

Requested Meeting Date: **8/17/2017****REQUESTED ACTION**

Port Wentworth has requested that certain additional amendments be made to the 2001 agreement to provide for an additional water delivery point in the vicinity of the southeast corner of the City of Savannah I&D property in order to serve a planned new warehousing and business development project being developed principally within Port Wentworth and east of Highway 21, north of Crossgate Road and south of Bonny Bridge Road.

RATIONALE *(describe explain why action is necessary):***Amendment to the existing 2001 Water Service Agreement**OBJECTIVE/OUTCOME *(explain what this action accomplishes):***Amendment to the existing 2001 Water Service Agreement to include new warehousing and business development.**STRATEGIC OR ORGANIZATIONAL ALIGNMENT *(identify Council priority):* **Health and Environment****SUMMARY EXPLANATION/BACKGROUND**

The first sentence includes the Agency recommendation. Provide an executive summary of the action that gives an overview of the relevant details for the item. Please include the reason for not selecting low bidder, if applicable.

**Recommend approval. The agreement has been reviewed and approved by the City Attorney.****FISCAL IMPACT/COST SUMMARY**

Include project cost, approved budget amount, account number and grant, if applicable, source of funds and any future funding requirements.

**Port Wentworth will collect and submit to the City of Savannah the applicable fees as outlined in the agreement when the connection to their system is made.****EXHIBITS**

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STAFF CONTACT: **Abe Ghazi**

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STATE OF GEORGIA     )  
                                  )  
COUNTY OF CHATHAM )

**THIRD AMENDMENT TO WATER  
SERVICE AGREEMENT**

**THIS AGREEMENT**, made and entered into as of the 27<sup>th</sup> day of April, 2017, by and between the CITY OF PORTWENTWORTH, a municipal corporation chartered under the laws of the State of Georgia, hereinafter referred to as **Port Wentworth**, and THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH, a municipal corporation chartered under the laws of the State of Georgia, hereafter referred to as **Savannah**.

**-WITNESSETH-**

**WHEREAS**, Savannah and Port Wentworth entered into a Water Service Agreement dated February 28, 2001 (hereinafter referred to as the "2001 Agreement") providing for the purchase of potable water by Port Wentworth from Savannah; and

**WHEREAS**, Savannah and Port Wentworth amended the 2001 Agreement by an agreement dated December 18, 2003 (hereinafter referred to as the "First Amendment to Water Service Agreement"); and

**WHEREAS**, Savannah and Port Wentworth amended the 2001 Agreement by an agreement dated October 26, 2005 (hereinafter referred to as the "Second Amendment to Water Service Agreement"); and

**WHEREAS**, Port Wentworth has requested that certain additional amendments be made to the 2001 Agreement to provide for an additional water delivery point in the vicinity of the southeast corner of the City of Savannah I&D Property in order to serve a planned new warehousing and business development project being developed principally within Port Wentworth and east of Highway 21, north of Crossgate Road, and south of Bonny Bridge Road; and

**WHEREAS**, Article IX, Section III, Paragraph 1 of the Constitution of the State of Georgia provides that municipalities of the State may contract with one another for any period not exceeding fifty (50) years; and

**WHEREAS**, it is in the best interest of the citizens of the Port Wentworth and the Savannah that this agreement be consummated and that such commitments be made.

**NOW THEREFORE**, in consideration of the mutual covenants hereby made, the parties do agree as follows:



**1. Amendments of the 2001 Agreement to Provide for Third Water Delivery Point.**

Section 1 and Section 2 of the 2001 Agreement are hereby amended to read as follows:

**1. Water Supply.** Savannah will make potable water available to Port Wentworth meeting the drinking water requirements of all applicable regulatory agencies at a water metering station located near the Savannah-Port Wentworth border in the vicinity of Godley Road and State Route 21 ("**Water Metering Station #1**"). Savannah will also make potable water available to Port Wentworth meeting the drinking water requirements of all applicable regulatory agencies at a water metering station located near the planned Meinhard Road/Highway 30 intersection ("**Water Metering Station #2**"). Savannah will also make potable water available to Port Wentworth meeting the drinking water requirements of all applicable regulatory agencies at a water metering station located near north of the DeLoach Parkway in the vicinity of the Crossroads Business Center to serve the planned warehouse/distribution center being developed by North Point Industrial LLC ("**Water Metering Station #3**"). Savannah will also make potable water available to Port Wentworth meeting the drinking water requirements of all applicable regulatory agencies at a water metering station located at the southeast corner of the City of Savannah, I&D Water Plant site ("**Water Metering Station #4**"). Water Metering Station #1, Metering Station #2, Water Metering Station #3 and Water Metering Station #4 are hereinafter referred to as "**Water Metering Station**", or collectively as "**Water Metering Stations**". The water available under this agreement shall be used to serve water customers located within the City of Port Wentworth. A "**Water Delivery Point**" shall be a point in a metering station immediately upstream (i.e. on the Port Wentworth side) from the back flow prevention valve. All water delivery points collectively are herein after referred to as "**Water Delivery Points**".

The aggregate maximum amount of water to be made available at all Water Delivery Points is 1,500 gallons per minute (for periods during which water is not being used for fighting fires to which the Port Wentworth fire department has responded). In no event shall Savannah be obligated to deliver in excess of an aggregate monthly average of 1,293,450 gallons per day to all Water Delivery Points serving Port Wentworth combined. Said monthly average maximum amount shall not include water delivered to other jurisdictions through the Port Wentworth water system as provided in Section 13 of this agreement.

**2. Water Metering Stations.**

- a. **Water Metering Station # 1.** Port Wentworth funded, designed, and constructed Water Metering Station # 1 consisting of a master water meter,

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chart recorder, control valves, and check valve to prevent back flow at the location described in Section 1.

Upon completion of the station in accordance with the approved plans, Port Wentworth conveyed ownership of the station to Savannah including fee simple title to the station site and all necessary rights for access to the site. After accepting ownership of the water metering station, Savannah assumed responsibility for its maintenance and calibration. The facilities conveyed included the entire station up to and including the backflow prevention check valve.

Port Wentworth constructed and funded all water transmission facilities necessary to deliver water from Savannah's existing 30" line located in the right-of-way of State Route 21 to Water Metering Station #1. Port Wentworth is responsible for the maintenance of such transmission facilities.

- b. Water Metering Station #2. Port Wentworth will design and construct (or will cause the design and construction of) a water metering station consisting of a master water meter, chart recorder, control valves, and check valve to prevent back flow at the location described in Section 1. The design of the water metering station shall be approved by Savannah. Port Wentworth shall fund and pay (or will cause the funding and payment of) all costs of the water metering station.

Upon completion of the station in accordance with the approved plans, Port Wentworth shall convey ownership of the station to Savannah including fee simple title to the station site and all necessary rights for access to the site. After accepting ownership of the water metering station, Savannah shall assume responsibility for its maintenance and calibration. The facilities conveyed shall include the entire station up to and including the backflow prevention check valve.

Water Metering Station #2 shall be served from an existing "tee" connection point on the 26 inch diameter water main in the Meinhard Road right-of-way.

- c. Water Metering Station #3. Port Wentworth all design and construct (or will cause the design and construction of) a water metering station consisting of a master water meter, chart recorder, control valves, and check valve to prevent back flow at a mutually agreed upon location in the vicinity described in Section 1. The design of the water metering station and the manner and



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location of the connection to the existing Savannah water distribution system shall be approved by Savannah prior to construction. Port Wentworth shall fund and pay (or will cause the funding and payment of) all costs of the water metering station and all costs of connecting said metering station to the existing Savannah water distribution system.

Upon completion of the station in accordance with the approved plans, Port Wentworth shall convey ownership of the station to Savannah including fee simple title to the station site and all necessary rights for access to the site. After accepting ownership of the water metering station, Savannah shall assume responsibility for its maintenance and calibration. The facilities conveyed shall include the entire station up to and including the backflow prevention check valve.

- d. Water Metering Station #4. Port Wentworth all design and construct (or will cause the design and construction of) a water metering station consisting of a master water meter, chart recorder, control valves, and check valve to prevent back flow at a mutually agreed upon location in the vicinity described in Section 1. The design of the water metering station and the manner and location of the connection to the existing Savannah water distribution system shall be approved by Savannah prior to construction. Port Wentworth shall fund and pay (or will cause the funding and payment of) all costs of the water metering station and all costs of connecting said metering station to the existing Savannah water distribution system.

Upon completion of the station in accordance with the approved plans, Port Wentworth shall convey ownership of the station to Savannah including fee simple title to the station site and all necessary rights for access to the site. After accepting ownership of the water metering station, Savannah shall assume responsibility for its maintenance and calibration. The facilities conveyed shall include the entire station up to and including the backflow prevention check valve.

- e. Pump Station Upgrade. In the event an upgrade in the capacity of the water booster pump station located at the Savannah Water Filtration Plant is required in the future, Port Wentworth shall pay to Savannah its pro-rate share of the cost of such upgrade according to the ratio of Port Wentworth average flows through the Water Metering Stations to the total flow pumped by said pump station.

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## 2. Water Capital Cost Recovery Charge.

Section 3 of the 2001 Agreement is hereby amended to read as follows:

To allow Savannah to recover capital costs it has incurred to enable the delivery of water to the Water Delivery Point, Port Wentworth shall pay a water connection charge of \$1,062 for each Equivalent Residential Unit ("ERU") that connects to the Port Wentworth water system after the effective date of this agreement. The Water Capital Cost Recovery Charge is composed of the sum of \$900 for the recovery of the capital cost of expanding the I&D water treatment plant, and \$162 for recovery of the capital cost of the I&D Booster Station and the 30" water line along State Route 21. In lieu of interest on the capital costs incurred by Savannah, it is agreed that this charge shall apply so long as this agreement is in effect.

The number of ERUs assigned to any customer shall be determined by the Savannah Revenue Ordinance, as amended from time to time, provided however that the determination of the number of ERUs for customers in Port Wentworth shall be made on the same basis as for customers within Savannah. The Water Capital Cost Recovery Charge shall be paid by the end of the month following the month in which a building permit for construction on the new customer's site was issued (or by the end of the month following the month of connection in the case of a customer who is permitted to connect without the issuance of a building permit). Monthly payments shall be accompanied by a report identifying the specific location of each new customer for which payment is made together with a copy of each applicable building permit.

Port Wentworth is free to charge new customers any connection fee it wishes (either above or below the amount stated above) for customers connecting to its water system, however, the amount payable by Port Wentworth to Savannah for each connection shall be as stated above.

The Water Capital Cost Recovery Charge shall apply to each and every new water service throughout the entire municipal limits, as established on the date of this agreement, of Port Wentworth. Port Wentworth is free to use wholesale water as contemplated herein to provide water service throughout the entire municipal limits, as established on the date of this agreement of Port Wentworth.

Savannah and Port Wentworth shall cooperate in any audit and make reasonably available records concerning building permits and connections to its water system to permit verification of compliance with this section.

It is the intent of this agreement that all new water customers shall contribute their share of the capital funding of water supply facilities through the payment of the Water Capital Cost Recovery Charge. Port Wentworth agrees to diligently report new connections to their water

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system, and to remit the agreed upon Capital Cost Recovery Charges to Savannah. Any failure to remit such Capital Cost Recovery Charges to Savannah discovered by audit or otherwise, shall entitle Savannah to temporarily increase the metered consumption charge provided for in Section 4 of the 2001 Agreement which would allow Savannah to recover an amount equal to the amount of Capital Cost Recovery Charges that were not properly remitted.

**3. All Other Sections of the 2001 Agreement and the First Amendment to Water Service Agreement Remain in Effect.** All sections of the 2001 Agreement and the First Amendment to Water Service Agreement not amended by this Agreement remain in full force and effect as originally set forth in said agreements.

IN WITNESS WHEREOF, Port Wentworth and Savannah have caused this agreement to be executed by their proper corporate officers with their seals duly attached and attested to as of the day and year first written above.

**CITY OF PORT WENTWORTH**

**THE MAYOR AND ALDERMEN OF  
THE CITY OF SAVANNAH, GEORGIA**

BY: G. C. F.  
Mayor

BY: \_\_\_\_\_  
City Manager

ATTEST: William B. Jordan  
Clerk of Port Wentworth City Council

ATTEST: \_\_\_\_\_  
Clerk of Savannah City Council



