



## On-Farm Water Management Program Terms and Conditions

### 1.0 Purpose

- 1.1 The objective of this Program is to provide technical assistance and incentive for the creation of a Long Term Water Management Plan at the farm level and financial assistance for Active Producers for specific Projects identified in the Long Term Water Management Plan.

### 2.0 Program Limitations

- 2.1 There is limited funding available under the Program each Fiscal Year.
- 2.2 Grant Application Forms will be considered for approval on a first-come, first-served basis due to Program funding constraints.
- 2.3 Submission of a completed Grant Application Form to ARD does not guarantee that the Applicant will receive payment under this Program.

### 3.0 Definitions

- 3.1 **Active Producer:** an individual, corporate entity, partnership, or a non-profit organization, responsible for the day-to-day management and work on the farm, including responsibility for input costs for agricultural crops or livestock producing at least \$10,000 worth of farm commodities annually, but does not include a landlord whose only interest in the crop or livestock is that of ownership of the land.
- 3.2 **AF:** Alberta Agriculture and Forestry.
- 3.3 **Applicant:** the person or persons who submit a completed Grant Application Form and meet the eligibility criteria in s. 4.1.1, jointly and severally.
- 3.4 **Crown Land:** land under disposition (contract) from the Provincial Crown or the Federal Crown.
- 3.5 **Environmental Checklist:** a checklist provided to a potential Applicant to document if the potential negative impacts of a Project are not likely to require mitigation.
- 3.6 **Federal Crown:** Her Majesty the Queen in Right of Canada.
- 3.7 **Fiscal Year:** the period from April 1 until March 31 of the following year.
- 3.8 **Grant Application Form:** the Program grant application form for a particular Fiscal Year and all documents required to be submitted with that grant application form for an Applicant to be considered for funding under the Program, as outlined in s. 6.1.
- 3.9 **Irrigation District:** the geographical area consisting of the parcels of land included in an existing irrigation district as defined in the *Irrigation Districts Act*, or a district formed under the *Irrigation Districts Act*.
- 3.10 **Long Term Water Management Plan:** the planning document developed by an Active Producer and approved by a Water Specialist or his/her designate.
- 3.11 **Minister:** the Minister of Alberta Agriculture and Forestry and his authorized representative(s).
- 3.12 **Multi-User Water Supply Pipeline:** a pipeline that carries water from a common source and conveys it over a distance to supply a number of individual private water supply systems.



- 3.13 **On-Farm Water Management Program Factsheet:** a document that sets out information on eligible costs, minimum construction specifications, and pertinent regulatory requirements.
- 3.14 **Program:** the Growing Forward 2 On-Farm Water Management Program.
- 3.15 **Program Conditions:** the terms and conditions for the Program set out in this document, as may be amended.
- 3.16 **Program Term:** the period from April 1, 2013 to March 15, 2018.
- 3.17 **Project:** a project that meets the criteria listed in s. 4.3.1 and which is identified in the Applicant's Long Term Water Management Plan and Grant Application Form.
- 3.18 **Provincial Crown:** Her Majesty the Queen in Right of Alberta.
- 3.19 **Standard Incentive Project:** a project listed in s. 4.3.2.
- 3.20 **Special Incentive Project:** a project listed in s. 4.3.3.
- 3.21 **Tie-In:** physical works connecting a farmstead water supply to a Multi-User Water Supply Pipeline.
- 3.22 **Water Body:** a river, stream, lake, creek, marsh, slough, reservoir, irrigation or drainage canal.
- 3.23 **Water Co-op:** an association as defined in the Rural Utilities Act that has as its principal object the obtaining and supplying of water.
- 3.24 **Water Specialist:** a water specialist or engineer with the Farm Water Supply Section of AF.

#### 4.0 Eligibility Criteria

##### 4.1 Who is Eligible

- 4.1.1 To be eligible to apply to the Program, a person must be an: individual, proprietorship, corporation, registered or non-registered partnership or other organization, including but not limited to a Hutterite colony, member of an Indian reserve, or a Metis settlement that:
  - (a) is liable to pay Alberta income tax or corporate tax (or claim losses) on income from the production of farm commodities under the *Income Tax Act (Canada)* or the *Alberta Corporate Tax Act*;
  - (b) is an Active Producer who:
    - i. is actively and directly farming agricultural crops or livestock;
    - ii. is responsible for management decisions and operating costs on the farm; and
    - iii. has control of the farming assets, either by holding title to the assets or having a rental agreement with the person holding title; and
  - (c) has an approved Long Term Water Management Plan.
- 4.1.2 The following persons are ineligible to apply for the Program:
  - (a) research stations, universities and other organizations funded in whole or in part by the government; and
  - (b) any other person deemed ineligible by the Minister.



## 4.2 What Land is Eligible

- 4.2.1 Subject to s. 4.2.2, Projects must be completed on:
- (a) private land;
  - (b) Crown Land under grazing lease disposition or cultivation lease disposition to an individual or a corporation under the authority of the *Special Areas Act* and its regulations;
  - (c) Crown Land under grazing lease disposition, farm development lease disposition or a forest grazing license to an individual or a corporation under the authority of the *Public Lands Act* and its regulations;  
or
  - (d) if the Project is a Tie-In, on a right of way for the Multi-User Water Supply Pipeline to which the Tie-In is to be connected.
- 4.2.2 The land on which a Project is completed must be located in the Province of Alberta and must be actively farmed by the Applicant at the time the Project is completed, in the sole discretion of the Minister.
- 4.2.3 A Project completed on Crown land that is not specified in s. 4.2.1 is ineligible.

## 4.3 What Projects are Eligible

- 4.3.1 To be eligible, a Project must:
- (a) be identified in the Applicant's approved Long Term Water Management Plan, or be otherwise authorized by the Minister;
  - (b) be completed on land that meets the requirements of s. 4.2.1 and s. 4.2.2;
  - (c) be a Standard Incentive Project or a Special Incentive Project;
  - (d) be completed in accordance with all applicable laws and regulations;
  - (e) be completed during the Program Term;
  - (f) meet applicable minimum requirements specified in the On-Farm Water Management Program Factsheet; and
  - (g) be commenced after:
    - i. all required governmental approvals have been obtained by the Applicant, including those related to public health and safety, labour codes and standards, care and use of animals in research, wildlife habitat, and environmental protection; and
    - ii. all required approval(s) or authorization(s) have been obtained by the Applicant from agencies, private landowners or right-of-way holders.<sup>1</sup>
- 4.3.2 Standard Incentive Projects include:
- (a) Wells (including test drilling, new pump and well casing, electroseismology tests, disinfection of new well);
  - (b) Dugouts (including aeration, fencing and floating intakes);
  - (c) Dams (including intake and fencing);
  - (d) Spring development;
  - (e) Water tanks/storage/cisterns for low producing wells or as part of permanent water supply;
  - (f) Buried pipelines;
  - (g) Livestock watering components or energy sources for access to new or expanded water sources (as part of farmsite development limits as listed on the On-Farm Water Management Program Factsheet); and
  - (h) water supply development services (test holes, construction surveys, material analysis or professional consultant fees for new water sources).

<sup>1</sup> Examples of authorizations include environmental approvals from required regulators and approvals from Crown agencies for Projects involving improvements on eligible Crown Land under disposition.



- 4.3.3 Special Incentive Projects include:
- (a) Specified water conservation measures (purchase and installation of water use meters, well depth meters for agricultural use of water, well decommissioning by a certified contractor when required, well-pit conversions by a certified contractor when required); and
  - (b) Tie-Ins.
- 4.3.4 Ineligible projects include:
- (a) Water hauling or temporary piping costs;
  - (b) Repair, maintenance or replacement of existing equipment;
  - (c) Water source development for field scale irrigation in Alberta Irrigation Districts;
  - (d) Equipment used for crop production (irrigation water application equipment);
  - (e) Distribution of water within the farm site, except as part of an eligible Project;
  - (f) Energy sources where an existing program addresses installation costs;
  - (g) Remote watering systems including tanks, portable or renewable energy sources or unburied pipelines to support livestock grazing;
  - (h) Roads and buildings except as detailed on the On-Farm Water Management Program Factsheet;
  - (i) Water treatment equipment or supplies for domestic use;
  - (j) Dugouts built for the purpose of commercial aquaculture
  - (k) Projects constructed prior to April 1, 2013 or after March 15, 2018; and
  - (l) Any other project deemed ineligible by the Minister.

#### 4.4 What Costs are Eligible

- 4.4.1 To be eligible, a cost must be:
- (a) incurred by the Applicant during the Program Term to complete an eligible Project;
  - (b) incurred after approval of the Applicant's Long Term Water Management Plan; and
  - (c) identified as an eligible cost in the On-Farm Water Management Program Factsheet for the type of project the Applicant is completing.
- 4.4.2 Non-eligible costs include:
- (a) costs identified as non-eligible costs in the Water Management Program Factsheet for the type of project the Applicant is completing;
  - (b) costs incurred prior to the Applicant's Long Term Water Management Plan being approved;
  - (c) costs for projects not identified in the Applicant's approved Long Term Water Management Plan;
  - (d) costs incurred outside of the Program Term; and
  - (e) any other cost considered by the Minister to be non-eligible.
- 4.4.3 The determination of whether:
- (a) an eligible cost claimed by the Applicant is eligible for re-imbusement under the Program; and
  - (b) the amount of an eligible cost claimed is reasonable is at the sole discretion of the Minister.

#### 5.0 Amendment to the Long Term Water Management Plan

- 5.1 A Long Term Water Management Plan may be amended as follows during the Program Term:
- (a) The Applicant may request that projects be added to their Long Term Water Management Plan by contacting a Water Specialist.
  - (b) If the Water Specialist approves the proposed amendment(s) to the Long Term Water Management Plan, the Water Specialist shall send an updated Long Term Water Management Plan to the Applicant.
  - (c) To be eligible under the Program, Projects must be identified in the Applicant's approved Long Term Water Management Plan prior to the Applicant commencing the Project.



## 6.0 Applications

- 6.1 To be considered for funding under the Program for a particular Fiscal Year, an Applicant must submit the following, to the satisfaction of the Minister:
- (a) a completed Grant Application Form for that Fiscal Year which is signed by the Applicant and which includes a signed *Freedom of Information and Protection of Privacy Act* statement;
  - (b) a completed *Environmental Checklist*;
  - (c) invoices/receipts for all eligible costs claimed;
  - (d) if the Project was completed on privately owned land, landowner approval for the completion of the Project on that land;
  - (e) if the Project was completed on Crown land, the applicable Crown approval(s) required for the completion of the Project on that land;
  - (f) if the Project is a Tie-In, proof of right to access water through the Multi-User Water Supply Pipeline to which the Tie-In is to be connected (eg. proof of full purchase of Water Co-op membership/share, etc.); and
  - (g) any other information requested by the Minister.
- 6.2 The final deadline under the Program for Grant Application Forms to be received by ARD is March 15, 2018. To be considered for funding in Fiscal Year 2017/2018, Grant Application Forms must be received by ARD by March 15, 2018.
- 6.3 If an Applicant's Long Term Water Management Plan was approved in a prior Fiscal Year and the Applicant has:
- (a) not yet submitted a Grant Application Form to AF and would like to be considered for funding under the Program in the current Fiscal Year; or
  - (b) previously submitted a Grant Application Form to AF in a prior Fiscal Year, and would like to be considered for additional funding for new Projects constructed during the current Fiscal Year, the Applicant should request a Grant Application Form for the current Fiscal Year from AF and submit it pursuant to s. 6.1 and 6.2.
- 6.4 Acceptance of a Grant Application Form under this Program creates no obligation on the part of the Provincial Crown or Federal Crown to provide licenses or approvals under any applicable legislation, including the *Canadian Environmental Assessment Act*.

## 7.0 Verification and Inspection

- 7.1 The Applicant consents to the Minister releasing any information contained in the Grant Application Form or related to it and obtained by the Minister in the course of verifying or auditing the Grant Application Form and the Project, to any other government department, agency or other body for the purposes of verifying the Grant Application Form, determining the Applicant's eligibility for other related programs, or both. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of the Grant Application Form and to determine the Applicant's eligibility for this or other programs offering financial assistance for which the Applicant is eligible.



- 7.2 The Applicant agrees, during the Program Term and for 18 months following the end of the Program Term, to:
- (a) give the Minister access to examine the Applicant's farming or business operation for the purposes of:
    - i. verifying the Applicant's Application and the Applicant's eligibility under the Program; and
    - ii. examining items pertinent to the Project in order to assess whether the Applicant is in compliance with these Program Conditions; and
  - (b) make available to the Minister all farm records, books of account, and income tax returns necessary to audit the Project.
- 7.3 For sales receipts not generated on an official company voucher or vouchers without a company stamp, a copy of the cancelled cheque (front and back) is required.

## 8.0 Project Completion

- 8.1 A Project must be completed and operational within one year of the date on which the Applicant received an initial payment for the Project under the Program.

## 9.0 Payments

- 9.1 There is limited funding available under the Program. Grant Application Forms will be considered for approval on a first-come, first-served basis due to Program funding constraints. Submission of a completed Grant Application Form does not guarantee that an Applicant will receive funding under this Program.
- 9.2 Subject to s. 9.1, payments will be based on eligible costs incurred by the Applicant in completing the Project at the funding levels set out in s. 9.3, excluding GST.
- 9.3 Payments will be made at the following funding levels:
- (a) Applicants may receive one third of the eligible costs incurred for Standard Incentive Projects constructed during the Program Term, up to a maximum of \$5,000;
  - (b) Applicants may receive one half of the eligible costs incurred for Special Incentive Projects constructed during the Program Term, up to the following maximums:
    - a. for the purchase and/or installation of well meters, up to a maximum of \$1,000;
    - b. for the purchase of well logging equipment, up to a maximum of \$1,000;
    - c. for the construction of Tie-Ins, up to a maximum of \$5,000; and
    - d. subject to s. 9.4, for the decommissioning of wells or well-pit conversions by a certified contractor (when required), up to a maximum of \$6,000.
- 9.4 For a well less than 500' in depth, no single well decommissioning or well-pit conversion shall receive more than \$2,000. For a well greater than or equal to 500' in depth, a single well decommissioning may receive up to the maximum of \$6000.
- 9.5 The maximum total payment an Applicant may be considered for under the Program is \$18,000.
- 9.6 The minimum payment an Application under the Program may be considered for is \$250.
- 9.7 Applicants cannot assign or defer any payment under this Program.
- 9.8 Payments may be considered farm support payments and AGR-1 tax slips will be issued in the name of the Applicant if applicable.
- 9.9 Each Project qualifies only once for payment under the Program.
- 9.10 The Applicant's name must match the name on all invoices submitted by the Applicant for payment pursuant to the Program, and the name on the Applicant's Long Term Water Management Plan.





## 10.0 Refunds

- 10.1 The Applicant agrees to refund to the Provincial Crown any payment received under the Program that is not in accordance with the Program Conditions, within 30 days of being given notice by the Minister. Failure to make repayment as required creates a debt owing to the Provincial Crown that can be set off against any money the Provincial Crown owes to the Applicant.

## 11.0 False or Misleading Information

- 11.1 An Applicant who provides false or misleading information under this Program forgoes all rights to benefit from this Program and may be subject to prosecution.

## 12.0 Ministerial Discretion

- 12.1 The Minister has the absolute discretion to determine the eligibility of any Applicant or project under the Program, and to determine any payments due under this Program, notwithstanding the Program Conditions. The decision of the Minister is final.

## 13.0 Debts to Provincial Crown or Federal Crown

- 13.1 The Minister has the right to deduct from the Applicant's entitlement any amount due and owing to the Provincial Crown or Federal Crown.

## 14.0 Representations and Warranties

- 14.1 The Applicant represents and warrants that the person signing is duly authorized to make this Application, bind the Applicant to the Program Conditions, and, in the case of a partnership, bind the partners to the Program Conditions on the basis of joint and several liability.
- 14.2 The Applicant represents that no application has been made for the same Project by any other person, including without limitation, a person who is not arm's length or a related person as defined by the Income Tax Act (Canada), or by a shareholder, member or partner who is actively carrying on farming on behalf of a corporation.

## 15.0 Changes to the Program Conditions

- 15.1 The Minister may revise the Program Conditions without notice from time to time. A Grant Application Form received by AF after the Program Conditions are revised shall be administered according to the Program Conditions applicable as of the date that the Grant Application Form is received.

## 16.0 Termination

- 16.1 The Minister reserves the right to terminate this Program at any time by posting notice on the Growing Forward 2 website.

## 17.0 Grant Regulation

- 17.1 Payments under this Program are subject to the AF Grant Regulation. The Applicant acknowledges that, in addition to complying with these Program Conditions, the Applicant must also comply with the AF Grant Regulation.