



## **Memorandum of Understanding (MOU) January 2020**

ALUS Canada Inc.  
555-2938 Dundas St. W  
Toronto, Ontario M6P 4E7

and

Lacombe County  
40403 Range Road 274 RR #3  
Lacombe County, AB T4L 2N3

### **A. Background**

The ALUS Program is a community developed, farmer-delivered program which provides support to farmers and ranchers in Lacombe County to create/restore/enhance, manage and maintain the benefits – commonly called ‘ecosystem services’ - that nature can provide to Canadian society. The Program involves the modification/improvement of these farmers’ marginal, unproductive, inefficient or environmentally sensitive lands and helps to conserve/restore ecosystems and biodiversity by providing cleaner air, cleaner water, erosion and flood control as well as habitat for pollinators, fish and wildlife and by sustaining agriculture, wildlife and natural spaces for all Canadians.

### **B. Term**

The initial term shall be for a period of three (3) years from the Effective Date ending on the third year anniversary at which time it shall automatically renew every three (3) years unless either party provides sixty (60) days’ prior written notice to the other of its intent not to renew this Agreement at the end of the current term.

In the event Lacombe County discontinues the ALUS Canada program Lacombe County agrees to make arrangements for continued monitoring of the projects and annual payments to participants to the end of all contracts as well as continue to report to ALUS Canada as per this agreement.

In the event Lacombe County becomes insolvent or ceases operations Lacombe County will refund forthwith to ALUS Canada any monies held by Lacombe County in support of all program participant payments as well as transfer all relevant data and contract information to fulfill existing contracts in accordance with the terms of this Agreement.

### **C. Roles and Responsibilities**

Successful ALUS operations involve a blend of functions distributed between ALUS Canada and Lacombe County, broadly described as follows:

#### ***ALUS Canada agrees to provide:***

- Program support by Regional Hub Manager.
- Duplication Guide.
- Standard operating protocols and documentation.
- Database system and technical support.
- Monitoring, verification procedures, and reporting tools
- Coordinate national research and evaluation.
- National communications, including website, Facebook, Twitter, e-news.
- National branding and recognition tools.
- National donor development/fundraising and grant administration tools.
- A donation portal for charitable monies to support the local Program.
- Funding support as described in Schedule A.
- Environmental credits or acreage offsets (New Acre Project).

#### ***Lacombe County agrees to provide:***

Subject to the terms of this Agreement, the discretion of the Board of Directors of ALUS Canada and the budget and timeline below, **Lacombe County**, as the Contractor on behalf of ALUS Canada, agrees to assist in the administration and implementation of the following charitable activities as per the **ALUS Canada Guidelines**.

#### ***Lacombe County will:***

1. Maintain a minimum of \$2 million of liability insurance for the duration of the Program;
2. Authorize Participant Agreements;
3. Shall provide to ALUS Canada all information, and do all such other acts reasonably requested by ALUS Canada, to allow ALUS Canada to obtain the proceeds of any carbon/ecological offset credits or other acreage offsets created through the Program for the duration of the participant agreements, including, without limitation, through the sale of such credits or offsets into the public market. The Intermediary warrants that carbon/ecological offset credits or other acreage offsets on the Lands have not been previously assigned.
4. Establish and select individuals to serve on a diverse local Partnership Advisory Committee (PAC) to oversee the ALUS Program. The PAC should be comprised of farmers/ranchers (50%), municipal and community representatives/leaders, and local NGOs and environmental agencies. ALUS Canada's Regional Hub Manager (staff person) will support the PAC to assist with communication and the Project selection process;
5. Maintain responsibility for ongoing annual payments to satisfy contractual agreements.

***The PAC and/or Lacombe County will be responsible for overseeing the following:***

1. The administration of the Program including:
  - a. Hiring a Program Coordinator to assist with overall Program management.
  - b. Managing all of the administrative and financial arrangements and logistics for the Program.
  - c. Selection of a suitable environmental Project(s) that meets the ALUS Canada environmental targets and acreage targets and is in accordance with the ALUS Guidelines and criteria of applicable funders.
  - d. Acting as the community engagement/landowner liaison for the Program.
  - e. Selecting volunteers to assist with the Program.
  - f. Communication with and selection of sub-contractors (farmers/ranchers) for the selected Project.
  - g. Conducting site visits to consult with selected sub-contractors on which areas of the farm would be best suited for the selected Project(s). Local ecology, specific Project and Program objectives and the type of farming currently being conducted on the farmers' land must be considered when determining which modifications/improvements would be best suited for the land.
  - h. Managing the payments of sub-contractors to modify/improve their land as part of the Project. Payments will be calculated on a per acre annual payment rate by examining the class/type/marginality of the land, where it is located, and the total number of acres being restored, managed and maintained by the landowner. Payments must be considered at or below fair market value.
  - i. Local donor development/fundraising, including the solicitation of matching funds required to meet funding criteria described in Schedule A.
2. Targeting of local priorities.
3. Engaging local farmers to support Program delivery (farmer liaisons), when increased capacity is needed.
4. Delivering ALUS Projects on marginal or environmentally sensitive agricultural lands being managed by farmers or ranchers with a registered or legally defined farming operation in accordance with funding guidelines.
5. Complying with the ALUS Canada Communication Guide, ALUS Canada Brand Guidelines, ALUS Canada Design Templates and ALUS Canada Social Media Guidelines with respect to all communication, advertising, and social media for the Program and use the ALUS website as the primary online hub. Cooperating with ALUS Canada staff when content is requested for posting on the website or social media. Materials will be sent to ALUS Canada staff on or before the indicated deadline.
6. Using the ALUS Canada Duplication Guide which includes Program materials and the ALUS Canada database system for Program management, as provided by ALUS Canada. Keeping the ALUS database up to date, using all components for tracking ALUS-related information. Notifying Hub Manager and ALUS Canada's database consultant should any issues within the database arise.

7. Providing, in a timely manner, quarterly operational reports and bi-annual final financial, activity & narrative reports to ALUS Canada for the Program, on templates provided by ALUS Canada as outlined in Schedule A.
8. Arranging for implementation of a Participant Agreement (that has been approved by ALUS Canada) with selected sub-contractors for the Project(s). The Participant Agreement ensures that the proper direction and control of ALUS Canada's resources are being maintained with each farmer/landowner and outline how they will make environmental improvements on their land in accordance with the Program(s) guidelines. The agreement will include the Project details and description (the farmer's duties and responsibilities under the Program), the establishment costs and payments, and the site plan (a detailed map identifying the Project type and area).
9. Supporting the third-party verification of a selection of Projects annually for the purpose of funder assurance as directed by the Regional Hub Manager and in accordance with the verification process as provided by ALUS Canada.
10. Selecting a Project in accordance with ALUS Canada project selection criteria, as provided below:
  - Project must be on lands that are currently under agricultural management by farmers/ranchers unless approved by ALUS Canada.
  - Project must engage selected farmers/ranchers as sub-contractors to implement, manage and maintain the Project in accordance with the pre-approved ALUS Canada Participant Agreement unless approved by ALUS Canada.
  - Project must meet specified local environmental priorities as defined by the PAC and in accordance with the following guidelines:
    - *Improvements to environmentally-sensitive, marginal or inefficient-to-farm land.*
    - *Enhancing natural features contained within the farmed portion of the land.*
    - *Associations or complexes of wetlands, riparian zones and grassed or forested uplands on and adjacent to selected parcels of farmland.*
    - *Working lands and adjacent areas with special biodiversity features or ecological assets/ opportunities.*
  - Establishment Costs should be shared at 50% with the participant whenever possible
  - Up to a maximum of 20% of the selected farmers' workable land is eligible to be enrolled in the Program unless approved by ALUS Canada.
  - Projects must align with financials and deliverables as outlined in Table A as outlined in Schedule A – Expected Deliverables.
11. In instances where ALUS Canada is applying for funds on behalf of the ALUS community, the community will cooperate with ALUS Canada staff to provide the necessary information to complete the application and all reporting in a timely manner.

Letters of support: In instances where ALUS Canada is applying for funds on behalf of the community, the community will provide ALUS Canada with a letter of support in a timely manner

#### 12. Program Management Support:

The community will endeavor to attend the majority of program management events arranged and hosted by ALUS Canada. This includes: Hub Coordinator calls, Database calls, webinars, and

conferences. ALUS Canada understands that it may not be possible to attend every call or event, but every effort should be made by the community to attend the majority activities in a year. The community will maintain an on-going dialogue with their Hub Manager.

**D. Budget**

The funds allocated to Lacombe County by ALUS Canada and the criteria for release of said funds for the Program described above, unless amended and agreed to in writing between ALUS Canada and Lacombe County, will be as described in Schedule A, updated annually, or as required.

If the total acre targets or agreed upon deliverables are not met by Lacombe County, ALUS Canada reserves the right to withhold or recall a proportionate amount of funds.

Signed:



April 28, 2020

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Bryan Gilvesy, Executive Director  
ALUS Canada Inc.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature  
Lacombe County

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name, Title  
Lacombe County

Attachment: Schedule A