

STATE OF GEORGIA)
)
COUNTY OF CHATHAM)
)

**SPLOST 6:
2015-2021 FUNDING AGREEMENT**

THIS AGREEMENT made and entered into this ____ day of _____, 2017 by and between the **MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH**, a municipal corporation organized and existing under the laws of the State of Georgia (hereinafter referred to as the “**City**”), and the **COASTAL HERITAGE SOCIETY**, a not-for-profit corporation organized and existing under the laws of the State of Georgia (hereinafter referred to as “**CHS**”):

WHEREAS, through SPLOST 6 funding, the City is making \$1,500,000.00 is available to CHS;

WHEREAS, the City desires to engage CHS under the terms of this agreement to manage the use of the SPLOST 6 Funds for capital improvements at the Savannah Children’s Museum located at 655 Louisville Road; and

NOW THEREFORE in consideration of the mutual benefits to the parties, the City and CHS agree as follows:

1. **Availability of SPLOST 6 Funds.** During the period commencing with the date of this agreement and ending on December 31, 2021, the City shall make funding from the SPLOST 6 Funds available to CHS in an amount not to exceed \$1,500,000.00, which shall be used for capital improvements to the Children’s Museum as set forth in this agreement.

The City shall retain the right to reduce the amount of funding available from the SPLOST 6 Funds. In such event, the City Manager shall provide CHS written notice of any adjustment in the amount of the SPLOST 6 Funds to be made available under this agreement. However, any adjustment in the amount to be made available under this agreement shall not relieve the City of its obligation to reimburse CHS for allowable expenses incurred prior to the date of receipt by CHS of any adjustment notice.

2. **Allowable Uses for the SPLOST 6 Funds.** The SPLOST 6 Funds shall be used solely for the projects listed in the attached Appendix A entitled “Financial Plan for SPLOST 6 Funds.”

For purposes of accounting within the City accounting system, reimbursements made under this agreement for the use of SPLOST 6 Funds will be charged to CIP project number **OP0144**.

3. **Capital Improvements.** For any capital improvement projects funded through SPLOST 6 Funds, CHS shall provide details of the project to include: (1) a detailed

description; (2) expected project outcome; (3) time schedule; (4) and cost details. Monthly updates shall be provided by CHS to the assigned City Representative no later than the 15th of each month.

In the event the funding available under this agreement is adjusted, the City and CHS shall negotiate changes in the project allocations provided in Appendix A to reflect such adjustment.

The "Approved Project Total" column of the Draw Form (see Section 6 hereof) shall be adjusted and kept up-to-date by CHS and reflect changes as documented.

5. **Procurement Procedure**. CHS shall obtain competitive quotes for each intended purchase or contract to be obtained from a particular vendor which exceeds \$5,000.00. Records of such competitive quotes shall be maintained by CHS and shall be made available to the City upon request.

For any single purchase or contract valued in excess of \$25,000.00, CHS shall consult with assigned City Representative who shall determine the appropriate method of procurement. Any single purchase or contract costing in excess of \$25,000.00 shall be approved by the City Council.

No competitive procurement procedure shall be required for the value of work performed by employees of CHS which is properly chargeable to an approved project.

6. **Drawdown Procedure**. The drawdown procedure provided in this section shall apply to SPLOST 6 Funds.

All draws shall be made on the form attached hereto as Appendix B – "Draw Down Request Form– SPLOST 6", and shall be certified by the Executive Director of CHS or his designated deputy.

Accompanying each drawdown request shall be a listing of actual disbursements for which reimbursement is requested. The detail list shall be sorted and sub-totaled by project. For each disbursement the following information shall be provided on the listing supporting the drawdown request:

- a. Name of payee;
- b. Amount;
- c. CHS check number (or other audit trail reference number that will allow tracing the original documentation for the transaction within the CHS accounting system);
- d. Purpose of expense; and
- e. Project name (as defined in Appendix A).

All drawdown requests shall be submitted to the City Representative for processing.

All draws of SPLOST 6 Funds shall be deposited in a separate SPLOST 6 Funds-CHS checking account which shall operate on an imprest basis and shall be utilized solely to pay the SPLOST 6 Funds allowable expenses.

In order to provide for initial cash balances in the respective imprest checking accounts, CHS may draw a cash advance of up to 15% of the allocated costs for any project in its early phases. Such advances shall be requested in the “advance column” of the draw form. As any project nears completion, any advances made for that project shall be reported on the draw form as “negative” advances in the “advance column” so that upon completion of any project the net amount advanced for that project shall be zero.

The total amount drawn, including advances, from the SPLOST 6 Funds source shall not exceed \$1,500,000.00.

7. **Records, Reporting and Audit.** The Draw Form is designed to provide a periodic report showing current approved projects. The Draw Form shall serve as a periodic report of approved projects, draws against each project, and the amount remaining available for each project. On each draw, CHS shall also provide an estimate of the “Percent of Completion” of each project.

CHS shall retain documentation and accounting records of all SPLOST 6 disbursements for a minimum of seven years. The CHS accounting system and records shall be maintained so as to easily allow the identification and retrieval of original transaction documents supporting SPLOST 6 funded disbursements. CHS shall reasonably make these records available to the City upon its request.

CHS shall account for the SPLOST 6 Funds received under this agreement and the SPLOST 6 Funds eligible disbursements as a separate “fund entity” within its accounting system.

CHS shall arrange for an annual audit of its accounts by an independent certified public accountant, and CHS shall provide a copy of this annual audit to the City within 90 days of the close of each fiscal year. Such audit report shall include a statement of the assets, liabilities, revenues and expenditures of SPLOST 6 Funds established within the accounting records of CHS. The audit shall contain a schedule of actual SPLOST 6 Funds expenditures by project in a format similar to Appendix A.

8. **Disallowed Costs.** In the event that it is determined by the assigned City Representative that CHS has received reimbursement for costs which are not properly fundable under this agreement, CHS shall return such disallowed amount to the City no later than ten business days from the date of notification by the City Representative.

9. **Ownership of Property Acquired.** Ownership of any property acquired using funds provided under this agreement shall rest with the City.
10. **Party Representatives.** The City Manager shall designate a member or members of the City staff as the City Representative(s) who shall serve as the point of contact for CHS for matters relating to this agreement. The CHS Executive Director shall designate a member of the CHS staff as the CHS Representative who shall serve as the point of contact for the City for matters relating to this agreement.
11. **Amendments.** This agreement may be amended by mutual agreement, provided however that any amendment must be in writing and executed by the authorized officers of both parties.
12. **Termination.** Unless extended in writing by mutual agreement, this agreement shall terminate on December 31, 2021.

Either party may terminate the agreement prior to December 31, 2021 by providing 60 days written notice to the other. In the event of such early termination CHS shall be reimbursed for all eligible disbursements incurred through the date of termination plus all eligible expenses after such termination date but only if incurred with the written approval of the City prior to the termination date. CHS shall utilize its best efforts to minimize expenses incurred after the date of termination for such pre-approved items if so requested by the City.

Any remaining balance of funds advanced to the CHS that has not been disbursed for allowable purposes shall be returned by CHS to the City no later than thirty days after the termination of this agreement.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their respective duly authorized officers as of the day and year first above written.

**CITY: THE MAYOR AND ALDERMEN OF THE CITY OF
SAVANNAH
BY:**

Rob Hernandez, City Manager

ATTEST:

CLERK OF COUNCIL

DATE: _____

CHS: COASTAL HERITAGE SOCIETY

BY:

Sandra Baxter, Director

WITNESS: _____

NOTARY PUBLIC: _____ SEAL:

DATE: _____

| Appendix A | | | |
|-----------------------------------|---|---------------------------------|--|
| Financial Plan for SPLOST 6 Funds | | | |
| | | Total | Covered by this Agreement (Commencing January 1, 2018) |
| Project Code Number | Project Description | Project Total Estimated Cost | SPLOST 6 |
| | Children's Museum Infrastructure/Interior Build Out Phase I | \$ 1,500,000.00 | \$ 1,500,000.00 |
| 1 | Concrete Retaining Wall | \$ 800,000.00 | \$ 800,000.00 |
| 2 | Interior Floor Preparation/Installation | \$ 250,000.00 | \$ 250,000.00 |
| 3 | Restrooms, Storage Room, Office Room (including HVAC) | \$ 400,000.00 | \$ 400,000.00 |
| 4 | Steel Window Sash Installation | \$ 50,000.00 | \$ 50,000.00 |
| | | - | |
| | | - | |
| | | - | |
| | <i>(Individual budgets may change pending revised estimate from Architect and Engineer)</i> | | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | | - | |
| | Total | \$ 1,500,000.00 | \$ 1,500,000.00 |

