



THE INSTITUTE FOR  
**WATER AND ENVIRONMENTAL  
RESILIENCE**  
STETSON UNIVERSITY

December 26, 2017

Heather Govern  
National Environmental Law Center  
294 Washington Street, Suite 500  
Boston, MA 02108

Winston Borkowski  
Hopping Green & Sams  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301

Re: *Environment America, Inc., d/b/a Environment Florida and Sierra Club vs. Pilgrim's Pride Corporation*, Case No: 3:17-cv-272-32JRK

Dear Ms. Govern and Mr. Borkowski:

This letter is at the request of your clients Environment America, Sierra Club, and Pilgrim's Pride Corporation who have entered into a Consent Decree in the above referenced case as the result of a mediated settlement presented to the U.S. District Court for the Middle District of Florida on November 15, 2017. This letter is also in response to an email to you from the Department of Justice which requests additional information on payments to a third party as part of its review of the Consent Decree.

Section 16 of the Consent Decree directs Pilgrim's Pride to pay \$1.3 million to Stetson University, Inc. (Stetson) to establish a Sustainable Farming Fund (SSF) with the Institute for Water and Environmental Resilience (IWER) as the Fund Administrator. This letter sets forth the general goals, terms, and conditions upon which Stetson University intends to carry out the responsibilities set forth in the Consent Decree.

Stetson University is a tax-exempt entity under Sec. 501(c)(3) of the Internal Revenue Code. We have read the proposed consent decree and will spend any monies received under the proposed consent decree only for the purposes specified in the proposed consent decree. No portion of any money received under the proposed consent decree will be used for political lobbying activities. Following the expenditure of funds provided by the settlement instrument Stetson will submit to the Court, the United States Department of Justice, and the parties a letter describing how the Sustainable Farming Funds were spent. The following is a project description detailing how the funds will be spent.

Upon receipt of the funds, Stetson shall establish the Sustainable Farming Fund as a separate budget center. Funds from the account shall be segregated from other funds held by Stetson University and interest earned on the account shall be directed back into the SSF.

IWER shall be the Fund Administrator with the assistance of the Office of Grants, Sponsored Research and Strategic Initiatives. The Executive Director of IWER will be the point of contact for the SSF.

The purpose of the SSF shall be to provide resources to reduce water pollution from agricultural activities in the Suwannee River watershed. The SSF shall solicit applications from, and disburse grants to, independent farmers located in the Suwannee River Basin within Florida, as depicted in the attached map. Grants shall be awarded for on-farm projects designed primarily to improve surface water quality, groundwater quality, and soils by reducing the farm's environmental impact. Eligible projects may include those which meet sustainable farming practice standards as those standards may evolve for poultry, livestock, crop, and/or orchard farms, and may include: pasture rotation water systems, fencing, purchase and planting of trees and shrubs, shoreline restoration, wetlands enhancement, and conservation easements. Within 14 days, IWER shall inform its faculty steering committee and outside advisory committee of the creation of the SFF and seek their advice and engagement on development of a process for awarding grants under the Fund. In developing this process, IWER intends to coordinate with stakeholders in the region interested in sustainable agriculture and improvement of water quality within the basin. IWER shall prepare the grant solicitation, process for review, metrics for awarding grants through the SFF, a process for funding, and requirements for monitoring, and shall convene at least one workshop within the basin to educate farmers and other stakeholders as to the grant availability through the SFF. Our intention is to issue the first solicitation for proposals within 120 days of the establishment of the SFF.

Grants to private farmers in the basin shall be in the sole discretion of Stetson University and independent of the Parties to the litigation which gave rise to the fund. In any public statement or grant solicitation, Stetson University shall refer to the SSF as a court ordered fund pursuant to settlement of a Clean Water Act enforcement lawsuit brought by Environment Florida and Sierra Club.

The Fund Administrator shall maintain a website to inform the public and interested stakeholders on an ongoing basis of the nature of the fund, the process for presenting proposals, and awards made. The Fund Administrator shall provide an annual report to the parties summarizing applications received, funds paid out, descriptions of projects funded, and an estimate of pollution reduction as a result of the projects (when possible). Stetson shall be responsible for filing appropriate reports on the SFF financials and grant-making activity as part of its IRS Form 990.

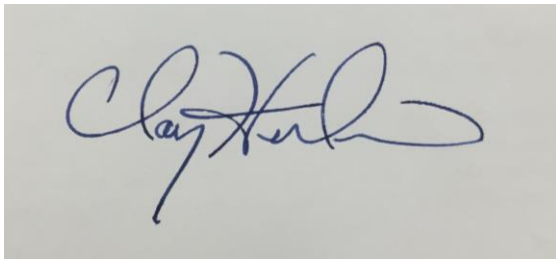
All monies deposited into the SFF at the effective date of the consent decree including interest, shall be distributed within three years of the establishment of the fund. In the event that additional funds are distributed into the fund pursuant to the Stipulated Penalties provisions of Paragraph 18 of the consent decree, then Stetson shall have additional time to distribute grants from those funds.

As full payment for solicitation of grants, review of grant proposals, grant administration, and reporting, Stetson University shall be paid an amount equal to 12% of funds received to be paid from the SFF at such times as deemed necessary to support the administration of the grant.

Upon the distribution of all funds within the SFF, Stetson shall close the SFF and issue a final report to the parties. Thereupon any and all responsibilities set forth in the consent decree shall be deemed complete.

We appreciate the opportunity to be of service to you and to be the instrument for this important work to promote sustainable agricultural practices in the Suwannee River Basin.

Very truly yours,

A rectangular box containing a handwritten signature in blue ink. The signature is cursive and appears to read "Clay Henderson".

Clay Henderson  
Executive Director  
Institute for Water and Environmental Resilience  
Stetson University

Exhibit A. Suwannee River Hydrological Basin in Florida

