

DRAFT

**DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF CLEMSON, SOUTH CAROLINA
AND THE INDEPENDENT DEVELOPMENT FIRMS OF
THE UNIVERSITY HOUSE, DUKES CENTER, LLC;
GRANDMARC OF CLEMSON, DAVIS PROPERTY GROUP, LLC; AND
FENDLEY STREET MIXED-USE DEVELOPMENT, COLLEGIATE HOUSING PARTNERS, LLC
FOR THE FINANCING AND CONSTRUCTION OF SANITARY SEWER LINE CAPACITY
IMPROVEMENTS THAT WILL PROVIDE UTILITY SERVICES TO THE BENEFIT OF SAID
DEVELOPMENT PROJECTS HERETO.**

THIS AGREEMENT made this ____ day of August, 2015, by and between the City of Clemson, South Carolina, hereinafter called the "City" and the development firms of Dukes Center, LLC hereinafter called "University House"; and Davis Property Group, LLC hereinafter referred called "Grandmarc"; and Collegiate Housing Partners, LLC hereinafter referred called "Fendley Project"

WHEREAS, THE ABOVE CITED DEVELOPMENT FIRMS have received formal approval from the various Boards, Commissions, and City Council of the City of Clemson, South Carolina for the development and construction of mixed-use structures in the City, and

WHEREAS, THE DEVELOPMENT PROJECTS SHALL BE UTILIZING sanitary sewer collection and treatment utility service from the City of Clemson and will need to have capacity improvements on the City's sanitary sewer collection system to accommodate the release of raw sewer effluent from the respective mixed-use development projects into the City's utility system; and

WHEREAS, IT IS THE POLICY OF THE CITY that developers shall be financially responsible for system capacity enlargements of the City's utility system that are caused by the service demand that is placed upon the collection of sewer effluent for conveyance to the City's wastewater treatment plants, and

WHEREAS, THE REQUIRED UPGRADE AND CAPACITY EXPANSION of the City's sanitary sewer collection system for the above named projects will coincidentally occur at a location that will provide sanitary sewer collection service to each of the developments at a similar level of capacity, and

WHEREAS, IT IS AGREED THAT THE ABOVE NAMED DEVELOPERS shall provide a financial contribution to the City of Clemson in an equitable cost sharing manner to pay for the sanitary sewer capacity improvements that will benefit each of the parties that will utilize the sanitary sewer collection and conveyance system of the City;

WITNESSETH:

SECTION 1: SCOPE OF SANITARY SEWER COLLECTION SYSTEM CAPACITY IMPROVEMENTS:

- 1. A sanitary sewer flow analysis has been conducted and resulted in recommendations to make changes to the City's collection system, including the following descriptions and illustrated on Attachment A to this Agreement: (lettered improvements correspond to Attachment A)

- a. Construction of a new sanitary sewer line on College Avenue, from Keith Street to Strode Circle:
 - b. Reconstruct a section of sanitary sewer line on Keith Street, east of College Avenue, from a manhole at McCollum Street to College Avenue, to allow the flow of effluent to be reversed in direction and to feed the new College Avenue collection line.
 - c. Abandon a line section of sanitary sewer from Keith Street, near the intersection of McCollum and extends north to an existing manhole at the north corner of the AT&T building,
 - d. Abandon a line section on Riggs Drive, approximately 150' in length, and located approximately 100' south of the manhole that is located at the intersection of Strode Circle and Riggs Drive,
 - e. Construction of a new sanitary sewer line from Riggs Drive to an existing manhole that is at the property of the building that is located on the southeast corner of College Avenue and Strode Circle.
2. Reimbursement of costs for the original flow analysis to the developer that paid for the engineering study (Davis Property Group in the amount of \$20,900).
 3. Payment of a second sewer collection system flow analysis from College Avenue to the City's pump station # 7.
 4. All developers agree to pay their allocated cost of a future capacity improvements that could be required on the sanitary sewer line segment from College Avenue to the City's pump station #7, but not to exceed a total cost of \$125,000 for engineering design and construction. This line section was not included in the original flow analysis study.

SECTION 2. ALLOCATION OF FINANCIAL COST SHARING BY DEVELOPERS:

1. Allocation of costs shall be determined by the number of beds (occupants) to be included in the respective development. Attachment B to this agreement provides the cost allocation to be utilized for shared costs of this agreement.
2. The estimated financial costs of the scope of work is as follows:

a. Original flow analysis:	\$ 20,900
b. Estimated construction costs of initial capacity improvements:	\$275,000
c. Sewer flow study from College Ave. to Pump Station #7	<u>\$ 20,000</u>
Total Costs to be allocated for initial capacity improvements:	<u>\$315,900</u>
3. At such time as bids have been received and the actual costs of construction have been determined, the City will notify all parties to this agreement of the anticipated financial costs. If the bid results and contract will exceed the original estimate, the additional construction cost increment (above \$275,000) will be invoiced to each developer on the same allocation basis as the initial deposit. Developers agree to make payment to the City within 30 days of receipt of said invoice. In the event that an unforeseen change order is required during construction and the total cost exceeds the deposit amounts, the City will invoice each developer for the prorated costs of the final project at the time of project close-out.

If the bid for the initial sewer line capacity work is less than the deposit total (\$275,000), the City will hold the entire deposit until the work is completed. This will allow for unanticipated work or change orders to be handled during the construction period. At the completion of the project, any remaining funds will be refunded to the Developers on a prorated share and in accordance with the allocation formula described on Attachment B.

4. No pre-payment or deposit will be required for any future improvements to the sanitary sewer line section from College Avenue to Pump Station #7. However, each developer agrees to participate financially in paying for that construction work if the flow analysis determines that such work should be completed and is in the best interest of the City of Clemson. In the event that additional construction work is required, the cost allocation share will use the engineer's estimate for billing purposes, and funds shall be deposited with the City of Clemson within 30 days of receipt of an invoice for this capacity expansion work. After the project is completed and actual costs are paid, any remaining funds in excess of the deposit will be refunded to the developers on a prorated share.

SECTION 3: ESTIMATED SCHEDULE OF WORK AND PAYMENTS:

1. All parties agree that time is of the essence to construct the sanitary sewer line capacity enhancements that have been identified and defined in Attachment A. The City of Clemson Engineering Department will provide the engineering design services, bidding, construction administration and inspection services.
2. It is anticipated that the sewer work will be bid in September or October, 2015, and work will commence on or around November 20, 2015. The College Avenue to Pump Station #7 flow study should be completed by January 1, 2016.
3. The initial deposit for the sanitary sewer capacity construction shall be paid to the City of Clemson in accordance with Section 2 of this agreement. It is estimated that the deposits will be invoiced on or about November 1, 2015. The allocation formula of costs is illustrated on Attachment B, and the results are as follows:

a. Fendley/Earle Street project	\$137,103
b. Grandmarc of Clemson	98,414
c. University House	<u>80,384</u>
Total of all contributions:	\$315,900

4. The term of this Agreement shall start upon the date first above written and shall continue until June 30, 2018.

This Agreement shall be binding upon all parties hereto and is not transferrable. This Agreement can be amended, but only upon the consent and written addendum of all parties.

In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized officials, this Agreement in four copies each of which shall be deemed and original on the date first above written.

(Continue to Signature Page on next page)

CITY OF CLEMSON

BY: _____

ITS: Mayor

Typed Name: J.C. Cook, III

ATTEST:

Beverly A. Coleman, City Clerk

DEVELOPER: UNIVERSITY HOUSE

BY: _____

ITS: _____

Printed Name; _____

ATTEST for Dukes Center:

Printed Name
& Title: _____

DEVELOPER: GRANDMARC OF CLEMSON

BY: _____

ITS: _____

Printed Name; _____

ATTEST for Grandmarc of Clemson:

Printed Name
& Title: _____

DEVELOPER: FENDLEY STREET MIXED-USE DEVEMOPMENT

BY: _____

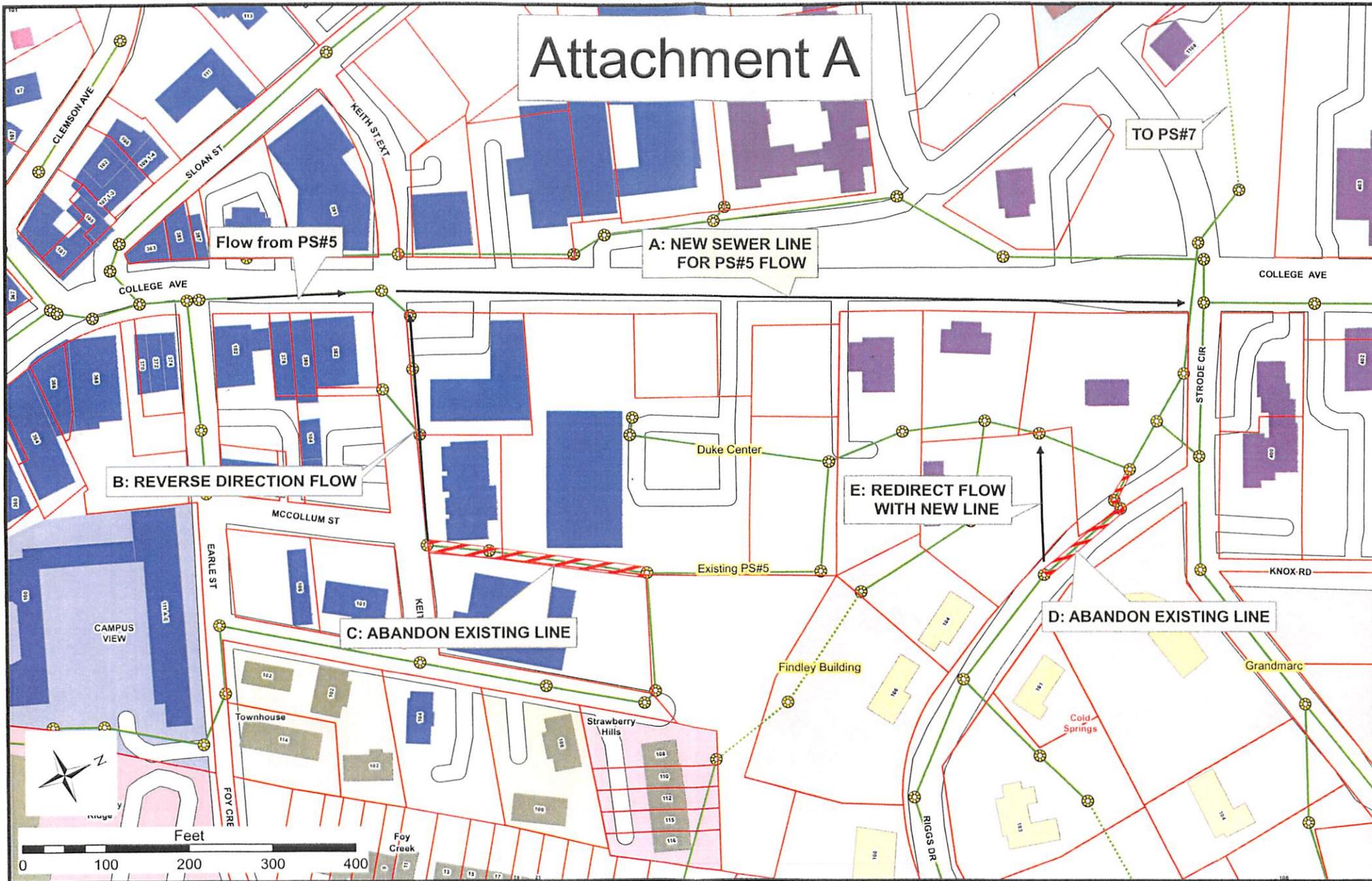
ITS: _____

Printed Name; _____

ATTEST for Fendley Street Mixed-Use Development:

Printed Name
& Title: _____

Attachment A



Flow from PS#5

A: NEW SEWER LINE FOR PS#5 FLOW

TO PS#7

B: REVERSE DIRECTION FLOW

E: REDIRECT FLOW WITH NEW LINE

C: ABANDON EXISTING LINE

D: ABANDON EXISTING LINE



Feet

0 100 200 300 400

Attachment B

Cost Allocation of Sewer Line Capacity Improvements

<u>Project/Developer</u>	<u>Number of beds/ occupants</u>	<u>Percentage of total beds</u>	<u>Allocation Cost Share</u>
Fendley/Earle Street Mixed Use - Collegiate Housing Partners	730	43.40%	\$ 137,103
Grandmarc of Clemson - Davis Property Group	524	31.15%	\$ 98,414
Dukes Center - Dukes Center, LLC	428	25.45%	\$ 80,384
Totals:	1682	100.00%	\$ 315,900

College Ave. Prelim Estimate

7/8/2015

Mobilization	1	LS	\$10,000.00	\$10,000.00
8" PVC Sewer Line (6'-8')	280	LF	\$110.00	\$30,800.00
8" PVC Sewer Line (8'-10')	295	LF	\$115.00	\$33,925.00
10" PVC Sewer Line (6'-8')	445	LF	\$115.00	\$51,175.00
10" PVC Sewer Line (8'-10')	288	LF	\$120.00	\$34,560.00
10" PVC Sewer Line (10'-12')	177	LF	\$130.00	\$23,010.00
Pre-Cast Sewer Manhole (6'-8')	1	EA	\$2,760.00	\$2,760.00
Pre-Cast Sewer Manhole (8'-10')	3	EA	\$3,500.00	\$10,500.00
Pre-Cast Sewer Manhole (10'-12')	5	EA	\$5,000.00	\$25,000.00
Asphalt Paving	800	LF	\$35.00	\$28,000.00
Engineering and Surveying	1	LS	\$10,000.00	\$10,000.00
Contingency	1	LS	\$15,000.00	\$15,000.00

\$274,730.00

Frazier Engineering, P. A.

6592 Bob White Trail
Stanley, NC 28164

FEDERAL ID # 56-2098148

Invoice

DATE	INVOICE #
5/26/2015	051517

BILL TO
Homes Urban, LLC E.J. Mondor 219-A East Washington St Greenville, SC 29601

		TERMS	Due on receipt
DESCRIPTION		AMOUNT	
Clemson SC Area Flow Metering			
Garrett Project			
5 flow meters and 1 rain gauge			
Installed from March 11, 2015 through May 11, 2015 (2 months)			
Metering Costs:			
** Costs in accordance with Frazier Engineering's Proposal dated March 3, 2015			
Initial 30 days of metering:			
(1) 5 flow meters x \$2,000 per meter per month			10,000.00
(2) 1 rain gauge at \$200 per gauge per month			200.00
(3) Summary Report			500.00
Additional Metering:			
Cost = \$2,550 per week x 4 weeks			10,200.00
Please remit payment to above address.		Total	\$20,900.00