



January 26, 2016

Mr. Keith Alexander
Director of Water Management
City of Decatur
One Gary K. Anderson Plaza
Decatur, IL 62523

Re: Proposed Agreement for Financial Support of Watershed Research and Education
2016-17

Dear Mr. Alexander:

The Agricultural Watershed Institute (AWI) is pleased to submit this proposed agreement for consideration by the City of Decatur (City). AWI was incorporated in 2003 and is a 501(c)(3) nonprofit organization. The City of Decatur has provided support for AWI's research and educational activities related to Source Water Protection in the Lake Decatur Watershed since 2005. AWI requests continued support for the 2016 and 2017 calendar years.

AWI MISSION AND FOCUS AREAS

AWI's mission is to conduct research and educational programs on practices and policies that improve water quality, maintain or restore ecosystem health, and conserve and manage land and water resources in agricultural watersheds. The Upper Sangamon River Watershed, which includes the Lake Decatur Watershed, is our home watershed and the location of much of our ongoing project activity. We conduct applied research on issues of local, regional and national importance. We aspire to achieve national leadership in our research focus areas. AWI's research builds on and complements the work of the Macon County Soil & Water Conservation District and other SWCDs for the protection of Lake Decatur. AWI also maintains collaborative partnerships with academic institutions including the University of Illinois, Millikin University and Richland Community College, and with Lake Decatur watershed stakeholders.

WORK TO BE PERFORMED WITH CITY FINANCIAL SUPPORT

The financial support to be provided by the City will be used to continue and expand work by AWI in the following focus areas and any additional areas that may be determined in consultation with City representatives during the period of this agreement.

Sediment and nutrient Best Management Practices (BMPs): AWI will identify and develop strategies for reducing sediment and nutrient loads in the Lake Decatur watershed. AWI staff will provide technical assistance to landowners, agricultural producers, and other stakeholders to implement BMPs. In consultation with the City and subject matter experts, AWI will continue to participate in research and outreach efforts for sediment and nutrient reduction. In particular, AWI will continue to work on strategies for nutrient and sediment reduction identified in the 2014 Total Maximum Daily Load (TMDL) implementation plans developed for the Big Creek/Long Creek and Big Ditch subwatersheds and approved by Illinois EPA. AWI will continue to collaborate with Macon County SWCD and other partners to implement the multi-year USDA Regional Conservation Partnership Program project.

Water resources planning and management: AWI will promote city-farm-industry dialogue and cooperation for water resource management, especially Lake Decatur source water protection. AWI will participate in the Heart of The Sangamon River Ecosystem Partnership and in special projects such as local river/lake clean-up days and the proposed Sangamon River—Lincoln Heritage Water Trail. AWI staff will assist as requested in implementing the 2010 *Sustainable Decatur* plan. AWI will identify and evaluate innovative resource management concepts and alternatives, and potential funding sources for research, development, and implementation. AWI will serve on the steering committee to explore formation of a statewide Environmental Utility and will keep the City informed of matters that may affect the City. As requested by the City, AWI will gather information and assist in public participation activities to identify ways to reduce costs, mitigate adverse impacts, and increase benefits and public acceptance of alternatives for dredging, dredged sediment reuse and water supply enhancements.

Perennial biomass crops grown for renewable energy, forage, and water quality: Perennial energy grasses planted in targeted locations and used for renewable energy or animal feed can provide numerous benefits. This agreement includes City financial support for AWI's Local Bioenergy Initiative. The Initiative is designed to reduce soil erosion and sedimentation, enhance water quality, and achieve other environmental and economic objectives in the Lake Decatur watershed. The major components of the Initiative are:

1. Assist local farmers and landowners to begin growing biomass crops. This includes workshops, field days, and other educational activities for prospective growers. In addition to outreach and education activities, AWI will provide technical, financial, and in-kind assistance to farmers and landowners to establish perennial biomass crops.

2. Develop and demonstrate landscape design concepts. Production of energy grasses involves synergies and trade-offs between multiple objectives. AWI will continue to work with university scientists, other nonprofit organizations, and agricultural producers to optimize coproduction of harvestable biomass and enhanced water quality.

3. Develop markets for perennial biomass crops and related benefits. Over the past six years, AWI has established working relationships with biomass supply chain businesses, leading scientists, agricultural producers, government agencies, and other stakeholders. During the term of this agreement, AWI will continue to work with these partners and co-chair the Green Lands Blue Waters (GLBW) Biomass Working Group as it develops and implements a regional Perennial Biomass Initiative for coproduction of harvestable biomass and ecosystem services, especially clean water.

The vision for the Local Bioenergy Initiative is to make the Lake Decatur Watershed a national showcase for perennial crops grown for both renewable energy & enhanced water quality. The 2010 *Sustainable Decatur* Plan includes Year 2020 Indicators of 10,000 acres of perennial energy crops planted mainly in the Lake Decatur watershed and 75,000 tons/year of locally-grown biomass used or exported. The GLBW Perennial Biomass Initiative will include an action plan with strategies to overcome technical and economic barriers to wide adoption of biomass crops and expand markets for perennial biomass and ecosystem services.

Bioenergy technology, public policy and programs, and economic circumstances are evolving rapidly. AWI, in consultation with City staff, will monitor developments and may make adjustments within the general scope set forth herein to meet challenges and pursue opportunities that may arise. No formal amendment of this agreement will be necessary for such adjustments unless, at the discretion of the City, they represent a significant change to the scope of work.

Shared Learning Program: The proposed City funding will be used to support AWI's seminars, workshops and other educational events including an annual Sangamon Watershed Celebration. These events bring together researchers; government policy makers and program managers; agricultural producers, managers and landowners; environmental professionals and advocates; and other watershed stakeholders. Program objectives are (1) to explore ideas for economically and environmentally sound resource management and (2) to foster improved mutual understanding and cooperation among urban and rural watershed stakeholders.

AGREEMENT FOR FINANCIAL SUPPORT AND CITY STANDARD CONDITIONS

Upon acceptance by the City, this letter shall constitute an agreement between the City of Decatur and AWI. The City agrees to provide up to \$62,500 per year in financial support to AWI during 2016 and 2017 for the work described herein. AWI agrees to perform work as described herein. AWI further agrees to meet at least twice during the term of this agreement with Keith Alexander (and/or other representatives that may be designated by the City) to review AWI research and educational activities and discuss future directions and City priorities.

This Agreement may be terminated with cause in whole or in part in writing by either party subject to a 14 calendar day notice and the right of the party being terminated to meet and discuss the termination before the termination takes place. All reasonable costs incurred by AWI and fees arising from performance of the Agreement, up to the point at which the Services on this Agreement are terminated, shall be paid by the City.

AWI will prepare and submit to the City quarterly activity reports. AWI will prepare and submit to the City invoices no more than monthly. Invoices will provide details of personnel costs, other direct and indirect costs, and incentive payments to cooperating producers and landowners for establishment of perennial or cover crops in the Lake Decatur watershed. The total amount invoiced will not exceed \$125,000 during the term of this agreement. It is understood and agreed by the parties that City financial support to AWI may be leveraged by including it as match and indirect support on current and future grant-funded projects.

This Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of Illinois without reference to conflict of the laws principles. Neither of the parties may assign this Agreement without the prior written approval of the other party.

AWI shall indemnify, defend, save and hold harmless the City, its officers, employees, directors and agents, in both their individual and official capacities, from any and all liability, losses, attorneys' fees or other costs of defense, expenses, demands, claims, damages, proceedings or causes of actions of any kind or nature, including but not limited to those pertaining to any federal or state environmental statutes or regulations that the City may suffer, incur, sustain or become liable for due to any injury to, or death of, any person or damage to any real or personal property, in any way resulting from or arising out of AWI's performance of its duties and obligations under this Agreement.

This Agreement constitutes the sole and entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, oral or written, negotiations, representations, commitments, and all other communications between the parties. No other terms or conditions shall be binding upon AWI unless accepted by it in writing.

It is expressly understood and agreed that AWI is and shall be an independent contractor in respect to its dealings with the City. The City is interested solely in the results and exercises no control over AWI in its performance of this Agreement.

AWI agrees to hold the subject matter of this Agreement as confidential and make no disclosure to any third parties except as required by law or to carry out its services provided herewith, without prior written approval from the City. Both parties agree that any and all information and/or data exchanged between the parties, pursuant to this Agreement, shall be considered confidential and proprietary. The City may use any final reports or findings, plans, designs, engineering work, or other work performed or prepared by AWI under this Agreement. Reuse of such reports or work results by the City for any purpose other than that for which such reports or work were originally prepared, or alteration of such reports or work results without written verification or adaptation by AWI for the specific purpose intended, shall be at the City's sole risk. Reports and documents produced by AWI will be in a format acceptable for the intended use of the City.

AWI warrants that its services will be entirely consistent with the services described herein, and that it will stand behind its services.

Use of the City's name, logo or trademark in any way is expressly forbidden without the written consent of the City.

AWI shall maintain, during the term of this Agreement, the following insurance:

- a) Workers' Compensation in accordance with statutory requirements
- b) Employers' Liability
 - Each accident \$500,000
 - Disease, policy limit \$500,000
 - Disease, each employee \$500,000
- c) General Liability
 - Each occurrence (bodily injury and property damage) \$1,000,000
 - General Aggregate \$2,000,000
- d) Excess or Umbrella Liability
 - Each Occurrence \$1,000,000
 - General Aggregate \$1,000,000

e) Automobile Liability

Bodily Injury	
Each Person	\$500,000
Each Accident	\$1,000,000
Property Damage	
Each Accident	\$250,000
[or] Combined Single Limit (Bodily Injury and Property Damage)	
Each Accident	\$1,000,000

The City of Decatur, Illinois, and its officers, employees and agents are to be listed on AWI's policies as additional insureds. The insurance company(ies) providing coverage shall have a rating by AM Best of at least A- and VI. AWI may purchase a combination of primary policies at lower limits with the remaining limits provided by an umbrella.

AWI agrees to and shall comply with any applicable federal, state, or local laws, rules and regulations.

AWI shall be responsible for and pay all federal, state and local taxes including, but not limited to, social security and unemployment compensation taxes applicable to its employees and its operation under this Agreement.


All documents and records in the possession of AWI, its sub-contractors and any other person employed by AWI or its sub-contractor to perform any act or function pursuant to this Agreement which act or function shall be considered a governmental function on the City's behalf and directly related to the governmental function of the City, are subject to the provisions of the Illinois Freedom of Information Act. AWI agrees to fully cooperate with the City to ensure the City's compliance with the Freedom of Information Act and agrees to indemnify and hold the City harmless for any failure by AWI to comply with the provisions of said Act.

Very truly yours,

THE AGRICULTURAL WATERSHED INSTITUTE



Stephen F. John
Executive Director

Attest:  Date: 1/26/16
Judy Parrish, Treasurer

ACCEPTED BY THE CITY OF DECATUR:

By: _____ Date: _____
Julie Moore Wolfe, Mayor

Attest: _____
Debra Bright, City Clerk