of Grant/Agreement Award.
- b. Unless otherwise specified in the award, the recipient must receive payments through electronic funds transfers.
- c. Recipients requesting advances should request payments in amounts necessary to meet their current needs pursuant to procedures contained in the Federal administrative provisions and **31 CFR Part 205**.
- d. The method of payment between the recipient and its contractors will be in accordance with the policies and procedures established by the recipient except that the contractors may not use the USDA Office of Financial Management/National Finance Center method to request payments. If the grantee makes advance payments to contractors, the grantee must ensure

that the timing of such payments is designed to minimize elapsed time between the advance payment and the disbursement of funds. Payment requests from the grantee's contractors will not be sent to NRCS for review or approval.

- e. Accounting records for all costs incurred under this award must be supported by source documentation. Such documentation includes, but is not limited to, canceled checks, paid bills, payroll records, and subaward documents. Labor cost charges to this award must be based upon salaries actually earned and the time actually worked on this award. All project costs must be incurred within the approved project period of this award, including any approved no-cost extension of time. Costs that cannot be supported by source documentation or that are incurred outside of the approved project period and budget may be disallowed and may result in award funds being returned to the Federal Government by the recipient.

**VI. ACCRUALS**

- a. Recipients must submit an accrual estimate to the NRCS Program/Technical no later than 15 calendar days prior to the end of the quarter (submit by March 15, June 15, September 15 and December 15<sup>th</sup>).
- b. An accrual represents the value of goods or services provided to NRCS for which you have not requested payment. The quality and completeness of NRCS audited financial statements depends on your continuing cooperation and timely information.
- c. At a minimum, the signed accrual statement should include, "Under agreement number \_\_\_\_\_, at the close of the quarter ending \_\_\_\_\_, we have provided or anticipate providing goods or services that we have not requested payment for in the amount of \$\_\_\_\_\_." Include the name and title of the person preparing the accrual estimate.

**VII. FINANCIAL REPORTING**

- a. Recipients must submit a Federal Financial Report (FFR), SF 425 and 425A, in accordance with the following schedule:

<u>Quarterly Schedule</u>	<u>Report Due Date</u>
October 1 to December 31	January 31
January 1 to March 31	April 30
April 1 to June 30	July 31
July 1 to September 30	October 31

Reports must be submitted on an accrual accounting basis. Failure to submit reports in accordance with the above schedule may result in suspension or termination of award.

- b. A final Report must be submitted no later than 90 calendar days after the completion of the award. For final FFRs, reporting end date must be the end date of the project or agreement period. The reports should be submitted to the NRCS administrative contact identified in award notifications.

**VIII. PERFORMANCE MONITORING AND REPORTING**

- a. The recipient is responsible for monitoring day-to-day performance and for reporting to NRCS. If the project involves subaward arrangements, the recipient is also responsible for

monitoring the performance of project activities under those arrangements to ensure that approved goals and schedules are met.

- b. Every 6 months the recipient must submit a written progress report. Each report must cover—
  - 1. A comparison of actual accomplishments with the goals and objectives established for the reporting period and, where project output can be quantified, a computation of the costs per unit of output.
  - 2. The reasons why goals and objectives were not met, if appropriate.
  - 3. Additional pertinent information including, where appropriate, analysis and explanation of cost overruns or high unit cost.
- c. The recipient must submit a final performance report within 90 calendar days after completion of project.

#### **IX. AUDIT REQUIREMENTS**

The recipient is responsible for complying with audit requirements in accordance with 2 CFR 200, Subpart F. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.

#### **X. SPECIAL PROVISIONS**

- a. The recipient assures and certifies that it will comply with the minimum-wage and maximum-hour provisions of the Federal Fair Labor Standards Act.
- b. Employees of NRCS will participate in efforts under this agreement solely as representatives of the United States. To this end, they may not participate as directors, officers, employees, or otherwise serve or hold themselves out as representatives of the recipient. They also may not assist the recipient with efforts to lobby Congress or to raise money through fundraising efforts. Further, NRCS employees must report to their immediate supervisor any negotiations with the recipient concerning future employment and must refrain from participation in efforts regarding such parties until approved by the agency.
- c. Employees of the recipient will not be considered Federal employees or agents of the United States for any purposes under this agreement.

#### **XI. PATENTS, INVENTIONS, COPYRIGHTS, AND ACKNOWLEDGMENT OF SUPPORT AND DISCLAIMER**

- a. Allocation of rights of patents, inventions, and copyrights must be in accordance with 2 CFR Part 200.315. This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support.
- b. In accordance with 37 CFR Section 401.14, each subject invention must be disclosed to the Federal agency within 2 months after the inventor discloses it in writing to contractor personnel responsible for patent matters. Invention disclosure statements pursuant to 37 CFR Section 401.14(c) must be made in writing to:

Acquisitions Division

Grants and Agreements Services Branch  
1400 Independence Avenue, SW.  
Room 6823 South Building  
Washington, DC 20250

- c. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must manufacture it domestically.
- d. The following acknowledgment of NRCS support must appear in the publication of any material, whether copyrighted or not, and any products in electronic formats (World Wide Web pages, computer programs, etc.) that is substantially based upon or developed under this award:
  - “This material is based upon work supported by the Natural Resources Conservation Service, U.S. Department of Agriculture, under number [recipient should enter the applicable award number here].”

In addition, all publications and other materials, except scientific articles or papers published in scientific journals, must include the following statement:

- “Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Department of Agriculture.”
- e. All publications printed with Federal Government funds will include the most current USDA nondiscrimination statement, available from the Public Affairs Division, Civil Rights Division, or on the USDA and NRCS home pages. If the material is too small to permit the full nondiscrimination statement to be included, the material must, at a minimum, include the statement:
  - “USDA is an equal opportunity provider and employer.” Any publication prepared with funding from this agreement must include acknowledgement to USDA, Natural Resources Conservation Service.”

The recipient is responsible for ensuring that an acknowledgment of NRCS is made during news media interviews, including popular media such as radio, television, and news magazines, that discuss in a substantial way work funded by this award.

## **XII. COST-SHARING REQUIREMENTS**

- a. If the award has specific cost-sharing requirements, the cost-sharing participation in other projects may not be counted toward meeting the specific cost-share requirement of this award, and must come from non-Federal sources unless otherwise stated in the applicable program announcement.
- b. Should the recipient become aware that it may be unable to provide the cost-sharing amount identified in this award, it must—
  1. Immediately notify the NRCS administrative contact of the situation.
  2. Specify the steps it plans to take to secure replacement cost sharing.
  3. Indicate the plans to either continue or phase out the project in the absence of cost sharing.

- c. If NRCS agrees to the organization's proposed plans, the recipient will be notified accordingly. If the organization's plans are not acceptable to NRCS, the award may be subject to termination. NRCS modifications to proposed cost sharing revisions are made on a case-by-case basis.
- d. Failure by the recipient to notify NRCS in accordance with paragraph (b) above may result in the disallowance of some or all the costs charged to the award, the subsequent recovery by NRCS of some of the NRCS funds provided under the award, and possible termination of the award, and may constitute a violation of the terms and conditions of the award so serious as to provide grounds for subsequent suspension or debarment.
- e. The recipient must maintain records of all project costs that are claimed by the recipient as cost sharing as well records of costs to be paid by NRCS. If the recipient's cost participation includes in-kind contributions, the basis for determining the valuation for volunteer services and donated property must be documented.

### **XIII. PROGRAM INCOME**

Income derived from patents, inventions, or copyrights will be disposed of in accordance with the recipient's own policies. General program income earned under this award during the period of NRCS support must be added to total project funds and used to further the purpose and scope of this award or the legislation under which this award is made.

### **XIV. NONEXPENDABLE EQUIPMENT**

Recipients purchasing equipment or products with funds provided under this award are encouraged to use such funds to purchase only American-made equipment and products. Title to nonexpendable equipment purchased with award funds will vest in the recipient upon completion of the award project and acceptance by NRCS of required final reports. When equipment is no longer needed by the recipient and the per-unit fair market value is less than \$5,000, the recipient may retain, sell, or dispose of the equipment with no further obligation to NRCS. However, if the per-unit fair market value is \$5,000 or more, the recipient must submit a written request to the NRCS administrative contact for disposition instructions.

### **XV. LIMIT OF FEDERAL LIABILITY**

The maximum financial obligation of NRCS to the recipient is the amount of funds indicated in the award as obligated by NRCS. However, in the event that an erroneous amount is stated on the approved budget, or any supporting document relating to the award, NRCS will have the unilateral right to make the correction and to make an appropriate adjustment in the NRCS share of the award to align with the Federal amount authorized.

### **XVI. MODIFICATIONS AND TERMINATIONS**

NRCS may amend or modify the award through an exchange of correspondence between authorized officials of the recipient and NRCS. The award is subject to termination if NRCS determines that the recipient has failed to comply with the terms and conditions of the award. In the event that the award is terminated, the financial obligations of the parties will be those set forth in 2 CFR Part 200.339.

**XVII. AWARD CLOSEOUT**

Award closeout is the process by which NRCS determines that all required project activities have been performed satisfactorily and all necessary administrative actions have been completed.

# Federal Financial Report

(Follow form Instructions)

Exhibit 2  
OMB Number: 4040-0014  
Expiration Date: 01/31/2019

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>		<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
<b>3. Recipient Organization (Name and complete address including Zip code)</b> Recipient Organization Name: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>			
Street1: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>		Street2: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
City: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>		County: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
State: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>		Province: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
Country: USA: UNITED STATES		ZIP / Postal Code: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	
<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
6. Report Type	7. Basis of Accounting	8. Project/Grant Period	9. Reporting Period End Date
<input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	<input type="checkbox"/> Cash <input type="checkbox"/> Accrual	From: <div style="border: 1px solid black; width: 100%; height: 15px;"></div> To: <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>
<b>10. Transactions</b>			<b>Cumulative</b>
<i>(Use lines a-c for single or multiple grant reporting)</i>			
<b>Federal Cash (To report multiple grants, also use FFR attachment):</b>			
a. Cash Receipts			0.00
b. Cash Disbursements			0.00
c. Cash on Hand (line a minus b)			0.00
<i>(Use lines d-o for single grant reporting)</i>			
<b>Federal Expenditures and Unobligated Balance:</b>			
d. Total Federal funds authorized			0.00
e. Federal share of expenditures			0.00
f. Federal share of unliquidated obligations			0.00
g. Total Federal share (sum of lines e and f)			0.00
h. Unobligated balance of Federal Funds (line d minus g)			0.00
<b>Recipient Share:</b>			
i. Total recipient share required			0.00
j. Recipient share of expenditures			0.00
k. Remaining recipient share to be provided (line i minus j)			0.00
<b>Program Income:</b>			
l. Total Federal program income earned			0.00
m. Program Income expended in accordance with the deduction alternative			0.00
n. Program Income expended in accordance with the addition alternative			0.00
o. Unexpended program income (line l minus line m or line n)			0.00

This form is available electronically.

AD-3031

U.S. Department of Agriculture  
ASSURANCE REGARDING FELONY CONVICTION  
OR TAX DELINQUENT STATUS FOR CORPORATE APPLICANTS

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552(a)—as amended). The authority for requesting the following information for USDA agencies and offices is in sections 745 and 746 of the Consolidated Appropriations Act, 2016, Pub. L. 114-113, as amended and/or subsequently enacted. The information will be used to document compliance with appropriations restrictions.

According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number of this information collection is 0505-0025. The time required to complete this information collection is estimated to average 3 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.

This award is subject to the provisions contained in the Consolidated Appropriations Act, 2016, Pub. L. 114-113, Division E, Title VII, sections 745 and 746, as amended and/or subsequently enacted for U.S. Department of Agriculture (USDA) agencies and offices regarding corporate felony convictions and corporate federal tax delinquencies.

Accordingly, by accepting this award the corporation recipient acknowledges: (1) that it does not have a Federal tax delinquency, meaning that it is not subject to any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, and (2) that it has not been convicted of a felony criminal violation under any Federal law within 24 months preceding the award, unless a suspending and debarring official of the USDA has considered suspension or debarment of the recipient corporation based on these convictions and/or tax delinquencies and determined that suspension or debarment is not necessary to protect the interests of the Government. If the recipient fails to comply with these provisions, the agency will annul this agreement and may recover any funds the recipient has expended in violation of the above cited statutory provisions.

*Thomas A. [Signature]*  
APPLICANT'S SIGNATURE (BY)

*County Conservationist*  
TITLE/RELATIONSHIP OF THE INDIVIDUAL IF SIGNING IN A REPRESENTATIVE CAPACITY

*County of Rock, State of Wisconsin*  
BUSINESS NAME

*03/26/2018*  
DATE SIGNED (MM-DD-YYYY)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.



**Statement to Confirm Matching Funds Agricultural Conservation  
 Easement Program -  
 Agricultural Land Easement (ACEP-ALE)  
 For General ACEP-ALE Enrollments**

The following information is required prior to the dispersal of the Federal share for the acquisition of a general ACEP-ALE. The purpose of this form is to identify and confirm matching fund sources.

ACEP-ALE Parcel Name \_\_\_\_\_

NEST Agreement #: \_\_\_\_\_ NEST Parcel #: \_\_\_\_\_

State \_\_\_\_\_ County, Parish, or Borough \_\_\_\_\_

<b>A.</b> Appraised fair market value of the agricultural land easement	
<b>B.</b> Grantor (Landowner) donation (the portion of <b>A</b> that is given to the eligible entity by the Grantor as a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986)). Landowner shall not donate any part of <b>C</b> , <b>D</b> , or <b>E</b> back to the eligible entity.	
<b>C.</b> Agricultural land easement purchase price	
<b>D.</b> Eligible entity cash contribution paid to the Grantor from the eligible entity's cash resources* ( <b>D</b> must be at least 50% of <b>E</b> unless an eligible entity cash contribution waiver is approved by NRCS. Eligible entity must attach cash contribution waiver approval.)	
<b>E.</b> Federal share paid to the Grantor (Landowner) through eligible entity** ( <b>E</b> must not exceed 50% of <b>A</b> )	
*Administrative and planning costs are not counted as part of the entity cash contribution or as part of the purchase price. ** ACEP funds provided to the eligible entity must not be used for administrative costs such as appraisal, survey, title insurance, legal fees, easement monitoring, or other related transaction costs or planning costs, such as baseline documentation or agricultural land easement plan development.	

<b>Administrative Costs Paid By:</b> (enter amount for each item)	<b>Eligible Entity</b>	<b>Landowner</b>
Appraisal (by certified appraiser to USPAP/UASFLA standards)	\$	\$
Survey	\$	\$
Closing Costs (legal fees)	\$	\$
Title Insurance	\$	\$
Stewardship Funds (Landowner Cost limited to 2% of <b>A</b> , unless entity has submitted to NRCS documentation for landowner contributions of stewardship funds in excess of 2% of <b>A</b> )	\$	\$
<b>Total</b>	\$	\$

**Certifications: ACEP-ALE Statement to Confirm Matching Funds**

**GRANTOR (Landowner)**

I certify that the information on this supporting form for the acquisition of an ACEP-ALE is true, correct, and complete. I have been informed that the dollar amount listed above is the appraised fair market value of the agricultural land, and that I have agreed to grant an agricultural land easement on my property for \$ \_\_\_\_\_ (enter purchase price). I understand that false certification has serious consequences and will result in ineligibility for the ACEP.

Grantor (Landowner) Name(s) (please print): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Grantor (Landowner) Name(s) (please print): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**GRANTEE (Eligible Entity)**

I certify that the information on this form for the acquisition of an ACEP-ALE is true, correct, and complete. I further certify that the eligible entity's cash contribution of the matching funds listed above have not come from additional donations, payments, loans, or fees made by or charged to the above-mentioned Grantor, immediate family members, or organizations controlled or funded by the Grantor, either through formal or informal agreements. I understand that false certification has serious consequences and will result in ineligibility of the entity for the ACEP.

Eligible Entity Name (please print): \_\_\_\_\_

Authorized Official (please print): \_\_\_\_\_

Signature by Authorized Official: \_\_\_\_\_ Date: \_\_\_\_\_

**NRCS**

I certify that I have met in person with the Grantor and confirmed all of the information listed above true, correct, and complete. The Grantor has certified that the eligible entity's cash contribution of the matching funds listed will not come from additional donations, payments, loans, or fees made by or charged to the above-mentioned Grantor, immediate family members, or organizations controlled or funded by the Grantor, either through formal or informal agreements. The Grantor understands that the purchase price is the amount he or she should receive at closing for the purchase of the agricultural land easement. The Grantor further understands that the ACEP-ALE does not require a landowner donation or contributions to stewardship or acquisition funds.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature by NRCS Representative: \_\_\_\_\_ Date: \_\_\_\_\_

<b>REQUEST FOR ADVANCE OR REIMBURSEMENT</b>	1. TYPE OF PAYMENT REQUESTED	a. "X" one or both boxes <input type="checkbox"/> ADVANCE <input type="checkbox"/> REIMBURSEMENT	2. BASIS OF REQUEST <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL
		b. "X" the applicable box <input type="checkbox"/> FINAL <input type="checkbox"/> PARTIAL	

3. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED <input type="text"/>	4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY <input type="text"/>
----------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------

5. PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST <input type="text"/>	6. EMPLOYER IDENTIFICATION NUMBER <input type="text"/>	7. FINANCIAL ASSISTANCE IDENTIFICATION NUMBER <input type="text"/>
-------------------------------------------------------------------------------	--------------------------------------------------------------	--------------------------------------------------------------------------

8. PERIOD COVERED BY THIS REQUEST  
From:  To:

9. RECIPIENT ORGANIZATION

Name:

Street1:

Street2:

City:

County:

State:

Province:

Country:

ZIP / Postal Code:

10. PAYEE (Where check is to be sent if different than item 9)

Name:

Street1:

Street2:

City:

County:

State:

Province:

Country:

ZIP / Postal Code:

**11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED**

PROGRAMS/FUNCTIONS/ ACTIVITIES	(a)	(b)	(c)	TOTAL
a. Total program outlays to date (As of date)	\$	\$	\$	\$
b. Less: Cumulative program income				
c. Net program outlays (Line a minus line b)				
d. Estimated net cash outlays for advance period				
e. Total (Sum of lines c & d)				
f. Non-Federal share of amount on line e				
g. Federal share of amount on line e				
h. Federal payments previously requested				
i. Federal share now requested (Line g minus line h)				
j. Advances required by month, when requested by Federal grantor agency for use in making prescheduled advances	1st month			
	2nd month			
	3rd month			

**12. ALTERNATE COMPUTATION FOR ADVANCES ONLY**

a. Estimated Federal cash outlays that will be made during period covered by the advance	\$
b. Less: Estimated balance of Federal cash on hand as of beginning of advance period	
c. Amount requested (Line a minus line b)	\$

**13. CERTIFICATION**

I certify that to the best of my knowledge and belief the data on the reverse are correct and that all outlays were made in accordance with the grant conditions or other agreement and that payment is due and has not been previously requested.

SIGNATURE OR AUTHORIZED CERTIFYING OFFICIAL

DATE REQUEST SUBMITTED

[Signature Box]

[Date Box]

TYPED OR PRINTED NAME AND TITLE

Prefix: [ ] First Name: [ ] Middle Name: [ ]  
 Last Name: [ ] Suffix: [ ]  
 Title: [ ]

TELEPHONE (AREA CODE, NUMBER, EXTENSION)

[Telephone Box]

This space for agency use

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0004), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**Agricultural Conservation Easement Program – Agricultural Land Easement (ACEP-ALE)**  
**Supplement to the SF-270 for Noncertified Eligible Entities**

*This supplement and all documents required by this supplement must be completed and attached to the SF-270 for every agricultural land easement for which an advance or reimbursement of ACEP-ALE cost-share assistance is requested by a noncertified eligible entity. The complete SF-270, SF-270 supplement, and required documentation must be reviewed and approved by NRCS before NRCS may disburse payment.*

Eligible Entity Name: 68-5F48-18-005	
NEST Cooperative Agreement Number:	
NEST Parcel ID Number:	
Eligible Entity Tax Identification Number (TIN):	
Eligible Entity DUNS:	
Landowner's Name (continue on additional pages and attach if needed):	
Landowner's Address:	
Landowner's Telephone Number:	
Total Federal Cost-Share Requested from NRCS for the Agricultural Land Easement:	Acres Protected by the Agricultural Land Easement:

- Attach the following to SF-270:*
1. A copy of the NRCS approved agricultural land easement deed with all exhibits; if a reimbursement is requested, then the deed must be a copy of the recorded document and include a recording receipt
  2. NRCS Form 230, "Confirmation of Matching Funds," for each easement
  3. A copy of the agricultural land easement plan signed by the landowner and the eligible entity
  4. A copy of the baseline documentation report signed by the noncertified eligible entity
  5. If applicable, a copy of the NRCS approval letter for the waiver of the eligible entity cash contribution requirement
  6. If a request for reimbursement cost-share, a copy of the American Land Title Association (ALTA) title insurance policy
  7. If a request advanced cost-share:
    - a. A complete and signed copy of the "NRCS Closing Agent Requirements"
    - b. A copy of the ALTA title commitment
    - c. A signed settlement statement prepared by the closing agent
    - d. Evidence of liability insurance coverage or indemnification in an amount at least equal to the Federal funds provided as cost share for the purchase of the agricultural land easement, providing for reimbursement to NRCS for any loss of Federal funds caused by fraud, dishonesty, negligence, or failure by the attorneys, closing agents, or closing agents' employees to comply with the written closing instructions

The undersigned noncertified eligible entity certifies that they have participated in the Agricultural Land Easement component of the Agricultural Conservation Easement Program according to all program requirements and the terms and conditions of the above referenced agreement. The undersigned eligible entity will hereafter be referred to as the "participant."

The participant certifies that it has received NRCS approval of the appraisal or easement value and that they are acquiring or have acquired an agricultural land easement on land with clear title using a conservation easement deed that has been reviewed and approved by NRCS.

The participant certifies that highly erodible land conservation/wetland conservation, adjusted gross income certifications, and member information for all landowners are current and on file with the appropriate USDA service center agency.

The participant certifies that it is currently registered in the System for Award Management (SAM) and are providing a valid DUNS number on this request. NRCS will not disburse funds for an agricultural land easement until all applicable DUNS and SAM requirements have been met.

It is the responsibility of the participant to provide accurate information to support all items addressed in this SF-270 supplement to the request for payment. False certifications are subject to criminal and civil fraud statutes.

Signature of Authorized Eligible Entity Representative:	Date:
---------------------------------------------------------	-------

#### Privacy Act Notification

*The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. Section 552a, as amended). The authority for requesting the information identified on this form are 7 CFR Part 1468, the Commodity Credit Corporation Charter Act, 15 U.S.C. Section 714 et seq., and the Agricultural Act of 2014 (Public Law 113-79). The information will be used to enable Natural Resources Conservation Service to certify payment of cost share assistance through the Agricultural Conservation Easement Program. The information collected on this form may be disclosed to other Federal, State, local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable routine uses identified in the System of Records Notice for USDA/NRCS-1, Landowner, Operator, Producer, Cooperator, or Participant Files, and USDA/FCIC -10, Policyholder. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of producer ineligibility to participate in the Agricultural Conservation Easement Program.*

#### Paperwork Reduction Act Exemption

*This information collection for the Agricultural Conservation Easement Program is exempt from the Paperwork Reduction Act (PRA) as specified in section 1246 of the Food Security Act of 1985, as amended by title II of the Agricultural Act of 2014. For those NRCS programs that are not exempt from PRA, NRCS may not conduct or sponsor, and a person is not required to respond to a collection of information unless this collection of information has a valid OMB control number. **RETURN THIS COMPLETED FORM TO AN NRCS REPRESENTATIVE AT THE APPLICABLE USDA SERVICE CENTER.***

#### Nondiscrimination Statement

*The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.) Persons with disabilities who wish to file a program complaint should write to the address below. If you require alternative means of communication for program information (e.g., Braille, large print, audiotope, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). If you wish to file a civil rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, SW., Washington, DC 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider and employer.*

AGRICULTURAL CONSERVATION EASEMENT PROGRAM (ACEP)  
AGRICULTURAL LAND EASEMENT  
MINIMUM DEED TERMS FOR THE PROTECTION OF AGRICULTURAL USE

Dated October 2017

1) When these terms are appended as an exhibit to the Agricultural Land Easement deed, as opposed to being inserted directly into an Agricultural Land Easement deed, this paragraph will be inserted at the bottom of the ACEP-funded Agricultural Land Easement deed:

This Agricultural Land Easement is acquired with funds provided, in part, under the Agricultural Conservation Easement Program (ACEP). The EXHIBIT \_\_\_\_ is attached hereto and incorporated herein by reference and will run with the land [**SELECT ONE: *in perpetuity* OR *for the maximum duration allowed under applicable State laws***]. As required by 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468, and as a condition of receiving ACEP funds, all present and future use of the Protected Property identified in EXHIBIT \_\_\_\_ (legal description or survey) is and will remain subject to the terms and conditions described forthwith in this Addendum entitled Minimum Deed Terms For The Protection Of Agricultural Use in EXHIBIT \_\_\_\_ that is appended to and made a part of this easement deed.

2) When these terms are being inserted directly into an Agricultural Land Easement deed the following will be included in the deed's introductory paragraph and recitals:

**[Include in introductory paragraph after Grantor and Grantee:]**

and with a right of enforcement to the United States of America (the United States), acting by and through the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) on behalf of the Commodity Credit Corporation (CCC).

**[Include in Recitals:]**

This [**INSERT DEFINED TERM FOR EASEMENT DEED**] is acquired with funds provided, in part, under the Agricultural Conservation Easement Program (ACEP) 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468 for the purpose of [**SELECT ONE: *protecting the agricultural use and future viability, and related conservation values, by limiting nonagricultural uses of* OR *protecting grazing uses and related conservation values by restoring and conserving***] the Protected Property.

Baseline conditions of the Protected Property are set forth in a Baseline Documentation Report, a copy of which is [**SELECT ONE: *appended to this easement deed* OR *maintained in the files of the Grantee***].

3) A fully executed copy of the Exhibit below must be attached to the ACEP funded Agricultural Land Easement deed at the time of closing and recordation or, with NRCS approval, the Section I and II terms below must be incorporated into the body of the Eligible Entity's Agricultural Land Easement deed unmodified except for appropriate formatting changes, selecting options, removing instructional provisions, and substituting as needed, the defined term for the Parcel instead of "Protected Property."

Dated October 2017

**EXHIBIT \_\_\_\_\_**

**MINIMUM TERMS FOR AGRICULTURAL LAND EASEMENTS**

The Agricultural Conservation Easement Program, 16 U.S.C Section 3865 et seq., facilitated and provided funding for the purchase of an Agricultural Land Easement (ALE) on real property described in Exhibit \_\_\_\_\_, hereafter referred to as "the Protected Property," for the purpose of [**SELECT ONE:** *protecting the agricultural use and future viability, and related conservation values, by limiting nonagricultural uses of* **OR** *protecting grazing uses and related conservation values by restoring and conserving*] the Protected Property.

The [**LANDOWNER NAMES**] (collectively Grantor), the [**ELIGIBLE ENTITY NAMES**] (collectively Grantee), and the **United States of America** (the United States), acting by and through the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) on behalf of the Commodity Credit Corporation (CCC) (jointly referred to as the "Parties") acknowledge that the ALE is acquired by the Grantee to [**SELECT ONE:** *protect the agricultural use and future viability, and related conservation values, by limiting nonagricultural uses of* **OR** *protect grazing uses and related conservation values by restoring and conserving*] the Protected Property. Baseline conditions of the Protected Property are set forth in a Baseline Documentation Report, a copy of which is [**SELECT ONE:** *appended to this easement deed* **OR** *maintained in the files of the Grantee*].

In order to ensure compliance with the Agricultural Conservation Easement Program, 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468, the following rule of interpretation will govern any and all inconsistencies between the ALE and this Exhibit. Notwithstanding any other provision of the ALE, the Parties agree that all present and future use of the Protected Property is and will remain subject to all of the following terms and conditions identified in Section I and II. If the terms and conditions in Section I and II are inconsistent with terms and conditions in other sections of the ALE, Section I and II will control; provided, however, that if other sections of the ALE have terms and conditions that are consistent with, but more restrictive to the rights of the Grantor than the terms and conditions in Section I, Paragraphs 1, 2, and 3, those more restrictive terms and conditions will control. If other sections of the ALE are more restrictive to the rights of the Grantor than Section I Paragraph 4 and 5 and Section II then Section I Paragraph 4 and 5 and Section II will control.

**SECTION I - MINIMUM CONSERVATION DEED RESTRICTIONS**

Even if the Protected Property consists of more than one parcel for real estate tax or any other purpose or if it was acquired previously as separate parcels, it will be considered one parcel for purposes of this Easement, and the restrictions and covenants of this Easement will apply to the Protected Property as a whole.

The terms and conditions of the ALE run with the land and are binding upon the Grantor and Grantee and their respective heirs, successors, agents, assigns, lessees, and any other person claiming under them must comply with all terms and conditions of this easement, including the following:

**1. Agricultural Land Easement Plan.** As required by 16 U.S.C. Section 3865a, agricultural production and related uses of the Protected Property are subject to an ALE Plan that promotes the long-term viability of the land to meet the ALE purposes. The ALE Plan and any revisions thereto must be approved by the Grantor, the Grantee, and NRCS. Grantor agrees the use of the property will be subject to the ALE Plan on the Protected



U.S. Department of Agriculture  
 Natural Resources Conservation Service  
 Property.

Dated October 2017

The ALE Plan is incorporated by reference and must not include any provisions inconsistent with the conservation purposes of this ALE. The Grantee and Grantor agree to update the ALE Plan in the event the agricultural uses or ownership of the Protected Property change. A copy of the current ALE Plan is kept on file with the Grantee.

The Grantee must take all reasonable steps to secure compliance with the ALE Plan. In the event of substantial or ongoing noncompliance with the ALE Plan or the requirement to update the ALE Plan, NRCS may notify the Grantee. NRCS will give the Grantee and Grantor a reasonable amount of time, not to exceed 180 days, to take corrective action. If Grantee fails to enforce the terms of the ALE, including, but not limited to compliance with the ALE Plan, the United States may exercise its right of enforcement.

**2. Limitation on Impervious Surfaces.** Impervious surfaces will not exceed **[Insert approved impervious surface percentage]** *[Note: if greater than 2 percent, a written waiver from the Chief of NRCS or authorized designee (Chief of NRCS) is required]*, of the Protected Property, excluding NRCS-approved conservation practices. Impervious surfaces are defined as material that does not allow water to percolate into the soil on the Protected Property, including, but not limited to, buildings with or without flooring, paved areas, and any other surfaces that are covered by asphalt, concrete, or roofs. This limitation does not include public roads or other roads owned and controlled by parties with rights superior to those rights conveyed to Grantee by this ALE.

**Include the following if limited subdivision is allowed below:** [In the event the Protected Property is subdivided as provided for in Section I, Paragraph (3)(A), the total cumulative impervious surface of the subdivided parcels must not exceed the impervious surface limitation referenced above. The Grantor, with Grantee approval, will allocate the impervious surface limit among the subdivided parcels and ensure said impervious surface limitation is clearly defined in each subdivided parcel's recorded instrument.]

**3. Limitations on Nonagricultural Uses.** Any activities inconsistent with the purposes of the ALE are prohibited. *[Note: The term "ALE grassland enrollments" refers to both general ALE grazing uses enrollments or ALE Grassland of Special Environmental Significance enrollments (GSS).]* **[Also include the following sentence for ALE grassland enrollments:** *The provisions of this ALE limit the types of agricultural operations that can occur on the Protected Property to those that restore or conserve grassland, and protect grazing uses, and related conservation values*]. The following activities are inconsistent with the purposes of ALE and are specifically prohibited, subject to the qualifications stated below:

*(A) Subdivision – [Select Option 1, 2, or 3.]*

**[Option 1]** Separate conveyance of a portion of the Protected Property or division or subdivision of the Protected Property is prohibited **[Where required by State law the following may be inserted:** *except where State or local regulations explicitly require subdivision to construct residences for employees working on the Protected Property. Grantor must provide written notice and evidence of such requirements to Grantee and the Chief of NRCS or the Chief's authorized designee (Chief of NRCS) prior to division of the Protected Property.*]

Dated October 2017

**[Option 2]** The Protected Property must not be divided or subdivided into, or separately conveyed as, more than \_\_\_\_\_ farm or ranch parcels (\_\_\_\_ divisions allowed), the boundaries and the allocation of the impervious surface limitation of which have been identified in EXHIBIT \_\_\_\_, which is appended to and made a part of this ALE. To protect the [**SELECT ONE:** *agricultural use and future agricultural viability* **OR** *the grassland, grazing uses*], and related conservation values of the Protected Property, the boundaries of such divisions have been preapproved in writing by Grantee and the Chief of NRCS or authorized designee of the Chief of NRCS. Deviations from the identified boundaries will not be allowed. Grantor must give Grantee and the Chief of NRCS written notice prior to subdividing, dividing, or separately conveying a parcel of the Protected Property.

**[Option 3]** The Protected Property must not be divided or subdivided into, or separately conveyed as, more than \_\_\_\_\_ farm or ranch parcels (\_\_\_\_ divisions allowed). To protect the [**SELECT ONE:** *agricultural use and future agricultural viability* **OR** *the grassland, grazing uses*], and related conservation values of the Protected Property, the boundaries of such divisions must be approved in writing by Grantee and the Chief of NRCS or the authorized designee of the Chief of NRCS before any such division, subdivision, or separate conveyance occurs. The Chief of NRCS may only approve the division, subdivision, or separate conveyance of the Protected Property into separately conveyable farm or ranch parcels when—

1. The Grantee requests the Chief of NRCS approval to subdivide the Protected Property into separate farm or ranch parcels, after receiving a request from the Grantor;

2. The Grantor certifies to the Chief of NRCS that the requested subdivision is required to keep all farm or ranch parcels in production and viable for agriculture use and that separate conveyance of the Protected Property farm or ranch parcels will move the land from one agricultural operation to another; and

3. The Chief of NRCS determines that the—

a. Parcels resulting from the subdivision of the Protected Property will meet ACEP land eligibility requirements of 16 U.S.C. Section 3865 et seq. as enacted on the date the original parcel was enrolled in ACEP, including the allocation of the impervious surface limitation between the subdivided parcels, and

b. The resulting parcel will not be below the median size of farms in the county or parish as determined by most recent United States Department of Agriculture's National Agricultural Statistical Survey (NASS).

(B) *Industrial or Commercial Uses* – Industrial or commercial activities on the Protected Property are prohibited except for the following:

(i) Agricultural production and related uses conducted as described in the ALE Plan

(ii) The sale of excess power generated in the operation of renewable energy structures and associated equipment or other energy structures that Grantee approves in writing as being

U.S. Department of Agriculture  
 Natural Resources Conservation Service

Dated October 2017

consistent with the conservation purposes of this Easement

(iii) Temporary or seasonal outdoor activities or events that do not harm the agricultural use or grazing and grassland use, future viability, and related conservation values of the Protected Property herein protected

(iv) Commercial enterprises related to agriculture or forestry including but not limited to **[Select those consistent with ALE purposes for the Protected Property: agritourism, processing, packaging, and marketing of farm or forest products, farm machinery repair, and farm wineries.]** **[For properties that contain historical or archaeological resources the following may be inserted: Commercial enterprise activities related to interpretation of the Protected Property's historic or archaeological resources.]**

(v) Small-scale commercial enterprises compatible with agriculture or forestry, including but not limited to cafés, shops, and studios for arts or crafts

(C) *Construction on the Protected Property* – All new structures and improvements must be located within the Building Envelopes, containing approximately \_\_\_\_\_ acres and described in EXHIBIT \_\_\_\_\_, which is appended to and made a part of the ALE.

**[Include the following subparagraph if future building envelope adjustments may be considered:** The boundaries and location of the Building Envelopes may be adjusted if Grantee and the Chief of NRCS provide prior written approval of the adjusted boundaries and location. The Building Envelopes may not increase in size and the adjusted Building Envelopes must provide equal or greater protection of the **[SELECT ONE: agricultural use and future agricultural viability OR the grassland, grazing uses]**, and related conservation values of the Protected Property.]

Agricultural structures and utilities to serve approved buildings or structures, including on-farm energy structures allowed under **Section I, Paragraph (4)(C)** that neither individually nor collectively have an adverse impact on the **[SELECT ONE: agricultural use and future agricultural viability OR grassland, grazing uses]** and related conservation values of the Protected Property, may be built outside of the Building Envelope with prior written approval of the Grantee provided that the agricultural structures or utilities are consistent with the ALE Plan described Section I, Paragraph 1.

New roads may be constructed if they are approved in advance by Grantee, within impervious surface limits, and necessary to carry out the agricultural operations or other allowed uses on the Protected Property. **[The preceding sentence must be struck for ALE grassland enrollments].**

Maintenance of existing roads documented on the Baseline Documentation Report is allowed; however, existing roads may not be widened or improved unless widening and improving is within impervious surface limits, approved in advance by Grantee, and necessary to carry out the agricultural operations or other allowed uses on the Protected Property.

Fences may be maintained and replaced and new fences installed if they are necessary for agricultural operations on the Protected Property or to mark boundaries of the Protected Property. **[For ALE**

Dated October 2017

**grassland enrollments replace the preceding sentence with:** *Fences may be maintained and replaced and new fences installed only in accordance with the ALE Plan and consistent with grassland species management requirements identified in the ALE Plan.*]

(D) *Granting of Easements for Utilities and Roads* – The granting or modification of easements for utilities and roads is prohibited when the utility or road will adversely impact the [**SELECT ONE:** *agricultural use and future agricultural viability* **OR** *grassland, grazing uses*], and related conservation values of the Protected Property as determined by the Grantee in consultation with the Chief of NRCS.

(E) *Surface Alteration* – Grading, blasting, filling, sod farming, earth removal, or any other activity that will disturb the soil surface or materially alter the topography, surface or subsurface water systems, or wetlands of the Protected Property is prohibited, except as follows:

(i) Dam construction in accordance with an ALE Plan to create ponds for agricultural use, fire protection, or wildlife enhancement, including enhancement through wetland restoration, enhancement or creation

(ii) Erosion and sediment control pursuant to a plan approved by the Grantee

(iii) Soil disturbance activities required in the construction of approved buildings, structures, roads, and utilities provided that the required alteration has been approved in writing by Grantee as being consistent with the conservation purpose of this Easement

(iv) [**SELECT ONE:** *Agricultural activities* **OR** *Grazing uses or grassland restoration*] and related conservation activities conducted in accordance with the ALE Plan

(F) *Oil, Gas, or Mineral Exploration and Extraction* – Mining or extraction of soil, sand, gravel, oil, natural gas, fuel, coal, or any other mineral substance owned by Grantor as of the date of this ALE or later acquired by Grantor, using any surface mining, subsurface mining, or dredging method, from Protected Property is prohibited. [**Include the following subparagraph if a limited allowance for agricultural purposes may be authorized:** *Provided however, limited mining activities for materials (e.g., sand, gravel, or shale) used for agricultural operations on the Protected Property is allowed where the extraction of materials used for such agricultural operations is limited, localized, and small with a defined area and acreage identified in EXHIBIT \_\_\_\_ and does not harm the conservation values or the agricultural uses of the Protected Property.*]

If a third party owns or leases the oil, natural gas, or any other mineral substance at the time this ALE is executed, and their interests have not been subordinated to this ALE, the Grantor must require, to the greatest extent possible, that any oil, natural gas, and mineral exploration and extraction conducted by such third party is conducted in accordance with this Paragraph (F).

**The following may be inserted to qualify the above if Grantee chooses to allow oil and gas exploration and extraction as an alternative to a complete prohibition on oil or gas exploration and extraction on the Protected Property – Beginning of Optional Additional Oil and Gas Language:** *Oil and gas exploration and extraction on the Protected Property is allowed in accordance*

U.S. Department of Agriculture  
Natural Resources Conservation Service

Dated October 2017

*with this Paragraph (F), if approved by Grantee and Chief of NRCS. Grantee and Grantor must demonstrate that such exploration and extraction of oil and gas is—*

- (i) Not accomplished by any surface mining method;*
- (ii) Accomplished by a method of extraction, production, and transport that has no more than a limited and localized impact that does not harm the agricultural use or conservation values of the Protected Property;*
- (iii) Within the impervious surface limits of the ALE; and*
- (iv) Subject to a plan that includes provisions for oil and gas exploration and extraction.*

*Any mineral leases or other conveyances of minerals entered into or renewed after the date of this ALE Deed are subordinate to the terms of this Deed and will incorporate by reference this Deed.*

*Impervious surfaces as defined in [Insert Citation to Impervious Surface Limitation] of this Easement will include any surface disturbance or impervious surfaces associated with oil and gas exploration and extraction associated with uses allowed by this paragraph. **End of Alternate Oil and Gas Language***

**[Include the following paragraph for all ALE Grassland Enrollments: (G) Crop Cultivation. Except for grazing uses and grassland restoration and conservation, the cultivation or production of crops, nonperennial forages for human or domestic animal consumption, crop seed production, or planting of orchards, vineyards, berries, tree farms, or other perennial nongrassland agricultural product is prohibited.]**

**4. Preserving Agricultural Uses.** The provisions of this ALE Deed and associated exhibits will not be interpreted to restrict the types of agricultural operations that can function on the Protected Property, so long as the agricultural operations are consistent with the long-term viability of the Protected Property, ALE Plan, and ALE purposes. **[The preceding sentence must be struck for ALE grassland enrollments.]** No uses will be allowed that violate Federal laws, including Federal drug laws or that decrease the ALE's protection for **[SELECT ONE: the agricultural use and future viability, and related conservation values OR the grazing uses and related conservation values or adversely impact the restoration or conservation of the grassland, and related conservation values]** of the Protected Property. Allowed uses of the Protected Property include the specific uses allowed in Section I, Paragraph (3)(B) (i)-(v) and the following activities, subject to the qualifications stated below:

(A) *Agricultural Production* – The production, processing, and marketing of **[SELECT ONE: agricultural crops and livestock OR livestock and agricultural products compatible with restoration and conservation of grassland, grazing uses, and related conservation values]** is allowed provided it is conducted in a manner consistent with the terms of the ALE Plan described in Section I, Paragraph 1.

(B) *Forest Management and Timber Harvest* – Forest management and timber harvesting is allowed,

U.S. Department of Agriculture  
Natural Resources Conservation Service

Dated October 2017

provided it is carried out, to the extent practicable, in accordance with current, generally accepted best management practices for the sites, soils, and terrain of the Protected Property. In addition, if the Protected Property contains contiguous forest that exceeds the greater of 40 acres or 20 percent of the easement area then forest management and timber harvesting must be performed in accordance with a written forest management plan. The forest management plan must be prepared by a professional resource manager, in consultation with the Grantee. A forest management plan will not be required for the following allowed noncommercial activities: cutting of trees for the construction of allowed roads, utilities, buildings, and structures on the Protected Property, cutting of trees for trail clearing, cutting of trees for domestic use as firewood or for other domestic uses by Grantor, removal of trees posing an imminent hazard to the health or safety of persons or livestock, or removal of invasive species.

(C) *On-Farm Energy Production* – Renewable energy production is allowed for the purpose of generating energy for the agricultural and residential needs of the Protected Property. Renewable energy sources must be built and maintained within impervious surface limits, with minimal impact on the conservation values of the Protected Property and consistent with the purposes of the ALE.

**[Include the following paragraph any time the property is in grassland use, is an ALE grassland enrollment, or funded for conservation purposes that include conserving or restoring grassland uses or grassland dependent species: (D) *Grassland Uses of the Protected Property* – Grantors are allowed to graze, hay, harvest for hay and noncrop seed production, mow, construct fire breaks, conduct fire suppression and rehabilitation activities, and conduct common grazing practices, including cultural practices, consistent with the provisions and conservation purposes of this Easement. The term "common grazing practices" means those practices customary to the region where the Protected Property is located related to livestock grazing, forage management, and maintenance of infrastructure required to conduct livestock grazing on the Protected Property. Grantors must not hay, mow, or harvest for seed during certain nesting seasons for birds whose populations are in significant decline as identified in the ALE Plan. Determinations of nesting seasons for birds whose populations are in significant decline and the areas of the property affected by this restriction will be set forth within the ALE Plan for the Protected Property that has been approved by Grantor, Grantee, and NRCS.]**

**[Include the following paragraph if Land Eligibility is based on the presence of historical or archaeological resources or the project received ranking points for the multifunctional benefits of agricultural land protection for historical and archaeological resources:**

**5. *Historic or Archaeological Resources.*** Existing archaeologically, culturally, or historically significant features on the Protected Property including, but not limited to, such features as documented in the Baseline Documentation Report, must be maintained consistent with the guidelines provided in The Secretary of Department of the Interior's Standards for the Treatment of Historic Properties pursuant to 36 CFR Part 68, as amended. The up-to-date version of such guidelines must be maintained by Grantee in the Baseline Documentation and made available to Grantor upon request. The archaeologically, culturally, or historically significant features may not be altered or removed without Grantee's prior written approval, which approval will not be given except where the proposed activity is accomplished in accordance with the guidelines provided in the Secretary of the Department of the Interior's Standards for the Treatment of Historic Properties.]

**SECTION II - PROTECTION OF THE UNITED STATES' INTERESTS**

**1. United States Right of Enforcement.** Pursuant to 16 U.S.C. Section 3865 et seq., the United States is granted the right of enforcement that it may exercise only if the terms of the ALE are not enforced by the holder of the ALE. The Secretary of the United States Department of Agriculture (the Secretary) or the Secretary's assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under State or Federal law if the Grantee, or its successors or assigns, fails to enforce any of the terms of this ALE, as determined in the sole discretion of the Secretary.

In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement or remedial action related to the enforcement of this Easement from the Grantor, including, but not limited to, attorney's fees and expenses related to Grantor's violations. In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement of this Easement from the Grantee, including, but not limited to, attorney's fees and expenses related to Grantee's violations or failure to enforce the easement against the Grantor up to the amount of the United States contribution to the purchase of the ALE.

The Grantee will annually monitor compliance and provide the United States with an annual monitoring report that documents that the Grantee and Grantor are in compliance with the ALE and ALE Plan. If the annual monitoring report is insufficient or is not provided annually, or if the United States has evidence of an unaddressed violation, as determined by the Secretary, the United States may exercise its right of inspection. For purposes of inspection and enforcement of the ALE, the ALE Plan, and the United States Cooperative Agreement with the Grantee, the United States will have reasonable access to the Protected Property with advance notice to Grantee and Grantor or Grantor's representative.

In the event of an emergency, the United States may enter the Protected Property to prevent, terminate, or mitigate a potential or unaddressed violation of these restrictions and will give notice to Grantee and Grantor or Grantor's representative at the earliest practicable time.

**2. General Disclaimer and Grantor Warranty.** The United States, its employees, agents, and assigns disclaim and will not be held responsible for Grantee's or Grantor's negligent acts or omissions or Grantee's or Grantor's breach of any representation, warranty, covenant, or agreements contained in this ALE Deed, or violations of any Federal, State, or local laws, including all Environmental Laws including, without limitation, those that give rise to liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, costs of actions, or sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys' fees and attorneys' fees on appeal) to which the United States may be subject or incur relating to the Protected Property.

Grantor must indemnify and hold harmless the United States, its employees, agents, and assigns for any and all liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions and costs of actions, sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys' fees and attorneys' fees on appeal) to which United States may be subject or incur relating to the Protected Property, which may arise from, but are not limited to, Grantor's negligent acts, omissions, or breach of any

U.S. Department of Agriculture  
 Natural Resources Conservation Service

Dated October 2017

representation, warranty, covenant, agreements contained in this Agricultural Land Easement Deed or violations of any Federal, State, or local laws, including all Environmental Laws.

**3. Environmental Warranty.** Grantor warrants that it is in compliance with, and will remain in compliance with, all applicable Environmental Laws. Grantor warrants that there are no notices by any governmental authority of any violation or alleged violation of, noncompliance or alleged noncompliance with, or any liability under, any Environmental Law relating to the operations or conditions of the Protected Property. Grantor further warrants that it has no actual knowledge of an undisclosed release or threatened release of Hazardous Materials, as such substances and wastes are defined by applicable Federal and State law.

Furthermore, Grantor warrants the information disclosed to Grantee and United States regarding any past violations or noncompliance with Environmental Laws and associated remedial actions, or any past releases of Hazardous Materials and any associated remedial actions is complete and accurate.

Moreover, Grantor hereby promises to hold harmless and indemnify Grantee and the United States against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with the release or threatened release of any hazardous materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property. Grantor's indemnification obligation will not be affected by any authorizations provided by Grantee or the United States to Grantor with respect to the Protected Property or any restoration activities carried out by Grantee on the Protected Property; provided, however, that Grantee will be responsible for any Hazardous Materials contributed after this date to the Protected Property by Grantee.

"Environmental Law" or "Environmental Laws" means any and all Federal, State, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies, or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication, noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection, and similar environmental health, safety, building, and land use as may now or at any time hereafter be in effect.

"Hazardous Materials" means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials, and any other element, compound, mixture, solution, or substance that may pose a present or potential hazard to human health or the environment.

**4. Extinguishment, Termination, and Condemnation.** The interests and rights under this Agricultural Land Easement may only be extinguished or terminated with written approval of the Grantee and the United States. Due to the Federal interest in this ALE, the United States must review and approve any proposed extinguishment, termination, or condemnation action that may affect its Federal interest in the Protected Property.

With respect to a proposed extinguishment, termination, or condemnation action, the Grantee and the United States stipulate that the fair market value of the ALE is \_\_\_\_\_ percent, hereinafter the "Proportionate



U.S. Department of Agriculture  
Natural Resources Conservation Service

Dated October 2017

Share,” of the fair market value of the land unencumbered by this ALE. The Proportionate Share will remain constant over time.

If this ALE is extinguished, terminated, or condemned, in whole or in part, then the Grantor must reimburse Grantee and the United States an amount equal to the Proportionate Share of the fair market value of the land unencumbered by this ALE. The fair market value will be determined at the time all or a part of this ALE is terminated, extinguished, or condemned by an appraisal that meets the Uniform Standards of Professional Appraisal Practice (USPAP) or Uniform Acquisition Standards or Federal Land Acquisition (UASFLA). The appraisal must be completed by a certified general appraiser and be approved by the Grantee and the United States.

The allocation of the Proportionate Share between the Grantee and the United States will be as follows: (a) to the Grantee or its designee, \_\_\_\_\_ percent of the Proportionate Share; and (b) to the United States \_\_\_\_\_ percent of the Proportionate Share. Until such time as the Grantee and the United States receive the Proportionate Share from the Grantor or the Grantor’s successor or assign, the Grantee and the United States each have a lien against the Protected Property for the amount of the Proportionate Share due each of them. If proceeds from termination, extinguishment, or condemnation are paid directly to Grantee, the Grantee must reimburse the United States for the amount of the Proportionate Share due to the United States.

**5. Amendment.** This ALE may be amended only if, in the sole and exclusive judgment of the Grantee and United States, by and through the Chief of NRCS, such amendment is consistent with the purposes of this ALE and complies with all applicable laws and regulations. The Grantee must provide timely written notice to the Chief of NRCS of any proposed amendments. Prior to the signing and recordation of the amended ALE, such amendments must be mutually agreed upon by the Grantee, Grantor, and United States, by and through the Chief of NRCS. Any purported amendment that is recorded without the prior approval of the United States is null and void.

**Specifications and Scope of Work for Appraisals of Real  
Property for the Agricultural Land Easement component of  
the Agricultural Conservation Easement Program  
(ACEP-ALE)**

**A. Background Information**

1. The United States of America, acting through the United States Department of Agriculture's Natural Resources Conservation Service (NRCS) and **[Eligible Entity name]** is considering purchasing a conservation easement to assist the landowner in protecting the agricultural use and future viability and related conservation values by limiting nonagricultural uses of the land or protecting grazing uses and related conservation values on eligible lands. Eligible lands include farm and ranch lands that contain prime, unique, or statewide and locally important soils; that contain historical or archaeological resources; that protect grazing uses and related conservation values; or the protection of which will further the purposes of the Agricultural Conservation Easement Program (ACEP). These lands may be placed under a conservation easement through the Agricultural Lands Easement component of the ACEP-ALE.
2. All appraisals completed for ACEP-ALE must comply with appraisal instructions issued by NRCS. The eligible entity must order the appraisal and be identified as the client. The eligible entity may opt for either of the following two methods to determine the effect of the conservation easement on the subject property:
  - a. A Uniform Standards of Professional Appraisal Practice (USPAP) appraisal.
  - b. A Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA commonly called "Yellow Book") appraisal.
3. The appraiser must be aware that all appraisal reports completed for ACEP-ALE will be used by NRCS staff and contract review appraisers that will rely on the details in the report to understand the property and market characteristics. Because many of the NRCS users and review appraisers will neither personally inspect the property nor be familiar with the local area, the appraisal report must include the level of detail necessary to thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process, and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions, and conclusions offered within the report.
4. The NRCS national appraiser resolves questions that arise from these specifications. Contact information may be obtained through the client from the NRCS State office.
5. The landowner is **not** a client for the ACEP-ALE appraisal. The landowner may be an intended user. "Landowner" is defined as either the current owner or the party identified in the agreement or contract to sell the conservation easement to the eligible entity.

**B. Appraiser Qualifications**

1. Appraisal reports will only be accepted and approved by NRCS if these qualifications are met and documentation is provided in the appraisal report.
2. All real property appraisers performing appraisals under ACEP-ALE must be State-certified general real property appraisers or obtain a temporary practice permit equal to State-certified general real property appraiser in compliance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) in the State or States where the subject property is located.
3. The appraiser must be in good standing with the licensing authority where the credential was issued.
4. The appraiser must not have received any disciplinary action within the past 5 years resulting in suspension of the credential.
5. The appraiser must have demonstrated competency in compliance with USPAP or UASFLA in conducting appraisals of rural and agricultural properties of the requested type.

6. The appraiser must have demonstrated competency in compliance with USPAP or UASFLA in conducting appraisals of rural and agricultural properties with conservation easements of the requested type.
7. The appraiser must provide documentation of completion of a valuation of conservation easements or eminent domain appraisal course.
8. The appraiser must provide documentation of completion of a UASFLA (Yellow Book) course for any UASFLA appraisal.

### C. Purpose of the Appraisal Report

The applicable purpose of the appraisal report must be stated in the report. The purpose depends upon which of the approved appraisal methods the eligible entity selected.

1. FOR USPAP APPRAISALS: The purpose of the appraisal is to provide an opinion of market value of the proposed easement area before placement of the conservation easement and an opinion of market value of the proposed easement area as if the conservation easement is in place. The difference between these two values will be the effect of the conservation easement on the subject property. An appraisal report, as discussed in USPAP Standards Rule 2-2(a), must be provided; restricted appraisal reports are not acceptable. The appraisal report must contain the level of detail, discussion, and support necessary for the client and intended users to comprehensively understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches used in the appraisal. The detail must thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions and conclusions offered within the report.
  - a. The market value definition that will be stated and used in developing and reporting this assignment is as follows:
    1. "Market value" means the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby—
      - a. Buyer and seller are typically motivated.
      - b. Both parties are well informed or well advised and acting in what they consider their own best interests.
      - c. A reasonable time is allowed for exposure to the open market.
      - d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto.
      - e. The price represents the normal considerations for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."
    - b. No other definition of market value is acceptable for USPAP appraisals.
2. FOR UASFLA/YELLOW BOOK APPRAISALS: The purpose of the appraisal is to provide an opinion of market value of the subject property (larger parcel) before acquisition of a conservation easement (before value) and an opinion of market value of the subject property remaining after the proposed easement has been placed (after value). The appraiser must recognize that in a before and after appraisal, the partial interest being acquired is not actually being appraised. The subject property appraised is the larger parcel before and after the conveyance of the partial interest. The larger parcel concept involves not only the land proposed for the easement area but all surrounding land that meets the definition of larger parcel found in UASFLA.
  - a. The purpose of two opinions of value is to establish the effect on value resulting

from imposition of a conservation easement. The compensation for the conservation easement is the before value of the larger parcel minus the after value of the property as encumbered by the ACEP agricultural land easement deed, provided there are not adjustments, such as excess irrigation water rights explained below, that would equal the price of the easement. A key concept in this appraisal process is defining the larger parcel that is required to begin the appraisal process. The appraisal must be completed in compliance with USPAP, UASFLA, and appraisal instructions issued by NRCS.

- b. For the purpose of these appraisals, the Federal rules for acquisition will be used.
- c. The market value definition that will be stated and used in developing and reporting this assignment is the definition as stated in UASFLA:
  - 1. "Market value is the amount in cash, or in terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal."
  - d. This definition makes no linkage between the estimated market value and exposure time. A specific exposure time must not be cited in an appraisal report prepared under Yellow Book standards. Invoke the jurisdictional exception rule to avoid a violation of USPAP standards, which require a specific exposure time.
  - e. No other definition of market value is acceptable for UASFLA/Yellow Book appraisals.

#### **D. Information for the appraiser**

The following information is recommended to be provided to the appraiser by the client (eligible entity):

- 1. Aerial photograph of the subject property with the location of the proposed easement area identified, access to the easement area identified, easement boundary identified, and an estimate of the acres in the proposed easement identified
- 2. Legal description of subject property's parent tract
- 3. Preliminary legal description of the proposed easement area or survey, if available
- 4. Copy of the **proposed** conservation easement deed
- 5. Aerial photograph indicating the location and acreage of any conservation agreement, contract, or easement of any type that is associated with the property
- 6. Specific details of any existing easements, reservations or other restriction currently encumbering the subject property as provided by the landowner
- 7. Documentation of production data provided by landowner
- 8. If water rights are included in the easement area, documentation provided by the eligible entity will identify the volume of water rights to be retained for the subject property as necessary
- 9. Documentation of water rights owned, including name of irrigation company, number of shares or amount of ownership, and documentation concerning irrigation wells on the property to be appraised, as provided by the landowner
- 10. Recorded landowner's name, address, and telephone number
- 11. Current information as to the status of title of ownership, such as copies of deeds
- 12. If available, completed "Preliminary Certificate of Inspection and Possession" and the "Hazardous Materials Field Inspection Checklist" and any available information pertaining to the probability of existence of hazardous substances that might be found on the property to be appraised
- 13. Copy of preliminary title commitment covering the proposed easement area, if available
- 14. Copy of the completed agricultural land easement plan or component plans, if available

15. A copy of the recorded written access to the easement area, evidence that the property is accessible from a public road, or NRCS-approved alternative legal access route is required
16. Written permission from the landowner or an authorized representative authorizing the assigned appraiser to enter the property for appraisal purposes

#### **E. Background for the Appraisal Report**

1. Prepare two opinions of value of the subject property. One before placement of the conservation easement and the second after placement of the conservation easement. The after condition or second value will be based upon a hypothetical condition that the conservation easement is in place and the effects on value that may be created. The difference in the two values is the effect of the proposed conservation easement on the value of the property (fair market value of the ACEP-ALE).
2. Client is **[eligible entity name]**, unless otherwise directed by the client. The landowner must not be the client. "Landowner" is defined as either the current owner or the party identified in the agreement or contract to sell the conservation easement to the eligible entity.
3. The intended user must be identified as USDA/NRCS and any other specific organization or eligible entity that may be involved in the specific transaction unless otherwise directed by the client. The landowner may be an intended user.
4. The intended use will be for USDA/NRCS and any other specific organization or eligible entity that may be involved in the specific transaction, for consideration in determining the effect on value of the conservation easement of lands entering into the ACEP -ALE. The intended use must not include use for IRS donation.
5. Exclusions of approaches to values, as stated in USPAP, must be strongly supported with solid reasoning.
6. Property rights to be appraised will be surface rights, including improvements such as homes, barns, hay sheds, fencing, timber, orchards or other permanent plantings, and any irrigation water rights. The irrigation water rights include wells, ditches, reservoirs, ponds, and lakes that provide irrigation on the subject property and are legally permitted. Crop base and allotments that are located on the subject property will be clearly identified in both the before and after condition. The value of any marketable standing timber that could be economically harvested will be considered by a timber cruise and included in any valuations. Other permanent plantings that are located on the subject property will be appraised and included in any valuations. Any irrigation equipment that is not affixed to the land, such as pivot sprinklers, moveable pipe, towlines, etc., that are located in the proposed easement area will be excluded from the valuation.
7. If irrigation rights are included in the easement area, documentation provided by NRCS will identify the volume of irrigation water rights to be retained for the subject property as necessary to ensure the function of the farmland or ranchland operation and other agricultural conservation values. This volume will also be documented in the easement baseline inventory report exhibit attached to the conservation deed and in the agricultural land easement plan. Irrigation water rights that are legally owned and used on the proposed subject property will be described and valued in the appraisal.
8. The appraiser will document whether or not any portion of these irrigation water rights may be removed from the subject property. If the irrigation water rights may be removed from the property, the appraiser will provide a value opinion of the value of each irrigation water right. The appraiser will consider only the irrigation water rights required to be retained on the subject property as identified by NRCS.

#### **F. The Appraisal Report**

1. **Description of Work Product**

- a. The appraisal must meet the requirements of the Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions if applicable, and appraisal instructions issued by NRCS including these appraisal specifications.
- b. The appraisal report may consist of a form report, a narrative report, or a combination of both.
- c. An appraisal report, as discussed in USPAP Standards Rule 2-2(a), must be provided; restricted appraisal reports are not acceptable. The appraisal report must contain the level of detail, discussion, and support necessary for the client and intended users to comprehensively understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches used in the appraisal. The detail must thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process, and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions, and conclusions offered within the report.
- d. The contract appraiser must personally inspect the subject property and comparable sales.
- e. The appraiser must talk personally to the property owner or the owner's agent or representative, and the property owner or the owner's agent or representative must be given an opportunity to accompany the appraiser during the appraiser's inspection of the subject property which must be documented in the appraisal.
- f. The Uniform Residential Appraisal Report (URAR) is not acceptable.
- g. Reports must contain a table of contents and sequentially numbered pages, including addenda. Reports may contain handwritten page numbers.
- h. Reports must contain the instructions or engagement documents provided to the appraiser.
- i. Reports must reference all environmental documents utilized by the appraiser in completing the appraisal. The appraiser is a key individual in identifying potential environmental problems that may affect the value of the subject property.
- j. The appraiser will contact the client to resolve problems, clarify questions, letters of engagement (call orders), or other issues. Issues relating to the appraisal process may be discussed with the NRCS national appraiser.
- k. The effective date of the appraisal report is the date of the site visit by the appraiser.
- l. The appraisal must be in typewritten or legible ink print form or in automated or computerized forms.
- m. Only reports completed, formatted, and submitted on 8½-inch by 11-inch paper will be accepted. An electronic report is also required in pdf format.
- n. The appraisal report must be bound in a durable report cover with appropriate identification.
- o. The appraiser must provide at least three originals and an electronic copy of the appraisal to the specific organization or eligible entity that may be involved in the specific transaction. Reference these instructions, including exhibits, for details on appraisal reports, appraisal forms required, and required methodology and supporting documentation.
- p. The eligible entity will provide two originals and an electronic copy to NRCS. One for NRCS, one for the technical review appraiser, and an electronic copy for the NRCS national appraiser and technical review appraiser.

## 2. Required Elements for ACEP-ALE Appraisals

- a. **Part 1 - Introduction**
  1. Title Page
  2. Letter of Transmittal

- 3. Table of Contents
- 4. Appraiser's Certification (select the appropriate)

- a. Follow USPAP guidelines as applicable, but include the following:

"I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date(s) of inspection was \_\_\_\_\_ [date] \_\_\_\_\_ and the method of inspection was \_\_\_\_\_ [method] \_\_\_\_\_.

[If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property and sales. The contract appraiser must inspect the appraised property.]

In my opinion, as of \_\_\_\_\_ [date] \_\_\_\_\_, the market value of the proposed easement parcel before conveyance of the partial interest is \$ \_\_\_\_\_, and the market value of the proposed easement parcel after conveyance of the partial interest is \$ \_\_\_\_\_.

By: [signature]                      Date signed:  
 Print Name  
 Printed Name and Professional Accreditation State  
 Certification #"

- b. Follow the UASFLA guidelines as applicable, but include the following:

"I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date(s) of inspection was \_\_\_\_\_ [date] \_\_\_\_\_, and the method of inspection was \_\_\_\_\_ [method] \_\_\_\_\_. [If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property and sales. The contract appraiser must inspect the appraised property.]

In my opinion, as of \_\_\_\_\_ [date] \_\_\_\_\_, the market value of the larger parcel before conveyance of the partial interest is \$ \_\_\_\_\_, and the market value of the remainder after conveyance of the partial interest is \$ \_\_\_\_\_.

By: [signature]                      Date Signed:  
 Print Name  
 Printed Name and Professional Accreditation  
 State Certification #"

- 5. Summary of salient facts

- 6. Photographs of the subject property. Provide original color photographs or high quality color copies of photographs of the appraised property. Photographs may be a separate exhibit in the addenda or included with the narrative description of the appraised property and comparable sales. Show the following information with each photograph:

- a. Identify the photographed scene. Indicate direction of view, vantage point, and other pertinent information.
- b. The name of the photographer.
- c. The date the photograph was taken.

- d. An aerial photo or topographic map should be used to show the location of the photos.
- 7. Statement of assumptions and limiting conditions.
  - a. All appraisal reports submitted to the eligible entity and NRCS for review become the property of the United States and may be used for any legal and proper purpose. **Therefore, a condition that limits distribution of the report is not permitted.**
  - b. Include a statement similar to the following in this section:
    - i. "I recognize that appraisal reports submitted to the NRCS for review may be used by NRCS for any legal and proper purpose."
  - c. If the appraisal has been made subject to any encumbrances against the property, such as easements, that must be stated. It is unacceptable to state that the property has been appraised as if free and clear of all encumbrances, except as stated in the body of the report; the encumbrances must be identified in this section of the report.
  - d. The use of a hypothetical condition that provides access for the eligible entity and NRCS to the easement area to restore, monitor, and enforce the purposes for which the easement was placed will be shown on a map of the subject property and may be used in the appraisal due to the actual access documents that may not be in place. This access should be considered legal access for the purposes of the appraisal but it may not meet local requirements for other uses such as subdivisions.
  - e. The use of any other hypothetical conditions is not permitted without NRCS concurrence.
  - f. The use of an uninstructed, unsupported assumption or hypothetical condition that results in other than "as is" market value will invalidate the appraisal. Include only factors relating to the appraisal problem. Assumptions and limiting conditions that are speculative in nature are inappropriate.
  - g. Do not include limiting conditions that significantly restrict the application of the appraisal.
  - h. A contract appraiser cannot make an assumption or accept an instruction that is unreasonable or misleading. Client instructions must have a sound foundation, be in writing, and be included in the appraisal report.
- 8. Scope of the appraisal
  - a. This section must fully describe the extent of investigation and analysis. The scope of work must be consistent with the intended use of the appraisal.
  - b. Identify the appraisal as a partial acquisition case appraisal. Describe the part being conveyed and the principal differences in the property in the before and after condition. Describe the before and after methodology to be used.
  - c. Summarize the appraisal problem.
- 9. Purpose of the appraisal will be as stated in C above.

**b. Part 2 - Factual Data**

- 1. Legal description
- 2. Area, city, and neighborhood data
- 3. Property data
  - a. Site
  - b. Improvements
  - c. Fixtures, livestock, and forage production structures and facilities



- d. Use history
  - e. Sales history (select the appropriate)
    - i. For USPAP appraisals include a 3-year record of all sales of the appraised property and offer to buy or sell if the information is available. If no sale has occurred in the past 3 years, the appraiser must report the last sale of the property, irrespective of date.
    - ii. For Yellow Book appraisals include a 10-year record of all sales of the appraised property and offer to buy or sell if the information is available. If no sale has occurred in the past 10 years, the appraiser must report the last sale of the property, irrespective of date
  - f. Rental history.
    - i. A 3-year rental history is required. An unsupported statement that the rent does not represent market or economic rent is unacceptable.
  - g. Assessed value and annual tax load.
  - h. Zoning and other land use regulations.
    - i. The contract appraiser must identify, in addition to zoning, all other land- use and environmental regulations, outstanding rights, and reservations that have an impact on the highest and best use and value of the property.
  - i. Appraised property map or plat. Show the dimensions and topography of the appraised property in detail on a large-scale topographic map, at least 2 inches to the mile. The map may be placed here or in the addenda.
  - j. Aerial photograph of the subject property with the location of the proposed easement area identified, access to the easement area identified, easement boundary identified, and an estimate of the acres in the proposed easement identified.
- c. Part 3 - Data Analysis and Conclusions Before Acquisition**
- 1. Analyses of highest and best use
    - a. FOR USPAP APPRAISALS: The contract appraiser may refer to definitions as found in "The Dictionary of Real Estate Appraisal."
    - b. FOR YELLOW BOOK APPRAISALS: For acquisition appraisals, UASFLA defines highest and best use as, "The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future." The contract appraiser may also refer to definitions as found in "The Dictionary of Real Estate Appraisal."
      - Note: The UASFLA requires the contract appraiser to make a larger parcel determination in all appraisals. Apply the tests provided in UASFLA Part III to determine the larger parcels.
    - c. ALL APPRAISALS: The highest and best use conclusion must be **clearly supported by market evidence**. Sale or exchange to the United States or other public entity is not an acceptable highest and best use. The use to which the Federal Government will put the property after the conservation easement has been acquired is, as a general rule, an improper highest and best use. A noneconomic highest and best use, such as "conservation," "natural lands," "preservation," or any use that requires the property to be withheld from economic production in perpetuity, is not a valid use upon which to base an estimate of market value.
    - d. If the highest and best use is for development, the existing improvements must be analyzed to determine if they contribute to the development or if they would be removed. Stating that the improvements are not affected by the easement is not appropriate until it is determined if the improvements will be

removed for the development or if the improvements will remain as part of the development.

- e. If the highest and best use is for assemblage, describe and explain the relationship of the appraised property to the property to which it would be joined.
  - f. If investment is the highest and best use of the property, describe and explain its interim and most probable ultimate use.
  - g. When there is a claim that the highest and best use of a property is something other than the property's existing use, the burden of proof is on the contract appraiser.
  - h. Market value must not be predicated upon potential uses that are speculative and conjectural.
  - i. If legal access does not exist to support the highest and best use, the appraiser must provide proof that there is sufficient land available to provide the required access. The contract appraiser's opinion of a reasonable probability of a zoning change must have a factual foundation. The appraisal report must include a description of the investigation undertaken to determine the probability of rezoning. The investigation must include thorough research of the uses and zoning of properties situated similarly to the subject property within the area covered by the zoning authority. The stated rezoning conclusion must be supported by facts surfaced in the research. A property must not be valued as if it were already rezoned for a different use. The property must be valued only in light of the probability of obtaining a zoning change.
2. Value estimate by the cost approach
- a. Estimate the value of the land as though vacant and available for its highest and best use. Estimating land value by the use of confirmed sales of comparable or nearly comparable lands having like optimum uses is the preferred method.
  - b. If the cost approach is not used, explain the reasons for not developing.
3. Value estimate by the sales comparison approach
- a. Nearby arm's length transactions that are comparable to the land under appraisal and reasonably current are the best evidence of market value. The Federal courts recognize the sales comparison approach as being normally the best evidence of market value.
  - b. Analyze the last sale of the subject property if relevant. If not used, explain why. An unsupported claim that a sale of the subject property was a forced sale or is not indicative of its current value is unacceptable.
  - c. When supportable by market evidence, the use of quantified adjustments is preferred. Percentage and dollar adjustments may and often should be combined. Use qualitative adjustments when there is inadequate market data to support quantitative adjustments. Factors that cannot be quantified are dealt with in qualitative analysis. When quantitative and qualitative adjustments are both used in the adjustment process, all quantitative adjustments should be made first.
  - d. Provide market evidence and/or supporting narrative for each adjustment used.
    - i. Each quantitative adjustment requires supporting market evidence. Explain how the adjustment was determined and how it is applied to the comparable.
    - ii. Each qualitative adjustment requires significant discussion to explain why it is necessary and explain the reason for the differences.
  - e. Include a sales adjustment chart summarizing the adjustments and showing the final adjusted sale prices and how the sales compare with the subject

- property.
- f. The documentation of each comparable sale must include the following:
- i. Parties to the transaction
  - ii. Date of transaction
  - iii. Confirmation of the transaction
  - iv. Confirm the transaction with the buyer, seller, broker, or other person having knowledge of the price, terms, and conditions of sale
  - v. Buyer motivation
  - vi. Location
  - vii. Size
  - viii. Legal description
  - ix. Property rights conveyed
  - x. Consideration
  - xi. Financing terms
  - xii. Verify if the sale was an arm's length or distressed sale
  - xiii. Improvements
  - xiv. Physical description – Describe topography, vegetative cover, water influence, improvements, irrigation water, soils, and other characteristics.
  - xv. Nonrealty items
  - xvi. Economic characteristics
  - xvii. Zoning
  - xviii. Current use
  - xix. Highest and Best Use
  - xx. Topographic map
  - xxi. Photographs
    1. Improvements
    2. Land
- g. In order to make meaningful comparisons between the sales and the appraised property, NRCS requires inspection by the appraiser of all sales directly compared with the appraised property. Waiver of the comparable sale inspection requirement must be made in writing by the NRCS national appraiser in the form of a supplemental appraisal instruction. There is no waiver of the requirement for inspection of the appraised property.
- h. The contract appraiser must adhere to UASFLA direction pertaining to comparable sales requiring extraordinary verification and weighting considerations. These include sales to governmental agencies, sales to environmental organizations, sales to parties desiring to exchange the land to the government, distressed sales, and other atypical or non-arm's-length sales.
- i. If the sales comparison approach is not used, explain the reasons for not developing
4. Value estimate by the income approach
    - a. All data must be market supported.
    - b. If the income approach is not used, explain the reasons for not developing.
  5. Correlation and final estimate
    - a. The contract appraiser must avoid making a summation appraisal. Individual values of noncontiguous tracts cannot be simply added together.
    - b. Appraisers are responsible for the final opinion of value even if it relies upon estimates developed by others (such as, timber cruisers or cost estimators). Value estimates developed by others will be the appraiser's responsibility if needed.

**d. Part 4 - Factual Data After Acquisition**

1. Legal description
  - a. If only a portion of the bundle of rights pertaining to a specific parcel of real estate is being acquired, this will be the same as in the before condition. If all of the rights held by the grantor for only a portion of the larger parcel are being acquired, this section will describe only the real estate being retained in the after condition.
  - b. If the partial interest being acquired is only a portion of the property rights associated with the larger parcel, the rights being acquired are outstanding rights for the after appraisal.
2. Neighborhood factors
3. Property data
  - a. Site
  - b. Improvements
  - c. Fixtures
  - d. History
  - e. Assessed value and annual tax load
  - f. Zoning and other land use regulations

**e. Part 5 - Data Analysis and Conclusions After Acquisition**

1. Analysis of highest and best use
2. Land valuation
3. Value estimate by cost approach
4. Value estimate by sales comparison approach
  - a. Every effort must be made to provide similar conservation easement encumbered sales.
  - b. Discuss the restrictions on each of the encumbered sales and show how they are similar to the proposed conservation easement.
  - c. The percentage diminution method is discouraged. If it is used, the appraiser must explain why it is necessary over direct comparison of the sales. If the percentages can be compared, the sales should be able to be compared.
5. Value estimate by income capitalization approach
6. Correlation and final value estimate

**f. Part 6 - Acquisition Analysis**

1. Recapitulation
  - a. Show the difference between the value of the entire property and the value of the remainder by deducting the property's after value from it's before value.
2. For Yellow Book appraisals only: Allocation and explanation of damages.
  - a. Briefly explain any damages to the remainder property.
3. For Yellow Book appraisals only: Explanation of special benefits.
  - a. Identify any special benefits accruing to the remainder.

**g. Part 7 - Exhibits and Addenda**

1. Location map
  - a. Maps must clearly identify the property and be of sufficient quality to enable the review appraiser to locate the property on the ground. Maps must be

dated and include a legend, scale, and north arrow. The original copy of the report must contain original maps or vivid color copies.

- i. Area Map.—This is a small-scale map showing the general location of the subject market area.
  - ii. Neighborhood Map.—This map shows the appraised property and its immediate neighborhood.
  - iii. Tract Map or Plat.—This map is a large-scale (2-inch per mile) United States Geological Survey (USGS) or similar-quality map that shows the appraised property and pertinent physical features such as roads, streams, and improvements. If portions of the appraised property are assigned separate contributory values to the whole, these areas must be delineated on this map or a separate map.
  - iv. Photograph Map.—This is a map or aerial photograph showing the location of the subject pictures.
2. Comparable data maps
    - a. This map must show the location of the appraised property and the sales. Delineate the boundaries of the appraised properties and comparable sales when the map is of sufficient scale to be meaningful. If all pertinent comparable sales cannot be shown on the same map as the appraised property, a smaller-scale map (such as a State road map) may be included in addition to the larger-scale map.
  3. Detail of comparative data
    - a. Include a completed form showing all information for each comparable transaction used in the appraisal. Include an aerial photograph, a plat (if available), a USGS topographic map (if appropriate), and color photos of each sale. The transaction number must match the number of the transaction listed in the report.
  4. Plot plan (if applicable)
  5. Floor plan (if applicable)
  6. Title evidence report
    - a. Include a copy of the preliminary title report or title report if available.
    - b. If unavailable, explain the due diligence completed by the appraiser. Include the deeds for the parent property or properties.
  7. Other pertinent exhibits
    - a. Present additional data such as documents and charts pertinent to the valuation and referred to in the body of the appraisal. Exhibits may include—
      - i. A copy of the conservation easement deed.
      - ii. A copy of technical reports from specialists. This may include a timber cruise summary signed by a timber cruiser or a road plan signed by an engineer.
      - iii. Property owner permission to appraise.
  8. Qualifications of appraiser
    - a. The contract appraisers must provide evidence of compliance with the certification requirements of the State or States where the properties are located.
    - b. The contract appraisers must provide documentation of compliance with experience requirements.
    - c. The contract appraisers must provide documentation of meeting the education requirements.
    - d. The contract appraiser must provide their contact information including but not limited to—
      - i. Address.
      - ii. Phone numbers.

- iii. Email address.
- e. Engagement instructions received from the client.

### G. Appraisal Reviews

1. All appraisal reports are subject to a technical appraisal review ordered by NRCS and conducted for compliance with appraisal instructions, USPAP, and UASFLA, if applicable, prior to acceptance by NRCS.
2. NRCS will order the technical appraisal review.
3. The review appraiser is not assigned to the appraisal until it is received from the eligible entity. The NRCS national appraiser is available to answer questions or advise the appraiser.
4. The review appraiser may contact the appraiser for clarification and minor corrections.
5. The appraisal will be returned through NRCS to the eligible entity if significant changes are necessary requiring a supplemental appraisal report as discussed in section H below. The review appraiser will provide a technical appraisal review report approving the appraisal or not approving the appraisal and identifying the corrections or additions needed.
6. The review appraiser will be available to the appraiser to assist in obtaining an acceptable appraisal report.
7. The supplemental appraisal report will be subject to a subsequent technical review.

### H. Format for Supplemental Appraisal Reports

1. Supplements or amendments to appraisal reports, such as for updating value estimates or effective date of value, changes in acreage, changes in access, title conditions or deed terms, additional support or explanation, or to correct a previous appraisal report, must be referenced for incorporation with the original report in accordance with USPAP. The following format is recommended. All items must be addressed.
  - a. Title Page.—Include the same information as on the original appraisal report. Label the report as a “Supplemental Appraisal Report to the Appraisal Report for \_\_\_\_\_.”
  - b. Summary of Facts.—Include:
    1. Owner's name or other identification of the property
    2. Client's name
    3. Size
    4. Highest and best use
    5. New opinion of value
    6. Valuation date
      - a. Effective date of the original report, or
      - b. The date of the new inspection for updating the effective date.
  - c. Summary of Original Appraisal.—Cite the date and value opinion from the original appraisal. If previous updates have been made since the original appraisal, cite value opinions and value dates from all updates as well as the original appraisal.
  - d. Changes.—Explain the reason for the appraisal supplement such as, to update an opinion of value due to survey acres, new effective date, amend a previous appraisal report, add additional support or explanation, or other.
  - e. New Opinion of Value.—Discuss the changes that have occurred since the original appraisal. Discuss the method used to update the opinion of value and cite the evidence or analysis of trends that support the updated value opinion. Conclude with a statement of the new opinion of value and the valuation date which is the effective date of the original report or the new effective date, followed by the contract appraiser's signature.
  - f. Certification as required in section F(2)(a)(4) of this exhibit.
  - g. Addenda.—Include sales data detail for new sales cited, summaries of data and trend analyses, maps of sales analyzed, and any other information relied upon but not

included in the text.

- h. Binding.—If the supplemental appraisal report comprises more than four pages, it must be bound in durable report cover with appropriate identification.
- i. Electronic Copy.—An electronic copy of the supplemental report will be provided along with the hardcopy.

**Certification Regarding Lobbying**

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

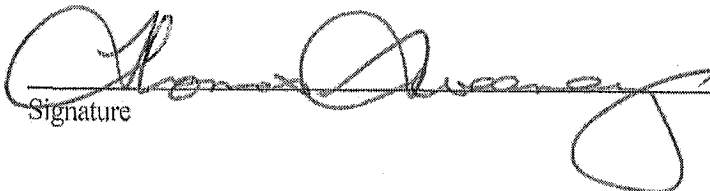
Rock County

2018 ACEP-ALE

Organization Name

PR/Award Number or Project Name

Thomas Sweeney; County Conservationist  
Name and Title of Authorized Representative

  
Signature

3/26/2018  
Date