Administrative Services Committee Meeting Commission Chamber - 11/30/2021

ATTENDANCE:

Present: Hons. Hardie Davis, Jr., Mayor; Scott, Vice Chairman; Frantom and B. Williams, members.
Absent: Hon. Hasan, Chairman.

ADMINISTRATIVE SERVICES

1. Motion to approve three additional employee incentive programs.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commissioner Bobby Williams	Commisioner Sean Frantom	Passes

2. Motion to approve Housing and Community Development's (HCD) request to use $100,000 CDBG program income and $100,000 HOME program income to offset allocable administrative expenses (i.e. utilities, repairs and maintenance, security, etc.) that have been paid from HCD's operating budget.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

3. Motion to approve the minutes of the Administrative Services Committee held on November 9, 2021.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

4. Motion to approve Housing and Community Development Department's (HCD's) request to provide HOME funding to rehabiliate one (1) low to moderate income rental unit for occupancy by a low to moderate income family.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

5. Receive as information the emergency roof replacement at the Animal Services Building in the amount of $61,880.00 by Hixon Roofing.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

6. Receive as information the emergency roof replacement at the Aquatic Center in the amount of $275,715.00 by Hixon Roofing.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

7. Motion to approve Augusta Employee Mental Health Day 2021 on December 20, 2021.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve with the Mental Health Day to be on December 22, 2021. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

8. As committed the Administrator brings forth a transparency dashboard, that initially consists of SPLOST 8 approved projects and TIA 2022 projects. As it develops, the Build Augusta dashboard will highlight financial transparency and project progress while giving insight into project budgets, expenditures, revenues, and construction progress on through completion. The dashboard will also provide real time photos of progress for each project and will be updated quarterly to show project spending. The dashboard includes an interactive map that allows users to scroll over various communities to see project location, funding, and timeline. Users will also be able to click on a specific project on the map and be taken to the full project description and all details associated with the project. Build Augusta is a simple and easy dashboard that will keep the citizens of Augusta-Richmond County up to speed on how and where their dollars are being spent.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Bobby Williams	Passes

9. Presentation: Proposed Programming in Support of Affordable Housing, Financial Literacy, and Access to Small Business Capital (Administrator).

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve		Commissioner Bobby Williams	Commisioner Sean Frantom	Passes

	Motion to approve. Motion Passes 3-0.			

10. Presentation by Ms. LaSonya Grandstaff regarding mental health crisis facing Augusta with limited resource and facilities. **Item Action:** Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve receiving this item as information. Motion Passes 3-0.	Commissioner Bobby Williams	Commisioner Sean Frantom	Passes

11. Motion to approve and authorize Augusta Convention Center Management, LLC to expend $38,800 for the upgrade of the lighting system at the Augusta Convention Center. Based on the management agreement, approval of expenditures above the $20,000 threshold require Commission approval. The lighting system request impacts convention center visitor usage and revenues. **Item Action:** Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
	Unanimous consent is given to add this item to the agenda.			

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Francine Scott	Passes

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Attendance 11/30/21

Department:

Presenter:

Caption:

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

<u>REVIEWED AND APPROVED BY</u>:

October 29, 2021

Augusta Ga Human Resources Department

Adding Augusta employee incentive programs

Recommendation

The human resource department recommends adding four additional incentive programs to our already existing employee incentive program for the FY2022.

Employee Appreciation Week 08/08/2022-08/12/2022

Employee Fun Day 08/13/2022

Augusta Perks

If approved the additional programs will not cause/create a negative impact on the human resource budget. The employee appreciation week and Employee Fund Day would be budgeted items and a partnership with Parks and Recreation department.

The Augusta perks is a partnership with local and surrounding businesses, this program would be a discount program with no expense to the organization or the human resource department.

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Employee Incentive Programs

Department:	HR Department
Presenter:	Anita Rookard
Caption:	Motion to approve three additional employee incentive programs.
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

<u>REVIEWED AND APPROVED BY</u>:

Finance.
Law.
Administrator.
Clerk of Commission

Administrative Services Committee Meeting
11/30/2021 1:10 PM
HCD_ Budget Transfer Request

Department:	HCD
Presenter:	Hawthorne Welcher, Jr. and/or HCD Staff
Caption:	Motion to approve Housing and Community Development's (HCD) request to use $100,000 CDBG program income and $100,000 HOME program income to offset allocable administrative expenses (i.e. utilities, repairs and maintenance, security, etc.) that have been paid from HCD's operating budget.
Background:	When preparing our FY2021 budget, HCD budgeted all CDBG and HOME administrative percentages of entitlement funding to reimburse the city for personnel expense. Doing so has rendered HCD unable to allocate allowable administrative expenses across the grants resulting in HCD's operating budget as the only available budget source to cover all expenses. Due to HCD's aggressive affordable housing sales, we have been able to receive back proceeds for these sales, also known as program income. This program income can be used to reimburse HCD for compliant allocable expenses. This would require an increase to the CDBG and HOME program income object codes with an equal increase in other official/admin expense object codes. Thus, we ask for your approval.
Analysis:	Approval of the request will allow HCD to allocate operating expenses across the CDBG and HOME grants using residual program income.
Financial Impact:	HCD has paid from their FY2021 operating budget, all administrative related expenses. Approval of this request will allow HCD to continue seamless operations. This request represents a zero net-sum adjustment to HCD's overall budget.
Alternatives:	Deny HCD's request.
Recommendation:	

Motion to approve Housing and Community Development's (HCD) request to use $100,000 CDBG program income and $100,000 HOME program income to offset allocable administrative expense (i.e. utilities, repairs and maintenance, security, etc.) that have been paid from HCD's operating budget.

Funds are Available in the Following Accounts:	HCD Fund budget amount increase requested - CDBG Funds – 221073111 $100,000 HOME Funds – 221073112 $100,000

<u>REVIEWED AND APPROVED BY</u>:

Finance.
Law.
Administrator.
Clerk of Commission

Augusta
GEORGIA

Administrative Services Committee Meeting Commission Chamber - 11/9/2021

ATTENDANCE:

Present: Hons. Hardie Davis, Jr., Mayor; Hasan, Chairman; Scott, Vice Chairman; Frantom and B. Williams, members.

ADMINISTRATIVE SERVICES

1. Motion to approve the purchase of one 2022 International HV607 Dump Truck at a total cost of $121,999.00 from Rush Truck Center of Augusta, GA (Bid #21-219) for the Engineering Department- Maintenance Division.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

2. Motion to approve the purchase of one 2021 John Deere 4044M Compact Utility Tractor at a total cost of $30,900.00 from Blanchard Equipment of Augusta, GA (Bid 21-231) for the Parks and Recreation Department.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

3. Motion to approve the purchase of one new Slope Mower, Remote Type for $55,000.00 from Jet-Vac of Sumter, SC for the Recreation Department.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

4. Motion to approve the purchase of one (1) 2021/2022 Camera Pipe Inspection Van, at total cost of $211,387.00, from Environmental Products of Georgia, GA (Bid 21-178) for the Utilities Department-Construction & Maintenance Division and retain asset 205219 within the Utilities Department for alternate use.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

5. Ratify the award of an agreement to replace the roof on Appleby Branch Library, in the amount of $62,306.50, to CGS Waterproofing of Norcross, GA (Bid #21-203) and approve the execution of the ARCPLS MOU in the amount of $31,153.25.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

6. During the February 23, 2021, Administrative Services Committee meeting, the Office of the Administrator was tasked with reviewing, procuring and implementation of an electronic signature software that would make the Augusta, GA government more efficient in signing, delivering, and communicating documents.

Item Action: Approved

Motions

Motion Type	Made By	Seconded By	Motion Result

Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

7. Motion to approve Housing and Community Development Department's (HCD's) request to provide Laney Walker Bethlehem Revitalization Project funding to contract with LWDC, and Kamath, LLC, (Co-Developer) to develop new construction of two (2) single family units, identified as 20 Nicholas Street, and 22 Nicholas Street, within Laney Walker Bethlehem.

Item Action: Approved

Motions

Motion Type	**Motion Text**	**Made By**	**Seconded By**	**Motion Result**
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

8. Discuss the installation of signs on Deans Bridge/ Tobacco Roads (Gate 5) entrance way to honor those who have served and service the Fort Gordon Military Base. **(Requested by Commissioner Francine Scott)**

Item Action: Approved

Motions

Motion Type	**Motion Text**	**Made By**	**Seconded By**	**Motion Result**
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

9. To execute the Intergovernmental Service Agreement between the Augusta-Richmond County Coliseum Authority and the city of Augusta. The agreement is for $45,000 to engage a consultant to provide a comprehensive plan for allocating federal funds for the area.

Item Action: Approved

Motions

Motion Type	**Motion Text**	**Made By**	**Seconded By**	**Motion Result**
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

10.

Motion to approve the minutes of the Administrative Services Committee held on October 26, 2021.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

11. Motion to **approve** Non-Discrimination Ordinance as recommended by the NDO Working Group. **(Approved by the Non-Discrimination Ordinance (NDO) Working Group October 28, 2021).**

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

12. Approve the proposed dedication plaque drafts to recognize completion of the Augusta Law Department renovation and the Friedman Library renovation projects.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Frantom out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Ben Hasan	Passes

13. Discuss the state lobbyist position. **(Requested by Commissioner Ben Hasan)**

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve with proceeding to hire a	Commisioner Sean Frantom	Commissioner Ben Hasan	Passes

state lobbyist as quickly
as possible.
Motion Passes 4-0.

www.augustaga.gov

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Minutes

Department:

Presenter:

Caption: Motion to approve the minutes of the Administrative Services Committee held on November 9, 2021.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

THIS CONTRACT, by and between **Augusta Housing & Community Development Department**, hereinafter called "**Owner**" and ___ hereinafter called the "**Contractor**."

WITNESSETH:

That the Owner and the Contractor, for the considerations hereinafter named, mutually agree as follows:

ARTICLE 1
CONTRACT DOCUMENTS

The Contract Documents shall consist of the Housing Rehabilitation Contract General Conditions (AHCDD Form 510), Attached Work Write Up, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after the execution of this Agreement; these form the Contract and are as fully a part of the Contract. The Contract represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations and agreements, both written and oral.

In the event of a conflict among the Contract Documents, the Documents shall be interpreted according to the following priorities:

First Priority:	Manufacturer's Instructions
Second priority:	Construction/Rehabilitation Contract
Third Priority:	General Conditions of Contract, 2000 version
Fourth Priority:	Work Write-Up dated

ARTICLE 2
SCOPE OF SERVICES

The Contractor shall do all the work and provide all the materials, tools, machinery, supervision, etc., necessary for the rehabilitation of the property located **Augusta, GA 30906** all in accordance with the Work Write-Up which is attached hereto and expressly incorporated herein by reference and made a part hereof.

The contractor shall perform the entire rehabilitation of the residential structure as described in the contract documents except items as indicated as follows, which are to be the responsibility of other contractors:

Scope Contractor

____

____

____

____

ARTICLE 3
TIME OF PERFORMANCE

The services of the Contractor are to commence on ______ and shall be completed by ________. As time is of the essence, the Contractor will, if these services are not completed within this time period, be assessed the amount of **Fifty Dollars ($50.00)** for each day the work is not substantially completed after ________unless an extension is granted by the Owner. Liquidated damages shall be deducted from the total amount of payment due the Contractor under this Contract.

ARTICLE 4
CONTRACT PRICE

In consideration of the terms and obligations of this Contract, the Owner agrees to pay the Contractor**)**__. The Contract Sum is based upon the following alternates, which are described in the Contract Documents and are hereby accepted by the Owner:

#1____
#2____
#3____

ARTICLE 5
PROGRESS PAYMENTS

The Contractor agrees that the total contract price shall be paid in one or more progress payments based upon the value of the work satisfactorily completed at the time the progress payment is made. Such progress payments shall be disbursed on a monthly basis, after inspection and approval of the work by the Owner and the Augusta Housing and Community Development Department, or its duly authorized representative, less a retainage of 10% of the price of the work completed. Prior to receiving any progress payment, the Contractor shall furnish the Owner with Application and Certificate for Payment Owed To Date, for the materials and labor procured under this Contract. Upon completion of the whole Contract and acceptance of the work by the Owner and the Augusta Housing and Community Development Department, and compliance by the Contractor with all Contract terms, the amount due the Contractor shall be paid including any retainage. The Owner and the Augusta Housing and Community Development Department shall approve a final disbursement of all amounts withheld from prior disbursements upon the completion of the construction of the Project as evidenced by the final approval by all code agencies and a field inspection by the Augusta Housing and Community Development Department. The Augusta Housing and Community Development Department and the Owner may withhold from such disbursement up to two hundred percent (200%) of any amounts required to complete the scheduled value of "punch list" items so-called, and seasonal work such as landscaping.

ARTICLE 6
CONTRACTOR AFFIDAVIT

Prior to each payment by the OWNER, the CONTRACTOR shall affirm in writing that there are no liens or claims filed against the CONTRACTOR or Owner related to materials, labor or services supplied on this or any other project in which the CONTRACTOR was or is currently involved. No payment shall be made to the Contractor if a lien has been filed with respect to the work, which is the subject of this Contract.

Final payment shall be made within fourteen (14) days after the request for payment by the CONTRACTOR, provided that the Work of the Contract be then satisfactorily performed, subject to the provisions of the Contract Documents, and further subject to receipt by the OWNER of the same Affirmation relative to existing liens or claims against the CONTRACTOR as set forth above. Upon such final payment, the CONTRACTOR shall provide to the OWNER a Final Release of Lien stating that the CONTRACTOR has no further claims or liens against the Owner for materials or labor supplied under this Agreement.

ARTICLE 7
OWNER'S REPRESENTATIVES/LENDER'S AGENTS

The Owner's Representative shall be ____.

The Owner's Representative will provide administration of this Contract during construction and throughout the warranty period.

The Owner's Representative will visit the site at intervals appropriate to the stage of construction to determine if the Work is proceeding in accordance with the Contract Documents.

Based on the Owner's Representative evaluation of Contractor's invoices for payment, the Owner's Representative will determine the amounts owing to the Contractor.

The Owner's Representative will have authority to reject Work that does not conform to the Contract Documents.

If the Contractor fails to correct defective Work or persistently fails to carry out the Work in accordance with the Contract Documents, the Owner's Representative, by a written order, may order the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated.

ARTICLE 8
CHANGES IN THE WORK

After this agreement is executed by the Owner, any changes to the scope of Work, budget or time schedule must be agreed upon in writing by the Owner and Contractor and approved by the lender's representatives.

ARTICLE 9
FINES

The Contractor is fully responsible for the means and methods of executing the scope of work. The Contractor is specially trained in lead-safe work practices and lead hazard reduction and therefore agrees to hold the owner and the agency harmless in the event of any fines from federal or local agencies concerning the lead hazard reduction work. The Contractor agrees to immediately satisfy any and all fines or judgments presented by OSHA, EPA, the local or state health department, the applicable state lead-based paint activities certification and training program, and any other governmental agency having jurisdiction over lead hazard reduction work.

ARTICLE 10
TERMINATION OF AGREEMENT

This agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

This agreement may be terminated by the Owner upon at least seven days written notice to the Contractor in the event the project is permanently abandoned.

In the event of termination not the fault of the Contractor, the Contractor shall be compensated for all services performed to the termination date.

ARTICLE 11
ARBITRATION

All claims, disputes and other matters in question between the parties to this agreement, arising out of or relating to this agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration arising out of or relating to this agreement, shall include, by consolidation, joinder or in any manner, any additional person not a party to this agreement except by written consent containing a specific reference to this agreement and signed by the Owner, the Owner's Representative, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this agreement shall be specifically enforceable under the prevailing arbitration law.

Notice of the demand for arbitration shall be filed in writing with the other party to this agreement and with the Augusta Housing and Community Development Department Director. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, in no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim dispute or other matter in question would be barred by the applicable statute of limitations.

The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

ARTICLE 12
ASSIGNMENT OF CONTRACT

This agreement may not be assigned to any other Contractor or Agent of Contractor without the written approval of the Owner and the Augusta Housing and Community Development Department.

IN WITNESS WHEREOF, the parties hereto executed this Agreement the day and year first above written.

CONTRACTOR

____
Name of Contractor

____
Contractor's Representative

____
Signature of Contractor

OWNER

____
HCD Representative

____
Signature of Owner

WITNESS: ___________________________

Subscribed and sworn to before me this _________ day of _____________________, 20___.

____
Notary Public

Approved as to form:

_________________________ Date:_______________
Augusta, GA Law Department

By: ___________________________________ Date: _______________
Hardie Davis
As its Mayor

By: ___________________________________ Date: ________________
Odie Donald, II
As its Administrator

By: ___________________________________ Date: _________________
Hawthorne Welcher, Jr.
As its Director, HCD

SEAL

____
Lena Bonner
As its Clerk

Administrative Services Committee Meeting
11/30/2021 1:10 PM
HCD_HOME Rental Housing Rehab Approval Request

Department:	HCD
Presenter:	Hawthorne Welcher, Jr. and/or HCD Staff
Caption:	Motion to approve Housing and Community Development Department's (HCD's) request to provide HOME funding to rehabiliate one (1) low to moderate income rental unit for occupancy by a low to moderate income family.
Background:	The Augusta, Georgia's HOME Program provides housing assistance for low-income persons and their families to establish or better maintain a stable living environment in housing that is decent, safe and sanitary, and to reduce the risk of homelessness The program is funded by the Department of Housing and Urban Development (HUD) and administered by HCD. Due to the affordable housing crisis, it has made it extremely difficult for low to moderate income persons to locate affordable and suitable housing. HCD acquired several single-family units to assist in providing accommodations for low to moderate income persons. To ensure that the units are decent, safe and sanitary, HCD is moving forward to make the units available for occupancy. The unit to be rehabbed for HOME eligible persons is listed below: Address Contractor Budget Project Type 1. 3618 Meadowgrove Drive Funes Construction $32,790 Rehab
Analysis:	Approval of the contract will allow one (1) HOME Rental Housing unit to be rehabbed for tenant move in.
Financial Impact:	The City receives funding from the US Housing and Urban Development Department on an annual basis. This approval would be for the amount of up to $32,790.
Alternatives:	Do not approve HCD's request.

Recommendation:	Motion to approve Housing and Community Development Department's (HCD's) request to provide HOME funding to rehabiliate one (1) low to moderate income rental unit for occupancy by a low to moderate income family.
Funds are Available in the Following Accounts:	Housing and Urban Development (HUD) Funds: HOME Investment Partnership Grant (HOME) funds. HOME Funds: 221073212 5225110

REVIEWED AND APPROVED BY:

Finance.
Law.
Administrator.
Clerk of Commission

AUGUSTA-RICHMOND COUNTY GEORGIA
PURCHASING DEPARTMENT
REQUISITION

DEPARTMENT NAME: Central Services Department
DEPARTMENT NUMBER: 272016210/54.13120
DEPARTMENT HEAD: [signature]

REQUISITION:
REQUISITION DATE: 9/15/2021
PURCHASE ORDER NUMBER:
PURCHASE ORDER DATE:

			NAME OF BIDDER		NAME OF BIDDER		NAME OF BIDDER	
	VENDOR		Hixon's Roofing & Construction					
	PHONE NUMBER		706-432-5476					
	QUOTED BY		David Hixon					
ITEM NO	DESCRIPTION	Quantity	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	TPO Roof System Replacement at the Animal Services building	1	$ 61,880.00	$ 61,880.00				
2								
3								
4								
5								
6	*Emergency							
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
TOTAL BID			$	61,880.00				
SHIPPING CHARGES								
DELIVERY TIME FROM RECEIPT OF PURCHASE ORDER								

Hixon's Roofing- Aiken

Phone: 803-991-3018

Company Representative
David Hixon
Phone: (803) 341-1729
david@hixonsroofing.com

09/15/2021
Claim Information

Eric Johnson
4164 Mack Lane
Augusta, GA 30906
(706) 432-5276

Job: Eric Johnson

TPO Roof System

Hixon's Roofing will work Safely at all times under OSHA and the Contractors Rules and Regulations
Remove EPDM roof
Install 1.5' ISO throughout roof.
Install a new 60 mil White GAF TPO mechanically attached per manufacture specification.
Fully adhere TPO membrane to parapet walls. Wrap the membrane under the coping metal.
Install termination bar for TPO roof
Re Flash around curbs and roof penetrations
Install Pitch Pockets for A/C lines
Install new TPO pipe boots
Provide Dumpster
Hixon's will provide a lift for the period of the job
Warranty: Hixon's will provide a 10 year workmanship warranty

	Qty	Unit
Material		
Labor		
		$61,880.00

TOTAL $61,880.00

Please make all checks payable to Hixon's Roofing. **Payment is due upon completion of work.** If the job is through insurance; the first check is due on the day of the contract signing along with any out of pocket expenses. If the job is through our financing company; we will send an invoice and handle the rest. In the unlikely event that collection procedures become necessary, I understand that I, not my insurance company, am responsible for the entire account balance. I shall pay all monies to Hixon's Roofing , and I will be responsible for invoice amount plus all fees involved in the collection. Interest of 5% will be applied to any balance remaining after 30 days from invoice. I also acknowledge that it is my full responsibility to pay 50% of the balance owed to cover Collection Fees, if sent to a Collection Agency, plus court cost and any interest incurred if litigated. Any payment made with credit card, there will be a 3% additional service charge. Any signed contract cancellations will result in an amount of 25% of the total contract due to Hixon's Roofing immediately upon cancellation.

Satellite Disclaimer: If your home has a satellite dish we will have to remove it in order to properly install your roof. We will do our best to ensure it is put back in the correct position, but we are not responsible for ensuring that you have signal after we put the dish back in place.

Note: If Hixon's Roofing finds more than one layer of shingles while tearing off old shingles/membrane there will be an extra charge per square. If you have a split air conditioner system, it's your responsibility to confirm that the unit was installed up to code. If the supply line in the attic is touching the roof decking there is a possibility the roof nails will penetrate through the decking and could hit the supply line causing air to quit working. Cover items in your attic due to debris falling when a roof is removed and replaced. Hixon's Roofing is not responsible for anything that may be damaged in the attic. By signing below, you agree to these terms.

Company Authorized Signature ____________________ Date ____________

Customer Signature ____________________ Date ____________

Customer Signature ____________________ Date ____________

Augusta
GEORGIA

Central Services Department

Takiyah A. Douse, Director
Maria Rivera-Rivera, Deputy Director
2760 Peach Orchard Road, Augusta, GA 30906
(706) 828-7174 Phone (706) 796-5077 Fax

MEMORANDUM

TO: **Geri Sams, Director, Procurement Department**

FROM: **Takiyah A. Douse, Director, Central Services Department**

DATE: **September 16, 2021**

SUBJECT: **Emergency Memo**

In accordance with §1-10-57 Emergency Procurements, we respectfully ask you to accept this communication as notification of an emergency at Animal Services relating to a roof replacement.

Animal Services is currently experiencing roof leaks inside the building. This building houses administration offices and rescued animals. Due to the nature of the operation and equipment located in this building it is important that the roof replaced.

Please process a purchase order for Hixon's Roofing in the amount of $61,880.00 for the roof replacement.

If you have any questions or concerns, please contact the Central Services Department.

TAD/mcrr

Augusta
GEORGIA

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Animal Services Emergency Roof Replacement

Department:	Central Services
Presenter:	Takiyah A. Douse
Caption:	Receive as information the emergency roof replacement at the Animal Services Building in the amount of $61,880.00 by Hixon Roofing.
Background:	After receiving a report of severe leaks at the facility, an assessment of the noted areas indicated the need for a roof replacement. Hixon Roofing was selected as the qualified vendor to perform this task in the needed timeframe. The roof was replaced in an emergency fashion and no further leaks have been noted.
Analysis:	Hixon's Roofing replaced the roof on October 29, 2021, to prevent further damage to the facility.
Financial Impact:	$61,880.00 charged to CSD Capital 2021 GL: 272016210/54.13120
Alternatives:	a) Receive as information b) Do not receive as information
Recommendation:	Receive as information the emergency roof replacement at the Animal Services Building in the amount of $61,880.00 by Hixon Roofing.
Funds are Available in the Following Accounts:	$61,880.00 charged to CSD Capital 2021 GL: 272016210/54.13120

REVIEWED AND APPROVED BY:

Finance.
Procurement.
Law.
Administrator.
Clerk of Commission

HIXON'S ROOFING & CONSTRUCTION

Proposal

Project Name: Augusta Aquatics Center

Project Address: 3157 Damascus Road
Augusta, Georgia 30909

Proposal Date: 9/15/21
Proposal Version: 2

Contractor/Owner: Augusta Richmond County

Contact: Eric Johnson

Scope of Work
Remove and Properly Dispose of Existing Membrane Roof System
Remove and Properly Dispose of Existing Polyiso Insulation as Needed
Mechanically Attach 1" Polyiso Insulation with Plates and Screws per Manufacturers Specifications as Needed
Mechanically Attach 60 MIL TPO Membrane Roofing System per Manufacturers Specifications
Install Drip Edge and Cover Tape at Required Locations
Install Pitch Pockets for A/C Lines
Flash Around All Curbs and Roof Penetrations
Remove and Replace Five **(2)** Existing Roof Drains

	Clarifications and Alternates
1.)	**ADD $2,200.00 to install walk pads around A/C units on lower roof. (No walk pads on upper roof included.**
2.)	**Drip edge will need to be painted by others to match existing. (Yellow drip edge is no longer manufactured.)**
3.)	**10 Year Labor Warranty**

Base Bid Total	**$275,715.00**

	General Clarifications
1.)	Proposal is valid for 30 days from date listed on proposal.
2.)	No permits, fees, or testing of any kind included.
3.)	No performance and payment bond included.
4.)	No items not specifically listed in proposal included.

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Aquatic Center Emergency Roof Replacement

Department:	Central Services
Presenter:	Takiyah A. Douse
Caption:	Receive as information the emergency roof replacement at the Aquatic Center in the amount of $275,715.00 by Hixon Roofing.
Background:	The Aquatic Center roof was identified as needing immediate replacement per the assessment performed by Terracon under ITB# 19-229. Hixon Roofing was selected as the qualified vendor to perform this task. The roof was replaced in an emergency fashion and no further leaks have been noted. Upon manufacture inspection we will receive a 10-year warranty.
Analysis:	Hixon's Roofing replaced the roof on October 22, 2021, to prevent further damage to the facility.
Financial Impact:	$275,715.00 charged to SPLOST 7 GL 329-06-1110 JL 221057245
Alternatives:	a) Receive as information b) Do not receive as information
Recommendation:	Receive as information the emergency roof replacement at the Aquatic Center in the amount of $275,715.00 by Hixon Roofing.
Funds are Available in the Following Accounts:	$275,715.00 charged to SPLOST 7 GL 329-06-1110 JL 221057245

REVIEWED AND APPROVED BY:

Finance.
Procurement.
Law.
Administrator.
Clerk of Commission

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Augusta Employee Mental Health Day 2021

Department:	Administrator's Office
Presenter:	Administrator Donald / Director Anita Rookard
Caption:	Motion to approve Augusta Employee Mental Health Day 2021 on December 20, 2021.
Background:	Augusta, GA has chosen a posture of fully open for services, business and industry. This posture has ensured that Richmond County residents receive the same level of service despite the pandemic. While the impact on residents and businesses has been mostly positive, staff members have acknowledged higher levels of stress due to a variety of pandemic induced events (death, emergency response to positive cases, school closures, pandemic protocols, vaccination protocols, etc.). The administrator recommends a single event mental health day projected to have no impact on the FY2021 or FY2022 budget (as proposed) for the benefit of Augusta, GA staff.
Analysis:	
Financial Impact:	The administrator recommends a single event mental health day projected to have no impact on the FY2021 or FY2022 budget (as proposed) for the benefit of Augusta, GA staff.
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

<u>REVIEWED AND APPROVED BY</u>:

Clerk of Commission

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Build Augusta Dashboard

Department:	Administrator's Office
Presenter:	Administrator Donald
Caption:	As committed the Administrator brings forth a transparency dashboard, that initially consists of SPLOST 8 approved projects and TIA 2022 projects. As it develops, the Build Augusta dashboard will highlight financial transparency and project progress while giving insight into project budgets, expenditures, revenues, and construction progress on through completion. The dashboard will also provide real time photos of progress for each project and will be updated quarterly to show project spending. The dashboard includes an interactive map that allows users to scroll over various communities to see project location, funding, and timeline. Users will also be able to click on a specific project on the map and be taken to the full project description and all details associated with the project. Build Augusta is a simple and easy dashboard that will keep the citizens of Augusta-Richmond County up to speed on how and where their dollars are being spent.
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

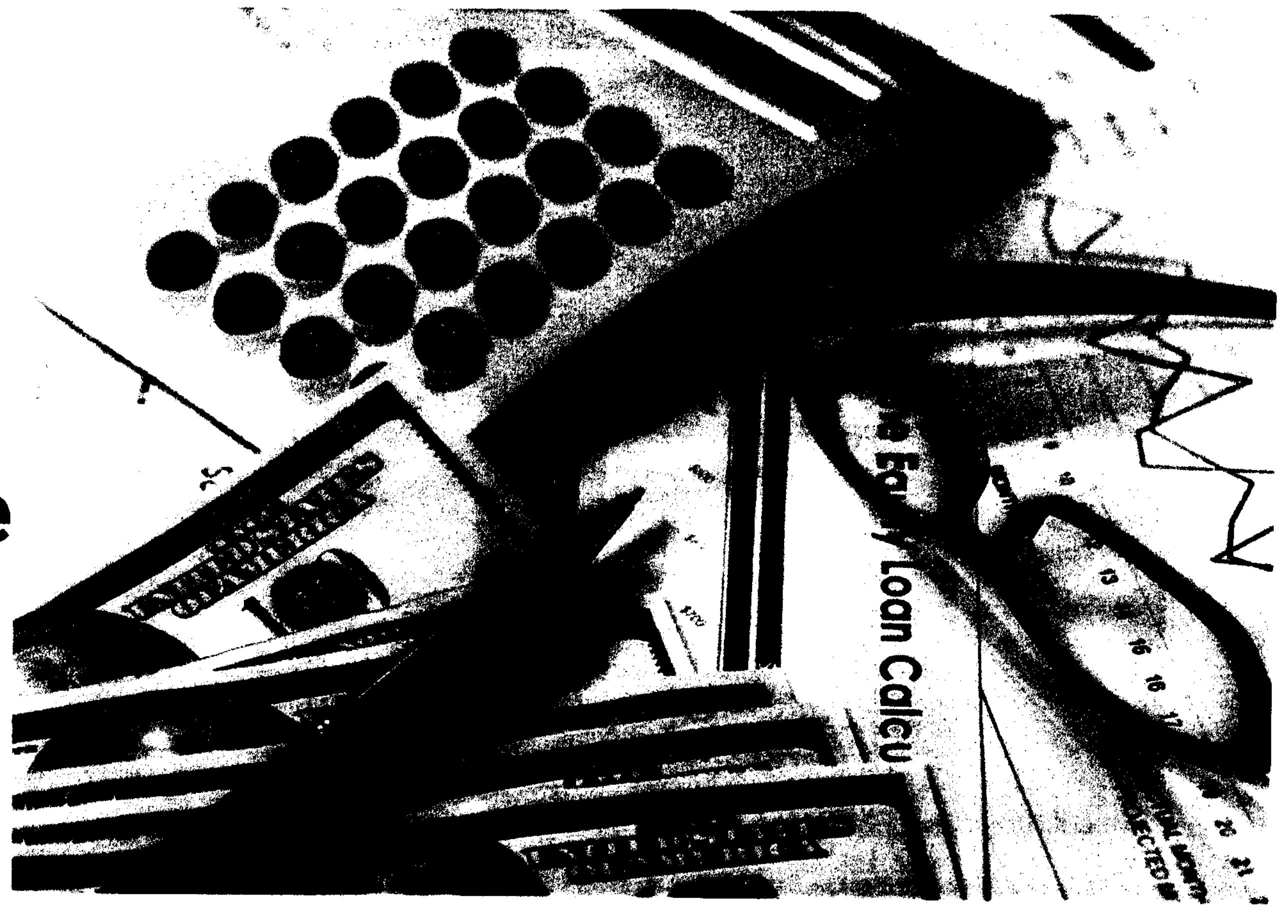
<u>REVIEWED AND APPROVED BY</u>:

Clerk of Commission

Augusta
GEORGIA

CITY OF AUGUSTA'S

PROPOSED
Small Business & Affordable Home Loan Program



Presented By:
Administrator Odie Donald II

PROGRAM OBJECTIVES

DEPOSIT RELATIONSHIP

Identify

"Unbanked" Assist overcoming barriers to participate in financial services industry

Establish

Financial Literacy Program to enhance IQ

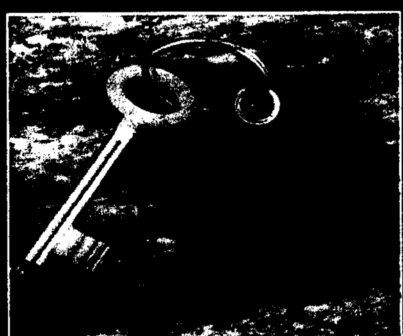
Relationship with local banker

Offer

Checking Account with:

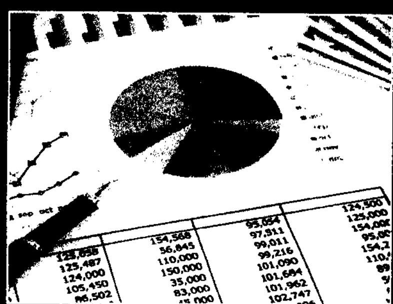
- No monthly minimum
- No monthly fee
- Debit card
- Mobile/Online Banking

HOMEOWNERSHIP PATHWAYS



- ❑ Identify first time homeowner prospects
- ❑ Quarterly Literacy Program
  - ➢ Steps for prequalification
  - ➢ Homeownership –Wealth Strategy
  - ➢ Identify Mortgage Specialist/Banker for ongoing support
  - ➢ Share programs with competitive mortgage terms/rates
- ❑ Collaborate with AHCD/local agencies to maximize program impact

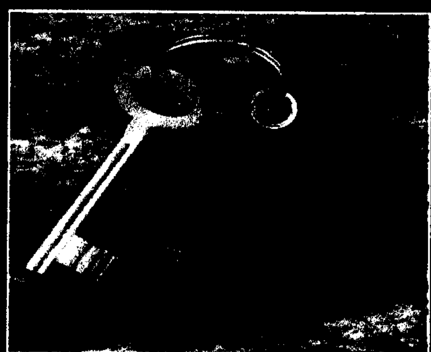
INVESTMENTS



- Educate participants on budgeting/saving
- Educate participants on use of:
  - CD's, Money Mkt products
  - High yield products for mid/long term investing
- Align participants with Financial Consultants for ongoing support and education

SMALL BUSINESS

- ❑ Cultivate relationship with local Banker
- ❑ Establish goals/strategies to become "loan ready"
- ❑ Partner with area agencies (i.e. SBDC, Chambers, Lenders, Professional Advisors)



QUARTERLY LITERACY SESSIONS

- Topics:
  - Budgeting/Saving
  - Establishing/Building Credit
  - Mortgage Products – Steps for prequalification
  - Investment Products – Creating assets to build wealth
  - Creating a business plan
  - Small Business - becoming “loan ready”
  - Technical discussions – CPA’s, Legal, Financial Consultants

MEASURABLE OUTCOMES

- ❑Prospects served
- ❑Bank relationships served
- ❑Loans provided

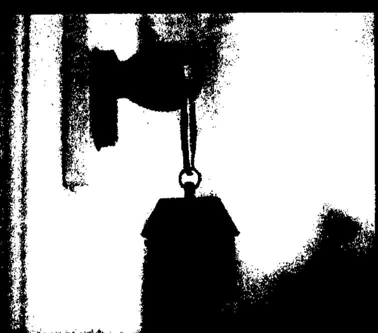
ADVOCATE, EDUCATE, PARTICIPATE

The *AFFORDABLE* Home Loan Program

CADENCE
BANK

Your new home could be right around the corner!

This is a great loan option for borrowers with properties in low to moderate income areas and/ or borrowers within qualifying income limits.

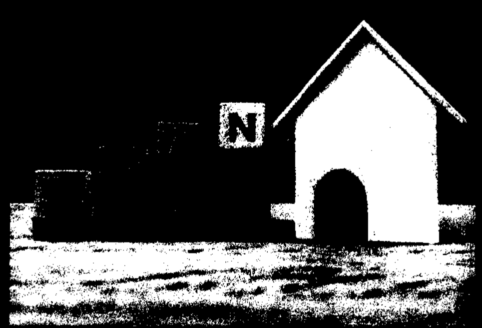


PROGRAM REQUIREMENTS

- ☐ Owner occupied, primary residence only
- ☐ Minimum 640 FICO score
- ☐ Escrow account required for taxes and insurance
- ☐ Borrower must complete homebuyer education course[2]
- ☐ Property must be located in a low- or moderate-income designated census tract in a Cadence Bank Assessment Area or the borrower(s) must make less than 80% of the median income of the Assessment Area.[3]

2 Homebuyer education course provided through MGIC. https://www.readynest.com/homebuyer-resources/the-test

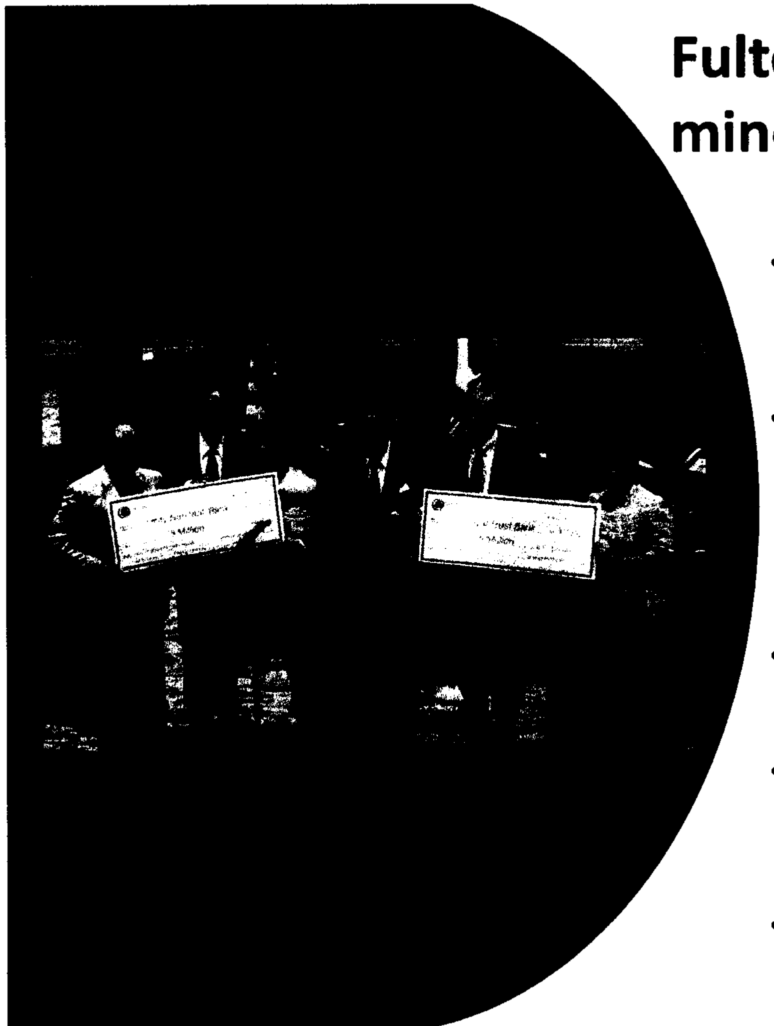
3 The Cadence Bank Affordable Home Loan Program is only available in a Cadence Bank Assessment Area. Contact us to help you determine whether you are located in a Cadence Bank Assessment Area. The Cadence Bank Affordable Home Loan Program may not be available in your area.



LOAN PROGRAM FEATURES:

- Up to 100% Financing
- Competitive fixed rate
- No Origination Fee (typically 1% of the loan amount)
- No mortgage insurance requirement
- Reduced Closing Costs[1]

For more information connect online with a: Cadence Bank Mortgage Professional



Fulton County invested a total of $10 million in two minority-owned financial institutions — Loyal Trust Bank and Unity National Bank

- The deposits were made at a ceremony hosted by Chairman Robb Pitts, who sponsored the resolution prompting the move, where he presented representatives of the banks with celebratory jumbo checks for $5 million each.

- "This is a major issue for me and the rest of Fulton County. I'm thrilled to be here today with these big checks and an even bigger commitment to helping minority owned banks thrive," Pitts said in a statement. "Minority-owned banks are a cornerstone of Fulton County and today's deposits show we are serious about investing in these institutions."

- Pitts and representatives from the banks highlighted the community impact the deposits in these banks will have.

- "This isn't just about $5 million — this is an effort spearheaded by Chairman Pitts to recapitalize minority owned businesses," George Andrews from Unity National Bank said in a statement.

- "The expectation is that we will reinvest this money in the community," Rose Jarboe, the chairwoman of Loyal Trust Bank, added. "We really want to work on small business loans and getting those started."

QUESTIONS?

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Presentation: Proposed Programming in Support of Affordable Housing, Financial Literacy, and Access to Small Business Capital (Administrator)

Department:	Administrator's Office
Presenter:	Administrator Donald
Caption:	Presentation: Proposed Programming in Support of Affordable Housing, Financial Literacy, and Access to Small Business Capital (Administrator).
Background:	The current global pandemic has wreaked havoc on communities across the nation. In Augusta, housing affordability and access to small business capital has been identified as key issues in mitigating the negative impacts of the pandemic. While Augusta ranks in the top 2 statewide in implementing federally funded rental assistance programming, rising rents and the removal of the eviction moratorium continues to cause challenges. The Administrator's Office has partnered with Cadence Bank and First Community Bank to present an impactful solution with the goal of adding another tool in the toolbelt for Augusta in supporting housing affordability and access to small business capital.
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

REVIEWED AND APPROVED BY:

Clerk of Commission

AGENDA ITEM REQUEST FORM

Commission meetings: First and third Tuesdays of each month – 2:00 p.m.
Committee meetings: Second and last Tuesdays of each month – 1:00 p.m.

Commission/Committee: (Please check one and insert meeting date)

✓	Commission Committee	Date of Meeting 11/30/2021
	Public Safety Committee	Date of Meeting
	Public Services Committee	Date of Meeting
	Administrative Services Committee	Date of Meeting
	Engineering Services Committee	Date of Meeting
	Finance Committee	Date of Meeting

Contact Information for Individual/Presenter Making the Request:

Name: LaSonya Grandstaff
Address: 2558 Tara Height Circle Augusta, GA 30906
Telephone Number: 706 284-9872
Fax Number:
E-Mail Address: lasonyagrandstaff@gmail.com

Caption/Topic of Discussion to be placed on the Agenda:
Mental Health Crisis facing Augusta with limited resource and facilities

Please send this request form to the following address:

Ms. Lena J. Bonner
Clerk of Commission
Suite 220 Municipal Building
535 Telfair Street
Augusta, GA 30901

Telephone Number: 706-821-1820
Fax Number: 706-821-1838
E-Mail Address: nmorawski@augustaga.gov

Requests may be faxed, e-mailed or delivered in person and must be received in the Clerk's Office no later than 9:00 a.m. on the Thursday preceding the Commission or Committee meeting of the following week. A five-minute time limit will be allowed for presentations.

Administrative Services Committee Meeting
11/30/2021 1:10 PM
LaSonya Grandstaff

Department:

Presenter:

Caption: Presentation by Ms. LaSonya Grandstaff regarding mental health crisis facing Augusta with limited resource and facilities.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

Lena Bonner

From: Odie Donald
Sent: Monday, November 29, 2021 9:56 AM
To: Lena Bonner
Cc: Wanda Gothie; Tanikia Jackson; Commissioner Ben Hasan
Subject: Addendum Item Administrative Services Committee November 30, 2021
Attachments: TEE CENTER MANAGEMENT AGREEMENT_TS.pdf; AUGUSTA CONVENTION CTR LUTRON SYSTEM UPGRADE 2021 11721.doc

Importance: High

Good morning Ms. Bonner,

I received a request from our partners at the Marriott, which I cannot authorize. As such, I am requesting the below item be added as an addendum. I had an opportunity to mention this needed item to the Chair (copied) and he was open to it. Please see below and attached.

Motion to approve and authorize Augusta Convention Center Management, LLC to expend $38,,800 for the upgrade of the lighting system at the Augusta Convention Center.
Based on the Management agreement, approval of expenditures above the $20,000 threshold require Commission approval. The lighting system request impacts convention center visitor usage and revenues.

5.4 Maintenance.

(a) TEE Center. Manager shall (i) maintain the TEE Center in good condition and repair to the same standards as the Conference Center is maintained, and (ii) maintain, repair, and replace when necessary, furniture, fixtures and equipment for the TEE Center. Subject to the limitation of Section 5.4(c), if applicable, Manager may withdraw funds from the Capital Account to pay for Capital Expenses. Manager shall obtain Owner's approval prior to making any non-emergency expenditure of more than $20,000 on a single maintenance item or category of Capital Expenses not otherwise authorized by the Annual Plan.

(b) Conference Center Annex. Manager also may cause to be paid, from available amounts in the Capital Account, Capital Expenses for the Conference Center Annex that have been requested to be paid by Caterer but shall first obtain Owner's approval if such item exceeds $20,000 and was not otherwise authorized by the Annual Plan.

(c) General Limitation. Except as otherwise expressly authorized herein, any Capital Expense exceeding the budgeted amount(s) set forth in the Annual Plan for such category of expenditure by more than 15% or the payment of which would cause the amount then held in the Capital Account to be reduced by more than 95% of the amount held therein as of the beginning of the Fiscal Year shall require Owner's prior approval.

In Service,

Odie Donald II, MBA
Administrator
Augusta-Richmond County
535 Telfair Street, Suite 910
(706) 821-2898 Office
odonald@augustaga.gov

Augusta
GEORGIA

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AED:104.1

TEE CENTER MANAGEMENT AGREEMENT

THIS TEE CENTER MANAGEMENT AGREEMENT ("**Agreement**") is made effective the 8th day of November ~~December~~, 2012, by and between AUGUSTA, GEORGIA ("**Owner**") and AUGUSTA CONVENTION CENTER MANAGEMENT, LLC, a Georgia limited liability company ("**Manager**").

RECITALS

A. Owner is a political subdivision of the State of Georgia and a consolidated city-county government pursuant to the laws of the State of Georgia.

B. Owner intends to construct and own the Augusta Trade, Exhibit, and Event Center (the "**TEE Center**") to be located at the northwestern intersection of Reynolds Street and James Brown Boulevard in Augusta, Georgia, and to acquire certain air rights relating to or fee simple and/or leasehold title to the land upon which such building is located, and the furniture, fixtures, equipment, and supplies located therein.

C. Owner has determined that significant public benefits will ensue to the citizens of Owner when the TEE Center is continuously operated at a high standard of quality and amenities, in order to positively affect the quality of life on the City of Augusta and its environs, and in such a way so as to maximize its long-term utilization at rates at or above the non-fixed costs of operation.

D. Owner has further determined that the TEE Center be made available to all persons and groups on such basis, without any preference for business entities or associations, and that Owner's objectives may best be achieved through a management agreement with a private company with expertise in such matters.

E. Through its prior and current operation of the Conference Center, the Augusta Marriott and the Augusta Marriott Suites (the "**Hotels**"), which are situated adjacent to the Conference Center, Augusta Riverfront, LLC, an affiliated business of Manager, possesses unsurpassed experience and knowledge as to local conditions and the resources to efficiently operate facilities of a character and location comparable to the TEE Center, and agrees to provide such time, expertise, and knowledge to Manager as necessary to operate the facilities as required under this Agreement.

F. Owner desires to have Manager manage and operate the TEE Center, and Manager is willing to perform such services for the account of Owner on the terms and conditions set forth herein.

G. Owner desires that Manager enter into that certain TEE Center Catering Agreement with Caterer, dated the date hereof (the "**Catering Agreement**"), in order to costeffectively and efficiently provide food and beverage catering services for events at the TEE Center.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

1.1 Defined Terms. All capital terms herein and not otherwise defined shall have the meaning as defined in the CORE Agreement or TEE Center REA, as the context requires. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings assigned to them herein, unless the context otherwise indicates:

"**Annual Plan**" shall have the meaning set forth in Section 7.1.

"**Approving Tax Opinion**" shall mean the opinion of tax counsel experienced in federal income tax matters related to state and local bonds, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and qualified bonds, within the meaning of Section 141 of the Code, to the effect that a proposed action or amendment will not, without more, impair any exclusion of the interest on any outstanding issues of obligations that were issued to finance the TEE Center, or result in the disallowance of any credit against federal income tax or payable to the issuer of such obligations by the U.S. Treasury Department.

"**Capital Account**" shall have the meaning set forth in Section 6.3.

"**Capital Expenses**" shall mean all expenditures for Capital Improvements. Manager shall not "mark-up" or otherwise add any profit or administrative charge to any Capital Expense.

"**Capital Improvements**" shall mean one or more items or project(s) i) the cost of each of which totals $5,000.00 or more, ii) that becomes part of the TEE Center (or the Conference Center Annex), and iii) the cost of which is required or allowed to be capitalized under the accounting guidelines of Augusta, Georgia and GAAP. Examples of Capital Improvements include but are not limited to, equipment, furniture, fixtures, roof, HVAC components, carpet, windows, wallpaper, interior and exterior walls, and removable rental exhibit space floor coverings, including the cost of repair or replacement thereof.

"**Caterer**" shall mean Augusta Riverfront, LLC, a Georgia limited liability company, and its successors and assigns.

"**Catering Agreement**" shall mean that certain agreement described in Recital G hereto for the purpose of providing exclusive Concession and Catering Services for events held at the TEE Center.

"Catering Fees" shall mean all Catering Fees required to be paid by Caterer pursuant to the Catering Agreement.

"Concession and Catering Services" or **"Food Services"** shall mean the business of selling food, food products, candy, non-alcoholic and alcoholic beverages, in the concession, catering, restaurant (if applicable) and all other areas of the TEE Center.

"Conference Center" shall mean the Expanded Conference Center, as defined in the CORE Agreement.

"Conference Center Annex" shall mean that portion of the Conference Center, which is to be adjacent to the TEE Center, in which is located a kitchen and related areas for the storage and preparation of food and beverages, together with all equipment and other improvements thereto.

"Convention Center" shall mean the Conference Center, the TEE Center, the RSPD and the existing parking deck associated with the Conference Center.

"CORE Agreement" shall mean that Amended and Restated Construction, Operating and Reciprocal Easement Agreement dated June 1, 1999, and recorded in the Office of the Clerk of Superior Court of Richmond County, Georgia at Realty Reel 648, page 45, and all amendments thereto, including an amendment on or about the date of this Agreement whereby the Conference Center is expanded to include Conference Center Annex.

"CVB" shall mean the Augusta Convention and Visitors Bureau.

"Effective Date" shall mean the date on which construction of the TEE Center has been completed, a certificate of occupancy for the TEE Center has been issued, and the TEE Center has been fully furnished and delivered to Manager for operation.

"Financial Statement" shall have the meaning set forth in Section 7.7.

"Fiscal Year" shall mean the twelve (12) month period ending December 31 of each year during the Operating Term of this Agreement. The first Fiscal Year shall be the period commencing on the Effective Date and ending on December 31 of the same year. A partial Fiscal Year after the end of the last full Fiscal Year and ending with the expiration or earlier termination of the Operating Term shall constitute a Fiscal Year.

"GAAP" shall mean Generally Accepted Accounting Principles based on the accrual method of accounting.

"Management Fee" shall have the meaning set forth in Section 3.1.

"Manager's Other Businesses" shall have the meaning set forth in Section 5.1.

"**Net Operating Revenues**" shall mean for any period the excess, if any, of Operating Revenues over Operating Expenses, as determined using GAAP.

"**Operating Account**" shall have the meaning set forth in Section 6.1.

"**Operating Expenses**" shall mean all expenses required to be incurred in order to operate and manage the TEE Center to the extent the same are authorized under the applicable Annual Plan, including, but not limited to the following: (a) Salary Costs of TEE Center Employees and Shared Employees; (b) operating supplies; (c) utility and telephone charges; (d) repair and maintenance costs; (e) equipment rental costs; (f) insurance costs related to TEE Center operations, including insurance premiums paid by Manager on behalf of the Owner but not performance or fidelity bonds; (g) security costs; (h) cleaning expenses; (i) cost of merchandise sales; (j) intentionally omitted; (k) cost of box office income; (l) cost of reimbursable event expenses; (m) the cost of obtaining an audited financial statement of Manager; (n) pre- and post-opening marketing, promotional and advertising expenses; (o) sales commissions, but only if approved by Owner pursuant to Sections 7.3 or 7.4 of this Agreement; and (p) any other expenses incurred in the operation of the TEE Center that would be considered operating expenses under GAAP. Operating Expenses shall not include debt service on any borrowing to finance the acquisition, construction, installation, and equipping of the TEE Center. Manager shall not "mark-up" or otherwise add any profit or administrative charge to any Operating Expense.

"**Operating Revenues**" shall mean the gross revenues generated from the operation of the TEE Center including, but not limited to, the following: (a) TEE Center space licenses and rentals; (b) merchandise sales revenues; (c) on-site TEE Center advertising revenues; (d) equipment rental fees; (e) utility income; (f) box office income; (g) interest income, if any, from the Operating Account; (h) reimbursable event expenses; (i) all Catering Fees; (j) all other TEE Center miscellaneous revenue; (k) any and all revenues generated by or associated with TEE Center marquee advertising; and (l) revenue derived from naming rights.

"**Operating Term**" shall have the meaning set forth in Section 2.4.

"**Salary Costs**" shall mean the gross amount payable by an employer to secure the services of an employee including, without limitation, employees' accrued and vested wages, salaries, employee medical/disability/life insurance and other health benefits incurred by Manager, vacation pay and sick leave, severance costs, 401(k), profit sharing, pension or similar retirement benefits or other accrued and vested fringe benefits, business travel expenses, and other compensation of whatever nature, including any applicable federal, state and local taxes. For the avoidance of doubt, Salary Costs may also include bonuses for employees (subject to Section 5.3(d) of this Agreement or commissions for sales staff (but only if approved by Owner pursuant to Sections 7.3 or 7.4 of this Agreement). Manager shall not "mark-up" or otherwise add any profit or administrative charge to any Salary Costs.

"**Shared Employees**" shall have the meaning ascribed thereto by Section 5.3(f) and may include officers, managers or members of Manager.

"**Standard**" shall mean the first-class standard of operation, maintenance and repair of the TEE Center. For the avoidance of doubt, such standard shall equal to the higher of (a) the condition of the Conference Center, and (b) the standards of Marriott Corporation, reasonably interpreted to take into account differences between a hotel and a trade, exhibit, and event center.

"**TEE Center**" shall have the meaning set forth in Recital B hereto.

"**TEE Center REA**" shall mean that TEE Center Reciprocal Easement Agreement between Owner and Augusta Riverfront, LLC executed in connection with this Agreement which provides for the operation of the TEE Center and provides any necessary easements with respect to construction or operation of the TEE Center.

"**TEE Center Employees**" shall have the meaning set forth in Section 5.3(a) but shall not include any officer or member of Manager or any person who, directly or indirectly, otherwise owns an interest in Manger or any affiliate thereof.

ARTICLE II
APPOINTMENT OF MANAGER AND OPERATING TERM

2.1 **Appointment of Manager; Powers and Duties Generally**. Subject to Manager's covenants set forth in Section 5.1, Owner hereby appoints, authorizes, and engages Manager, and Manager hereby accepts appointment on the terms and conditions hereinafter provided as agent to: (a) manage, operate, control, license, and rent the TEE Center on Owner's behalf during the Operating Term; (b) collect all fees, pay all expenses, and pay or cause to be paid all Capital Expenses with respect to the TEE Center in accordance with the Annual Plan; (c) render Financial Statements to Owner as set forth in this Agreement; (d) remit to the Owner on a quarterly basis Net Operating Revenues for the immediately preceding quarter, less permitted reserves as authorized by Section 6.2 of this Agreement; (e) execute, renew and cancel rental and license agreements for the TEE Center or any part thereof at rates and on such terms as may be approved by Owner in accordance with the Annual Plan and subject to the limitations in Section 5.9 of this Agreement; and (f) sue and recover for rent and for loss of or damage to any part of the TEE Center and, when expedient, compromise, settle and release any such legal proceedings or lawsuits; provided, however, that Manager shall not settle any lawsuit or other claim relating to the TEE Center without the prior consent of Owner; and (g) enter into the Catering Agreement substantially in the form attached hereto as Exhibit A. Except insofar as such rights are conferred on Caterer pursuant to the Catering Agreement, Manager covenants and agrees to exercise the full concession rights granted hereunder at all such events in such manner and with such number of personnel as are necessary to provide adequate supplies and other products described herein to patrons of the TEE Center at all times consistent with the Standard. Concerning the TEE Center, Manager shall have the exclusive right to enter into any lease, license or other agreement granting any party the right to use any portion of the TEE Center except as provided in the Annual Plan. TEE Center operations shall be under the exclusive supervision and control of Manager subject to the terms of this Agreement. Except as set forth herein to the contrary or as reserved to Caterer pursuant to the Catering Agreement, Manager shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to management and operation of the TEE Center, including, without limitation, charges for license and rental, other TEE Center services, employment policies, granting of concessions or renting of space within the TEE Center, receipt, holding and disbursement of funds (subject to Sections 7.3 or 7.4 of this Agreement), maintenance of bank accounts, procurement of supplies and services, promotion and publicity and, in general, all activities necessary for operation of the TEE Center.

2.2 **Restriction on TEE Center Licenses and Rentals**. Except as otherwise additionally limited hereby, Manager shall have the discretion to prescribe the terms of the rental or licensing of space at the TEE Center based on generally applicable and uniformly applied rates or that are negotiated with the user in arms-length bargaining, in either case, that is consistent with the applicable Annual Plan; provided, in addition, that any negotiated agreement for space licenses or rentals: (a) shall not be for a term exceeding 100 days, including all renewal options, if the rates or charges are based on generally applicable and uniformly applied rates, as set forth in the applicable Annual Plan, and (b) shall not be for a term exceeding fifty (50) days, including all renewal options, if the rates or charges are negotiated with the user in arms-length bargaining in lieu of generally applicable and uniformly applied rates. Notwithstanding the foregoing, Manager shall not be prohibited by this Section 2.2 from entering into a lease or licensing of space at the TEE Center if Manager and Owner have received an Approving Tax Opinion.

2.3 **Relationship of Parties**. Neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby shall in any respect be interpreted, deemed or construed as making Manager a partner or joint venturer with Owner or as creating any similar relationship or entity, and Owner and Manager agree that they will not make any contrary assertion, contention, claim or counterclaim in any action, suit or other legal proceeding.

2.4 **Operating Term**. Subject to Article IV, the initial Operating Term of this Agreement shall be for a period commencing on the Effective Date and terminating on the fifteen (15) year anniversary of the Effective Date, provided however, that either party may terminate the Agreement upon sixty (60) days advance written notice prior to the fifth (5^{th}) anniversary of the Effective Date. In the event that either party terminates at the fifth anniversary, then in such event the terminating party shall, at its sole cost and expense, cause the integrated systems (HVAC, internet, security, etc) to be separated.

The initial Operating Term may be renewed or extended as provided in Section 2.5 and 2.6. Notwithstanding the foregoing, this Agreement shall be binding on the date it is signed by Owner and Manager and provisions of this Agreement shall survive the Operating Term to the extent specifically set forth in this Agreement.

2.5 First Option of Owner to Extend Operating Term. Owner, in its sole discretion, may elect, by written notice to Manager, within 60 days from the expiration of the initial Operating Term of this Agreement, to renew the initial Operating Term of this Agreement, for a period equal to the remaining term of the bond financing used for construction of the TEE Center or any refinancing with respect thereto, but in no event for a term exceeding 15 years or 80% of the remaining useful life of the TEE Center (the "**First Renewal Option**"). In the event Owner so elects to extend the Operating Term of this Agreement, all of the other terms and conditions of this Agreement shall remain unchanged during such extended Operating Term. In the event Owner elects not to renew this Agreement, Owner shall not be liable for any penalties or other costs of any kind whatsoever by reason of such non-renewal.

2.6 Second Option to Extend Operating Term. In the event Owner exercises the First Renewal Option, Owner, in its sole discretion, may elect, by written notice to Manager within 60 days from the expiration of the extended Operating Term of this Agreement, to renew the Operating Term of this Agreement for a period equal to the remaining Term of the CORE Agreement (as defined in the CORE Agreement) but in no event for a term then exceeding the lesser of 15 years or 80% of the remaining useful life of the TEE Center. In the event Owner so elects to extend the Operating Term of this Agreement, all of the other terms and conditions of this Agreement shall remain unchanged during such extended Operating Term; provided, however, that the Management Fee to be charged during the second extension shall be adjusted, upward or downward, to the then prevailing "market rate". The "market rate" shall be determined based upon the fixed fee customarily charged by third party managers of similar facilities in Georgia, as reasonably determined by Owner and Manager, who agree to negotiate in good faith concerning such fee. In the event Owner elects not to renew this Agreement, Owner shall not be liable for any penalties or other costs of any kind whatsoever by reason of such non-renewal.

ARTICLE III
COMPENSATION OF MANAGER

3.1 <u>TEE Center Management Fee</u>. Commencing on the Effective Date, Owner shall, on a monthly basis, pay to Manager a Management Fee in the amount of $7,000.00 per month, adjusted upward annually, but not downward, by the percentage increase in the Consumer Price Index for all urban consumers (CPI-U), Southeast Region (All Items 1982-84=100) for the preceding calendar year for performing its services under this Agreement in managing the TEE Center.

3.2 <u>Payment of Fee</u>. The Management Fees shall be due and payable no later than the fifteenth (15^{th}) day after the end of the month for which the Management Fee is owed and may be remitted by Manager directly to Manager from the Operating Account.

3.3 <u>Survival</u>. The provisions of this Article shall survive termination of this Agreement.

ARTICLE IV
TERMINATION

4.1 **Termination**. Should either party materially fail to comply with any of the terms of this Agreement, the non-defaulting party may cancel this Agreement upon ninety (90) days' written notice to the other party of the alleged breach and failure by such other party to cure such breach within such ninety (90) day period; provided, however, that in the event the default is not curable within such ninety (90) day period, but the defaulting party has commenced within the ninety (90) day period efforts to cure the default, the time to cure the default shall be extended for a reasonable period of time in order to allow such cure. In the event the party alleged to be in material default of this Agreement disputes the existence of such material default, this Agreement shall continue in full force until a court of competent jurisdiction finds such party to be in material default, after written notice and expiration of the applicable cure period, and all time periods for appeal of such finding have expired.

4.2 **Rights and Obligations Following Termination**. In addition to the rights and remedies otherwise available to the parties at law or in equity, the following provisions will apply following termination pursuant to this Article or the expiration of the Operating Term.

(a) Manager shall quit, vacate, surrender, and deliver to Owner peacefully and promptly the TEE Center, together with all books, records, accounts, contracts, keys, all cash in the Operating Account, less any fees due Manager, and in the Capital Account, and all other pertinent and necessary documents and records pertaining to the TEE Center and the operation thereof. After termination of this Agreement, Owner shall, without right of offset against Manager, timely pay all unpaid Operating Expenses incurred by Manager prior to the date of such termination, including without limitation, Salary Costs;

(b) Manager shall do all acts and execute and deliver all documents reasonably requested by Owner and otherwise reasonably cooperate with Owner and any successor manager to insure or facilitate orderly continuation of the business of the TEE Center. Manager shall take such actions at Owner's cost, in which case the costs of such action shall be an Operating Expense;

(c) Manager and Owner shall negotiate in good faith a modification to the CORE Agreement to provide for a reciprocal right of ingress and egress between the TEE Center and the Conference Center and appropriate indemnity provisions. In the event that such a modification cannot be agreed to, then either party has the right, but not the obligation, at its sole expense, to cause the TEE Center to be physically separated from the Conference Center by the installation of a door that both parties can secure to prohibit access without consent of the securing party, all in accordance with the plans attached to the TEE Center REA;

(d) The rights and liabilities of the parties having accrued prior to termination shall continue; and

(e) All provisions hereof identified herein as surviving termination of this Agreement shall survive.

ARTICLE V
SERVICES OF MANAGER

5.1 Manager's General Covenants.

(a) Manager shall use commercially reasonable efforts to manage and operate the TEE Center, its businesses, services, and sales, in accordance with industry standards for first class trade, exhibit, and event centers of similar size and quality.

(b) Manager acknowledges that a conflict of interest could arise between Manager's duties hereunder with respect to the TEE Center and the interests of Manager in the Hotel, the Conference Center and the TEE Center and any other businesses owned or operated (directly or through one or more affiliates) by Manager ("**Manager's Other Businesses**"). Manager covenants to use its best efforts to cause the TEE Center to be operated to fulfill Owner's objectives. Without limiting the generality of the foregoing, Manager shall never reduce or discount fees or charges for the license or rental of the TEE Center or for goods or services provided at the TEE Center, which comprise part of Operating Revenues, from the fees or charges authorized to be charged in such circumstances pursuant to the applicable Annual Plan, in consideration for the use, or promise to use, goods or services provided by Manager's Other Businesses.

(c) Manager shall maintain a separate set of books and records and prepare financial statements reflecting its activities hereunder that are sufficient to enable an auditor to audit the same on the same basis as if such activities were conducted by a separate accounting unit or single purpose entity. Manager shall provide copies of said books, records, and financial statements to Owner upon written request by Owner.

5.2 Policies and Practices. Manager shall adopt and implement administrative, accounting, budgeting, marketing, personnel, and operational policies and practices consistent with industry standards for trade, exhibit, and event centers of similar size and quality. Policies, practices and procedures relating to accounting, and any future modifications to such accounting policies, practices and procedures, shall be submitted with the Annual Plan or an amendment to the Annual Plan, subject to approval by the Commission in conformity with the method of approval the Annual Plan. Such policies, procedures, and practices, and any proposed amendments thereto, shall be reviewed by Augusta's internal auditor prior to submission to the Commission. Such policies, practices and procedures shall include provisions to account for credits and rebates and address the methods for allocation and accounting for Shared Employees.

5.3 Personnel.

(a) Employment. Subject to the terms of this Agreement, Manager shall select, employ, promote, terminate where appropriate, supervise, direct, train, and assign the duties of all personnel which Manager reasonably determines to be necessary or appropriate for the operation of the TEE Center (collectively, the **"TEE Center Employees"**). All TEE Center Employees shall be employed by Manager. Owner may at any time consult or communicate with Manager regarding any of the TEE Center Employees, but Owner shall not give orders to or otherwise interfere in the day-to-day activities of TEE Center Employees including for this purpose Shared Employees.

(b) Selection. Manager agrees to use reasonable and prudent judgment in the training and supervision of TEE Center Employees to ensure that they are courteous and efficient, and do not use improper language or act in a loud or boisterous manner while performing duties at the TEE Center. Manager agrees that it will not discriminate against any TEE Center Employee or applicant for employment for work under this Agreement because of race, religion, color, sex, disability, national origin, ancestry, physical handicap, or age.

(c) Appearance and Training. Manager shall ensure that non-management TEE Center Employees performing the duties at the TEE Center shall be neatly attired in clean, commercially attractive uniforms. Manager shall train all such employees that they are aware of the high standards for cleanliness, courtesy and service required.

(d) Compensation. Manager shall set the salaries and fringe benefits of all TEE Center Employees consistent with industry standards and the Annual Plan. Cost-of-living increases shall not exceed those given by Owner to its employees. Unless otherwise provided in the Annual Plan, no bonuses or merit raises shall be given without the approval of Owner. In the event that the Annual Plan provides for bonuses and/or merit raises, the Annual Plan shall include the criteria that must be met by a TEE Center employee in order to receive a bonus or merit raise.

(e) Salary Costs for Full Time TEE Center Employees. Although all TEE Center Employees shall be employed by Manager, Owner shall be responsible for all Salary Costs of TEE Center Employees.

(f) Salary Costs of Shared Employees. In order to provide the most cost effective services, the parties specifically contemplate that Manager may provide certain of the services under this Agreement through employees and agents of Manager's Other Businesses (**"Shared Employees"**). To the extent Manager (a) incurs Salary Costs of its Shared Employees that are allocable to operation of the TEE Center and (b) Manager shall not "mark-up" or otherwise add any profit or administrative charge to such Salary Costs, then, such Salary Costs shall be deemed to be Operating Expenses and shall be remitted to Manager from the Operating Account the same as any other Operating Expense. Salary Costs of a Shared Employee shall be deemed to have been fairly allocable to TEE Center operations if the proportion of the Shared

Employee's aggregate Salary Costs for the period in question so allocated is in the same the proportion of the amount of time the Shared Employee exclusively devoted to operation of the TEE Center in relation to the total amount of time worked for the period in question, or allocated in another manner as approved in the Annual Plan.

(g) Recordkeeping. The books and records required to be maintained by Manager pursuant to Section 7.6 hereof shall be sufficient to establish the amount of time that any TEE Center Employee spends providing services to Manager's Other Businesses, and the amount of time any Shared Employee expends providing services for the TEE Center, in each case as a percentage of their periodic work schedules (or other method as set forth in Section 5.3(f) above).

5.4 Maintenance.

(a) TEE Center. Manager shall (i) maintain the TEE Center in good condition and repair to the same standards as the Conference Center is maintained, and (ii) maintain, repair, and replace when necessary, furniture, fixtures and equipment for the TEE Center. Subject to the limitation of Section 5.4(c), if applicable, Manager may withdraw funds from the Capital Account to pay for Capital Expenses. Manager shall obtain Owner's approval prior to making any non-emergency expenditure of more than $20,000 on a single maintenance item or category of Capital Expenses not otherwise authorized by the Annual Plan.

(b) Conference Center Annex. Manager also may cause to be paid, from available amounts in the Capital Account, Capital Expenses for the Conference Center Annex that have been requested to be paid by Caterer but shall first obtain Owner's approval if such item exceeds $20,000 and was not otherwise authorized by the Annual Plan.

(c) General Limitation. Except as otherwise expressly authorized herein, any Capital Expense exceeding the budgeted amount(s) set forth in the Annual Plan for such category of expenditure by more than 15% or the payment of which would cause the amount then held in the Capital Account to be reduced by more than 95% of the amount held therein as of the beginning of the Fiscal Year shall require Owner's prior approval.

5.5 Marketing. Marketing of the TEE Center shall be a joint effort between Manager and Owner, acting through the CVB. The parties acknowledge that the marketing success of CVB and profitability of the TEE Center shall depend on the support and assistance of both Owner and Manager. Owner agrees to provide dedicated funds to the CVB which in Owner's reasonable judgment are necessary to allow CVB to market the TEE Center. Marketing shall commence on the date the primary construction contract for the TEE Center is executed, and such funding shall continue in a reasonable amount during the Operating Term.

5.6 Legal Services. Manager is authorized to engage such legal counsel as Manager deems reasonably necessary for the ordinary operational legal matters for the TEE Center, the reasonable costs and expenses of which shall be an Operating Expense. With the advice and consent of Owner, Manager shall institute any necessary or desirable legal actions or proceedings to collect charges or other income of the TEE Center or to enforce the right to cancel or terminate or sue for damages under any agreement relating to the operation of the TEE Center.

5.7 **Compliance with Government Rules and Regulations**. Manager shall operate the TEE Center in compliance with all applicable federal, state and local laws and insure that no activity or condition occurs on or about the TEE Center in violation of any laws; provided, however, that Manager shall have no liability nor be subject to any allegation of default with respect to non-compliance by the TEE Center with any applicable federal, state and local laws regarding the condition or use of the TEE Center and the surrounding property, including without limitation, the Americans with Disabilities Act, zoning regulations and hazardous waste laws.

5.8 **Limitation Upon Obligations**. In the event that the performance of any of Manager's duties requiring expenditure of Owner's funds shall be impeded by reason of unavailability of such funds, then, Manager's performance of such obligations shall be excused to the extent so impeded and until such funds become available. Manager shall be under no obligation to provide such funds from any source other than amounts then held in the Operating Account or the Capital Account. Manager's obligations also shall be excused to the extent performance would be contrary to express written instructions of Owner. Owner shall indemnify, defend, and hold Manager harmless from and against any and all liabilities, claims, suits, fines, penalties, damages, judgments, fees, costs and expenses (including, but not limited to attorneys' fees and disbursements) related to the performance of any of Manager's duties requiring expenditure of Owner's funds, if and when such funds are not available to Manager.

5.9 **Contracts**. (a) In General. Manager is hereby authorized, without Owner's prior approval, to enter into contracts, in its own name or as Owner's agent, with vendors or service providers of its choice, provided, in addition, that the contract in question: (i) does not have a term exceeding the lesser of one year or the then remaining Operating Term, (ii) the aggregate annual Operating Expense attributable to the contract does not exceed the lesser of $50,000 or the amount authorized in the Annual Plan for such expenditure, (iii) does not authorize the vendor or service provider to use any portion of the TEE Center unless the compensation therefor is not based on the net profits arising from such service or activity, and (iv) is not inconsistent with the applicable Annual Plan. Manager shall promptly notify Owner of the execution of such contracts.

(b) Special Indemnity. In the event Manager, in its own name or as agent of Owner, enters into a contract for or related to the TEE Center, Owner shall indemnify, defend, and hold Manager harmless from and against any and all liabilities, claims, suits, fines, penalties, damages, judgments, fees, costs and expenses (including, but not limited to attorneys' fees and disbursements) related to the payment of, or obligations related to such contract. This right of indemnification shall survive termination of this Agreement.

5.10 **Costs of Compliance**. Unless otherwise set forth in this Agreement to the contrary, any costs related to duties imposed on Manager shall, except to the extent incurred as a result of Manager's gross negligence, willful misconduct or breach of this Agreement, be at Owner's cost, in which case the costs of such action shall be an Operating Expense and may be paid from the Operating Account.

5.11 Adjoining Properties. This Agreement shall in no respect be applicable to any part of the Augusta-Richmond County area other than the TEE Center and shall in no event authorize Manager to provide services on the streets or sidewalks adjacent to the TEE Center as it now exists or may be hereafter developed unless first approved in writing by Owner.

ARTICLE VI
BANK ACCOUNTS, PAYMENTS AND DISTRIBUTIONS

6.1 Bank Accounts. Manager shall open, at one or more banks in Augusta, Georgia selected by Manager, a bank account for the benefit of Owner, which will serve as an operating account for the TEE Center (the "**Operating Account**"), and (b) a bank account for the benefit of Owner, which shall serve as a capital account for the TEE Center (the "**Capital Account**"), as the source of funds for Capital Expenses.

6.2 Operating Account; Payment to Owner. Manager shall deposit all Operating Revenues into the Operating Account. All Operating Revenues, whether or not deposited into such account, shall be solely the property of Owner. All Operating Expenses shall be borne exclusively by Owner. Subsequent to the approval of the accounting and financial policies, practices and procedures provided for in Section 5.2 or approval of Owner's Finance Department, Manager shall have authority to execute checks, drafts and other items on the Operating Account to pay the Operating Expenses, including the Management Fee. On or prior to the Effective Date and on January 1 of every year during the Operating Term, Owner agrees to deposit into the Operating Account $250,000.00. In the event the amount held in Operating Account at the end of any Fiscal Year exceeds the amount reasonably anticipated to be necessary for the operation of the TEE Center for the succeeding Fiscal Year (after taking into account the annual $250,000 deposit), Manager shall distribute such excess amount to Owner not later than upon delivery of the annual Financial Statement for such Fiscal Year. If at any time the Operating Account contains less than the reasonably anticipated Operating Expenses for a period of time not longer than the ensuing 90 days, Manager shall so advise Owner in writing, accompanied by an (pro-forma) operating budget, that was submitted as part of the Annual Plan or, if the Annual Plan has not yet been adopted, in Manager's proposed budget for the Annual Plan, and Owner shall cause such amount to be deposited into the Operating Account within ten (10) business days of receipt of such notice. The intent of this section is that the Operating Account shall, at all times, contain a permitted reserve sufficient to cover Operating Expenses for the next 90 days, without regard to the future receipt of any Operating Revenues. In the event of a deficiency in the Operating Account, Manager may, but shall not be required to, in its sole discretion, advance funds to meet Operating Expenses and such advances shall become immediately due from Owner.

Center, such additional taxes or assessments, together with any interest, penalties, fees, or other amounts assessed related thereto, shall be Operating Expenses, together with all costs, accounting fees, and legal fees incurred by Manager on behalf of the TEE Center in reviewing and, if necessary, challenging or negotiating such determinations. Manager shall be authorized to pay from the Operating Account all such costs, fees, and tax amounts determined to be due but shall otherwise have no liability therefor. This provision shall survive any termination of this Agreement.

ARTICLE VII
BUDGETS AND ACCOUNTING

7.1 **Annual Plan**. Manager shall submit to Owner, for Owner's approval as a part of Owner's budget process, not later than forty-five (45) days subsequent to the Effective Date, and at least sixty (60) days prior to the beginning of each Fiscal Year thereafter, an annual plan for the TEE Center (the "**Annual Plan**"), which shall include for the ensuing Fiscal Year, the following proposed budgets and programs setting forth:

(a) Manager's best estimate of Operating Revenues and Operating Expenses;

(b) Manager's best estimate of Capital Expenses for TEE Center;

(c) Manager's estimate of Catering Fees;

(d) Manager's estimate of Capital Expenses for the Conference Center Annex;

(e) a proposed schedule of rental rates for the use of the TEE Center and objective criteria for deviating from such rates; and

(f) a summary of the prior year's operations and such other information Manager deems beneficial to Owner.

Manager agrees to meet and confer with Owner's Finance Department, at the request of the Finance Department, from time to time and in timely manner to discuss the initial budget and contents of the Annual Plan and annually thereafter at the request of the Finance Department during Augusta's budget process and during the creation of the Annual Plan.

Manager's estimates of Catering Fees and Capital Expenses for the Conference Center Annex are made a part of Manager's Annual Plan solely at Owner's request, in order better to coordinate and consolidate Owner's budgeting process with respect to TEE Center and related Conference Center Annex operations. Following adoption of the Annual Plan, Manager covenants not to make TEE Center available for rates and fees that are less than the approved schedule of rates and fees or less than the scheduled fees without prior consent of Owner.

7.2 **Information Sharing**. In order to assist with the preparation of the Annual Plan, Owner shall provide Manager with CVB's convention sales data, including details of anticipated events at the TEE Center during the year of the Annual Plan, no later than 120 days before the due date of the Annual Plan. Owner's delay in providing such data shall extend the due date for the Annual Plan by a corresponding amount of time.

7.3 **Approval of Annual Plan**. Owner shall notify Manager within thirty (30) days of its receipt of the proposed Annual Plan if Owner has any objections to the Annual Plan. Otherwise, the Annual Plan shall be deemed approved. If the Annual Plan is disapproved by Owner, Manager and Owner shall enter into discussions in an attempt to determine mutually satisfactory budgets and programs. Until the Annual Plan is approved or deemed approved by Owner, the parties agree that Manager shall operate the TEE Center in accordance with the last previously approved or deemed approved Annual Plan. Manager shall operate the TEE Center in substantial accordance with the Annual Plan; provided, however, Owner acknowledges and agrees with Manager that during the first three Fiscal Years of the Operating Term - when Net Operating Revenues will be especially difficult to predict - the Annual Plan will be only a planning tool. Furthermore, expenses related to the TEE Center vary in proportion to business volume, making budgeting imprecise and unpredictable. During the initial three Fiscal Years, Owner authorizes Manager to deviate from the Operating Expenses or Capital Expenses as set forth in the Annual Plan, following notice to Owner and without any prior approval of Owner if, in the reasonable judgment of Manager, such deviation is necessary to achieve Owner's objectives to operate TEE Center in accordance with the Standard, but only if such change does not result in the expenditure of funds in excess of: (i) fifteen percent (15%) of the budgeted amount of Operating Expenses or Capital Expenses, as the case may be in the Annual Plan and (ii) ninety-five percent (95%) of the amount then held in the Capital Account or the Operating Account as the case may be.

7.4 **Amendments of Annual Plan**. Manager may notify Owner of a proposed change to the Annual Plan, provided however that modifications shall not be proposed more frequently than quarterly, except in the event of a catastrophic circumstance or event. Owner shall notify Manager within thirty (30) days of its receipt of the requested modification of any objections to the modified Annual Plan. Otherwise, the modified Annual Plan shall be deemed approved. Owner agrees to consider, in its reasonable judgment, modification of the Annual Plan to enable the TEE Center to be operated in accordance with the Standard.

7.5 **Obligation to Provide Funding to Operate and Maintain the TEE Center to the Standard**. Notwithstanding anything in this Agreement to the contrary, Owner agrees to provide funding to Manager, whether through approval and funding of the Annual Plan or through approval and funding of amendments to the Annual Plan, in an amount sufficient to operate and maintain (whether such maintenance be categorized as Capital Expenses or Operating Expenses) the TEE Center and the Conference Center Annex to the Standard throughout the Operating Term of this Agreement. In the event Owner fails to providing funding as required in this Section, Manager's sole remedy shall be to terminate this Agreement and the Catering Agreement, whereupon Manager shall have the rights and obligations set forth in

Section 4.2 of this Agreement. After such termination, neither Manager, Caterer nor Owner shall have any further obligations to the others under this Agreement or the Catering Agreement, except those obligations that expressly survive termination of this Agreement or the Catering Agreement.

7.6 Books and Records. Manager shall establish and maintain for the benefit of Owner complete, current, and accurate records and books of account reflecting all transactions of the TEE Center and of Manager with respect to the TEE Center that are separate from Manager's Other Businesses. Manager shall make such books and records available during normal business hours and at all other reasonable hours at the TEE Center for inspection, copying, and audit upon reasonable notice by Owner and its agents.

7.7 Financial Statements.

(a) Annual Statements. Manager shall prepare and deliver to Owner by the 90th day after the end of each Fiscal Year the following financial statements and reports (the "**Financial Statements**") using GAAP, which are in reasonable detail covering TEE Center operations for such previous Fiscal Year: (i) balance sheet as of the last day of such Fiscal Year, which shall reflect the balances of the Operating Account and Capital Account as of the last day of such Fiscal Year, (ii) cash flow statement, and (iii) profit and loss statement. The profit and loss statement will include a comparison of the budgeted and actual revenues and expenses as well as a comparison to the prior Fiscal Year.

(b) Quarterly Statements. On or before 30 days after the end of each calendar quarter, Manager shall prepare and deliver to Owner a statement showing Operating Revenue and Operating Expenses for the previous calendar quarter and Statement of Capital Expenditures.

7.8 Annual Audit. On or prior to 120 days after the end of each Fiscal Year, Manager shall provide, at Owner's cost and expense, a financial audit with respect to TEE Center operations to be made by an independent certified accounting firm selected by Manager and designated in the Annual Plan.

7.9 Survival Following End of Term. Manager's obligations under this Article shall continue as to all Fiscal Years occurring within the Operating Term notwithstanding that such performance may be due following the end of such term.

7.10 Extension of Certain Obligations to Subcontractors. Manager shall require all subcontractors that receive $50,000.00 or more in annual payments for performing services under this Agreement ("**Major Subcontractors**") to comply with Sections 4.1, 4.2 5.1, 5.2, 5.3, 5.7, 7.6, 7.7, 7.8, 9.1, 9.3(a), 9.6, and 9.7(b) of this Agreement by including said requirements in a written agreement between Manager and such Major Subcontractors. Manager shall cooperate fully and will cause all Major Subcontractors (including those entering into lump sum subcontracts) to cooperate fully in furnishing or in making available to Owner from time to time whenever requested, in an expeditious manner, any and all such information, materials and data. For purposes of this section, the term "subcontractors" shall not include suppliers of utilities, food, beverages, supplies, equipment, and other goods, and those providing services ancillary thereto, and shall not include suppliers of temporary staffing.

ARTICLE VIII
ASSIGNMENT

8.1 Assignment by Manager.

(a) Manager shall have the right, without the prior written consent of Owner (but only upon not less than five (5) business days' prior notice to Owner), to assign this Agreement or any duties arising hereunder to any entity controlled by, or under common control with, Manager, provided that (i) such case such transferee shall have, in the reasonable judgment of Owner, expertise, personnel and other resources sufficient to discharge its duties hereunder no less favorably than Manager has performed the same, (ii) the assignee or transferee agrees directly with Owner to be bound by all of Manager's obligations under this Agreement, and (iii) Owner shall have received an Approving Tax Opinion.

(b) In the event Manager, including for this purpose any affiliate thereof, sells the Hotels to a third party, Owner shall elect one of the following: (i) allow transferee to assume this Agreement and release Manager from its obligations under this Agreement but only if Owner shall have received an Approving Tax Opinion, (ii) allow Manager to terminate this Agreement, without penalty, or (iii) notify Manager that Owner does not approve of the transferee as Manager and terminate the Agreement.

8.2 Assignment by Owner. Owner's obligations under this Agreement shall not be assigned, and any purported assignment shall be void, without the prior written consent of Manager, which consent shall not be unreasonably withheld.

ARTICLE IX
INSURANCE

The parties shall either self-insure or self-fund or provide insurance equal or greater the following insurance requirements:

9.1 General Liability Insurance. Owner and Manager shall each carry comprehensive general liability insurance, including contractual liability, personal and bodily injury, and property damage insurance, with respect to each parties' operations and activities at the TEE Center, with a combined single limit of at least $3,000,000 per occurrence. Manager and Caterer shall be named as an additional insured under such insurance provided by Owner and Owner shall provide Manager and Caterer with a certificate of insurance evidencing such coverage. Owner shall be named as an additional insured under such insurance provided by Manager and Manager shall provide Owner with a certificate of insurance evidencing such coverage. Manager's insurance shall be endorsed to provide that the insurance shall be primary to and noncontributory to any similar insurance carried by Owner. Owner's insurance shall be excess to the primary insurance to the extent the primary insurance is valid and collectible. Both parties' insurance shall contain a severability of interest clause.

9.2 Property Insurance. Owner shall procure and keep in effect during the Operating Term fire and extended coverage for the TEE Center and all personal property in the TEE Center, including rent loss or business interruption coverage for periods of no less than twelve (12) months, written on an All-Risk Endorsement and Replacement Cost basis, with the replacement cost value reasonably acceptable to Manager. Such policy shall name Owner and Manager as loss payee, mortgagee, and additional insureds, as their interest may appear. Owner shall provide Manager with a certificate of insurance evidencing such coverage no later than thirty days prior to the commencement of the Operating Term.

9.3 Operational Insurance. Manager shall procure and maintain the following insurance:

(a) Workers' Compensation and employer's liability insurance as may be required under applicable laws covering all TEE Center Employees, including Shared Employees, with such deductible limits as determined by Manager;

(b) Such other insurance and/or additional coverage in amounts as Manager in its reasonable judgment deems advisable for its protection against claims, liabilities and losses arising out of or connected with its performance under this Agreement; and

(c) If requested by Owner in writing, a fidelity bond for Manager's employees protecting against theft of Owner's funds.

9.4 Cost and Expense. Except with respect to insurance premiums that are paid by Owner other than with funds held in the Operating Account, insurance premiums and any costs or expenses with respect to the insurance described in this Article shall be an Operating Expense of the TEE Center. Any reserves, losses, costs, damages or expenses which are uninsured, or fall within deductible limits or self-insured retentions, shall be treated as a cost of insurance and shall be an Operating Expense.

9.5 Coverage. All insurance described in this Article may be obtained by endorsement or equivalent means under Manager's or Owner's blanket insurance policies, provided that such blanket policies substantially fulfill the requirements specified herein.

9.6 Policies and Endorsements.

(a) Where permitted, all insurance provided under this Article shall be carried in the name of the party procuring the insurance, with additional insureds being the other party to this Agreement. The party procuring such insurance shall deliver to the other party certificates of insurance with respect to all policies so procured, including existing, additional and renewal policies and, in the case of insurance about to expire, shall deliver certificates of insurance with respect to the renewal policies not less than ten (10) days prior to the respective dates of expiration.

(b) All policies of insurance provided under this Article shall, to the extent obtainable without additional premium, have attached thereto an endorsement that such policy shall not be canceled or materially changed without at least thirty (30) days prior notice to Owner, Manager, any other fee or leasehold owner of any portion of the TEE Center, and any holder of indebtedness secured by the TEE Center.

(c) Owner and Manager agree that with respect to any loss or claim which is covered by insurance then being carried or required to be carried by them under this Agreement, the party suffering such loss or claim and carrying or required to carry such insurance releases the other of and from any and all claims, defense costs and expenses with respect to such loss or claim. Owner and Manager further agree that each of their insurance policies shall provide for an appropriate waiver of subrogation and recovery reflecting this release.

9.7 Indemnification.

(a) Indemnification. Subject to the waiver of subrogation and recovery provisions in this Agreement, each party shall indemnify and hold harmless the other party, its subsidiaries, its affiliates, and their respective officers, directors, agents, and employees, from and against any and all claims, liabilities, losses, damages to persons or property, costs, and expenses of any kind or character, including without limitation reimbursement of court costs, reasonable attorneys' fees, interest, fees, and penalties, to the extent such liabilities are finally determined by a court of competent jurisdiction to have been the result of the acts, omissions, negligence, or misconduct of such indemnifying party or its employees, contractors, agents, lessees, or invitees, in the use, operation, or maintenance of the TEE Center. This section shall survive termination of this Agreement.

(b) Defense Costs. Subject to the waiver of subrogation and recovery provisions in this Agreement, all costs and expenses, including without limitation reasonable attorneys' fees, of any legal proceeding that is instituted against the TEE Center, Manager, or both related to the operation, management, or maintenance of the TEE Center, including without limitation any employment-related claims of any nature, shall be charged as Operating Expenses or paid directly by Owner; provided, however, that Manager shall reimburse Owner on demand to the extent the fraud or gross negligence of the Manager's corporate office senior management personnel in the management, operation, or maintenance of the TEE Center is established in such proceeding. Owner specifically acknowledges and agrees that any party's mere allegation or claim of a negligent or intentional act by Manager or any officer, director, agent, or employee thereof does not trigger any obligation of Manager under this Section and that, pending the determination of any question as to whether Manager or any of its officers, directors, agents, or employees are entitled to indemnification under this Section, Manager shall be entitled to charge as Operating Expenses and pay from Operating Account all expenses of defending or otherwise handling any claim or litigation under this Agreement.

(c) Good-faith Judgment. Notwithstanding any other provision of this Agreement, Owner shall not make any claim against Manager based on any alleged error of judgment if such judgment was made by Manager in good faith or based on any action taken by Manager at the express direction of Owner.

(d) Survival. This Section shall survive Termination.

ARTICLE X
GENERAL PROVISIONS

10.1 Actions of a Party. Except for any amendment of this Agreement or approval of an Annual Plan pursuant to Article VII hereof, each of the Owner and the Manager shall designate an individual in the Annual Plan to serve as the authorized designee of a party, with respect to all other matters hereunder, who is authorized to take any other actions for that party, as may be required from time to time hereunder; provided, however, that a party may change its designee at any time by a written notice to the other party. Unless the authorization conferred by a designation is expressly limited by its terms, such authorization may be presumed to authorize designee to act in behalf of a party for all other purposes of this Agreement.

10.2 Inspection of TEE Center. Owner and its agents, employees, and designees may go anywhere in the TEE Center upon reasonable advance written notice to the Manager for the purposes of inspecting the TEE Center and inspecting the performance by Manager of the terms and conditions hereof. Manager shall facilitate the access permitted under this Section upon request.

10.3 Amendments. The terms, covenants, conditions, and provisions of this Agreement may be modified or added to only in a writing signed by the parties hereto provided, in addition, there shall have been delivered to Owner an Approving Tax Opinion.

10.4 Time of the Essence. Time is of the essence.

10.5 Notices. All notices hereunder or required by law shall be sent (a) via US Mail, postage prepaid, certified or registered mail, return receipt requested; or (b) via any nationally recognized commercial overnight carrier with provisions for a receipt, in either case addressed to the parties hereto at their respective addresses or numbers set forth below or as they will have theretofore specified by notice delivered in accordance herewith:

In case of the City to:	With a copy to:
Augusta-Richmond County	Augusta-Richmond County
City County Municipal Building	Legal Department
530 Greene Street	530 Greene Street

Augusta, Georgia 30901
Attn: City Administrator

In the case of Manager to:
Augusta Convention Center
Management, LLC
One 10th Street, Riverfront Center
Suite 340
Augusta, Georgia 30901
Attn: Mr. Paul S. Simon

Augusta, Georgia 30901
Attn: General Counsel

With a copy to:
Hull Barrett, PC
801 Broad Street, 7th Floor
Augusta, Georgia 30901
Attn: Rand Hanna

10.6 Entire Agreement. This Agreement is the entire agreement between the parties with respect to the subject matter hereof and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by the parties hereto. In the event of a conflict between any provision in this Agreement and in the TEE Center REA, this Agreement shall control.

10.7 Severability. If any provision of this Agreement or its application to any party or circumstances will be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, will not be affected thereby, and each provision hereof will be valid and will be enforced to the fullest extent permitted by law.

10.8 Computation of Time. The time in which any act under this Agreement is to be done shall be computed by excluding the first day and including the last day. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday. Unless preceded by the word "business", the word "day" shall mean a calendar day. The phrase "business day" or "business days" shall mean those days on which the Superior Court of Augusta-Richmond County, Georgia is located is open for business.

10.9 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia.

10.10 Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party and an Approving Tax Opinion shall have been delivered to Owner.

10.11 **<u>Force Majeure</u>**. At Manager's option, Manager's performance under this Agreement shall be suspended to the extent Manager shall be delayed or hindered in or prevented from the performance of any act required by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, terrorism, insurrection, war or other reason of a like nature not the fault of Manager.

10.12 **<u>Headings</u>**. Headings of Articles and Sections are inserted only for convenience and are in no way to be construed as a limitation on the scope of the particular Articles or Sections to which they refer.

10.13 **<u>Third Party Beneficiaries</u>**. Except with respect to Caterer, this Agreement shall not inure to the benefit of any third parties.

10.14 **<u>Plain Language Clarification of Certain Agreements.</u>** For the avoidance of any doubt, Manager's only compensation under this Agreement shall be the Management Fee under Section 3.1, and Manager shall not "mark-up" or add any profit, administrative charges, or overhead to any expenses charged to Owner under this Agreement. Costs and expenses to Operate the TEE Center charged to Owner will not exceed the actual out-of-pocket payments of Manager. Furthermore, Owner shall have the right to audit all books and records of Manager as are necessary to determine Manager's compliance with this Agreement, including the previous sentence.

[EXECUTION ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal on the day and year first above written.

Signed, sealed and delivered in the presence of:

Unofficial Witness

Notary Public

NANCY W. MORAWSKI
NOTARY PUBLIC
COLUMBIA
Exp. July

(Notary Seal)

Augusta, Georgia

By: ______________________
Its Mayor

Attest: ______________________
Its Clerk of Commission

(Seal)

Signed, sealed and delivered in the presence of:

R. E. Hanna, III
Unofficial Witness

Notary Public

(Notary Seal)

My Commission Expires
Oct. 15, 2015

Augusta Convention Center Management, LLC, a Georgia limited liability company

By:
Paul S. Simon
As its President

(Seal)

TEE CENTER CATERING AGREEMENT

THIS TEE CENTER CATERING AGREEMENT ("**Agreement**") is made effective the 8th day of ~~December~~ November, 2012, by and among AUGUSTA CONVENTION CENTER MANAGEMENT, LLC, a Georgia limited liability company ("**Manager**"), AUGUSTA RIVERFRONT, LLC, a Georgia limited liability company ("**Caterer**"), and AUGUSTA, GEORGIA (the "**Owner**").

RECITALS

A. Manager operates the Augusta Trade, Exhibit, and Event Center located at the northwestern intersection of Reynolds Street and James Brown Boulevard in Augusta, Georgia, together with fee simple and/or leasehold title to the land upon which such building is located, and the furniture, fixtures, equipment, and supplies located therein (the "**TEE Center**"), pursuant to that certain TEE Center Management Agreement (the "**Management Agreement**") of even date by and between Owner and Manager.

B. Caterer serves as Manager-Operator of an adjacent facility known as the Expanded Conference Center (the "**Conference Center**") pursuant to that certain Amended and Restated Construction, Operating and Reciprocal Easement Agreement dated as of June 21, 1999 by and between Caterer and City.

C. The Conference Center includes, among other things, kitchen and food preparation facilities that are currently being used for food preparation services to events at the Conference Center.

D. Owner is the owner of record of the Conference Center and is to be the owner of record of the TEE Center.

E. In order to limit the capital cost of the TEE Center, Owner has determined to cause the TEE Center to be constructed and equipped without its own dedicated kitchen facilities, but instead to contract for the related catering services from others.

F. Inasmuch as Caterer manages the Conference Center as well as two hotels, the Augusta Marriott and the Augusta Marriott Suites (the "**Hotels**") which are located adjacent to the Conference Center, Caterer possesses unique experience, skill and resources, which are vital to the cost-effective delivery of concession and catering services in the locale of the TEE Center.

G. To that end, Manager desires to contract with Caterer to perform food and beverage preparation and delivery services for the TEE Center.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

EXHIBIT
A

ARTICLE I
DEFINITIONS

1.1 __Defined Terms__. All capital terms herein and not otherwise defined shall have the meaning as defined in the Management Agreement. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings assigned to them herein, unless the context otherwise indicates:

"**Approving Tax Opinion**" shall mean the opinion of tax counsel experienced in federal income tax matters related to state and local bonds, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and qualified bonds, within the meaning of Section 141 of the Code, to the effect that a proposed action, waiver or amendment will not, without more, impair any exclusion of the interest on any outstanding issues of obligations that were issued to finance the TEE Center, or result in the disallowance of any credit against federal income tax or payable to the issuer of such obligations by the U.S. Treasury Department.

"**Capital Expense**" shall mean any expenditure totaling at least $5,000 for the acquisition, construction, reconstruction, repair or replacement of a single item or project that (i) is, or becomes part of, the Conference Center Annex or the Kitchen Equipment, and (2) is required or allowed to be capitalized under the accounting guidelines of Augusta, Georgia and GAAP. There shall be no "mark-up" or any profit or administrative charge added to any Capital Expense.

"**Caterer Employee**" shall have the meaning ascribed thereto by Section 5.3(a) hereof.

"**Catering Fee**" shall have the meaning set forth in Section 3.1.

"**Catering Revenues**" shall mean the gross revenues of Caterer and/or any affiliate from Catering Services. The time and amount of Catering Revenues shall be determined using GAAP.

"**Catering Services**" shall mean the business of selling food, food products, candy, non-alcoholic and alcoholic beverages, in the concession, catering, restaurant (if applicable) and all other areas of the TEE Center.

"**Catering Supplies**" shall mean the plates, bowls, cups, china, glassware, flatware, linens, if any, utensils, and similar items which are owned by Owner and used by Caterer to serve meals in the TEE Center.

"**Conference Center**" shall mean the Expanded Conference Center, as defined in the CORE Agreement.

"**Conference Center Annex**" shall mean that kitchen constructed and equipped by Owner in connection with the construction of the TEE Center. The Conference Center Annex is not part of the TEE Center but has been added to the Conference Center pursuant to that Amendment to Leases and Construction, Operating, and Reciprocal Easement Agreement executed on or about the date of this Agreement by and among Owner, The Downtown Development Authority of the City of Augusta, Georgia, and Caterer. The Conference Center

Annex is to be used to provide food and catering services to the Conference Center and to the TEE Center.

"CORE Agreement" shall mean that Amended and Restated Construction, Operating and Reciprocal Easement Agreement dated June 1, 1999, and recorded in the Office of the Clerk of Superior Court of Richmond County, Georgia at Realty Reel 648, page 45, and all amendments thereto, including an amendment on or about the date of this Agreement whereby the Conference Center is expanded to include Conference Center Annex.

"CVB" shall mean the Augusta Convention and Visitors Bureau.

"Effective Date" shall mean the date on which construction of the TEE Center has been completed, a certificate of occupancy for the TEE Center has been issued, and the TEE Center has been fully furnished and delivered to Manager for operation.

"Fiscal Year" shall mean the twelve (12) month period ending December 31 of each year during the Operating Term of this Agreement. The first Fiscal Year shall be the period commencing on the Effective Date and ending on December 31 of the same year. A partial Fiscal Year after the end of the last full Fiscal Year and ending with the expiration or earlier termination of the Operating Term shall constitute a Fiscal Year.

"GAAP" shall mean Generally Accepted Accounting Principles based on the accrual method of accounting as further implemented by the accounting guidelines of Owner.

"Hotels" shall have the meaning set forth in the recitals hereto.

"Kitchen Equipment" shall mean the stoves, ovens, warming ovens, refrigerators, freezers, fryers, mixers, appliances, serving carts and trays, and other furniture, fixtures, and equipment purchased by Owner and installed or placed in the Conference Center Annex, but excluding Catering Supplies.

"Management Agreement" shall mean that certain TEE Center Management Agreement described in Recital A hereto.

"Operating Term" shall have the meaning set forth in Section 2.3.

"Standard" shall have the meaning established in the Management Agreement.

"TEE Center" shall have the meaning set forth in the recitals hereto.

"TEE Center REA" shall mean the TEE Center Reciprocal Easement Agreement between Augusta Riverfront, LLC and the City of Augusta, Georgia, executed in connection with this Agreement and which provides necessary easements with respect to the TEE Center, the Conference Center, and the Hotels.

ARTICLE II
APPOINTMENT OF CATERER; POWERS AND DUTIES; AND OPERATING TERM

2.1 **Appointment of Caterer; Powers and Duties Generally**. Manager hereby appoints and engages Caterer during the Operating Term, and Caterer hereby accepts appointment on the terms and conditions hereinafter provided as agent to provide Catering Services to the TEE Center, including to deliver such services throughout the TEE Center at the direction of Manager. Caterer covenants and agrees to provide the full range of Catering Services, except as otherwise directed by Manager, at all TEE Center events, in such a manner and with such number of personnel as are necessary to provide adequate Catering Services to patrons of the TEE Center consistent with the Standard. Manager agrees that it will not, without the prior written consent of Caterer, enter into any lease, license or other agreement granting to any party other than Caterer or a sub-contractor mutually agreed by Caterer and Manager, the right to perform any Catering Services at the TEE Center. Catering Services shall be under the exclusive supervision and control of Caterer subject to the terms of this Agreement. Except as specifically hereinafter set forth to the contrary, Caterer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management and providing of the Catering Services, including, without limitation, charges for food and beverage services, employment policies relating to Caterer Employees, receipt, holding and disbursement of funds, maintenance of bank accounts, procurement of supplies and services, and, in general, all activities necessary for providing Catering Services.

2.2 **Relationship of Parties**. Neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby shall in any respect be interpreted, deemed or construed as making Caterer a partner or joint venturer with Manager or Owner or as creating any similar relationship or entity, and Owner and Manager agree that they will not make any contrary assertion, contention, claim or counterclaim in any action, suit or other legal proceeding.

2.3 **Operating Term.** Subject to Article IV, the term of this Agreement (the "**Operating Term**") shall be for a period commencing on the Effective Date and terminating on the second (2nd) year anniversary of the Effective Date, provided however, that Owner shall have the right to terminate this agreement without cost and without penalty on the first anniversary of the Effective Date. Notwithstanding the foregoing, this Agreement shall be binding on the date it is signed by Owner and Manager and provisions of this Agreement shall survive the Operating Term to the extent specifically set forth in this Agreement.

2.4 **Option to Extend Operating Term.** This Agreement shall automatically renew for successive periods of two years, unless either party gives the other party sixty (60) days advance written notice of its election to terminate this Agreement. In the event of an automatic renewal, then in such event, Owner shall have the right to terminate this agreement without cost and without penalty on the first anniversary of each renewal of the Agreement.

2.5 **Payment by Caterer upon Termination.** In the event that Caterer elects to terminate the Agreement within 15 years from the Effective Date of this Agreement, pursuant to Section 2.4, either at the end of the primary term or prior to any automatic renewal, then in such event, Caterer will pay to Owner the depreciated value of the Kitchen Equipment, based on the cost thereof and a fifteen year (15) straight line depreciation schedule, less the value of the real property interests conveyed to Owner by Caterer or its affiliates for the construction of the TEE Center and the Reynolds Street Parking Deck, such real property interests to be valued as the date of the conveyance to Owner by an MAI appraiser reasonably acceptable to Owner and Caterer.

ARTICLE III
CATERING FEE

3.1 **Catering Fee**. During the term of the Agreement and any renewal, unless otherwise agreed to by the parties, Caterer shall pay to Manager, for disbursement in accordance with the Management Agreement, a percentage of the Catering Revenues based on the following schedule (the "**Catering Fee**"):

(a) For Catering Revenues between $0.00 and $400,000.00, no fee will be paid.

(b) For Catering Revenues between $400,001.00 and $500,000.00, Caterer will pay to Manager, for the account of Owner, Five percent (5%) of such Catering Revenues.

(c) For Catering Revenues between $500,001.00 and $750,000.00, Caterer will pay to Manager, for the account of Owner, Ten percent (10%) of such Catering Revenues.

(d) For Catering Revenues greater than $750,001.00, Caterer will pay to Manager, for the account of Owner, Twelve and one half percent (12.5%) of such Catering Revenues.

3.2 **Payment of Catering Fee**. Caterer shall pay to Manager the Catering Fee as set forth in Section 6.1 of this Agreement.

3.3 **Survival**. The provisions of this Article shall survive termination of this Agreement.

ARTICLE IV
TERMINATION

4.1 **Termination**. Should either party materially fail to comply with any of the terms of this Agreement, the non-defaulting party may cancel this Agreement upon ninety (90) days' written notice to the other party of the alleged breach and failure by such other party to cure such breach within such thirty (30) day period provided, however, that in the event the default is not curable within such ninety (90) day period, but the defaulting party has commenced efforts to cure the default within the ninety (90) day period, the time to cure the default shall be extended for a reasonable period of time in order to allow such cure. In the event the party alleged to be in material default of this Agreement disputes the existence of such material default, this Agreement shall continue in full force until a court of competent jurisdiction finds such party to be in material default, after written notice and expiration of the applicable cure period, and all time periods for appeal of such finding have expired.

4.2 **Rights and Obligations Following Termination**. In addition to the rights and remedies otherwise available to the parties at law or in equity, the following provisions will apply following termination pursuant to this Article or the expiration of the Operating Term.

(a) Caterer shall surrender and deliver to Manager or Owner, if the Management Agreement shall also have terminated, peacefully and promptly the Catering Supplies, keys to the TEE Center, and all other pertinent and necessary documents and records pertaining to the Catering Services and the TEE Center and the operation thereof.

(b) Caterer shall do all acts and execute and deliver all documents reasonably requested by Manager and otherwise reasonably cooperate with Manager and any successor caterer to insure or facilitate orderly continuation of Catering Services to the TEE Center. Manager shall take such actions at Owner's cost.

(c) In the event Caterer, or its designee, continues as the operator of the Conference Center after the termination or expiration of the Operating Term of this Agreement, Caterer may, but shall be under no obligation to, cause the Conference Center Annex to be physically separated from the TEE Center, in accordance with plans attached to the TEE Center REA, by the installation of a wall and door that both parties can secure to prohibit access without consent of the securing party. Prior to such separation, the parties shall negotiate in good faith a modification to the CORE Agreement to provide for a right of ingress and egress for Caterer between the TEE Center and the Conference Annex.

(d) Caterer shall pay to Owner the payment provided in Section 2.5 of this Agreement.

(e) The rights and liabilities of the parties having accrued prior to termination shall continue.

(f) All provisions hereof identified herein as surviving termination of this Agreement shall survive.

ARTICLE V
SERVICES OF CATERER

5.1 **Caterer's General Covenants**.

(a) Caterer shall use commercially reasonable efforts to provide Catering Services in accordance with industry standards for first-class trade, exhibit, and event centers of similar size and quality as the TEE Center.

(b) Caterer acknowledges that a conflict of interest could arise between the interests of Caterer in providing services to the Hotels, the Conference Center and any other business conducted by Caterer (except the services contemplated to be performed by this Agreement) (**"Caterer's Other Businesses"**) and providing services to the TEE Center. Caterer covenants to use its best efforts to cause the Catering Services to be provided in an efficient and commercially reasonable manner, without regard to Caterer's Other Businesses. Caterer shall never reduce or discount fees or rates for Catering Services beyond normal and customary business practices in consideration for the use, or promise to use, goods or services of Caterer's Other Businesses.

5.2 Policies and Practices. Caterer shall adopt and implement administrative, accounting, budgeting, marketing, personnel, and operational policies and practices consistent with industry standards for caterers serving trade, exhibit, and event centers of similar size and quality.

5.3 Personnel.

(a) Employment. Subject to satisfaction of any other applicable terms of this Agreement, Caterer shall select, employ, promote, terminate where appropriate, supervise, direct, train, and assign the duties of all personnel (**"Caterer Employees"**) which Caterer reasonably determines to be necessary or appropriate for the delivery of Catering Services. Manager may at any time consult or communicate with Caterer regarding any of the Caterer Employees.

(b) Selection. Caterer agrees to use reasonable and prudent judgment in the selection, supervision, promotion and termination of Caterer Employees and to strive to employ persons who are courteous and efficient, and who will not use improper language or act in a loud or boisterous manner while discharging duties at the Conference Center Annex or the TEE Center. Caterer agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, religion, color, sex, disability, national origin, ancestry, physical handicap, or age.

(c) Appearance. Caterer shall ensure that its non-management employees performing the duties at the TEE Center shall be neatly attired in clean, commercially attractive uniforms. Caterer shall train all such employees so that they are aware of the high standards for cleanliness, courtesy and service required.

(d) Salary Costs for Caterer Employees. All salary costs of Caterer Employees shall be paid by Caterer, at rates in keeping with the local catering industry.

5.4 Maintenance, Repair, and Replacement of Conference Center Annex and Kitchen Equipment.

(a) Maintenance and Repair by Caterer. At Caterer's sole cost and expense, Caterer shall maintain the Conference Center Annex and the Kitchen Equipment to the Standard, including repairs and replacements thereto that do not constitute Capital Expenses.

(b) Repair and Replacement by Owner. During the Operating Term, at Owner's sole cost and expense, Owner shall make all repairs and replacements to the Conference Center Annex and the Kitchen Equipment necessary to keep the same to the Standard, to the extent such repairs and replacements constitute Capital Expenses. However, Caterer shall be responsible for any capital repairs or replacements caused by its negligence or misuse of the Conference Center Annex or the Kitchen Equipment.

5.5 Catering Services.

(a) Generally. Caterer shall order, purchase, stock, prepare, pay for and sell quality food, beverage and other concession and catering products. Consumables shall be first quality, wholesome and pure, and all food and beverage merchandise on hand shall be stored and handled with due regard for sanitation. Caterer shall prepare product and keep an inventory on the premises in sufficient amounts so as not to run out of product during an event at the TEE Center. Caterer shall have the right to use the Conference Center Annex and any other areas, whether within the Conference Center or the TEE Center, that are permanently or temporarily used for preparation or delivery of Catering Services to the TEE Center.

(b) Catering Supplies. Owner has acquired and owns the Catering Supplies. The Catering Supplies shall include an adequate number place settings to serve 1,800 patrons for use by Caterer in providing Catering Services at the TEE Center. Place settings shall be complete place settings and consist of all china, glassware and flatware necessary to serve a five (5) course meal in the accustomed manner for a first-class restaurant in Augusta, Georgia. Caterer may use the Catering Supplies in providing Catering Services to the TEE Center. Caterer shall replace all Catering Supplies that are broken or lost by Caterer or its employees or subcontractors. Caterer shall not rent or lend any Catering Supplies to any person or entity for use outside of the TEE Center.

(c) Sanitation. Caterer shall maintain the Conference Center Annex in a sanitary, clean and neat condition. Caterer shall be responsible for cleaning areas within the TEE Center after use by Caterer for beverage and concession service (*i.e.*, bar areas in the pre-function space and any other walk up service areas). Caterer shall deposit in receptacles all waste, garbage and refuse which shall accumulate in the Conference Center Annex. Caterer shall provide or arrange for extermination services as may be necessary for the Conference Center Annex. Caterer shall comply with and observe all federal, state and local laws, ordinances and regulations as to sanitation and the purity of food and beverages or otherwise

(d) Permits and Licenses. Caterer shall secure and maintain throughout the Operating Term all licenses and permits necessary for the operation of the Catering Services, including those required for the sale of liquor, beer and wine at the TEE Center (unless sale of such alcoholic products is prohibited at the TEE Center by the Owner, the applicable liquor control governmental entity, or any other party whose approval is required). Manager, and if reasonably required, Owner shall cooperate with Caterer in connection with filing applications for, and securing and maintaining in good standing, any and all licenses and permits and renewals thereof needed by Caterer to fulfill its obligations hereunder.

(e) Alcoholic Beverages. Provided that the sale of alcoholic beverages is permitted at the TEE Center, Caterer agrees to strictly comply with the laws of the State of Georgia regarding the sale of alcoholic beverages.

(f) Taxes. Caterer shall collect and pay all taxes imposed upon or assessed with respect to the sale of concession items hereunder, as required by Federal, State or local law. Caterer shall be responsible for and pay all social security, unemployment insurance, old age retirement and other federal and state taxes that are measured by the wages, salaries, or other remuneration paid to persons employed by Caterer.

5.6 **Legal Services**. Caterer is authorized to engage such legal counsel as Caterer deems reasonably necessary for the ordinary operational legal matters directly related to Caterer's services under this Agreement, the reasonable costs and expenses of which shall be paid by Caterer.

5.7 **Compliance with Government Rules and Regulations**. Caterer shall provide Catering Services in compliance with all applicable federal, state and local laws and insure that no activity or condition occurs on or about the Conference Center Annex or in connection with Catering Services that is in violation of any laws; provided, however, that Caterer shall have no liability, nor be subject to any allegation of default with respect to non-compliance by the Conference Center Annex with any applicable federal, state and local laws regarding the condition or use of the Conference Center Annex and the surrounding property, including without limitation, the Americans with Disabilities Act, zoning regulations and hazardous waste laws.

5.8 **Limitation Upon Obligations**. Caterer's obligations shall be excused to the extent performance would be contrary to express written instructions of Manager.

5.9 **Adjoining Properties**. This Agreement shall in no respect be applicable to any part of the Augusta-Richmond County area other than the TEE Center and Conference Center and shall in no event authorize Caterer to provide the Catering Services on the streets or sidewalks adjacent to the TEE Center as it now exists or may be hereafter developed unless first approved in writing by Manager and Owner. If, however, at the request of or with the approval of Manager and Owner, Caterer shall furnish any services which involve the use of the Conference Center Annex, Caterer agrees that the furnishing of such services shall be deemed to be the operation of the Catering Services for the purpose of this Agreement and included in the Catering Revenues for the applicable period.

ARTICLE VI
PAYMENT OF CATERING FEE

6.1 **Payment of Catering Fee.** Caterer shall pay to Manager the Catering Fee with respect to each Fiscal Year no later than the thirtieth (30^{th}) day following the end of such Fiscal Year. Manager shall hold and disburse the Catering Fee pursuant to the Management Agreement.

ARTICLE VII
ACCOUNTING

7.1 **Books and Records**. Caterer shall establish and maintain for the benefit of Manager and Owner complete, current, and accurate records and books of account reflecting all transactions relating to Catering Revenues as necessary to demonstrate compliance with this Agreement. Caterer shall make such books and records available during normal business hours and at all other reasonable hours at the TEE Center for inspection, copying, and audit upon reasonable notice by Manager, Owner and their respective agents.

ARTICLE VIII
ASSIGNMENT

8.1 Assignment by Caterer.

(a) This Agreement is not assignable by Caterer without the prior written consent of Manager and Owner, except that Caterer shall have the right, without any prior written consent (but only upon not less than five (5) business days' prior notice to Manager and Owner), to assign this Agreement or any duties arising hereunder to any entity controlled by, or under common control with, Caterer, provided that in such case such transferee shall have, in the reasonable judgment of Manager and Owner, expertise, personnel and other resources sufficient to discharge its duties hereunder no less favorably than Caterer has performed the same. Such assignment shall be effective only if the assignee or transferee agrees to be bound by all of Caterer's obligations under this Agreement.

(b) In the event Manager, including for this purpose any affiliate thereof, sells the Hotels to a third party (**"Transferee"**), Owner shall elect one of the following: (a) consent to the transfer assumption of this Agreement by Transferee and release Caterer from its obligations under this Agreement subject to receipt by Owner of an Approving Tax Opinion, or (b) allow Caterer to terminate this Agreement without penalty, or (iii) notify Caterer that Owner does not approve of the transferee as Caterer and terminate this Agreement.

8.2 Assignment by Owner. Owner's obligations under this Agreement shall not be assignable, and any purported assignment shall be void, without the prior written consent of Manager, which consent shall not be unreasonably withheld.

8.3 Termination of the Management Agreement. In the event the Management Agreement is terminated or expires prior to the termination or expiration of the Operating Term of this Agreement, then Owner shall cause all subsequent managers of the TEE Center during the Operating Term of this Agreement to assume and be bound by this Agreement, and this Agreement shall constitute a direct agreement among Caterer, Owner, and such replacement managers.

ARTICLE IX
INSURANCE

The parties shall either self-insure or self-fund or provide insurance equal or greater to the following insurance requirements. Solely for purposes of this Article IX, Manager and Caterer are considered one party and are referenced collectively as **"Manager/Caterer."**

9.1 General Liability Insurance. Owner and Manager/Caterer shall each carry comprehensive general liability insurance, including contractual liability, personal and bodily injury, and property damage insurance, with respect to each parties' operations and activities at the TEE Center and the Conference Center Annex, with a combined single limit of at least

$3,000,000 per occurrence. Manager/Caterer shall be named as an additional insured under such insurance provided by Owner and Owner shall provide Manager/Caterer with a certificate of insurance evidencing such coverage. Owner shall be named as an additional insured under such insurance provided by Manager/Caterer and Manager/Caterer shall provide Owner with a certificate of insurance evidencing such coverage. Manager/Caterer's insurance shall be endorsed to provide that the insurance shall be primary to and noncontributory to any similar insurance carried by Owner. Owner's insurance shall be excess to the primary insurance to the extent the primary insurance is valid and collectible. Both parties' insurance shall contain a severability of interest clause.

9.2 <u>**Operational Insurance**</u>. Manager/Caterer shall procure and maintain the following insurance:

(a) Workers' Compensation and employer's liability insurance as may be required under applicable laws covering all of Caterer's employees at the TEE Center, with such deductible limits as determined by Caterer; and

(b) Such other insurance and/or additional coverage in amounts as Manager/Caterer in its reasonable judgment deems advisable for its protection against claims, liabilities, and losses arising out of or connected with its performance under this Agreement.

9.3 <u>**Cost and Expense**</u>. Insurance premiums and any costs or expenses with respect to the insurance described in this Article to be provided by Caterer shall be paid by Caterer.

9.4 <u>**Coverage**</u>. All insurance described in this Article may be obtained by endorsement or equivalent means under its blanket insurance policies, provided that such blanket policies substantially fulfill the requirements specified herein.

9.5 <u>**Policies and Endorsements**</u>.

(a) Where permitted, all insurance provided under this Article shall be carried in the name of the party procuring the insurance, with additional insureds being the other parties to this Agreement. The party procuring such insurance shall deliver to the other parties certificates of insurance with respect to all policies so procured, including existing, additional and renewal policies and, in the case of insurance about to expire, shall deliver certificates of insurance with respect to the renewal policies not less than ten (10) days prior to the respective dates of expiration.

(b) Owner and Manager/Caterer agree that with respect to any loss or claim which is covered by insurance then being carried or required to be carried by them under this Agreement, the party suffering such loss or claim and carrying or required to carry such insurance releases the other of and from any and all claims, defense costs and expenses with respect to such loss or claim. Owner and Manager/Caterer further agree that each of their insurance policies shall provide for an appropriate waiver of subrogation and recovery reflecting this release.

9.6 **Indemnification.**

(a) Indemnification. Subject to the waiver of subrogation and recovery provisions in this Agreement, each party shall indemnify and hold harmless the other party, its subsidiaries, its affiliates, and their respective officers, directors, agents, and employees, from and against any and all claims, liabilities, losses, damages to persons or property, costs, and expenses of any kind or character, including without limitation reimbursement of court costs, reasonable attorneys' fees, interest, fees, and penalties, to the extent such liabilities are finally determined by a court of competent jurisdiction to have been the result of the acts, omissions, negligence, or misconduct of such indemnifying party or its employees, contractors, agents, lessees, or invitees, in the use, operation, or maintenance of the TEE Center or Conference Center Annex. This section shall survive termination of this Agreement.

(b) Good-faith Judgment. Notwithstanding any other provision of this Agreement, neither Manager nor Owner shall make any claim against Caterer based on any alleged error of judgment if such judgment was made by Caterer in good faith or based on any action taken by Caterer at the express direction of Manager or Owner.

(c) Survival. This Section shall survive termination of this Agreement

ARTICLE X
GENERAL PROVISIONS

10.1 Inspection of Conference Center Annex. Owner and its agents, employees, and designees may inspect the Conference Center Annex upon reasonable advance written notice to Caterer for the purpose of monitoring and inspecting the performance by Caterer of the terms and conditions hereof. Caterer shall facilitate the access permitted under this Section upon request.

10.2 Amendments. The terms, covenants, conditions, and provisions of this Agreement cannot be modified or added to except in writing signed by the parties hereto. This Agreement may not be modified without prior receipt by Owner of an Approving Tax Opinion.

10.3 Time of Essence. Time is of the essence.

10.4 Notices. All notices hereunder or required by law will be sent (a) via US Mail, postage prepaid, certified or registered mail, return receipt requested; or (b) via any nationally recognized commercial overnight carrier with provisions for a receipt, in either case addressed to the parties hereto at their respective addresses or numbers set forth below or as they will have theretofore specified by notice delivered in accordance herewith:

In the case of Manager to:
Augusta Convention Center
Management, LLC
One 10th Street, Riverfront Center
Suite 340
Augusta, Georgia 30901

With a copy to:
Hull Barrett, PC
801 Broad Street, 7th Floor
Augusta, Georgia 30901
Attn: Rand Hanna

Attn: Mr. Paul S. Simon

In case of Owner to:
Augusta-Richmond County
City County Municipal Building
530 Greene Street
Augusta, Georgia 30901
Attn: City Administrator

With a copy to:
Augusta-Richmond County
Legal Department
530 Greene Street
Augusta, Georgia 30901
Attn: General Counsel

In the case of Caterer to:
Augusta Riverfront, LLC
One 10th Street, Riverfront Center
Suite 340
Augusta, Georgia 30901
Attn: Mr. Paul S. Simon

With a copy to:
Hull Barrett, PC
801 Broad Street, 7th Floor
Augusta, Georgia 30901
Attn: Rand Hanna

10.5 Entire Agreement. This Agreement along with the TEE Center REA is the entire agreement between the parties with respect to the subject matter hereof and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by the parties hereto.

10.6 Severability. If any provision of this Agreement or its application to any party or circumstances will be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, will not be affected thereby, and each provision hereof will be valid and will be enforced to the fullest extent permitted by law.

10.7 Computation of Time. The time in which any act under this Agreement is to be done shall be computed by excluding the first day and including the last day. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday. Unless preceded by the word "business", the word "day" shall mean a calendar day. The phrase "business day" or "business days" shall mean those days on which the Superior Court of Augusta-Richmond County, Georgia is located is open for business.

10.8 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia.

10.9 Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.

10.10 **Force Majeure**. At Caterer's option, Caterer's performance under this Agreement shall be suspended to the extent Caterer shall be delayed or hindered in or prevented from the performance of any act required by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, terrorism, insurrection, war or other reason of a like nature not the fault of Caterer.

10.11 **Headings**. Headings of Articles and Sections are inserted only for convenience and are in no way to be construed as a limitation on the scope of the particular Articles or Sections to which they refer.

10.12 **Third Party Beneficiaries**. This Agreement shall not inure to the benefit of any third parties.

[EXECUTION ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal on the day and year first above written.

Signed, sealed and delivered in the presence of:

Unofficial Witness

Nancy W. Morawski

Notary Public

(Notary Seal)

NANCY W. MORAWSKI
NOTARY PUBLIC
Exp. July 18, 2014
COLUMBIA COUNTY, GA

Augusta, Georgia

By: ______________________
Its Mayor

Attest: ______________________
Its Clerk of Commission

(Seal)

AUGUSTA-RICHMOND COUNTY
1777
GEORGIA

Signed, sealed and delivered in the presence of:

____
Unofficial Witness

____
Notary Public

(Notary Seal) My Commission Expires Oct. 15, 2015

Augusta Riverfront, LLC, a Georgia limited liability company

By: ________________________
Paul S. Simon
As its President

(Seal)

Signed, sealed and delivered in the presence of:

____
Unofficial Witness

____
Notary Public

(Notary Seal) My Commission Expires Oct. 15, 2015

Augusta Convention Center Management, LLC, a Georgia limited liability company

By: ________________________
Paul S. Simon
As its President

(Seal)

CONSOLIDATED CONTROLS
1411 NEWMANTOWN RD
GROVETOWN GA 30813
PH 706 339-3304

TO: BLAKE CHAMBERS

DATE: 11/07/2021

RE: AUUGUSTA CONVENTION CTR
LIGHTING UPGRADE LUTRON SYSTEM

SCOPE OF WORK

UPGRADE OF EXISTING LUTRON LIGHTING CONTROLS

NEW PROCESS CONTROL AND DEMO OF EXISTING EQUIPMENT
TIE IN OF EMERG CIRCUIT FOR OPERATION OF LIGHTS DURING POWER FAILURE
REMOVE EXISTING NETWORK CARD AND INSTALL NEW NETWORK EQUIPMENT
EXTEND CAT 5 CABLE FROM EXISTING IT RACK UP TO NEW LIGHTING CONTROL
NETWORK POINT TO BE PROVIDED BY OWNER

PROGRAM OF SYSTEM, WITH AV EQUIPMENT AND EXISTING LIGHTS

DOES NOT INCLUDE REPAIR OF EXISTING LIGHTS FOUND NOT BE IN WORKING ORDER

ALL WORK TO BE PERFORM DURING NORMAL WORKING HOURS MONDAY THRU FRIDAY
8:00AM TO 5:00 PM

SHIPPING 3 TO 4 WEEKS

TOTAL COST--$ 38,800.00
PAYMENT TERMS NET 30

THANKS

RUSSELL MADDOX

CONSOLIDATED CONTROLS

Lena Bonner

From:	Odie Donald
Sent:	Monday, November 29, 2021 9:56 AM
To:	Lena Bonner
Cc:	Wanda Gothie; Tanikia Jackson; Commissioner Ben Hasan
Subject:	Addendum Item Administrative Services Committee November 30, 2021
Attachments:	TEE CENTER MANAGEMENT AGREEMENT_TS.pdf; AUGUSTA CONVENTION CTR LUTRON SYSTEM UPGRADE 2021 11721.doc
Importance:	High

Good morning Ms. Bonner,

I received a request from our partners at the Marriott, which I cannot authorize. As such, I am requesting the below item be added as an addendum. I had an opportunity to mention this needed item to the Chair (copied) and he was open to it. Please see below and attached.

Motion to approve and authorize Augusta Convention Center Management, LLC to expend $38,,800 for the upgrade of the lighting system at the Augusta Convention Center.
Based on the Management agreement, approval of expenditures above the $20,000 threshold require Commission approval. The lighting system request impacts convention center visitor usage and revenues.

5.4 Maintenance.

(a) TEE Center. Manager shall (i) maintain the TEE Center in good condition and repair to the same standards as the Conference Center is maintained, and (ii) maintain, repair, and replace when necessary, furniture, fixtures and equipment for the TEE Center. Subject to the limitation of Section 5.4(c), if applicable, Manager may withdraw funds from the Capital Account to pay for Capital Expenses. Manager shall obtain Owner's approval prior to making any non-emergency expenditure of more than $20,000 on a single maintenance item or category of Capital Expenses not otherwise authorized by the Annual Plan.

(b) Conference Center Annex. Manager also may cause to be paid, from available amounts in the Capital Account, Capital Expenses for the Conference Center Annex that have been requested to be paid by Caterer but shall first obtain Owner's approval if such item exceeds $20,000 and was not otherwise authorized by the Annual Plan.

(c) General Limitation. Except as otherwise expressly authorized herein, any Capital Expense exceeding the budgeted amount(s) set forth in the Annual Plan for such category of expenditure by more than 15% or the payment of which would cause the amount then held in the Capital Account to be reduced by more than 95% of the amount held therein as of the beginning of the Fiscal Year shall require Owner's prior approval.

In Service,

Odie Donald II, MBA
Administrator
Augusta-Richmond County
535 Telfair Street, Suite 910
(706) 821-2898 Office
odonald@augustaga.gov

Augusta GEORGIA

Administrative Services Committee Meeting
11/30/2021 1:10 PM
Lighting System Upgrade at Augusta Convention Center

Department:	
Presenter:	
Caption:	Motion to approve and authorize Augusta Convention Center Management, LLC to expend $38,800 for the upgrade of the lighting system at the Augusta Convention Center. Based on the management agreement, approval of expenditures above the $20,000 threshold require Commission approval. The lighting system request impacts convention center visitor usage and revenues.
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

REVIEWED AND APPROVED BY:
