

SAVANNAH, CHATHAM COUNTY, GEORGIA

WHEREAS, East River Street, LLC, a Georgia limited liability company and North Point Hospitality Group, Inc., its Manager, as their interests may appear, hereinafter referred to collectively as the Developer, the developer of a commercial hotel and retail center located adjacent to east River Street and East Bay Street, the "Project", located within the Morrell Park/Marriot Hotel Special Regional Connection Fee Area as shown on Exhibit "A", consisting of 200 equivalent residential units as shown on the attached Exhibit "B" prepared by Hussey, Gay, Bell & DeYoung and dated Sept 13, 2013, scale 1" = 80', desires certain commitments from the City of Savannah, hereinafter referred to as the City, in regard to extending and making additions to existing water and sanitary sewer systems, or in regard to the construction of water distribution and sanitary sewer collection and disposal systems to serve said Project, and

WHEREAS, the engineering design for said water and sanitary sewer systems has been, or will be, accomplished by competent professional engineers registered in the State of Georgia, and bids for the construction of said systems has been or will be requested;

IT IS AGREED between the parties hereto that the City shall approve the designation of Hussey, Gay Bell & DeYoung ("Project Engineer") as the engineer who shall be responsible for the engineering design and inspection in connection with the installation of the said water and sanitary sewer systems. The Developer shall be responsible to provide resident inspection during construction and to ensure the Project Engineer's conformance to area planning, adequacy of design, and conformance to City requirements regarding location, size and depth of lines, capacity and arrangement of any lift stations and quality of construction. The Developer shall provide to the City a statement from the Project Engineer certifying that the materials and workmanship including pipes, bedding, thrust blocks, valves, fire hydrants, manholes, lift station equipment and other related materials and work meet the City's specifications and standards. Upon request of the City, the certification shall be substantiated by material affidavits from suppliers and by applicable test results for inflow/infiltration, exfiltration, deflection, pressure, leaks, bacteria,

compaction and other tests required by the City. All construction, engineering and inspection costs in connection with these systems shall be borne by the Developer, unless otherwise provided for herein. The City will provide only the sewage treatment facility and the water supply facility, unless otherwise provided for herein.

IT IS FURTHER AGREED that this agreement shall contain the following special conditions/requirements:

1. The gravity sewer main along River Street (shown and described as "310 LF Existing 8" Gravity Sewer to be removed" on attached Exhibit B-1) will be abandoned to its termination manhole in the East Bay/General McIntosh right of way, leaving a portion of the line near the former SEPCO building to provide sewer service to the Project. The Project will also require the relocation of a sewer force main as described herein. Construction drawings are attached hereto as Exhibit B-2 and by this reference made a part hereof.
2. As set forth in the letter from Richard M. Evans, Chief Financial Officer for the City of Savannah to Whip M. Triplett, Executive Vice President of North Point Hospitality Group, dated July 11, 2013, attached hereto as Exhibit "C", the City will utilize a special regional connection fee to recover costs associated with increasing the capacity of a City sewage lift station which will serve the Project. The special regional connection fee will also be utilized to recover costs of relocating a portion of the existing sewer force main along the south side of River Street as shown on Exhibit "B."
3. The Developer will be responsible for the design, bidding and construction of this relocation (all in conformance with City of Savannah standards; Construction plans shall be submitted to the City Water and Sewer Planning and Engineering Department for review and approval prior to commencement of construction); provided, however, the Developer will be reimbursed by the City not to exceed \$175,393.32 for the cost of designs, bidding and construction abandonment of the gravity sewer main and the relocation of the sewer force main (collectively the "Developer's Work").
4. The detailed breakdown of the amount of reimbursement from the City to Developer is enumerated in Exhibit "D." This amount will be amended to include the cost of any necessary change orders to Developer's Work reviewed and approved by the City.

In Item 4 above, the detailed breakdown for reimbursement is enumerated in Exhibit "D", Schedule "A".

5. A minimum of two (2) bids shall be obtained for Developer's Work. An original copy of the bids shall be submitted to the City for review.
6. One (1) pay request shall be submitted to the City by the Developer for reimbursement of the Developer's Work accompanied by the original copies of the contractor invoice and other invoices for matters provided for in paragraph 3 above. Payment shall be made by the City to the Developer within thirty (30) days of (i) receipt of Developer's true and accurate final pay request; and (ii) approval by the City of the Developer's Work.
7. ERU's shown on Exhibit "B" are estimated and would be adjusted based on the end user at the time of payment.

IT IS FURTHER AGREED that the Developer shall render the City harmless for any claims and damages due to the work associated with the tie-on to existing sanitary sewers.

IT IS FURTHER AGREED that upon completion of the systems and all related facilities,

including water and sewer fees fully paid for the Developer, except the sewer treatment facility and the water supply facilities, and the provision of two (2) copies of "as built" drawings on Chronoflex Mylar, the City will, subject to approval of the City Manager, accept title hereto and assume responsibility for maintenance and operation of those portions located within public easements or rights-of-way. This acceptance shall include all rights, title and interest that the Developer has in the water and sanitary sewer systems serving the said project and also easements and/or rights-of-way required for the purpose of maintenance thereof.

IT IS FURTHER AGREED that the Developer will provide to the City a recordable plat(s) showing all utilities within public easements and/or rights-of-way to be owned and maintained by the City. This document shall be provided prior to construction. Should installation deviate from the original recordable plat, the Developer will provide to the City a revised recordable plat showing all utilities in public easements and rights-of-way. Should the Developer fail to provide the plat or revised plat, the City will not release the project nor will a Certificate of Occupancy or water meter be issued.

IT IS FURTHER AGREED that as development proceeds for various portions of the Project under the terms of this agreement, and prior to occupancy, there will be a sanitary sewer tap-in fee paid to the City for each residential or equivalent residential unit, and there shall be a separate water meter installed and a water tap-in fee and a water meter installation fee paid for each residential or equivalent residential unit based on those fees in effect at the time of the water and/or sewer connection, or as provided in the Revenue Ordinance.

IT IS FURTHER AGREED that the Developer shall pay to the City a proportionate share of the capital cost for expanding the wastewater treatment and/or transport facilities and of meeting discharge requirements as established by the Georgia Environmental Protection Division. The cost per residential or equivalent residential unit shall be \$2,000 for the President Street Plant, or as provided for in the Revenue Ordinance, whichever is greater. This additional connection fee will be paid by the Developer to the City Treasurer as each customer connects to the sewage system

and shall be in addition to the sewer tap-in fee. Water meters will not be installed until all fees, including the additional connection fees, are paid.

IT IS FURTHER AGREED and understood that this agreement between the City and the Developer will be assigned to a related entity of the Developer during the course of developing the Project. This Agreement may not be transferred or assigned in whole or in part without prior approval of the City being endorsed thereon, and that any violation of this limitation shall terminate the City's obligation and forfeit the Developer's rights thereunder. However, approval by the City of the assignment of this Agreement to a related entity of Developer shall not be unreasonably withheld, conditioned or delayed.

IT IS FURTHER AGREED that all provision of law now or thereafter in effect relating to water and sewer service by the City of Savannah shall be applicable to this agreement.

IT IS FURTHER AGREED that this agreement shall terminate five (5) years after date of execution, after which the City shall not be liable for any further obligation thereunder. On this basis, this agreement shall expire December 12, 2018 unless extended. This agreement may be extended for an additional five (5) year period upon request of the Developer.

IN WITNESS WHEREOF, the Developer has executed these presents under seal, and the City has caused these presents to be executed by its proper officer its seal, affixed, this 12<sup>th</sup> day of December, 2013.

THE MAYOR AND ALDERMEN  
OF THE CITY OF SAVANNAH

EXECUTED IN THE PRESENCE OF:

WITNESS

Tiwanna Crawford

NOTARY PUBLIC

Chatham County, Georgia

**TIWANNA CRAWFORD**  
Notary Public, Chatham County GA  
My Commission Expires Aug. 27, 2017

BY:

Leptonia L. Allen  
CITY MANAGER

ATTEST:

Sydney C. Reese  
CLERK OF COUNCIL

East River Street, LLC

Signed, sealed and delivered in the  
presence of

Janet L. Bynum  
Witness

Joe H. Bynum  
Notary Public,

Fulton County, Georgia

By: North Point Hospitality Group, Inc.  
Its Manager

By:

Title:

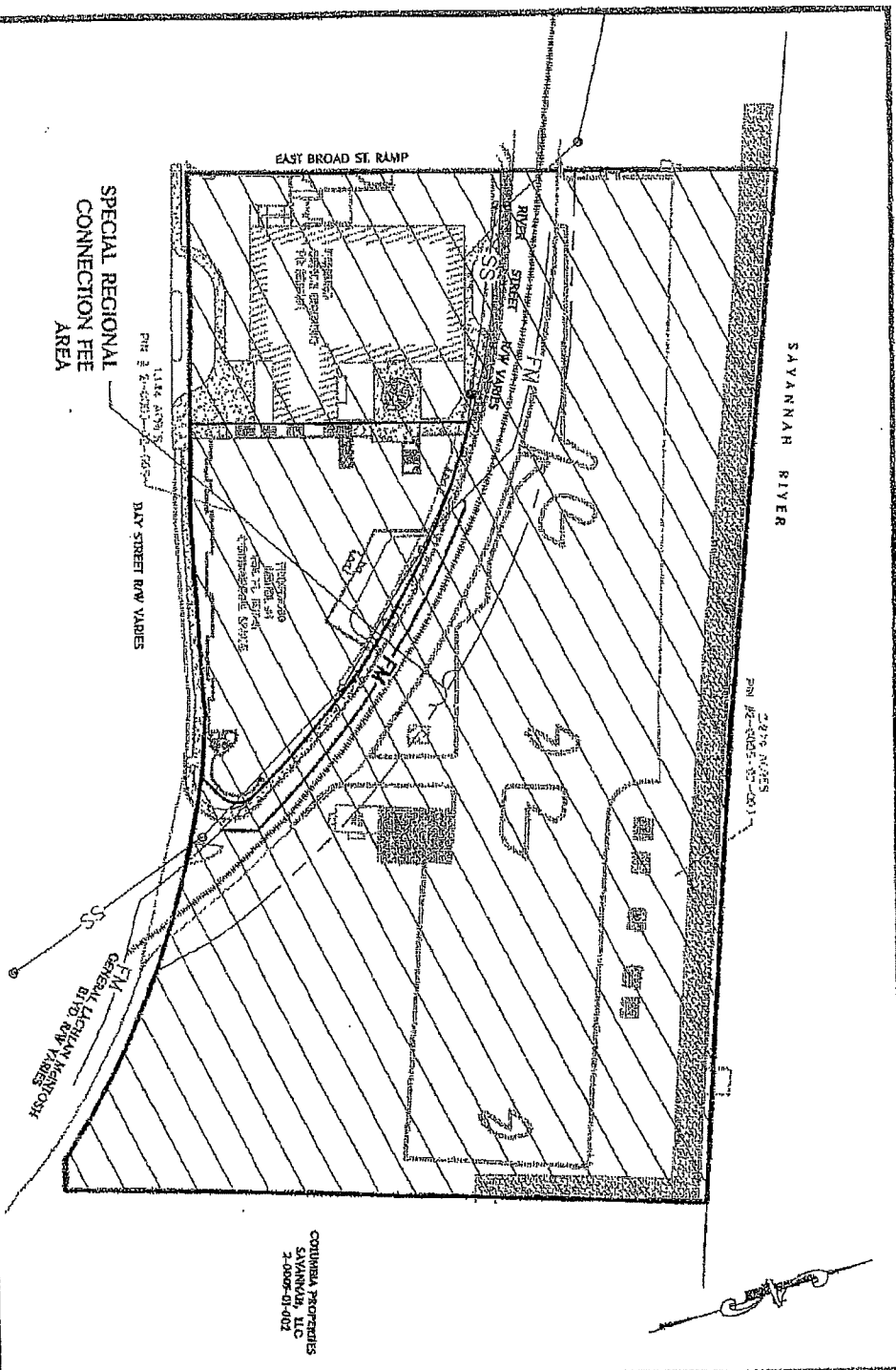
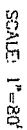
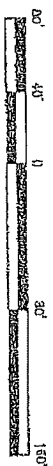
President



CONSULTING ENGINEERS

SPECIAL REGIONAL CONNECTION FEE AREA

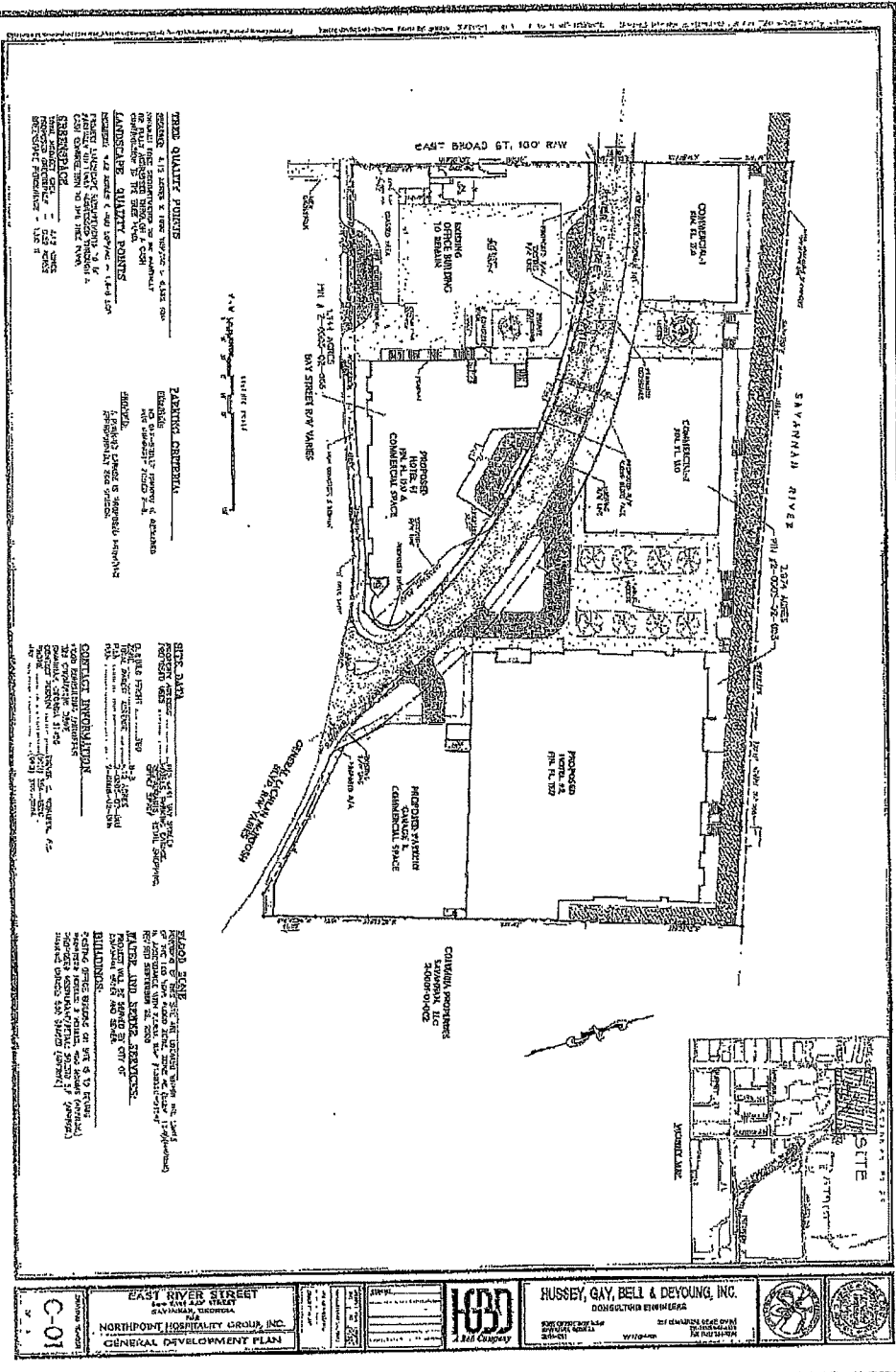
DATE: SEPTEMBER 30, 2013



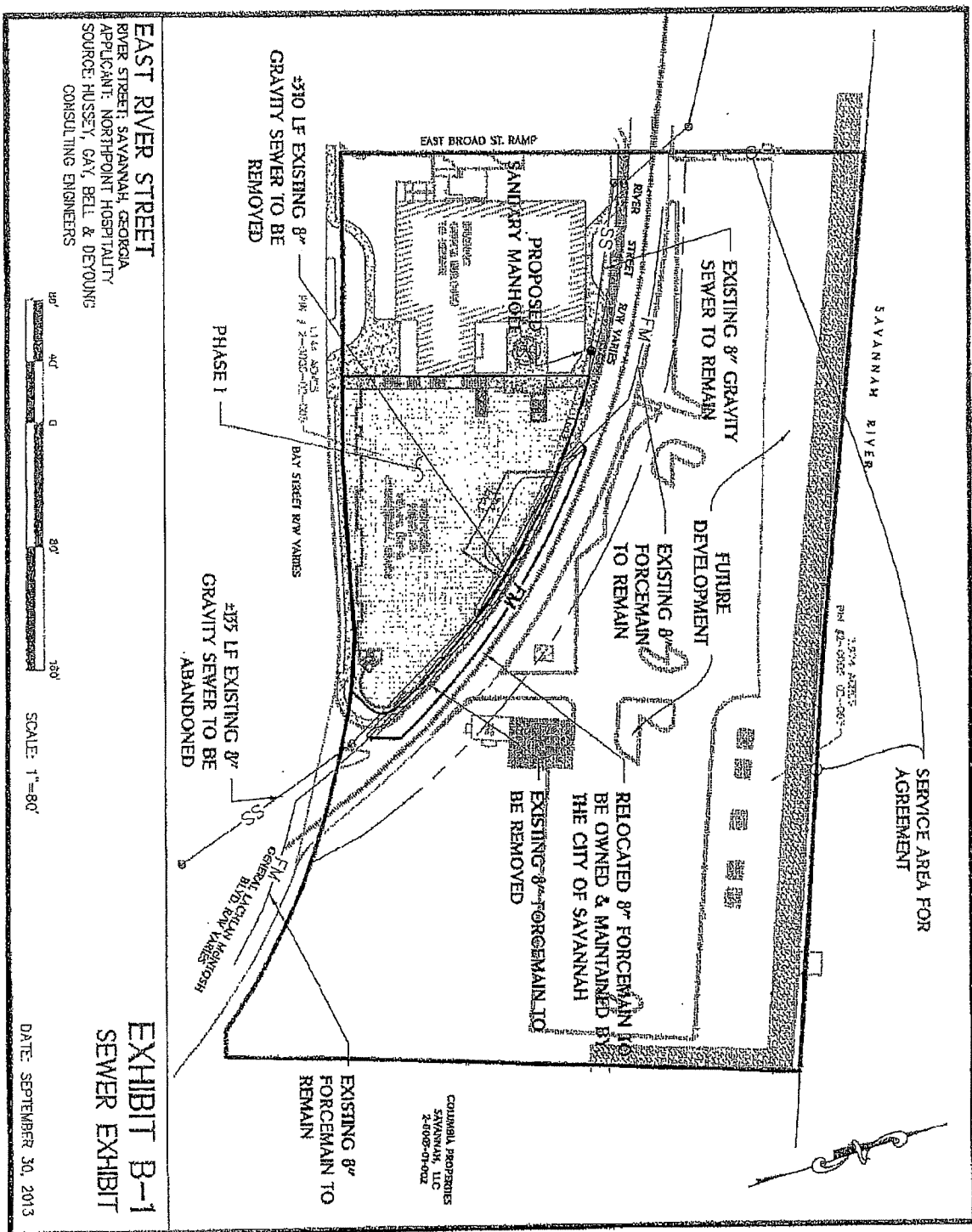
**EAST RIVER STREET**  
**RIVER STREET: SAVANNAH, GEORGIA**  
 APPLICANT: NORTHPOINT HOSPITALITY  
 SOURCE: HUSSEY, GAY, BELL & DEYOUNG  
 CONSULTING ENGINEERS

**EXHIBIT B**  
**OVERALL SITE PLAN**

DATE: SEPTEMBER 30, 2013









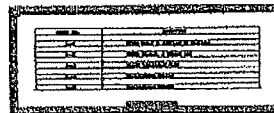
CONSTRUCTION PLANS

RIVER STREET  
SANITARY SEWERAGE RELOCATION  
SAVANNAH, GEORGIA

FOR

EAST RIVER STREET, LLC  
3405 PIEDMONT RD NE SUITE 175  
ATLANTA, GA 30305  
PHONE No. 770-817-8400

SEPTEMBER 20, 2013



**HGBD** HUSSEY, GAY, BELL & DEYOUNG, INC.  
ENGINEERING FIRM  
CREATED BY HGBD HGBD HGBD HGBD

SCHEDULE OF DRAWINGS

SHEET NO.	DESCRIPTION
C-01	COVER SHEET & SCHEDULE OF DRAWINGS
C-02	NOTES, LEGEND, & VICINITY MAP
C-03	UTILITY RELOCATION PLAN
C-04	CONSTRUCTION DETAILS
C-05	CONSTRUCTION DETAILS

EXHIBIT B-2  
SANITARY SEWER CONSTRUCTION DRAWINGS

DATE: SEPTEMBER 30, 2013

EXHIBIT "C"



Post Office Box 1027  
Savannah, Georgia 31402  
www.savannahga.gov  
Phone (912) 651-6429  
Fax (912) 651-6432

July 11, 2013

Whip M. Triplett  
Executive Vice President  
North Point Hospitality Group  
c/o Double Tree Hotel  
411 West Bay Street  
Savannah, GA 31401

via e-mail: [whiptriplett@nsh.com](mailto:whiptriplett@nsh.com)

RE: Terms for Connection of Proposed Hotel in Vicinity of 600 East Bay Street to City  
of Savannah Water and Sewer System

Dear Whip,

The City of Savannah is pleased to confirm the financial terms for connecting the proposed mixed-use hotel and commercial development in the vicinity of 600 East Bay Street to the City's water and sewer system which we have recently discussed.

The proposed development after complete build-out is estimated to produce an average daily water and sewer flow of 60,000 gallons per day. This flow is equal to 200 Equivalent Residential Units (where 1 ERU = 300gpd). This ultimate flow will exceed the capacity of existing sewage conveyance system currently serving the area of the proposed development. One engineering solution to this capacity problem is for the developer to construct a private on-site sewage lift station. It has also been estimated that the cost of constructing an on-site private sewage lift station with capacity to serve the proposed development is approximately \$250,000.

An alternate engineering solution to provide sewage service to the development is to increase capacity of an existing off-site City sewage lift station. This solution has the significant advantage of allowing the developer to avoid the cost of building, operating and maintaining an on-site private sewage lift station.

To implement the alternate solution, the City will establish a special regional connection fee that will apply to the proposed development. The special regional connection fee will be \$1,250 per ERU payable upon connection to the City system. (This fee rate was determined by dividing the cost of a private sewage lift station by the estimated ultimate flow from the development = \$250,000/200 ERUs.) The City will use the proceeds of

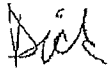
Letter to Whip Triplett  
RE: Water and Sewer Connection Terms  
July 11, 2013  
Page 2

this special connection fee, combined with system funds, to implement the alternate solution. The fee will be payable as phases of the development are connected to the water and sewer system. This fee will be applicable to all development undertaken by any development entity in the area between Morrell Park and the Marriot Hotel on the River Street area. For example, a development phase in that area consisting of a hotel with 170 rooms (without a restaurant) is equivalent to 57 ERUs; the new special regional connection fee due for this phase will be \$71,250.

All other customary water and sewer connection and tap-in fees provided for in the City Revenue Ordinance shall also apply to the proposed development. The new special regional connection fee will be payable at the same time and on the same basis as the customary fees. Also, the engineering details for the water and sewer connections to the City system will be subject to approval by the City's Public Works Director.

The City looks forward to this latest North Point Hospitality development becoming a successful addition to River Street. Please feel free to contact me or any City staff members to resolve any future issues.

Sincerely,



Richard M. Evans  
Chief Financial Officer

cc: Stephanie Culter, City Manager  
Peter Shonka, Assistant City Manager  
John Sawyer, Public Works and Water Resources Bureau Chief

**EXHIBIT "D"**  
**SANITARY SEWERAGE RELOCATION**

**SCHEDULE "A"**

December 9, 2013

Item No.	Description	Estimated Quantity		Unit Price	Total Price
1.	Project Miscellaneous shall include staking, traffic control, dust control, as-built information, insurance, bonds and all miscellaneous items not included elsewhere in this bid schedule to complete the project in accordance with the plans and specifications	1	LS	\$44,370.21	\$44,370.21
2.	Remove existing asphalt pavement	370	LF	14.31	5,294.70
3.	Remove existing 5' concrete sidewalk	135	SY	38.16	5,151.60
4.	Remove existing 18" curb and gutter	55	LF	11.43	628.65
5.	Remove existing 8" sanitary sewer main	183	LF	22.94	4,198.02
6.	Remove existing 8" force main	110	LF	22.94	2,523.40
7.	Abandon existing 8" sanitary sewer main in place, plug main and fill with grout, including manhole	1	EA	2,370.51	2,370.51
8.	Construct doghouse manhole on existing sanitary sewer main	1	EA	3,702.27	3,702.27
9.	Removal and disposal of petroleum impacted soil from trenches ( <u>all</u> excavated soils)	200	CY	125.26	25,052.00
10.	Foreign borrow to replace excavated soils	200	CY	65.68	13,136.00
11.	Removal and disposal of residual sanitary sewage, including the use of a Vac-Truck if necessary	1	LS	948.20	948.20
12.	Dewatering and disposal of groundwater and trenchwater into sanitary sewer system during excavation	1	LS	22,850.72	22,850.72
13.	Force main connection and bypass assembly with line stops (per plan detail)	2	EA	4,650.70	9,301.40
14.	8" PVC C900 force main (including fittings)	117	LF	134.54	15,741.18
15.	Inlet Sediment Trap - Sd-2P	2	EA	118.53	237.06
16.	Grassing, fertilizing, mulching	300	SY	5.33	1,599.00
17.	Replace existing asphalt paving	370	LF	15.86	5,868.20
18.	Engineering (HGB&D)				12,420.20
	TOTAL - "A"				\$175,393.32

**EXHIBIT "D"**  
**SANITARY SEWERAGE RELOCATION**

**SCHEDULE "B"**

December 9, 2013

Item No.	Description	Estimated Quantity		Unit Price	Total Price
1.	Project Miscellaneous shall include staking, traffic control, dust control, as-built information, insurance, bonds and all miscellaneous items not included elsewhere in this bid schedule to complete the project in accordance with the plans and specifications	1	LS	\$34,580.34	\$34,580.34
2.	Remove existing 10" storm drainage pipe	150	LF	\$25.19	\$3,778.50
3.	Remove existing storm drainage structure	3	EA	2,157.95	6,473.85
4.	Remove existing 8" sanitary sewer main	127	LF	22.94	2,913.38
5.	Remove existing sanitary sewer manhole	4	EA	2,157.86	8,631.44
6.	Remove existing 8" sanitary force main	130	LF	22.94	2,982.20
7.	Remove existing tree	5	EA	407.67	2,038.35
8.	Removal and disposal of petroleum impacted soil from trenches	250	CY	125.26	31,315.00
9.	Foreign borrow to replace excavated soils	250	CY	65.68	16,420.00
10.	8" PVC C900 force main (including fittings)	133	LF	134.54	17,893.82
11.	Engineering (HGB&D)				9,679.80
	TOTAL - "B"				\$136,706.68