Name of Practice: TERRACE SYSTEMS VACS Program Specifications for No. SL-4

This document specifies terms and conditions for the Virginia Agricultural Best Management Practices Cost-Share Program's Terrace Systems best management which are applicable to all contracts entered into with respect to that practice.

A. <u>Description and Purpose</u>

A terrace system is an earth embankment, channel, or a combination ridge and channel constructed across the slope designed to improve water quality by reducing slope and slope length to one that will slow the movement of sediment and nutrients from cropland.

B. <u>Policies and Specifications</u>

- 1. Cost-share and tax credit are authorized for:
 - i. Terraces and the necessary leveling and filling to permit installation of an effective system.
 - ii. Removal of stonewalls or hedgerows, if necessary, to permit installation of an effective system.
 - iii. Materials and installation of underground pipe outlets and other mechanical outlets.
 - iv. Necessary vegetative protective outlets or waterways.
 - v. Converting the present system to a new system ONLY if the present system is not serving its intended conservation purpose. Cost-share may not be authorized to maintain an existing system or if the sole purpose is that of converting because of a change in cropping patterns or equipment used by the farmer.
- 2. In order to be eligible for cost-share or tax credit, producers must be fully implementing a current Nutrient Management Plan (NMP) on all agricultural production acreage contained within the field on which this practice will be implemented. The NMP must comply with all requirements set forth in the Nutrient Management Training and Certification Regulations (4VAC50-85 et seq.) and the Virginia Nutrient Management Standards and Criteria (revised July 2014); must be prepared and certified by a Virginia Certified Nutrient Management planner; and must be on file with the local District before any cost-share payment is made to the participant. Plans shall also contain any specific production management criteria designated in the BMP practice (4VACV50-85-130G).
- 3. A protective outlet or waterway that is installed solely as an outlet for the terrace system and serves no other conservation purpose should be cost-shared as a component of this practice. A protective outlet or waterway which, by itself solves a conservation problem, but also serves as an outlet for a terrace system, should be cost-shared under practice WP-1 or WP-3.

- 4. Soil loss rates must be computed for all applications for use in establishing priority considerations.
- 5. This practice is subject to NRCS Standard 600 Terrace.
- 6. All practice components implemented must be maintained for a minimum of 10 years following the calendar year of installation. The lifespan begins on Jan. 1 of the calendar year following the year of certification of completion. By accepting either a cost-share payment or a state tax credit for this practice, the participant agrees to maintain all practice components for the specified lifespan. This practice is subject to spot check by the District throughout the lifespan of the practice and failure to maintain the practice may result in reimbursement of cost-share and/or tax credits.

C. Rate(s)

- 1. The VACS payment will not exceed 75% of the approved estimated cost or eligible actual cost, whichever is less.
- 2. As set forth by Virginia Code, the Commonwealth currently provides a tax credit for implementation of certain agricultural best management practices as discussed in the Tax Credit Guidelines of the VACS Manual.
- 3. If a participant receives cost-share, only the participant's eligible out-of-pocket share of the project cost is used to determine the tax credit.

D. Technical Responsibility

Technical and administrative responsibility is assigned to qualified technical DCR and District staff in consultation, where appropriate and based on the controlling standard, with DCR, Virginia Certified Nutrient Management Planner(s), NRCS, DOF, and VCE. Individuals certifying technical need and technical practice installation shall have appropriate certifications as identified above and/or Engineering Job Approval Authority (EJAA) for the designed and installed component(s). All practices are subject to spot check procedures and any other quality control measures.

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