

Development, Water and Sewer Agreement

THIS DEVELOPMENT, WATER AND SEWER AGREEMENT (hereinafter referred to as the "**Agreement**") is made and entered into as of the date the last party executed this Agreement ("**Effective Date**"), by and between 1940 EAST PRESIDENT STREET, LLC, a Georgia limited liability company (hereinafter "**Developer**") and the Mayor and Aldermen of the City of Savannah, a municipal corporation organized under the laws of the State of Georgia (hereinafter referred to as "**City**"), each a "**Party**" and collectively sometimes referred to herein as the "**Parties**".

WITNESSETH:

WHEREAS, the City and Gregory M. Parker (the "**Original Developer**") entered into that certain Water and Sewer Agreement dated March 6, 2003 (the "**Parker Agreement**"), related to extending and making additions to existing water and sanitary sewer systems, or constructing water distribution and sanitary sewer collection and disposal systems, to serve the real property commonly known as 1910 – 1940 East President Street, Chatham County, Savannah, Georgia (referred to in the Parker's Agreement as "Lot 1, Engelhard Property") located within the President Street Service Area, consisting of approximately 7.94 acres of land (the "**Parent Parcel**");

WHEREAS, the Original Developer's successor in interest, Drayton-Parker Companies, LLC, a Georgia limited liability company, conveyed a portion of the Parent Parcel, consisting of approximately 3.36 acres of land located at 1940 East President Street (the "**1940 Property**"), to Developer; and

WHEREAS, the Developer desires to enter into this Agreement with the City related to its development of the 1940 Property, the annexation of the 1940 Property into the City and its desire to connect, tie into, and use the City's water and sewer systems to deliver 41.05 equivalent residential units (ERUs) to the Development;

WHEREAS, the Developer intends to subdivide the 1940 Property into two parcels, develop one of the subsequent parcels itself and an affiliate of Developer will develop the second subsequent parcel, with the rights, interests and obligations created hereunder running with the land for the benefit and burden of the respective entity effectuating the development of the respective parcels comprising the 1940 Property, said party being the "Developer" hereunder as to its parcel. Utility easements in form acceptable to both parties must be provided, to the extent said easements do not currently exist, for both parcels comprising the 1940 Property to assure City water and sanitary sewer utilities services contemplated herein. The City of Savannah will not be responsible for additional City utility extensions to serve the parcels comprising the 1940 Property;

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

WHEREAS, it is a material inducement for the City to enter into this Agreement for Developer to annex the 1940 Property into the City as described herein; and

WHEREAS, it is a material inducement for the Developer to enter into this Agreement for City to provide connection, tie in and use of the City's water and sanitary sewer systems by the 1940 Property as described herein.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and agreements hereinafter made, the Parties do agree as follows:

1. IT IS AGREED between the Parties hereto that, subject to force majeure, Developer will annex the 1940 Property, in its then “as is” condition, on or before the **earlier of**: (i) January 1, 2027, or (ii) within three (3) months of completion of the planned improvements to the 1940 Property and the issuance of final certificates of occupancy from Chatham County, Georgia with regards to said planned improvements (the “**Annexation Deadline**”). Subject to force majeure and such notice and cure rights afforded Developer herein, in the event Developer fails to annex the 1940 Property into the City by the Annexation Deadline, then the City shall have the right to take the following action, which shall not be mutually exclusive and can occur in conjunction with each other:

- a. The City shall have the unilateral right to immediately discontinue water and sanitary sewer services and/or any other services agreed upon herein to the 1940 Property.
- b. If the City continues to provide water and sanitary sewer services and/or any other services agreed upon herein to the 1940 Property, the City may charge three hundred and fifty percent (350.00%) in excess of its normal rates for such services until the annexation of the 1940 Property into the City occurs.

(collectively the “**City Actions**”). Provided, however, that the City shall not exercise any of the City Actions unless (i) the City has acted in good faith with regards to the development of the 1940 Property, the connection of the water system and the sewer system to the developments to be constructed on the 1940 Property, and the annexation of the 1940 Property into the City; and; (ii) the City has delivered such written notice(s) to Developer and provided Developer with its right to cure such failure to perform as more particularly set forth therein, as further set forth below.

2. IT IS FURTHER AGREED that Developer shall submit a site plan by a licensed Georgia engineer to the City for water and sanitary sewer only review and approval (in accordance with the water and sanitary sewer only review procedures as the City directs for site plan review and approval of water and sanitary sewer improvements).

3. IT IS FURTHER AGREED between the Parties hereto that Integrated Civil Solutions, LLC is approved by the City as the designated engineer who shall initially 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 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 lift stations (if needed) and quality of construction. The City acknowledges that Developer and/or Integrated Civil Solutions, LLC will engage such third parties as necessary for materials testing and inspection services. The Developer shall provide to the City a statement from the project engineer certifying that the materials and workmanship including pipes, bedding, thrust restraint, valves, fire hydrants, manholes, 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 cost in connection with these systems shall be borne by the Developer. The City will provide only the sewage treatment facility and the water supply facility.

4. IT IS FURTHER AGREED between the Parties hereto that in consideration of Developer agree to annexing the parcels comprising the 1940 Property into the City, Developer performing its obligations hereunder, and Developer complying with the City's requirements, standards, rules, regulations and/or ordinances applicable to connecting to the water system and sewer system, as uniformly applied to similar developments, the City will permit Developer to install services lines to connect with the City's water system and sanitary sewer line(s) existing within and/or within the right of way abutting the 1940 Property. The Developer will pay all necessary water and sanitary sewer utility service and connection fees

in effect as of the date hereof, pursuant to the most recent City of Savannah Revenue Ordinance (“Utility Service and Connection Fees”). The Developer shall be issued the appropriate connection permits once all conditions of the City’s requirements, standards, rules, regulations and/or ordinances applicable to connecting to the water system and sewer system, as uniformly applied to similar developments, have been satisfied as it pertains to the issuance of the appropriate connection permits. The City covenants to act in good faith with Developer throughout the process of developing the parcels comprising the 1940 Property and Developer performing its obligations herein. The City reserves the right to create a restrictive covenant (as deemed necessary by the City) in connection with the site(s) permitting and close out process and prior to the issuance of the water meter(s) for both parcels comprising the 1940 Property.

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

Any development which requires sanitary sewer main extension and/or involve storm sewer conduits will require televising by the City of Savannah televising crew. In accordance with the 2024 City of Savannah Revenue Ordinance, the charge will be \$1.25 per linear foot with a set-up fee in the amount of \$120.00. This fee will be paid to the City of Savannah in addition to those fees as described in the 2024 City of Savannah Revenue Ordinance.

6. 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.

7. IT IS FURTHER AGREED that upon completion of the systems and all related facilities including water and sewage Utility Service and Connection Fees fully paid for by the Developer and the provision of two 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 1940 Property and also easements and/or rights-of-way required for the purpose of maintenance thereof.

8. 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 revised plat, the City will not release the project, nor will a Certificate of Occupancy or water meter be issued.

9. IT IS FURTHER AGREED that this Agreement between the City and the Developer may not be transferred or assigned to a party not affiliated with Developer and/or under common control of Zachary Riddle 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.

10. 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.

11. IT IS FURTHER AGREED that should Developer fail to perform an obligation as and when due herein, City shall provide Developer sixty (60) days prior written notice of said failure to perform together with the opportunity to cure said failure to perform. Developer shall not be deemed to be in default

hereunder and City shall not have the right to pursue any City Actions if Developer commences to cure such failure to perform within such sixty (60) day period and for any failure to perform that cannot be cured within the initial sixty (60) day cure period, Developer commences to cure such failure to perform within such sixty (60) day period and thereafter continues to use commercially reasonable efforts to promptly cure same.

12. IT IS FURTHER AGREED that, as used herein, the term force majeure shall be construed to mean any delay, hinderance in or prevention from the performance of any act required hereunder by reason of strikes, lock-outs, acts of God, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, the act, failure to act or default of the other party, war, epidemic, pandemic, or other health crisis causing a disruption to governmental offices, supply chains or normal business functions, tropical storms, named storms, hurricanes, hazardous weather, or other causes beyond the control such party's control, and/or insurance coverage delays related to any of the foregoing, and the parties agree that the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, except for the payment of any monetary obligations owed to a party hereunder by the other party.

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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 and its seal affixed on this ____ day of _____, 2024.

CITY:

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

EXECUTED IN THE PRESENCE OF:

Unofficial Witness

Notary Public, Chatham County, Georgia

By: _____
Name:
Title: City Manager

DEVELOPER:

1940 EAST PRESIDENT STREET, LLC,
a Georgia limited liability company

EXECUTED IN THE PRESENCE OF:

Unofficial Witness

Notary Public, Chatham County, Georgia

By: Riddle Developments, LLC,
a Georgia limited liability company
Its: Manager

By: _____
Name: Zachary Riddle
Title: Manager