

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING AN AGREEMENT WITH ECOMETRICS LLC.,
FOR SERVICES, WITH THE REGIONAL CONSERVATION PARTNERSHIP
PROGRAM**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
DECATUR, ILLINOIS:**

Section 1. That the Agreement presented to the Council herewith as Exhibit A, and made a part hereof, between the City of Decatur, Illinois, and the EcoMetrics, LLC, be, and the same is hereby, received, placed on file, and approved.

Section 2. That the City Manager be, and is hereby, authorized and directed to execute said agreement between the City of Decatur, Illinois and EcoMetrics LLC, for a cost not to exceed \$35,000.

PRESENTED and ADOPTED this 15th day of April 2024.

JULIE MOORE WOLFE, MAYOR

ATTEST:

KIM ALTHOFF, CITY CLERK

February 19, 2024

TO: Water Production Manager, ; City of Decatur, IL
FROM: Edwin Pinero; President, EcoMetrics LLC
RE: Scope of Work- EcoMetrics Analysis of the Lake Decatur RCPP Water Quality Initiative (revised 3.23.2024)

EcoMetrics LLC is pleased to submit this work scope and proposal to the City of Decatur to conduct an EcoMetrics methodology analysis. EcoMetrics is a methodology that identifies, quantifies, and values (in monetized terms) the various environmental, economic, and social **outcomes** created by nature-based projects or activities. Specifically, this Scope of Work is to utilize the EcoMetrics methodology to evaluate the current baseline conditions, as well as the potential intended action scenarios in the Lake Decatur Water Quality Initiative.

In order to fully evaluate the value created by actions taken with the initiative, as well as determine how those changes relate to current conditions, it is important to know the environmental, economic, and social impacts, or **outcomes**. These impacts can be not only identified, but using EcoMetrics, can also be quantified and valued. This will allow for a more comprehensive evaluation of what this will mean to the environment and to stakeholders. Such information can be used to inform decision making and communications. This is done using recognized and credible protocols such that the results are verifiable and ready for audit.

Part of the project is defining the outcomes, and they are not all known in advance. EcoMetrics does not control what is done, it simply evaluates actions. For example, if the intent is to leave the soil where it is, then the only reason the value impact on sediment removed would be if the project decides to remove it, or it is to be evaluated as an option. EcoMetrics can evaluate any number of options or situations as scenarios for comparative purposes. Each action will have a unique set of outcomes and values for those outcomes.

The primary output of the EcoMetrics analysis is tabulation of outcomes, sorted by stakeholder, with net value created. *Net Value* for each outcome is determined by calculating the value created by the activity or project, minus value lost (if any) compared to current baseline conditions and corrected for investment. Values are then aggregated to determine the total value of all of the planned activities. Example of report tables as follows:

Outcome Values by Stakeholder

Stakeholder Group	Outcome	Value Created	Stakeholder Totals
Education	Scientific education	\$256,445	\$256,445
General Public	Medicinal/ Ornamental Resources	\$107,071,857	
	Raw Materials	\$127,358,305	
	Cultural Value	\$875,971,169	

	Aesthetic Value	\$1,107,905,208	\$4,590,189,983
	Air Quality - Other GHG	\$396,434,222	
	Food Provisioning	\$395,221,579	
	Carbon sequestration-social value	\$175,603,655	
	Nitrogen Retention-social value	\$263,430,888	
	Phosphorus Retention- social value	\$1,141,191,226	
	Value of Volunteering	\$1,874	
Recreational Users	General Recreation	\$1,091,770,666	\$1,091,770,666
Local Economy	Job Creation (Site Management)	\$2,459,707	\$4,178,676
	Job Creation (Nursery/Planting)	\$1,718,969	
Local Govt	Water Supply/Quantity	\$3,781,533,249	\$5,041,559,818
	Storm Flooding Protection	\$1,259,838,811	
	Local Resident Retention - Community Resources	\$187,758	
Property Owner	Climate Related Insurance	\$8,436,385	\$18,877,137
	Wind Protection	\$10,440,753	
Environment	Soil Stabilization	\$1,397,654,689	\$4,803,480,939
	Waste Treatment	\$1,047,400,676	
	Nutrient Cycling	\$16,003,822	
	Biological Control	\$337,231,844	
	Habitat and Biodiversity	\$1,819,169,595	
	Genetic Resources	\$3,554,330	
	Natural Regeneration	\$167,539,041	
	Water Regulation	\$14,926,941	

Funders	Market value of Carbon Credits	\$73,088,943	\$234,480,919
	Market value of Nitrogen Credits	\$107,921,420	
	Market Value of Phosphorus Credits	\$53,470,557	
	Total Present Value	\$15,692,194,181	
	Net Present Value	\$15,413,413,782	
	Investment	\$139,390,200	
	Return on Investment	110	

Financial Summary

Description	Value
Total Net Value	\$15,413,413,782
Investment	\$139,390,200
Total Return on Investment	110

Given the robust water quality monitoring efforts being pursued by the RCPP team, the EcoMetrics analysis primary focus will be on the socio-economic outcomes, however EcoMetrics can also take the quantified water quality information and provide valuation of outcomes associated with changes in water quality.

As reflected in the detailed scope below, an EcoMetrics project typically includes five major phases, consisting of a series of tasks. A detailed Scope of Work is provided in Appendix A:

- 1) Collection of key project information reflecting operational, biophysical, environmental, economic, and social/community parameters done via project owner interviews, peer-review research, and onsite data collection.
- 2) Engagement with key stakeholders, including identification, interviewing, and processing of interview feedback in accordance with Social Value International (SVI) protocols.
- 3) Creation of a customized version of the EcoMetrics platform that is aligned with the project type and expectations for the analysis. This allows for continued use of the platform for updated analysis without having to start from the beginning each time.

- 4) Analysis and compilation of information, including conversion metrics and proxies for entry into the EcoMetrics platform to generate results. This step includes modifying the platform (“customizing”) to reflect the nature of this project type; and
- 5) Compilation and reporting of results.

DELIVERABLES

EcoMetrics will provide the following project deliverables:

- 1) EcoMetrics Analysis (Spreadsheet tables)
 - Listing the identified **outcomes**, sorted by affected stakeholder, showing the net value created or lost as a result of actions and activities
 - Presented in quantified and monetary terms
- 2) Report

The work product will include a report containing the outcomes valuation information of Deliverable Item 1, as well as all supporting information and will provide valuable planning reporting metrics for corporate partners and easy-to-understand outcomes that can be presented to watershed residents and the community of Decatur.

 - Specifically, the report contains:
 - Methodology
 - Assumptions
 - Results
 - Final conclusions
 - Projected costs
 - Benefits incurred or generated over a given time period
 - Environmental, social, and economic co-benefit values created
 - Market and non-market value return per dollar invested

EcoMetrics reports can also be certified by Social Value International, a worldwide organization that issues protocols for social return on investment analyses. In addition to the full report, EcoMetrics LLC can provide extracts of information for other uses as requested.

COST AND TIMELINE

The project fee is Not to Exceed **\$35,000.00 (thirty-five thousand dollars and no cents)**. Fee is payable 33% (\$12,000.00) at authorization to start and to cover Tasks 1, 3, and 4. The second 33% (\$12,000.00) will be due at the start of Task 2, and cover Tasks 2, 5, 6, 7, and 8. The final 33% (balance due but Not to Exceed \$11,000.00) due upon submission of the report and will cover Tasks 9, 10, and 11.

- **No Administrative Fees will be billed**
- **Actual project fee is \$50,000.00, as per the Commitment Letter dated October 22, 2020, EcoMetrics LLC is providing an in-kind partner contribution of \$15,000.00**

The analysis is expected to be completed as appropriate within the overall project schedule as defined by the duration of the RCPP. This is mostly dependent on the availability of specific stakeholders. EcoMetrics LLC will work closely with the City of Decatur, Northwater Consulting and other partners to ensure the most relevant data is incorporated into our analysis and outcomes, including but not limited to water quality monitoring results, RCPP cost-share practice expenditures, quantities of practices implemented and modeled nutrient and sediment load reductions. A detailed Task and Milestones graphic will be prepared as part of Task 1.

APPENDIX A- DETAILED SCOPE OF WORK

Specific tasks include:

Task 1. Convene Introductory Meeting

This meeting can be conducted on location or virtually. It is intended to be an overview of project specific details and to go over the EcoMetrics process in order to enable data collection and stakeholder identification. Discussions will include project logistics, including when and where meetings are held, what the parties are trying to accomplish in terms of the project, clarifying expert/consultant participants, goals for outcomes, and deliverables. During this discussion EcoMetrics LLC will identify what will be needed to create the customized version of the platform. For efficiency, it is recommended that Task 1 and 3 be done concurrently, in-person, and coordinated with a site visit.

Task 2. Develop an initial version of the customized EcoMetrics platform

EcoMetrics LLC will re-configure the base template to reflect input categories and parameters reflective of the expected project types and overall goals of the work. EcoMetrics LLC will also approximate what would be typically expected outcomes as well as available conversions and proxies. Realizing that as we do a project(s) more is learned, Task 11 below is intended to refine this template. For this project, it is assumed the premise of the template is to align with general characteristics of the intended water quality initiative.

Task 3. Establish a Baseline of Use and Value

EcoMetrics LLC will document the historic land use and environmental, social, and economic value created. EcoMetrics LLC anticipates working closely with the project team to obtain much of this information. From this work, an initial set of key environmental, social, and economic impact goals and indicators are established. It is proposed that this be combined with Task 1 in one in-person meeting.

Task 4. Identify and Engage Key Project Stakeholders and Participants

In collaboration with the project team, EcoMetrics LLC will develop a project stakeholder map. Understanding that the overall initiative includes stakeholder engagement, EcoMetrics LLC will integrate and coordinate with that effort to avoid duplicity and increase efficiency. The intent is to identify all stakeholder categories/types that would have an implicit or explicit interest in the project. This mapping is intended to identify stakeholders to be most impacted by the project and the project's sphere of influence, including project owners, property owners, surrounding communities, local and state government, and other affected organizations and parties. The stakeholder engagement process itself is in accordance with Social Value International (SVI) protocols and formats.

The engagement process may include additional one-on-one interviews as needed, and emailed surveys. In the interviews, the EcoMetrics LLC team will share information about the project. EcoMetrics LLC will solicit and gather stakeholder input on the uses and value of the project, as well as the perceived and desired goals, impacts, and outcomes of each specific stakeholder group. Interviews will encompass the following topics: background and uses; current quantitative attribution of economic, education, cultural, ecological value of the property; any quantitative attribution of economic, education, cultural, ecological value of the property after development; and assessing perceptions on monetary value of project development.

Using the EcoMetrics interview guide, the EcoMetrics LLC team will mix qualitative and quantitative inquiry to measure perceptions of change and outcomes of the project as well as describe what those numerical attributions meant to each participant and their relative stakeholder groups.

Task 5. Identify and Value Inputs and Outputs

EcoMetrics LLC will incorporate information about resources invested in the project efforts. Inputs include values for labor, time, land, research, and dollars invested by relevant stakeholders and project owners. The inputs of other stakeholder categories will be considered if those inputs are determined to be relevant to the material (financial) execution of the project. These inputs are necessary to ascertain ROI by comparing to outputs and outcomes. Outputs are specific changes that occur for each input.

Task 6. Identify Outcomes

Outcomes will be identified by first analyzing collected material from the qualitative phase. Outcomes are the impacts resulting from the outputs of the effort. Some outcomes are positive and beneficial and referred to as benefits. However, negative impacts are accounted for in order to present a balanced and objective analysis. Collected data will be analyzed to determine frequencies, differences, and similarities of outcomes identified by participants across stakeholder categories as well as by the research and data collection by EcoMetrics LLC, working in conjunction with the project team.

EcoMetrics LLC will create an Impact Map of relationships between objectives, inputs, outputs, and outcomes. In order to properly analyze and value the outcomes, several steps are taken, particularly to deal with social values. EcoMetrics LLC will develop a Theory of Change as perceived by stakeholders. The Theory of Change describes and summarizes the objectives, inputs, outputs, and outcomes of programs and activities for different stakeholder groups. The Theory of Change will delineate how varying stakeholder groups experience and perceive material change resulting from the inputs to the project.

Task 7. Quantify Outcomes

EcoMetrics LLC will compile, assess and integrate the most current peer-reviewed materials that support our analysis to quantify the outcomes. Quantification will be based on applicable and accepted methodologies using the most geographically and project-specific information available.

Task 8. Determine Monetized Values for Outcomes

EcoMetrics LLC will compile, assess and integrate the most current peer-reviewed materials that support our analytical outcomes to inform the calculation of financial proxies across outcomes. Using this information, EcoMetrics LLC will determine quantified values (in monetary terms) for outcomes.

Based on feedback from stakeholder engagement and independent analysis, EcoMetrics LLC will evaluate objectives, inputs, outputs, and outcomes, to develop an appropriate stakeholder weighting scheme to apply financial equivalents (via proxies) developed using primary and secondary resources. In addition, EcoMetrics LLC will correct valuation as follows:

- Apply discount factors
 - Discount factors will be used to correct outcome valuation. There are four categories of discount factors the EcoMetrics team will examine:
 - Counterfactual (deadweight): *Might this change happen anyway?*
 - Attribution: *What else might contribute to the outcomes?*
 - Displacement: *What might be displaced by the outcomes?*

- Drop-off for stakeholder groups: *Will activities result in less use by stakeholders?*
- Test outcomes for materiality and run sensitivity analysis
 - The outcomes and assumptions used to calculate the final values will be subject to various risks and uncertainties. Actual results could therefore differ materially from those expressed or implied in the forward-looking outcome information. EcoMetrics LLC will assess each outcome for variability based on sensitivity analysis and materiality.

Task 9. Summarize Environmental, Social, and Economic Value Created

EcoMetrics LLC will calculate the net present value (NPV), including the sum of the costs and benefits incurred or generated at different time periods. For these costs and benefits to be comparable, discount rates will be used for the NPV calculations. These rates will be determined by the EcoMetrics LLC team in consultation with project partners, but the default is a 3% discount rate. Discount rate analysis of 0% and 5% are applied as well to show impact of different rates on value totals.

Statement of risks of over claiming and limitations of conclusions derived from research will also be analyzed and presented. These will be calculated in conjunction with consideration and calculation of discount factors as well as the results of the sensitivity analysis. These will be presented as generalizations (i.e., not by stakeholder group) for the entire project.

Task 10. Generate Conclusions and Recommendations

Final conclusions and recommendations will be created through the EcoMetrics model and financial proxies and summarized by stakeholder group. Environmental, social, and economic co-benefits of the project will be quantified in both market and non-market terms.

In order to manage the various activities, as well as establish a baseline, elements of the aforementioned tasks occur more than once. The results are sorted by activity, each with its own analysis, although common attributes and aspects are carried across applicable activities. However, there is only one full composite report that will include analysis of all selected activities.

Task 11. Further Customize EcoMetrics

EcoMetrics LLC will conduct additional necessary primary research and conduct additional stakeholder engagements to fill gaps to populate the model, adapting key inputs to further customize EcoMetrics and for easier use on other projects.

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into as of August 23, 2023 ("Effective Date"), by and between the City of Decatur, IL (Client), and EcoMetrics, LLC ("Contractor") a United States-based organization.

RECITALS

WHEREAS, CLIENT is interested in applying the EcoMetrics methodology to determine the co-benefits associated with the Lake Decatur Water Quality Initiative (the "Project").

WHEREAS, CLIENT requires an organization to provide certain research services to the Project, as described more fully in the scope of services attached hereto and incorporated herein by reference (the "Services"); and

WHEREAS, CONTRACTOR is willing to provide the Services for the Project and CLIENT is willing to compensate CONTRACTOR for the Services as set forth in the Budget (as herein defined), subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties hereto agree as follows:

1. Services. CLIENT hereby engages CONTRACTOR to provide the Services set forth in the Scope of work. CONTRACTOR will provide the Services through its designated employee(s) (each an "Employee"). CONTRACTOR will not subcontract the Services to third parties unless agreed upon in writing by CLIENT.

CLIENT will have the right to immediately dismiss Employee from Project if CLIENT determines that: (i) the presence of Employee has a detrimental or disruptive effect upon CLIENT's project or personnel; (ii) Employee is compromising CLIENT's standards of performance; (iii) Employee fails to abide by the terms of this Agreement or any CLIENT guidelines, policies, procedures, rules, or regulations, (iv) Employee fails to satisfy and maintain all legal requirements to work on projects in United States, and/or (v) CLIENT terminates this Agreement.

2. Regulatory Requirements. The parties agree that in performance of their respective obligations under this Agreement, each will comply with all applicable local, state, and federal laws including, but not limited to and U.S export control laws and regulations, as applicable.

3. Obligations of CLIENT. Throughout the term of this Agreement, CLIENT agrees that it will (i) cooperate with CONTRACTOR as reasonably requested or required, on a prompt and timely basis, in order to enable CONTRACTOR to perform its duties hereunder, and (ii) provide CONTRACTOR information that it needs in order to perform the Services.

4. Obligations of CONTRACTOR. Throughout the term of this Agreement, CONTRACTOR agrees that CONTRACTOR will (i) cooperate with CLIENT and CLIENT's employees as reasonably requested or required, on a prompt and timely basis, in order to perform the Services, and (ii) provide the Services

in an appropriate, timely, and professional manner in accordance with all applicable laws, industry standards, and professional requirements.

5. Storage and Retention of Records.

(a) All materials, data and documentation obtained or generated by CONTRACTOR in the course of providing the Services, including all computerized records and files ("Records"), will be maintained in a secure area in accordance with industry standards.

(b) Upon completion of the Services or earlier termination of this Agreement, CONTRACTOR shall, at CLIENT's option, deliver the Records to CLIENT. Notwithstanding the foregoing, the Records may be retained as required by applicable law or as otherwise necessary for regulatory or insurance purposes.

6. Term and Termination. This Agreement shall be effective from the Effective Date until the third anniversary thereof, unless earlier terminated as provided herein or extended as provided in this paragraph. Notwithstanding any other provision of this Agreement, both CLIENT and CONTRACTOR shall each have the right to terminate this Agreement at any time, without cause or penalty, by delivering written notice of termination to the other party not less than thirty (30) days prior to such termination. The parties may renew this Agreement upon a mutually executed amendment to the Agreement.

7. Compensation. CLIENT agrees to pay CONTRACTOR the amounts set forth in the Budget attached hereto and incorporated herein by reference. CONTRACTOR will invoice CLIENT as per the schedule defined in the Scope of Work. CLIENT will pay CONTRACTOR within thirty (30) days from its receipt of CONTRACTOR's invoice.

8. Confidentiality. Confidentiality will be maintained in accordance with CLIENT requirements.

9. Intellectual Property.

Any intellectual property invented, authored, or otherwise created by CLIENT in the course of performing the Project will be owned by CLIENT. The input content, outputs and results of the work generated by the EcoMetrics methodology will be owned by CLIENT. The actual methodology content and cloud-based EcoMetrics platform will remain owned by CONTRACTOR.

10. Indemnification.

Contractor shall indemnify, defend and hold client, its and affiliates harmless from any and all claims which client may sustain or incur as the result of contractor's (i) violation of any law, (ii) breach of this agreement, or (iii) negligent or willful act, omission or conduct, including by any of its personnel, employees, subcontractors, students or agents (and including in the event of the actual or alleged joint negligence of client, but only to the extent of contractor's actual proportionate negligence) occurring in the course of contractor's performance under this agreement.

Client shall indemnify, defend and hold contractor harmless from any and all claims which contractor may sustain or incur as the result of client's (i) violation of any law, (ii) breach of this agreement, or (iii) negligent or willful act, omission or conduct, including by any of its personnel, employees or agents

(and including in the event of the actual or alleged joint negligence of contractor, but only to the extent of client's actual proportionate negligence) occurring in the course of client's performance under this agreement.

These indemnity obligations shall survive the expiration or termination of this agreement.

12. General Provisions.

(a) Force Majeure. Neither CONTRACTOR nor CLIENT shall be responsible for delays or errors in its performance under this Agreement occurring by reasons or circumstances beyond its control, including, without limitation, acts of civil or military authority, national emergencies, disease or pandemic, fire, flood, or catastrophe, acts of God, insurrection, war, riots, or failure of transportation, communication, or power supply.

(b) Independent Contractor. The parties agree that CONTRACTOR at all times during the term will be an independent contractor to CLIENT and that this Agreement does not create any relationship other than that of independent contractors, including any partnership, agency, or joint venture.

(c) Entire Agreement/Choice of Law. This Agreement sets forth the entire agreement and understanding of the parties relating to its subject matter, and supersedes all prior agreements, arrangements, and understandings, written or oral, relating to its subject matter. This Agreement shall be governed in accordance with and interpreted under the laws of the State of Illinois (with venue of Macon County, Illinois) without giving effect to its choice of law provisions.

(d) Amendment. Any changes to this Agreement shall be in writing in the form of an amendment mutually agreed upon and duly executed by both parties.

(e) Assignment. Except as may be herein specifically provided to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors, and assigns; provided, however, that no assignment of this Agreement or the rights and obligations hereunder shall be valid without the specific written consent of both parties hereto and any unauthorized attempted assignment shall be void and of no further force and effect.

(f) Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which so executed shall be deemed to be an original, but all such counterparts together constitute but one and the same instrument.

(g) No Third-Party Beneficiaries. The provisions of this Agreement are for the benefit of the parties and not for any other person or entity.

(h) Notices. All notices, invoices, requests, and other communications required hereunder shall be in writing and shall be deemed to have been given when presented personally or mailed by certified mail, return receipt requested, to:

CLIENT

City of Decatur
Water Production Manager
#1 Gary K. Anderson Plaza
Decatur, Illinois

CONTRACTOR

EcoMetrics LLC
ATTN: Edwin Pinero
President
211 South Harrison St
Easton, MD 21601

provided, however, that either party may notify the other party of a change in its notice information by providing the other party notice of that change in accordance with this section.

(k) Severability. The invalidity or unenforceability of any provision or portion of any provision of this Agreement shall not affect the validity or enforceability of the remainder of the same provision or any other provision of this Agreement and each provision hereof or portion of such shall be enforced to the fullest extent permitted by applicable law.

(l) Export Control. Notwithstanding any other provision of this Agreement, the parties understand and agree that they are subject to, and agree to abide by, any and all applicable United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities. The parties' obligations hereunder are contingent on the parties' ability to comply with applicable United States export and embargo laws and regulations. It is the expectation of the parties that the work done pursuant to this Agreement will constitute fundamental research and be exempt from export control licensing requirements under the applicable export control laws and regulations. The parties do not wish to take receipt of export-controlled information except as may be knowingly and expressly agreed to in writing signed by an authorized representative of the parties and for which the parties have made specific arrangements. The parties agree to work together to ensure that, with regard to this Agreement, both are in compliance with any and all applicable U.S. export control laws and regulations, as well as any and all embargoes and/or other restrictions imposed by the Treasury Department's Office of Foreign Asset Controls.

Authorization:

ECOMETRICS LLC

By: Edwin Pinero



Signature:

Date: February 2, 2024

City of Decatur

By: _____

Signature: _____

Date: _____