Engineering Services Committee Meeting — Commission Chamber- 8/27/2012- 1:00 PM

ENGINEERING SERVICES

1. Approve the lease buy-out of the current Al-Jon compactor. Attachments

2. Presentation by Mr. B. B. Langham regarding flooding of Hollywood Subdivision by Rocky Creek. Attachments

3. Motion to **approve** the construction of the Frontage Road Extension and task the Administrator with identifying the funding source for Commission approval. **(Approved by Engineering Services Committee August 13, 2012 referred by Commission August 21, 2012)** Attachments

4. Motion to approve the minutes of the Engineering Services Committee held on August 13, 2012. Attachments

5. Consider proposal from ZEL Engineers for Professional Services. Attachments

6. Motion **approve** the recommendation of the Administrator to proceed with **Option 2d** and identify additional funding sources for Commission approval for the Augusta, Georgia Municipal Building Renovations and Modernization Project. **(Approved by Engineering Services Committee August 13, 2012- deferred back to committee by the Commission's August 21,2012 meeting)** Attachments

Engineering Services Committee Meeting
8/27/2012 1:00 PM
Approve the buy-out of the current Al-Jon compactor lease

Department:	Environmental Services
Caption:	Approve the lease buy-out of the current Al-Jon compactor.
Background:	The Environmental Services Department uses the currently leased compactor in our daily operations on the working face of the landfill. It is a vital piece of equipment in our efforts to maintain as much air space as possible for as long as possible. We were approved to lease a compactor from Al-Jon in September of 2007. That lease is due to end on October 1, 2012 with a balloon payment in the amount of $285,173.00.
Analysis:	We are proposing to buy out the compactor lease at a significant savings over purchasing a new one. The compactor recently underwent major repairs and servicing and we anticipate at least 5 more years of service from this machine. The final lease payment is due on October 1, 2012 in the amount of $8,798.70 with a balloon payment of $285,173.00 due on the same date. In consideration of the cost of purchasing a new compactor, which would be in excess of $750,000.00, buying out the current lease is a substantial cost-savings at this time.
Financial Impact:	A new maching will cost in excess of $750,000. We have an estimated 5 years of life left in our current machine, with a cost of $285,173. The lease buy out is a much better cash flow position and allows us to defer a large purchase for a few years.
Alternatives:	1. Approve the buy-out of our current compactor lease with Al-Jon. 2. Do not approve the buy-out of compacter lease, and acquire a new machine.
Recommendation:	Approve the buy-out of our current compactor lease with Al-Jon.
Funds are Available in the Following Accounts:	Adequate funds are available. The department recommends using account 541-04-4210/5224219 or using these funds to move to an account approved by finance for the lease buy-out.

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

Finance.
Law.
Administrator.
Clerk of Commission

November 19, 2007

Russell Sanders
City of Augusta
530 Greene Street, Room 105
Augusta, Georgia 30911

Re: Lease-Purchase Agreement

Dear Russell:

Enclosed for your records please find a fully executed copy of our Master Lease Agreement, dated October 1, 2007. Thank you for the trust and confidence you have placed in Leasing 2 by awarding us this business.

As our customer, we value you, your business and our relationship. You can depend on Leasing 2 to always provide you with the highest level of leasing expertise and customer care available.

It has been a pleasure working with you and the City of Augusta to provide our leasing services. If we can be of further assistance, please do not hesitate to contact me at 800-287-5155.

Best regards,

Brad Meyers

BM/lf

encl.

LEASE-PURCHASE AGREEMENT

LESSEE:	LESSOR:
City of Augusta, Georgia	**Leasing 2, Inc.**
530 Greene St. Rm 105	**1720 West Cass Street**
Augusta, GA 30911	**Tampa, FL 33606-1230**

Dated as of October 1, 2007

This Lease-Purchase Agreement (the "Agreement") dated as of **October 1, 2007** by and between **Leasing 2, Inc.** ("Lessor"), and **City of Augusta, Georgia** ("Lessee"), a body corporate and politic duly organized and existing under the laws of the State of **Georgia** ("State").

WITNESSETH:
WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I DEFINITIONS
Section 1.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:
"Agreement" means this Lease-Purchase Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.
"Commencement Date" is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which shall be the commencement date shown on the Exhibit E Payment Schedule.
"Equipment" means the property described in Exhibit D and which is the subject of this Agreement.
"Lease Term" means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.01.
"Lessee" means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.
"Lessor" means (i) **Leasing 2, Inc.**, acting as Lessor hereunder; (ii) any surviving resulting or transferee corporation; and (iii) except where the context requires otherwise, any assignee(s) of Lessor.
"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.
"Purchase Price" means the amount indicated with respect to any date after payment of all Rental Payments (defined below) due through such date, all as set forth in Exhibit E hereto, or Supplemental Exhibit E hereto, as the case may be.
"Renewal Terms" means the renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year, except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in Exhibit E to this Agreement.
"Rental Payments" means the basic rental payments payable by Lessee pursuant to the provisions of this Agreement during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term, as set forth in Exhibit E of this Agreement.
"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessee, as the agent of Lessor, has purchased or is purchasing the Equipment.

ARTICLE II COVENANTS OF LESSEE
Section 2.01 Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:
(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.
(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body, corporate and politic.
(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.
(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit A, or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed and delivered to Lessor an opinion of its counsel substantially in the form attached hereto as Exhibit B.
(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.
(f) During the period this Agreement is in force, Lessee will annually provide Lessor with such current financial statements, budgets, proof of appropriation for ensuing fiscal year or such other financial information relating to the decision of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.
(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.
(h) The Equipment is, and during the period this Agreement is in force will remain, personal property and when subjected to use by the Lessee under this Agreement, will not be or become fixtures.
(i) Lessee shall not voluntarily or involuntarily create, incur, assume or suffer to exist any lien, security interest or other encumbrance or attachment of any kind whatsoever on, affecting or with respect to the Equipment.
(j) Lessee shall not give up possession or control of the Equipment.
(k) Lessee shall not change the location of the Equipment without giving prior written notice of the proposed new location to the Lessor and provided that Lessee shall obtain and deliver to Lessor any landlord waivers reasonably requested by Lessor so as to protect Lessor's right, title and interest in and to the Equipment and Lessor's ability to exercise its remedies with regard to the Equipment.
(l) Lessee shall not alter or modify the Equipment in any manner which would reduce the value or the marketability thereof.

ARTICLE III LEASE OF EQUIPMENT
Section 3.01 Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV LEASE TERM
Section 4.01. Commencement of Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of Lessee's fiscal year then in effect. Lessee may renew this Agreement beyond the expiration of the Original Term, or beyond the expiration of any Renewal Term then in effect, up to the number of additional fiscal years provided in Exhibit E of this Agreement by appropriating sufficient funds to make scheduled Rental Payments for the ensuing fiscal year (each a "Renewal Term"). Terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit E of this Agreement.
Section 4.02. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:
(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non-appropriation of funds pursuant to Section 6.07;
(b) The exercise by Lessee of the option to purchase the Equipment before expiration of this Agreement granted under the provisions of Articles IX or XI of this Agreement;
(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or
(d) Payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder through the full lease term.
Section 4.03. Return of Equipment on Termination. Upon expiration or earlier termination of the Original Term or any Renewal Term under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment granted under the provisions of Articles IX or XI of this Agreement, Lessee hereby agrees to deliver the Equipment to Lessor packaged or otherwise prepared in a manner suitable for shipment by truck or rail common carrier to a location specified by Lessor. All expenses resulting from the return of Equipment on termination will be borne by Lessee.

Item #1

ARTICLE V ENJOYMENT OF EQUIPMENT
Section 5.01. Provided that no default or event of default shall have occurred hereunder, Lessor hereby covenants that during the Lease Term Lessor will not interfere with Lessee's quiet use and enjoyment of the Equipment.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI RENTAL PAYMENTS
Section 6.01. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee.
Section 6.02. Payment of Rental Payments. During the Original Term and during each Renewal Term elected by Lessee, Lessee shall pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit E hereto. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payment amounts set forth in Exhibit E are based on the Equipment Cost to be paid by Lessor being the amount set forth in Exhibit E. Lessor shall have no obligation to pay or disburse any amount greater than the amount set forth as the Equipment Cost. Lessee shall not amend any purchase contract, purchase order, or any other agreement that would have the effect of increasing the cost of the Equipment above set forth in Exhibit E as the Equipment Cost without the prior written consent of Lessor. In the event that the actual cost of the Equipment is greater than the amount set forth in Exhibit E, Lessee shall be solely responsible for and hereby agrees to promptly pay such excess to the vendor (s), provided that Lessee may request that Lessor finance such excess, which Lessor may, in its sole discretion elect to do or decline to do. Lessee shall indemnify and hold Lessor harmless from and against any loss, damages, costs and expenses resulting from or relating to any increase in the Equipment Cost. If Lessor, in its sole discretion, elects to finance such excess the amount of each installment of rent will be increased to provide the same yield to Lessor as would have been obtained if the actual cost had been the same as the stated Equipment Cost. In such event, Lessee shall at the request of Lessor execute and deliver an amendment reflecting the increase in the Equipment Cost and the Rental Payments.
Section 6.03. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of principal. Exhibit E hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.
Section 6.04. Additional Interest in the Event the Interest is Taxable. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the full amount of each Rental Payment being excluded from Lessor's income pursuant to Section 103(a) of the United States Internal Revenue Code of 1986 as amended (the "Code"). Accordingly, if at any time, as a result of a determination that Lessee has breached a representation or covenant contained herein, or as a result of any change in the Code, any payment of either the interest component or the principal component of any Rental Payment is, in the opinion of counsel for the Lessor, subject to or affected by any income, preference, excess profits, minimum or other federal tax, Lessee shall pay, as additional interest, an amount which is necessary to provide to Lessee the same net income as Lessor would have received but for such event. Lessor's calculations of such additional interest shall be binding upon Lessee in the absence of manifest error.
Section 6.05. Rental Payments to be Unconditional. During the Original Term and during each Renewal Term elected by Lessee, the obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof and to perform and observe the covenants and agreements contained herein shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee agrees to pay all Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments when required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term elected by Lessee shall not be abated through accident or unforeseen circumstances.
Section 6.06. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 6.07, to continue the Lease Term through the Original Term and all the Renewal Terms hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The officer of Lessee responsible for budget preparation shall do all things lawfully within his/her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each annual budget submitted and adopted in accordance with applicable provisions of State law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.
Section 6.07. Termination by Nonappropriation. In the event Lessee does not appropriate sufficient funds for the payment of the Rental Payments scheduled to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the end of the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original or Renewal Term.
Section 6.08. Late Charges. If any Rental Payment is not paid in full to Lessor within fifteen (15) days after the payment first became due and payable, Lessee shall immediately pay to Lessor an additional one time late charge equal to five (5%) percent or, if less the maximum rate permitted by law, of each such amount past due along with the Rental Payment. If any Rental Payment remains unpaid beyond 45 days after it first became due and payable, or if Lessor has elected to exercise any remedies following and event or default, interest shall accrue on past due amounts at the rate of 1% per month or the highest rate allowed by law, whichever is less. Partial payments by Lessee shall be applied first to the accrued interest component of past due Rental Payments and the balance to the remaining principal component of past due Rental Payments.
Section 6.09. Prepayment. Lessee shall have the right to prepay principal components of Rental Payments in whole on any date set forth in Exhibit E by paying the then applicable Purchase Price set forth in Exhibit E on such date.

Item # 1

ARTICLE VII TITLE TO EQUIPMENT
Section 7.01. Title to the Equipment. During the term of this Agreement, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.01 or nonappropriation as set forth in Section 6.07, title to Equipment, shall immediately vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor.
Section 7.02. Security Interest. To secure the payment of all Lessee's obligations under this agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee hereby authorizes Lessor to prepare and file such financing statements, any amendments thereto and other such documents to establish and maintain Lessor's valid first lien and perfected security interest. Lessee hereby acknowledges the receipt of copies of the financing statements prepared by Lessor and hereby confirms the accuracy of the information contained therein. Lessee further agrees to execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment.

ARTICLE VIII MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES
Section 8.01. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.
Section 8.02. Taxes, Other Governmental Charges and Utility Charges. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.
Section 8.03. Provisions Regarding Insurance. At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment but other properties. If Lessee insures similar properties by self-insurance, Lessee will insure the Equipment by means of an adequate insurance fund.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment.

Any insurance policy pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation.
Section 8.04. Advances. In the event Lessee shall fail to perform any of its obligations hereunder Lessor may (but shall be under no obligation to) take such action as may be necessary to cure such failure, including, without limitation, the advancement of money; and all amounts so advanced by Lessor shall become additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon at the rate of 12% per annum, or if less the maximum rate permitted by law, Lessee agrees to pay.

ARTICLE IX DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. If prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claims or award.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the work and pay any cost in excess of the amount of Net Proceeds, and Lessee agrees that if by reason of any such insufficiency of the Net Proceeds, Lessee shall make any payments pursuant to the provisions of this Section 9.02, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof or (b) if Lessee is not in default hereunder, Lessee shall pay to Lessor the amount of the then applicable Purchase Price, and, upon such payment, the Lease Term shall terminate and Lessor's interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee.

ARTICLE X DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF EQUIPMENT

Section 10.01. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item of Equipment.

Section 10.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, if any which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

Item #

ARTICLE XI OPTION TO PURCHASE

Section 11.01 At the request of Lessee, Lessor's interest in the Equipment and additional Rental Payments will be terminated and this Agreement shall terminate:

(a) At the end of the final Renewal Term, upon payment by Lessee of all Rental Payments scheduled as set forth in Exhibit E to this Agreement; or

(b) if the Lease Term is terminated pursuant to Article IX of this Agreement, in the event of total damage, destruction or condemnation of the Equipment; or

(c) any time when Lessee is not on such date in default under this Agreement, upon payment by Lessee of the then applicable Purchase Price to Lessor.

Upon the occurrence of any of such events, Lessor shall , if requested by Lessee, deliver a Bill of Sale of its remaining interest in the Equipment to Lessee "AS IS - WHERE IS" without additional cost or payment by Lessee.

ARTICLE XII ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

Section 12.01. Assignment by Lessor. This Agreement, and the rights of Lessor hereunder, may be assigned and reassigned in whole or in part to one or more assignees and subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee; provided, however, that no such assignment or reassignment shall be effective unless and until (i) Lessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (ii) in the event that such assignment is made to a bank or trust company as trustee for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of names and addresses of such holders as of any particular time is kept and agrees, upon request of the Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment, Lessee agrees to keep a written record thereof, and to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents which may be reasonably requested by Lessor or its assignee to protect their interests in this Agreement.

Section 12.02. No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03. Lessee Negligence. To the extent permitted by the laws and Constitution of the State, Lessee shall protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into this Agreement, the ownership of any item of the Equipment, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death of any person, to the extent that such liability, obligation, loss, claim or damage arises out of or is proximately caused by the negligent conduct of Lessee, its officers, employees or agents. The obligation of Lessee arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all other obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein; and

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01 (a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to the expiration, provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.07 hereof with respect to nonappropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other employee relations disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority, insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

Section 13.02. Remedies on Default. Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, Lessor shall have the right at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Declare all Rental Payments due or to become due during the Original Term or Renewal Term then in effect to be immediately due and payable, whereupon such Rental Payments shall be immediately due and payable;

(b) With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, and apply the proceeds of such sale, lease or sublease to pay the following items in the following order: (i) all cost and expenses of Lessor relating to the implementation of remedies under this Agreement as further provided herein; (ii) the applicable Purchase Price of the Equipment and (iii) the Rental Payments due during] the Original Term or Renewal Term then in effect; and

(c) Take whatever action under the Uniform Commercial Code or under other law or in equity as may appear necessary or desirable to enforce its rights as the owner or secured creditor of the Equipment.

Lessee further agrees that Lessee shall pay to Lessor such further amounts as may be sufficient to reimburse Lessor fully for its costs and expenses as incurred as a result of Lessee's default including, without limitation, Lessor's costs and expenses in enforcing, or endeavoring to enforce, its rights and remedies under the Agreement or incident thereto, including without limitation and to the extent not prohibited by applicable law, the Lessor's reasonable attorney's fees and expenses for enforcing Lessee's obligations hereunder.

Section 13.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy give under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver hereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV MISCELLANEOUS

Section 14.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

Section 14.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.04. Amendments. The terms of the Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee.

Section 14.05. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06. Delayed Closing. In the event of a delayed closing, Lessor shall receive as additional compensation any amount that accrues between the Commencement Date and the Closing Date.

Section 14.07 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State

Section 14.08. Captions. The captions or headings in this Agreement are for convenience only and do not define, limit or describe the scope or intent of any provisions of sections of this Agreement.

Section 14.9. Entire Agreement. This Agreement and the executed Exhibits attached hereto constitute the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein, regarding this Agreement or the equipment leased hereunder.

Section 14.10. Execution of Facsimile. In the interest of time, each party agrees that execution of signature pages of this Agreement by such party followed by transmission of such pages by facsimile/Telecopier will be legally binding upon such party. After each party has executed and transmitted such signature pages, each party agrees to execute hard copies of this Agreement and to promptly forward originals to the other party hereto.

Section 14.11. Correction of Documents. Lessee agrees to execute and deliver, or provide, as required by Lessor, any documents and information, from time to time, that may be necessary for the purpose of correcting any errors or omissions in this Lease or to reflect the true intent of Lessor in this transaction. All such documents and information must be satisfactory to Lessor.

Section 14.12 WAIVER OF JURY TRIAL. Lessee and Lessor hereby irrevocably waive any right to a jury trial with respect to any matter arising under or in connection with this Lease and agree that any dispute shall be determined by a court sitting without a jury.

Item #1

Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name and by its duly authorized officer, and Lessee has caused this Agreement to be executed in its corporate name and by its duly authorized officer. All of the above occurred as of the date first written below; this Agreement shall be binding on Lessee beginning on the date it is accepted and executed by Lessor.

LESSOR: Leasing 2, Inc.

Execute:

By: [signature]

Title: VP.

Date: 11/15/07

LESSEE: City of Augusta, Georgia

Execute:

SEJ By: ap - [signature]
Deke Copenhaver

Title: Mayor

Date: 11/6/2007

EXHIBIT A

RESOLUTION OF GOVERNING BODY
EXTRACT OF MINUTES

LESSEE: **City of Augusta, Georgia**

At a duly called meeting of the governing body of Lessee held on the 18TH day of September, 2007, the following resolution was introduced and adopted.

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and **Leasing 2, Inc.** dated as of **October 1, 2007** and presented to this meeting; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver, the Lease-Purchase Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement.

(Signature of Party to Execute Lease-Purchase Agreement)

Deke Copenhaver, Mayor
(Print Name and Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement is the same as presented at said meeting of the governing body of Lessee.

(SEAL)

Secretary/Clerk

November 9, 2007
Date

Item #

Augusta GEORGIA

AUGUSTA-RICHMOND COUNTY COMMISSION

STEPHEN E. SHEPARD
County Attorney
Augusta Law Department

ANDREW G. MACKENZIE
Staff Attorney

CHIQUITA T. JOHNSON
Staff Attorney

DAVID S. COPENHAVER
Mayor

BETTY BEARD
Mayor Pro Tem

Please Reply to:
701 Greene Street, Suite 104
Augusta, Georgia 30901

Item # 1

Exhibit "B"
Opinion of Legal Counsel
11/6/2007
Lease/Purchase Agreement
Augusta and Al-Jon
Compactor Advantage 600C6 Landfill Compactor
SN: 14402

Lessee: City of Augusta, Georgia
Date of Agreement: October 1, 2007

As County Attorney for the City of Augusta, Georgia ("Lessee"), I have duly examined the original Lease-Purchase Agreement (the "Agreement"). Based upon such examination and upon, I am of the opinion that:

1) Lessee is a public body legally existing under the laws of the State of Georgia.
2) The lease rental agreement was approved by Augusta's Board of Commission on September 18, 2007, which authorized this transaction. A copy of the approval letter from the Commission dated September 18, 2007 is attached.
3) The lease purchase agreement has been reviewed as to form and is a legal and binding obligation of Lessee once signed and executed by the City, enforceable in accordance with its terms.
4) To the best of my knowledge, no litigation is pending or threatened in any court or other tribunal, state or federal, which questions or affects the validity of the agreement.
5) This agreement is governed by the laws of the State of Georgia. Dispute resolutions will be handled in the Superior Court of Richmond County venue.
6) The equipment leased pursuant to the Agreement constitutes personal property and when subjected to us by Lessee will not be or become fixtures under applicable law.
7) The leasing of the equipment is exempt from GA sales and use taxes.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the lease, but only with regards to matters specifically set forth herein.

Sincerely,

Stephen E. Shepard
County Attorney

EXHIBIT C

CERTIFICATE AS TO ARBITRAGE

I, **Deke Copenhaver**, hereby certify that I am duly qualified and acting **Mayor**, of **City of Augusta, Georgia** (the "Lessee"), and that in my official capacity as such officer, I am responsible for executing and delivering, on behalf of the Lessee, the Lease-Purchase Agreement dated **October 1, 2007** (the "Agreement"), by and between Leasing 2, Inc. ("Lessor") and the Lessee. This Certificate is being issued pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"). The following facts, estimates and circumstances are in existence on the date of this Certificate or are reasonably expected to occur hereafter.

1. The Lease provides for the acquisition and financing of certain equipment described therein (the "Equipment") Pursuant to the Agreement, the Lessor is required to lease the Equipment to the Lessee and the Lessee is required to make rental payments with respect thereto, comprising principal and interest, on the dates and in the amounts set forth therein (the "Rental Payments").

2. On the date hereof, Lessor will deposit into escrow to be held for the benefit of Lessee the amount of **$694,153.00**, which, together with interest earned thereon until disbursed if necessary, will be used to pay the costs of the Equipment in the amount of **$694,153.00**. In the event any interest income remains in escrow after payment of such Equipment cost, such amount shall be retained by Lessor as additional fee income.

Item # 1

3. The Lessee has entered into or will within six (6) months of the date hereof enter into contracts for the acquisition of the Equipment, which contracts will obligate the payment of all amounts held in escrow.

4. The Equipment will be acquired with due diligence and will be fully acquired on or before 11/16/2007

5. In any event, all of the spendable proceeds of the Agreement will be expended on the Equipment within three (3) years from the date of execution of the Agreement. No proceeds of the Agreement will be used to reimburse the Lessee for expenditures made prior to the date of the issuance of the Agreement, unless Lessee shall have complied with the requirements of Section 1.150-2 of the Regulations. If applicable, a copy of Lessee's official intent with respect to such reimbursement is attached hereto as attachment 1.

6. The original proceeds of the Agreement, and the interest to be earned thereon, do not exceed the amount necessary for the governmental purpose for which the Agreement is issued.

7. The interest of the Lessee in the Equipment has not been, and is not expected during the term of the Agreement, to be sold or otherwise disposed of by the Lessee.

8. No sinking fund will be maintained by the Lessee with respect to the Rental Payments.

9. The Agreement is not a "hedge bond" within the meaning of Section 149 (G) of the Code. The Lessee expects to spend not less than 85% of the spendable proceeds of the Agreement within three years after the date hereof and less than 50% of the proceeds of the Agreement is invested in Nonpurpose investments having a substantially guaranteed yield for four years or more.

10. In the Agreement the Lessee has covenanted to take all actions necessary to ensure that the interest paid under the Agreement remains excludable from gross income under the Code. Such covenant includes, without limitation, the requirement to comply with the requirements of the Code relating to the rebate of arbitrage profit to the United States Government.

11. To the best of the knowledge and belief of the undersigned, the expectations of the Lessee as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would damage the foregoing expectations.

WITNESS my hand this 6 day of November, 20 07.

LESSEE: **City of Augusta, Georgia**

By: ______________________
Deke Copenhaver

Title: Mayor

EXHIBIT D

DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

(1) Al-Jon Advantage 600C6 Landfill Compactor

SN: 14402

Item # 1

together with all additions, accessions and replacements thereto.

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Lease-Purchase Agreement.

LOCATION OF THE EQUIPMENT:

4330 Deans Bridge Road

Blythe, GA 30805

LESSEE: **City of Augusta, Georgia**

By: Deke Copenhaver

Title: Mayor

Date: 11/9/07

Item # 1

EXHIBIT E

PAYMENT SCHEDULE

LESSEE: City of Augusta, Georgia
LEASE AMOUNT: $694,153.00
COMMENCEMENT DATE: October 1, 2007
INTEREST RATE: 4.747%

PAYMENT NO.	DATE	PAYMENT	INTEREST	PRINCIPAL	PURCHASE PRICE
1	11/1/2007	$ 8,798.70	$ 2,745.90	$ 6,052.80	$ 700,570.32
2	12/1/2007	$ 8,798.70	$ 2,721.96	$ 6,076.74	$ 694,217.78
3	1/1/2008	$ 8,798.70	$ 2,697.92	$ 6,100.78	$ 687,843.06
4	2/1/2008	$ 8,798.70	$ 2,673.79	$ 6,124.91	$ 681,446.08
5	3/1/2008	$ 8,798.70	$ 2,649.56	$ 6,149.14	$ 675,026.76
6	4/1/2008	$ 8,798.70	$ 2,625.23	$ 6,173.47	$ 668,585.03
7	5/1/2008	$ 8,798.70	$ 2,600.81	$ 6,197.89	$ 662,120.81
8	6/1/2008	$ 8,798.70	$ 2,576.29	$ 6,222.41	$ 655,634.02
9	7/1/2008	$ 8,798.70	$ 2,551.68	$ 6,247.02	$ 649,124.58
10	8/1/2008	$ 8,798.70	$ 2,526.97	$ 6,271.73	$ 642,592.41
11	9/1/2008	$ 8,798.70	$ 2,502.16	$ 6,296.54	$ 636,037.43
12	10/1/2008	$ 8,798.70	$ 2,477.25	$ 6,321.45	$ 629,459.56
13	11/1/2008	$ 8,798.70	$ 2,452.25	$ 6,346.45	$ 622,858.72
14	12/1/2008	$ 8,798.70	$ 2,427.14	$ 6,371.56	$ 616,234.84
15	1/1/2009	$ 8,798.70	$ 2,401.94	$ 6,396.76	$ 609,587.83
16	2/1/2009	$ 8,798.70	$ 2,376.63	$ 6,422.07	$ 602,917.61
17	3/1/2009	$ 8,798.70	$ 2,351.23	$ 6,447.47	$ 596,224.10
18	4/1/2009	$ 8,798.70	$ 2,325.72	$ 6,472.98	$ 589,507.22
19	5/1/2009	$ 8,798.70	$ 2,300.12	$ 6,498.58	$ 582,766.88
20	6/1/2009	$ 8,798.70	$ 2,274.41	$ 6,524.29	$ 576,003.01
21	7/1/2009	$ 8,798.70	$ 2,248.60	$ 6,550.10	$ 569,215.52
22	8/1/2009	$ 8,798.70	$ 2,222.69	$ 6,576.01	$ 562,404.33
23	9/1/2009	$ 8,798.70	$ 2,196.68	$ 6,602.02	$ 555,569.36
24	10/1/2009	$ 8,798.70	$ 2,170.56	$ 6,628.14	$ 548,710.52
25	11/1/2009	$ 8,798.70	$ 2,144.34	$ 6,654.36	$ 541,827.73
26	12/1/2009	$ 8,798.70	$ 2,118.02	$ 6,680.68	$ 534,920.91
27	1/1/2010	$ 8,798.70	$ 2,091.59	$ 6,707.11	$ 527,989.98
28	2/1/2010	$ 8,798.70	$ 2,065.06	$ 6,733.64	$ 521,034.85
29	3/1/2010	$ 8,798.70	$ 2,038.43	$ 6,760.27	$ 514,055.43
30	4/1/2010	$ 8,798.70	$ 2,011.68	$ 6,787.02	$ 507,051.64
31	5/1/2010	$ 8,798.70	$ 1,984.84	$ 6,813.86	$ 500,023.40
32	6/1/2010	$ 8,798.70	$ 1,957.88	$ 6,840.82	$ 492,970.62
33	7/1/2010	$ 8,798.70	$ 1,930.82	$ 6,867.88	$ 485,893.21
34	8/1/2010	$ 8,798.70	$ 1,903.65	$ 6,895.05	$ 478,791.09
35	9/1/2010	$ 8,798.70	$ 1,876.38	$ 6,922.32	$ 471,664.17
36	10/1/2010	$ 8,798.70	$ 1,848.99	$ 6,949.71	$ 464,512.36
37	11/1/2010	$ 8,798.70	$ 1,821.50	$ 6,977.20	$ 457,335.58
38	12/1/2010	$ 8,798.70	$ 1,793.90	$ 7,004.80	$ 450,133.74

39	1/1/2011	$ 8,798.70	$ 1,766.19	$ 7,032.51	$ 442,906.76
40	2/1/2011	$ 8,798.70	$ 1,738.38	$ 7,060.32	$ 435,654.54
41	3/1/2011	$ 8,798.70	$ 1,710.45	$ 7,088.25	$ 428,377.00
42	4/1/2011	$ 8,798.70	$ 1,682.41	$ 7,116.29	$ 421,074.05
43	5/1/2011	$ 8,798.70	$ 1,654.26	$ 7,144.44	$ 413,745.60
44	6/1/2011	$ 8,798.70	$ 1,625.99	$ 7,172.71	$ 406,391.56
45	7/1/2011	$ 8,798.70	$ 1,597.62	$ 7,201.08	$ 399,011.84
46	8/1/2011	$ 8,798.70	$ 1,569.14	$ 7,229.56	$ 391,606.36
47	9/1/2011	$ 8,798.70	$ 1,540.54	$ 7,258.16	$ 384,175.02
48	10/1/2011	$ 8,798.70	$ 1,511.83	$ 7,286.87	$ 376,717.73
49	11/1/2011	$ 8,798.70	$ 1,483.00	$ 7,315.70	$ 369,234.40
50	12/1/2011	$ 8,798.70	$ 1,454.06	$ 7,344.64	$ 361,724.94
51	1/1/2012	$ 8,798.70	$ 1,425.01	$ 7,373.69	$ 354,189.26
52	2/1/2012	$ 8,798.70	$ 1,395.84	$ 7,402.86	$ 346,627.27
53	3/1/2012	$ 8,798.70	$ 1,366.56	$ 7,432.14	$ 339,038.88
54	4/1/2012	$ 8,798.70	$ 1,337.16	$ 7,461.54	$ 331,423.99
55	5/1/2012	$ 8,798.70	$ 1,307.64	$ 7,491.06	$ 323,782.51
56	6/1/2012	$ 8,798.70	$ 1,278.01	$ 7,520.69	$ 316,114.35
57	7/1/2012	$ 8,798.70	$ 1,248.26	$ 7,550.44	$ 308,419.42
58	8/1/2012	$ 8,798.70	$ 1,218.39	$ 7,580.31	$ 300,697.62
59	9/1/2012	$ 8,798.70	$ 1,188.40	$ 7,610.30	$ 292,948.86
60	10/1/2012	$ 8,798.70	$ 1,158.30	$ 7,640.40	$ 285,173.04
61	10/1/2012	$ 285,173.00	0.01-	$ 285,173.01	$ 0.00
Grand Totals		**$ 813,095.00**	**$ 118,942.00**	**$ 694,153.00**	

Item # 1

LESSEE: **City of Augusta, Georgia**

By: Deke Copenhaver

Title: Mayor

Date: 11/9/07

Item # 1

EXHIBIT F

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Lease-Purchase Agreement (the "Agreement") dated **October 1, 2007**, with **Leasing 2, Inc.** ("Lessor"), hereby acknowledges:

1. ________ **Equipment delivered and accepted**: Lessee has received in good condition all of the Equipment described in the Agreement and in Exhibit D thereto and accepts the Equipment for all purposes this ____________ day of ______________, 20________.

2. ✓ **Equipment delivery has not yet taken place**: The Equipment described in the Agreement and in Exhibit D thereto, has not been delivered, but is scheduled to be delivered on/or before 11-15-07. Lessor has agreed to deposit into an escrow account an amount sufficient to pay the total cost of the Equipment identified in Exhibit D of the Agreement. Exhibit E accurately reflects the Lease Amount. Lessee agrees to execute an Acceptance Certificate and Payment Request Form authorizing payment of the cost of the Equipment, or a portion thereof, for each withdrawal of funds from the Escrow Account. Lessee's obligation to commence Rental Payments as set forth in Exhibit E-Payment Schedule is absolute and unconditional as of the Commencement Date, subject to the terms and conditions of the Agreement. Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

3. ________ **Vendor will be paid in full prior to delivery of equipment**: A 100% pre-funding will be made by Lessor to Vendor of the lease amount identified as "Equipment Cost" on the Exhibit E – Payment Schedule of the Agreement. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, costs and expenses incurred (including Lessor's attorneys' fees). Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

Lessee certifies that Lessor has fully and satisfactorily performed all of its covenants and obligations required under the Agreement, and confirms that the Agreement will commence as defined by "Commencement Date" in the attached Agreement, and it will commence payments in accordance with Article VI of the Agreement.

The undersigned officer of the Lessee hereby reaffirms on behalf of the Lessee in all respects the covenants of the Lessee set forth in Article II of the Agreement and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the Commencement Date, and that there were, and are as of the date on which they were made, and are reasonable as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: **City of Augusta, Georgia**

By: [signature]
Deke Copenhaver

Title: Mayor

Date: 11/9/07

EXHIBIT G

ESSENTIAL USE/SOURCE OF FUNDS LETTER

TO: **Leasing 2, Inc.**

RE: Lease-Purchase Agreement Dated **October 1, 2007.**

Gentlemen:

Reference is made to certain Lease-Purchase Agreement dated **October 1, 2007,** between **Leasing 2, Inc.** and **City of Augusta, Georgia,** leasing the personal property described in Exhibit D to such Agreement. This confirms and affirms that such Equipment is essential to the functions of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. **Specifically, the Equipment was selected by us to be used as follows:**

Please describe USE of equipment: TRASH COMPACTION AT THE SOLID WASTE FACILITY.

Item #

Sincerely,

Deke Copenhaver, Mayor

11/9/07

Date

EXHIBIT H

DESIGNATION OF BANK QUALIFICATION

In consideration of the mutual covenants of the Lessor and Lessee pursuant to the Lease-Purchase Agreement dated **October 1, 2007**, (the "Agreement") between **Leasing 2, Inc.** ("Lessor") and **City of Augusta, Georgia** ("Lessee"), such Agreement is modified as follows:

Lessee certifies that it reasonably anticipates that it and all of its subordinate entities will not issue more than $10,000,000 of "qualified tax-exempt obligations" (as that term is defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986 ("the Code") during the current calendar year.

Further, lessee hereby designates the Agreement as a "qualified tax-exempt obligation" in accordance with Section 265 (b)(3)(B) of the Code so that it is eligible for the exception contained in Section 265 (b)(3) of the Code and further certifies for the purpose of the overall limitation of Section 265 (b)(3)(D) of the Code that it and its subordinate entities have not as of this calendar year issued more than $10,000,000 of obligations which it has designated for these purposes.

Item #

All terms contained herein not otherwise defined shall have the same meaning as such terms are used and defined in the Lease.

Attached hereto is a completed Internal Revenue Service Form 8038-G, Information Return for Tax-Exempt Governmental Bond Issues, completed on behalf of the Lessee (or, if the invoice price of the Equipment under such schedule is less than $100,000, a Form 8038-GC).

IN WITNESS WHEREOF, the Lessee has caused this Agreement to be executed by its duly authorized officer on this the 6th day of November, 20 07

LESSEE: City of Augusta, Georgia

By: [signature]

Printed Name: Deke Copenhaver, Mayor

Form **8038-G** (Rev. November 2000) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate Instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

1 Issuer's name: City of Augusta, Georgia
2 Issuer's employer identification number: 58 : 2204274
3 Number and street (or P.O. box if mail is not delivered to street address): 530 Greene St. Rm 105
Room/suite:
4 Report number: 3 - ~~07~~ 02 Jst
5 City, town or post office, state, and ZIP code: Augusta, GA 30911
6 Date of issue: ~~October 1, 2007~~ October 2007
7 Name of issue: Lease-Purchase Agreement
8 CUSIP number:
9 Name and title of officer or legal representative whom the IRS may call for more information: Lisa Sherrouse, Finance
10 Telephone number of officer or legal representative: (706) 821-2334

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☑ Environment (including sewage bonds)	15	$694,153.00
16	☐ Housing	16	
17	☐ Utilities	17	
18	☐ Other. Describe ▶	18	

19 If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐
20 If obligations are in the form of a lease or installment sale, check box ▶ ☑

Item # 1

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/1/2012	$ 694,153.00	$ n/a	Five (5) years	4.747 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	
23	Issue price of entire issue (enter amount from line 21, column (b))			23	$694,153.00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24			
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)			29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	$694,153.00

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ ____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ ____ years
33 Enter the last date on which the refunded bonds will be called ▶
34 Enter the date(s) the refunded bonds were issued ▶

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ ________ and the date of the issue ▶ ________
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☑
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐
40 If the issuer has identified a hedge, check box ▶ ☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete.

▶ [signature] Signature of issuer's authorized representative — 11/7/2007 Date — ▶ Deke Copenhaver, Mayor Type or print name and title

EXHIBIT I

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Leasing 2, Inc. ("Lessor") hereby gives notice to the **City of Augusta, Georgia** ("Lessee") that Lessor has assigned all rights to payments under the Lease-Purchase Agreement, dated as of **October 1, 2007**, between **Leasing 2, Inc.** ("Lessor") and **City of Augusta, Georgia** ("Lessee"). **Leasing 2, Inc.** ("Lessor") hereby requests, gives notice and instructs **City of Augusta, Georgia** ("Lessee") that payments that hereafter come due pursuant to the Lease-Purchase Agreement be paid to **Old National Bank** or its Assignee.

848 of

LESSEE: **City of Augusta, Georgia**

By: Deke Copenhaver

Title: Mayor

Date: 11/9/07

Item # 1

EXHIBIT J

VENDOR TERMS

LESSEE: City of Augusta, Georgia

Lessor shall have funds not immediately paid to [Vendor(s)] at closing deposited in an "Escrow Account" in order to facilitate payment to [Vendors] for equipment deliveries that are scheduled to occur according to the following schedule:

EQUIPMENT DESCRIPTION	AMOUNT	PAYMENT NO EARLIER THAN
Final	$694,153.00	At Closing

Lessee acknowledges and is in agreement with this schedule and the "Payment No Earlier Than" dates as indicated.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of Nov, 20 07.

LESSEE: **City of Augusta, Georgia**

By: Deke Copenhaver

Title: Mayor

Item # 1

INSURANCE COVERAGE REQUIREMENT

Item # 1

TO: **Leasing 2, Inc. and/or its Assigns**
1720 West Cass Street
Tampa, FL 33606-1230

FROM: **City of Augusta, Georgia**
530 Greene St. Rm 105
Augusta, GA 30911

RE: INSURANCE COVERAGE REQUIREMENTS **(Check one):**

_____ 1. In accordance with Section 8.03 of the Agreement, we have instructed the insurance agent named below (please fill in name, address and telephone number)

NAME: NA
ADDRESS: ______
CITY/ ST/ ZIP: ______
TELEPHONE: ______ to issue:

a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming **Leasing 2, Inc. and/or its Assigns** as Loss Payee.

Coverage Required: Full Replacement Value

b. Public Liability Insurance evidenced by a Certificate of Insurance naming **Leasing 2, Inc. and/or its Assigns** as an Additional Insured.

Minimum Coverage Required:
$500,000.00 per person
$500,000.00 aggregate bodily injury liability
$100,000.00 property damage liability

8SW ✓ 2. Pursuant to Section 8.03 of the Agreement, we are self insured for all risk, physical damage, and public liability and will provide proof of such self insurance in letterform together with a copy of the statute authorizing this form of insurance.

_____ 3. Proof of insurance coverage will be provided to **Leasing 2, Inc. and/or its Assigns** prior to the time that the equipment is delivered to us.

8SW By: ✓ Deke Copenhaver

Title: Mayor

Date: 11/9/07

Self-INSURED - SEE ATTACHMENT - NEXT PAGE

Augusta
GEORGIA

FINANCE DEPARTMENT
RISK MANAGEMENT DIVISION

Donna Williams, Interim Director

Sandra M. Wright, CWCP
Risk Management Manager

Item # 1

MAY 12, 2006

AS OF July 18, 1997
STATEMENT OF LIABILITY COVERAGE
AUGUSTA COMMISSION

The Augusta Commission does not carry commercial insurance coverage on its fleet, equipment or machinery. Damages to property are handled in-house through the Risk Management Division of the Finance Department and available funds are used to repair or replace damaged items. Under lease agreements, the Augusta Commission will fulfill its obligation under the lease agreement as if there were insurance to cover the loss.

Liability claims are handled in-house through the Risk Management Division and any settlement awards are paid from available Commission funds.

Please be advised that the Augusta Commission is entitled to the defense of sovereign immunity.

Donna B Williams
Donna Williams, Interim Director
Finance Department

10-23-07
Date

530 Greene Street, Room 217 Augusta, Georgia 30911 (706) 821-2301 (Office) (706) 821-2502 (Fax)
WWW.AUGUSTAGA.GOV

Item # 1

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME City of Augusta, Georgia					
OR 1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX	
1c. MAILING ADDRESS 530 Greene St. Rm 105	CITY Augusta	STATE GA	POSTAL CODE 30911	COUNTRY	
1d. TAX ID #: SSN OR EIN 58-2204274	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Municipality	1f. JURISDICTION OF ORGANIZATION Georgia	1g. ORGANIZATIONAL ID #, if any	☑ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME					
OR 2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY	
2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any	☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Old National Bank				
OR 3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX
3c. MAILING ADDRESS P. O. Box 658	CITY Evansville	STATE IN	POSTAL CODE 47704-0658	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

(1) Al-Jon Advantage 600C6 Landfill Compactor

SN: 14402

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

. OPTIONAL FILER REFERENCE DATA

BILLING INFORMATION

Please indicate below how you would like us to bill you for the lease payments due under this Agreement, including a contact name, if applicable:

Contact Name: LISA SHERROUSE

Company: CITY OF AUGUSTA (GA.)

Street Address or Box #: 530 GREENE ST. ROOM 105

City, State, Zip: AUGUSTA, GA 30911

County: RICHMOND

Telephone: (706) 821-2334

Fax: (706) 821-2855

Item # 1

Engineering Services Committee Meeting
8/27/2012 1:00 PM
B. B. Langham

Department:	Clerk of Commission
Caption:	Presentation by Mr. B. B. Langham regarding flooding of Hollywood Subdivision by Rocky Creek.
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

REVIEWED AND APPROVED BY:

AGENDA ITEM REQUEST FORM

Commission meetings: First and third Tuesdays of each month - 5:00 p.m.
Committee meetings: Second and last Mondays of each month - 12:45 to 2:15 p.m.

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

	Commission	Date of Meeting	
	Public Safety Committee	Date of Meeting	
	Public Services Committee	Date of Meeting	
	Administrative Services Committee	Date of Meeting	
✓	Engineering Services Committee	Date of Meeting	8-27-12
	Finance Committee	Date of Meeting	

Contact Information for Individual/Presenter Making the Request:

Name: B.B. Langham
Address: 1920 Clark Dr.
Telephone Number: 706-394-9072
Fax Number:
E-Mail Address: brettlangham@netzero.net

Caption/Topic of Discussion to be placed on the Agenda:

Flooding of Hollywood Subdivision by Rocky Creek.

Please send this request form to the following address:

Ms. Lena J. Bonner
Clerk of Commission
Room 806 Municipal Building
530 Greene Street
Augusta, GA 30911

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

Requests may be faxed, e-mailed or delivered in person and must be received in the Clerk's Office no later than 5:00 p.m. on the Wednesday preceding the Commission or Committee meeting of the following week. A five-minute time limit will be allowed for presentations.

Engineering Services Committee Meeting
8/27/2012 1:00 PM
Frontage Road Extension Report and Update

Department:	Abie L. Ladson, PE, CPESC, Director, Engineering Department
Caption:	Motion to **approve** the construction of the Frontage Road Extension and task the Administrator with identifying the funding source for Commission approval. **(Approved by Engineering Services Committee August 13, 2012 referred by Commission August 21, 2012)**
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

REVIEWED AND APPROVED BY:

Engineering Services Committee Meeting
8/27/2012 1:00 PM
Minutes

Department:	Clerk of Commission
Caption:	Motion to approve the minutes of the Engineering Services Committee held on August 13, 2012.
Background:	
Analysis:	
Financial Impact:	
Alternatives:	
Recommendation:	
Funds are Available in the Following Accounts:	

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

Engineering Services Committee Meeting
8/27/2012 1:00 PM
Utilities Miscellaneous Projects

Department:	Utilities
Caption:	Consider proposal from ZEL Engineers for Professional Services.
Background:	The need to secure professional services for several miscellaneous Utilities' projects has become necessary. These projects include: Preparation of contract documents for the abandonment of the old Main Interceptor sewer in Doug Barnard Parkway.Development of redundant source of supply to the 564 pressure system.Assistance in converting the old 18" Fort Gordon main to a raw water supply lineAssistance in managing and closing out construction contracts related to the Fort Gordon capital improvements program. Preparation of the Engineering report in support of our upcoming Revenue Bond Issue.
Analysis:	ZEL Engineers, a local consulting firm, is uniquely qualified to provide these services due to their familiarity with our water and wastewater infrastructure and their role in the development of our Master Plan update.
Financial Impact:	ZEL has offered a proposal to provide these services on a time and materials basis with a not-to-exceed cost of $295,000. A copy of the proposal is attached for your reference. Funds are available in 511043490-5212115/80399999-5212115.
Alternatives:	The Commission could elect not to approve this proposal.
Recommendation:	We recommend acceptance of the proposal.
Funds are Available in the Following Accounts:	511043490-5212115/80399999-5212115.

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

Finance.
Procurement.
Law.
Administrator.
Clerk of Commission

Joseph J. Tankersley, P. E.
Jorge E. Jiménez, P. E.
Charles D. Drown, P. E.
Stacey W. Gordon, P. E.
Frank W. Byne, P. E.
Kenneth M. Wardenski, EIT, MCSE

Founded 1946

ZEL ENGINEERS
435 Telfair Street
Augusta, Ga. 30901-2494

ZIMMERMAN, EVANS AND LEOPOLD, INC.

(706) 724-5627 – FAX (706) 724-5789

Municipal Engineering
Water Plants – Distribution
Wastewater Plants – Collection
Investigations – Planning Studies
Recreational Facilities
Industrial Parks – Roadways
Civil – Structural – Mechanical
Electrical & Instrumentation

August 1, 2012

Mr. Tom Wiedmeier, P.E.,
Director, Augusta Utilities Department
360 Bay Street, Suite 180
Augusta, GA 30901

Dear Mr. Wiedmeier:

Zimmerman, Evans and Leopold, Inc. is pleased to provide a proposal for engineering services Task Projects for Augusta Utilities Department at your request. This proposal specifically covers four projects for which the Department has requested our assistance because of our institutional knowledge and allows for any additional tasks that the Department may add for a period of three years at the personnel rates included. The basis of compensation is on a time and cost basis.

- Task A is the proper closure of the abandoned main Interceptor in Doug Barnard Parkway. Our estimate of the required effort is $ 45,300.

- Task B is the reinforcing of the High Service System supply to the west side of Augusta by reuse of the 14” pipeline supply to the Berkman’s Rd. tank and adding a pump station to the High Service System there and keep the tank contents fresh and also address peak demands from the north side of Washington Rd. Replacement of the 2001 US Metro-seal gate valves subject to failure. This redundant supply to the north side of Augusta meets one of the goals of the Master Plan. Our estimate of the required effort as discussed with your Assistant Director, Mr. Thies is $ 51,700.

- Task C is assistance and guidance in the conversion of the Ft Gordon supply main from 1944 into a river water conveyance system along its path and support services to conserve potable water presently used for irrigation and other purposes. Our estimate of the required effort is $34,000.

- Task D is assistance with the management of your Contractor at Risk at Ft. Gordon by providing our services as the liaison between Tetra Tech and the Department as requested by you. This effort is not to exceed total of $86,000.

- Task E is the issuance of an Engineering Report in support of construction projects to be funded by additional par Revenue Bonds. The Report will address: The engineering basis for the projects; and describe each project in detail including a general scope of each project, and its relevance to the Water Utilities Department; and its purpose in the overall infrastructure serving the Augusta Utilities Department; also, the financial implications of the issuance of additional par Revenue Bonds, including the Amortization Schedule required to retire the debt. The list of projects the Department has identified for this effort is attached to this Proposal. We propose to deliver first Draft of this Report by August 20 and a final Report by September 4, 2012. Our estimate of the required effort is $75,000.

We would suggest you seek an authorization not to exceed $295,000. ZEL looks forward to working with AUD to complete these projects.

Very truly yours,

ZIMMERMAN, EVANS AND LEOPOLD, INC.

Jorge E. Jimenez, P. E.
PRINCIPAL

Description of Services

Regulatory Services: Regulatory services include the complete preparation of documents to address environmental and regulatory components of the project. This scope of services includes interaction at the local, state, and federal levels to resolve any permitting issues during the pre-design and design stages.

Preliminary Services: Preliminary services are established to provide the design basis for the work to be performed on a project. The services include research on existing facilities and location of utilities along the path of the project, in addition to preliminary cost estimates. At the conclusion of the preliminary services stage, the project should be clearly defined for AUD and ZEL, and the design should be established and a report will be generated to describe the design considerations.

Design Services: Design services include the preparation of the electrical, mechanical, and civil plans in addition to environmental plans. The design services stage will bring the conceptual plans to construction.

Bid Assistance: Bid Assistance services provide interaction between client, designer, and bidder in order to provide clear understanding of the expectations of AUD to the contracting community. Services include pre-bid meeting attendance and representation, and interpretations and clarifications of pre-bid addenda, in addition to providing expanded bid tabulations and preparing conformed contract documents.

Engineering During Construction Services: Engineering During Construction Services include attendance of the pre-construction meeting, review of material submissions, and performing periodic site visits to investigate progress during critical construction times. In addition, this includes conflict resolution in the field, and closure of documents and red-line to as-built drawing conversion.

Consultation Services: Services related to identifying problem areas, determining the nature of problems, or other small assistance in dealing with the existing infrastructure operated by the Department because of ZEL's familiarization and history with the Department water pumping, treatment and distribution facilities and with the wastewater pumping, treatment and collection facilities.

Billing Rates: Except Task 4, expedite @ 2X

$135.00	Principals
$115.00	Professional Engineers
$ 75.00	Staff Engineers
$ 60.00	Technicians

Reimbursable @ Cost (travel outside Richmond Co., direct costs of document production)

	AUGUSTA MAIN INTERSEPTOR CLOSURE - 5,210 FT			
		MHS		Subtotals
A	Preliminary Investigations			
1	Discussions with client and others identifying the problem	11	$ 1,525.00	
2	Define the apparent problem and physical constraints	10	$ 1,350.00	
3	Seek and find drawings of previous work in the area of the project.	12	$ 1,620.00	
4	Develop preliminary quantities	4	$ 540.00	
5	Identify potential expertise required to properly address the problem	12	$ 1,780.00	
6	Dredging expertise	16	$ 2,160.00	
7	Slurry pumping	16	$ 2,160.00	
8	Sewer cleaning	8	$ 1,080.00	
9	Legal issues of property rights	4	$ 540.00	
10	Environmental impact evasion plan	8	$ 1,080.00	
				$ 13,835.00
B	Building consensus for course of action			
1	Department of Transportation	24.0	$ 2,590.00	
2	Augusta Utilities Dept.	11.0	$ 1,215.00	
3	Atlanta Natural Gas Co	2.5	$ 242.50	
4	Richmond County Public Works Dept	6.0	$ 655.00	
5	EPD Local Authorities	10.0	$ 1,120.00	
6	Merry Land assistance	12.0	$ 1,170.00	
7	J B Messerly Operator	3.0	$ 385.00	
				$ 7,377.50
C	Plan of Action	40.0	$ 5,400.00	$ 5,400.00
D	Document Preparation AND Bid Assistance			
1	Plan drawings defining limits of project	50.0	$ 3,900.00	
2	Identification of demonstration section	16.0	$ 1,410.00	
3	Calculate accurate quantities of water, sand, and flowable fill reasonable limits	7.5	$ 585.00	
4	Consult with experts to assure scope is well defined and peer reviewed	9.0	$ 1,275.00	
5	Identify potential bidders	6.0	$ 570.00	
6	Identify probable/possible means and methods to achieve the goal	8.0	$ 1,090.00	
7	Compile property maps and secure agreements for continuation.	5.3	$ 458.75	
8	Prepare advertisement, and bid documents	10.0	$ 1,040.00	
9	Allow for the Program to be adopted w/o liability	2.0	$ 270.00	
10	Identify equipment required for performance (mixer, slurry pump, dredge pump)	5.5	$ 827.50	
11	Determine a method of compensation appropriate for the scope of work	3.0	$ 405.00	
12	Determine a suitable schedule for action including milestones	6.0	$ 830.00	
13	Assistance during Bidding	8.0	$ 1,080.00	
14	Investigation and Recommendation of Contractor	6.0	$ 810.00	
				$ 12,661.25
	SUBTOTALS	337.8	$ 41,163.75	
F	Construction Administration @ 10%		$ 4,116.38	
	TOTAL		**$ 45,280.13**	

	Evaluation and Enlargement of the Raw Water Supply System			
		MHS		Subtotals
A	Preliminary Investigations			
1	Discussions with client and others identifying the problem	27	$ 3,385.00	
2	Define the components and physical constraints	18	$ 2,230.00	
3	Seek and find possible users along the corridor of pipeline.	10	$ 1,310.00	
4	Develop preliminary quantities	4	$ 460.00	
5	compose estimates of potential raw water usage	10	$ 1,110.00	
	Letter Report, Preliminary Cost Estimate	12	$ 1,500.00	
				$ 9,995.00
B	Preliminary Engineering Phase			
1	Develop preliminary layout and user map	28.0	$ 2,100.00	
2	Field work sites	16.0	$ 1,080.00	
3	Existing Conditions Drawing 1	28.0	$ 1,800.00	
4	Existing Conditions Drawing 2	16.0	$ 1,080.00	
5	Plant pipe routing of raw water, evaluation of old Ft Gordon pumps for reuse.	12.0	$ 1,160.00	
6	Electrical condition	8.0	$ 920.00	
7	Hydraulic considerations	14.0	$ 1,490.00	
				$ 9,630.00
D	Design Engineering Phase			
1	Cover Sheet	8.0	$ 610.00	
5	Plant site plan	25.0	$ 2,135.00	
6	Mechanical Drawing 1	25.0	$ 2,135.00	
7	Electrical Drawing 1	16.0	$ 1,400.00	
9	Routing to end customer Drawing	10.0	$ 600.00	
10	Equipment for controls	8.0	$ 920.00	
11	Cost Estimate	25.0	$ 2,255.00	
12	Construction Timeline	10.0	$ 1,200.00	
13	Assistance during Bidding	16.0	$ 2,000.00	
14	Investigation and Recommendation of Contractor	8.0	$ 1,000.00	
				$ 11,255.00
	TOTALS	330.0	$ 33,880.00	

High Service redundant feed from the east side of Washington Rd			
	MHS		Subtotals
Preliminary Investigations			
Discussions with client and others identifying the problem	27	$ 3,385.00	
Define the apparent problem and physical constraints	18	$ 2,230.00	
Seek and find drawings of previous work in the area of the project.	12	$ 1,380.00	
Develop preliminary quantities	4	$ 460.00	
Obtain pressure record at Washington Rd @ Berkman Rd on High Service System	12	$ 1,220.00	
Letter Report, Preliminary Cost Estimate	16	$ 1,840.00	
			$ 10,515.00
Preliminary Engineering Phase			
Field Work at tank site	28.0	$ 2,100.00	
Field work at other sites, Evaluate Metro-seal valves	16.0	$ 1,080.00	
Existing Conditions Drawing 1	32.0	$ 2,040.00	
Existing Conditions Drawing 2	20.0	$ 1,320.00	
Pump Sizing and Layout	12.0	$ 1,160.00	
Electrical sizing	8.0	$ 920.00	
Model evaluation of diurnal curve, summer time	14.0	$ 1,490.00	
			$ 10,110.00
Design Engineering Phase			
Cover Sheet	8.0	$ 610.00	
Soil Erosion and Sediment Control Sheet 1	13.0	$ 855.00	
Soil Erosion and Sediment Control Sheet 2	12.0	$ 720.00	
Soil Erosion and Sediment Control Sheet 3	12.0	$ 720.00	
Site Plan	37.0	$ 2,855.00	
Mechanical Drawing, Metro-seal location drawings	37.0	$ 2,855.00	
Electrical Drawing	36.0	$ 3,040.00	
Instrumentation Drawing	30.0	$ 2,350.00	
Equipment Housing Drawing	20.0	$ 1,200.00	
Identify equipment required for performance	8.0	$ 920.00	
Cost Estimate	25.0	$ 2,255.00	
Construction Timeline	10.0	$ 1,200.00	
Assistance during Bidding	16.0	$ 2,000.00	
Investigation and Recommendation of Contractor	8.0	$ 1,000.00	
			$ 19,580.00
SUBTOTALS	467.0	$ 43,205.00	
Construction Administration @ 15%		$ 6,480.75	
Reimbursables		$ 2,000.00	
TOTAL		**$ 51,685.75**	

Item # 5

Engineering Services Committee Meeting
8/27/2012 1:00 PM
Options for the Augusta, Georgia Municipal Building Renovations and Modernization

---

Department:	Recreation, Parks and Facilities
Caption:	Motion **approve** the recommendation of the Administrator to proceed with **Option 2d** and identify additional funding sources for Commission approval for the Augusta, Georgia Municipal Building Renovations and Modernization Project. **(Approved by Engineering Services Committee August 13, 2012-deferred back to committee by the Commission's August 21,2012 meeting)**
Background:	The design for the Municipal Building Renovations has progressed through the Design Narrative and Schematic Design phases and is ready to move into the Construction Document phase. During the Code Review process it was discovered that the stairways and elevators did not meet current code requirements. The stairway can be brought up to code with some modifications. However, the optimum solution for the elevators, which require an enclosed smoke lobby and are not ADA Compliant, is to construct a 9-story addition to the building to house new code compliant elevators. To accomplish this, the construction costs exceed the anticipated budget for this project. The purpose of this agenda item is to present options to the Commission for their consideration.
Analysis:	Presentation of data.
Financial Impact:	To Be Determined.
Alternatives:	To Be Determined.
Recommendation:	To Be Determined.
Funds are Available in the Following Accounts:	To Be Determined.

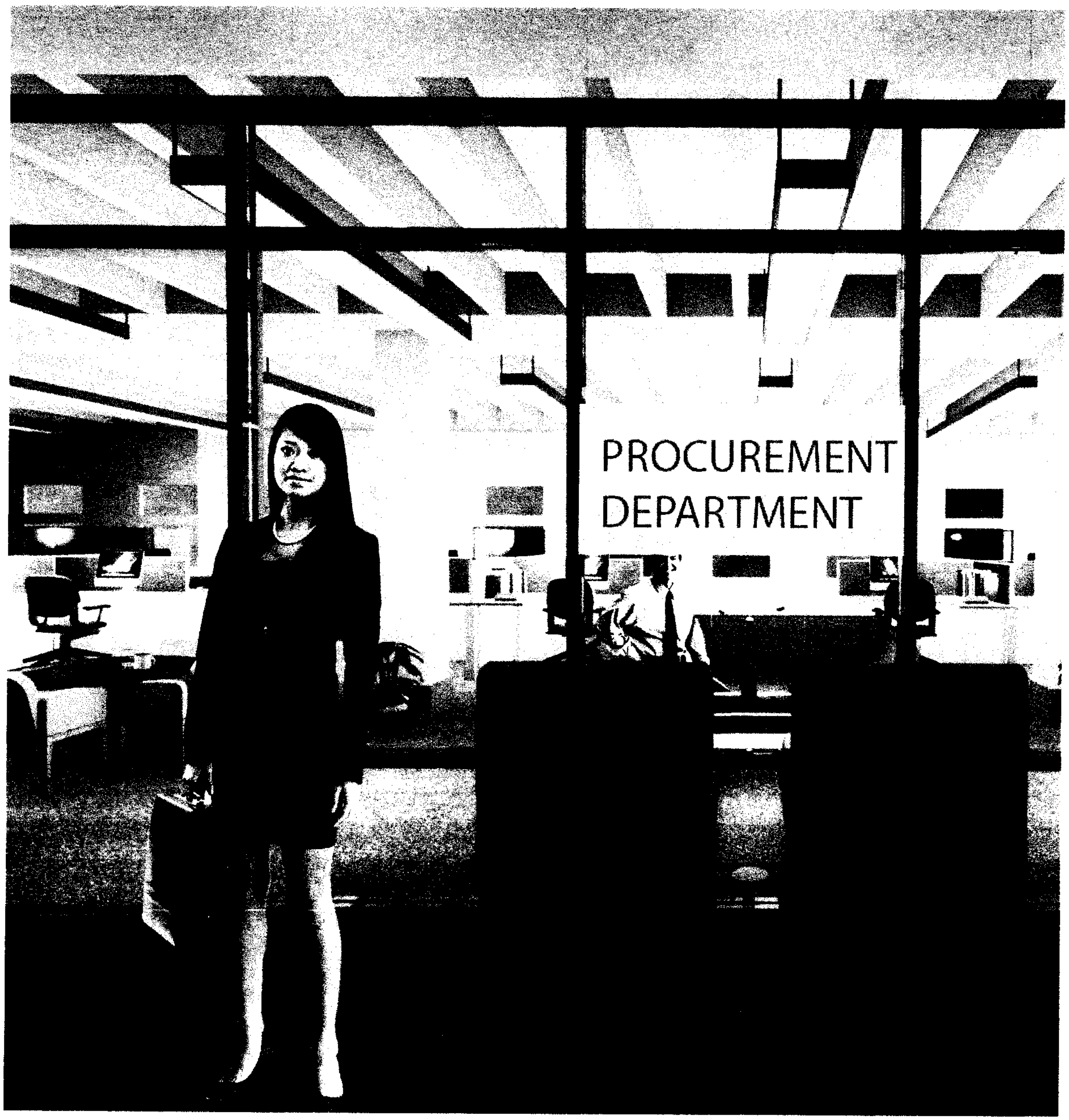
REVIEWED AND APPROVED BY:

AUG 13 2012

Renovations and Modernization to the
Municipal Building - Project ID # 10-173

Augusta

Item # 6



Project Scope Options

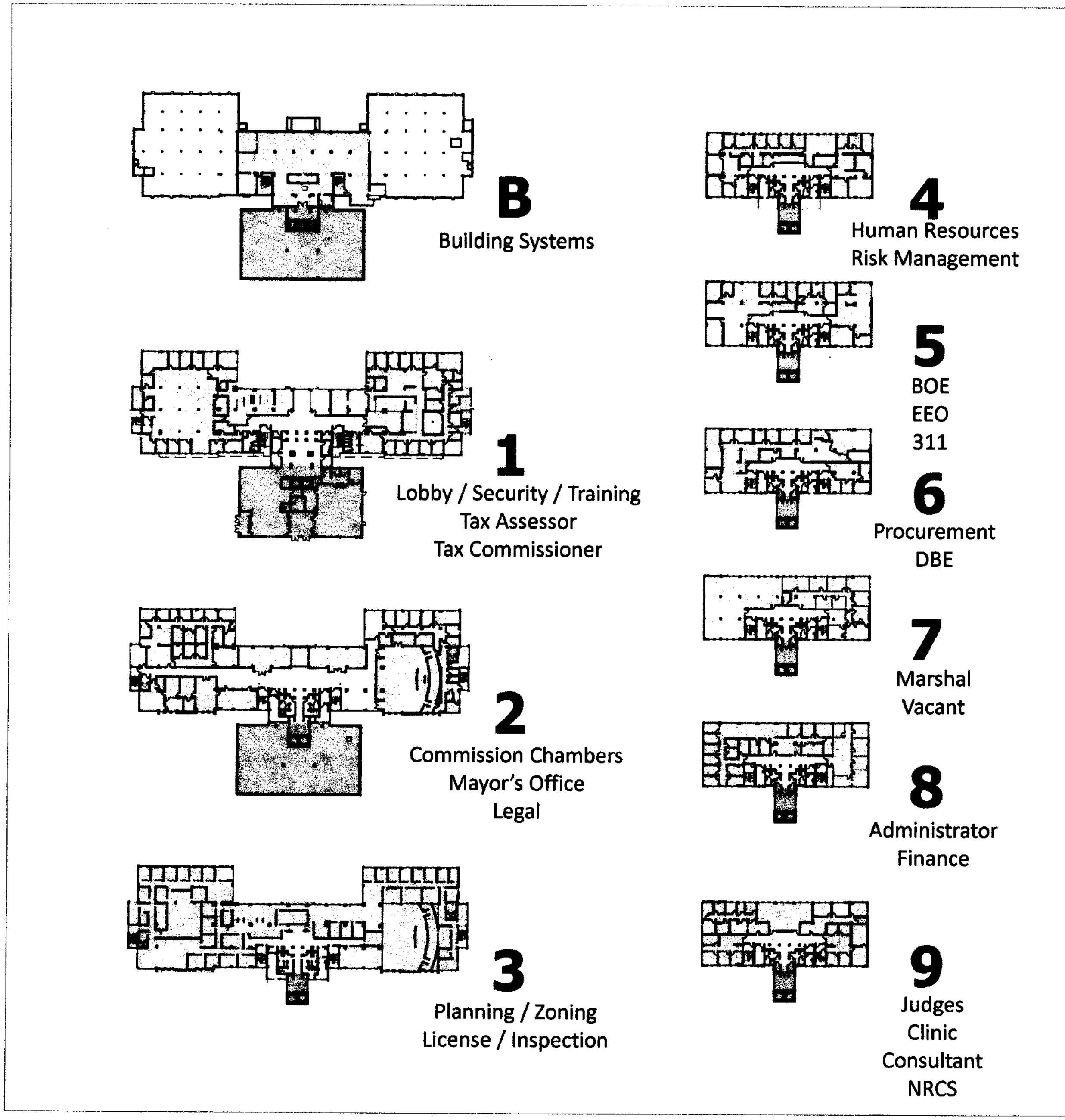
Design Development Phase

August 2012

VIRGO GAMBILL ARCHITECTS

Renovations and Modernization to the

Municipal Building - Project ID # 10-173



Option 2

The Complete Project

Total Renovations and
Construction of the Elevator Tower

$29,625,361 Total Project Cost

Pros

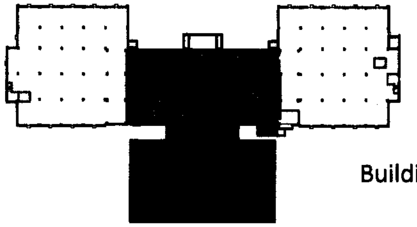
- The total project is completed.
- The entire project will be ADA / Code compliant.
- This Option represents the fastest and least costly manner to finish the entire building.

Cons

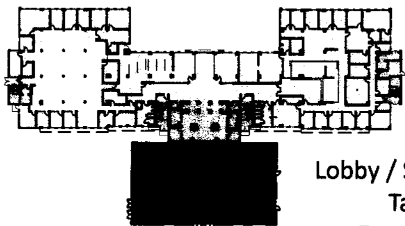
Project exceeds allotted funds.

VIRGO GAMBILL ARCHITECTS

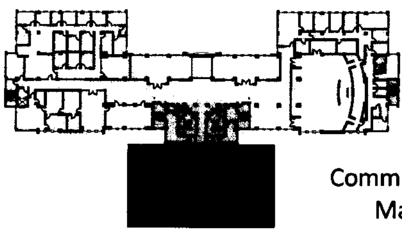
Augusta



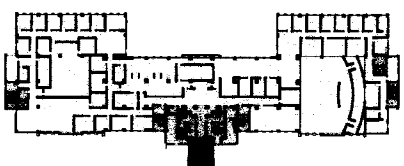
B
Building Systems



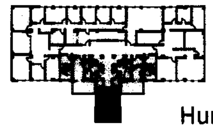
1
Lobby / Security / Training
Tax Assessor
Tax Commissioner



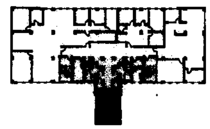
2
Commission Chambers
Mayor's Office
Legal



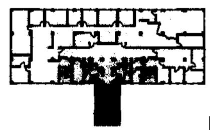
3
Planning / Zoning
License / Inspection



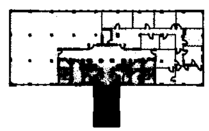
4
Human Resources
Risk Management



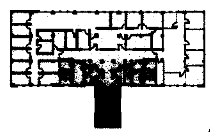
5
BOE
EEO
311



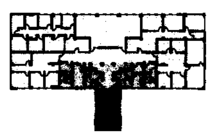
6
Procurement
DBE



7
Marshal
Vacant



8
Administrator
Finance



9
Judges
Clinic
Consultant
NRCS

Option 3

The Minimal Project

MEP Upgrades / Minor Repair and
Construction of the Elevator Tower

$21,017,556 Total Project Cost

Pros

- Least Cost
- Elevators and BOE wing constructed.

Cons

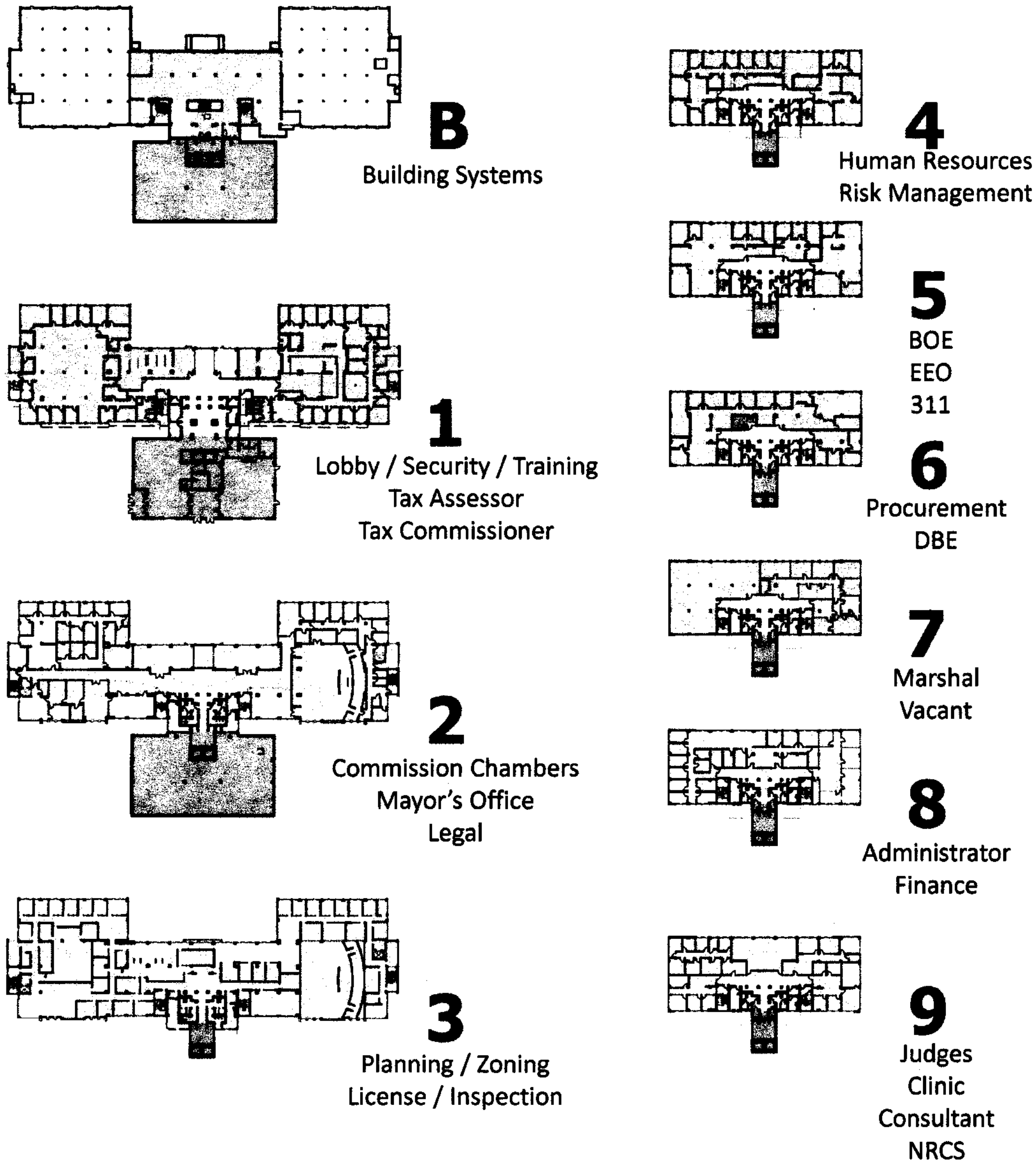
- Slab in-fills would be messy / costly in future phase.
- No new Commission chambers
- No new Mayor's office.
- P&Z/L&I stay in leased space.
- No department is renovated.

VIRGO GAMBILL ARCHITECTS

Renovations and Modernization to the
Municipal Building - Project ID # 10-173

Augusta

Item # 6



Option 2e

Less Upfront Cost

Renovate Floors B, 1, 4, 5,,6, 7 and Construction of the Elevator Tower

$23,582,307 Total Project Cost

Pros

- Elevators and BOE wing constructed.
- Tax Departments / majority of remaining floors renovated
- Finance Department would not have to move.
- Eliminates slab in-fills on 3 and 9. Saves time / money.

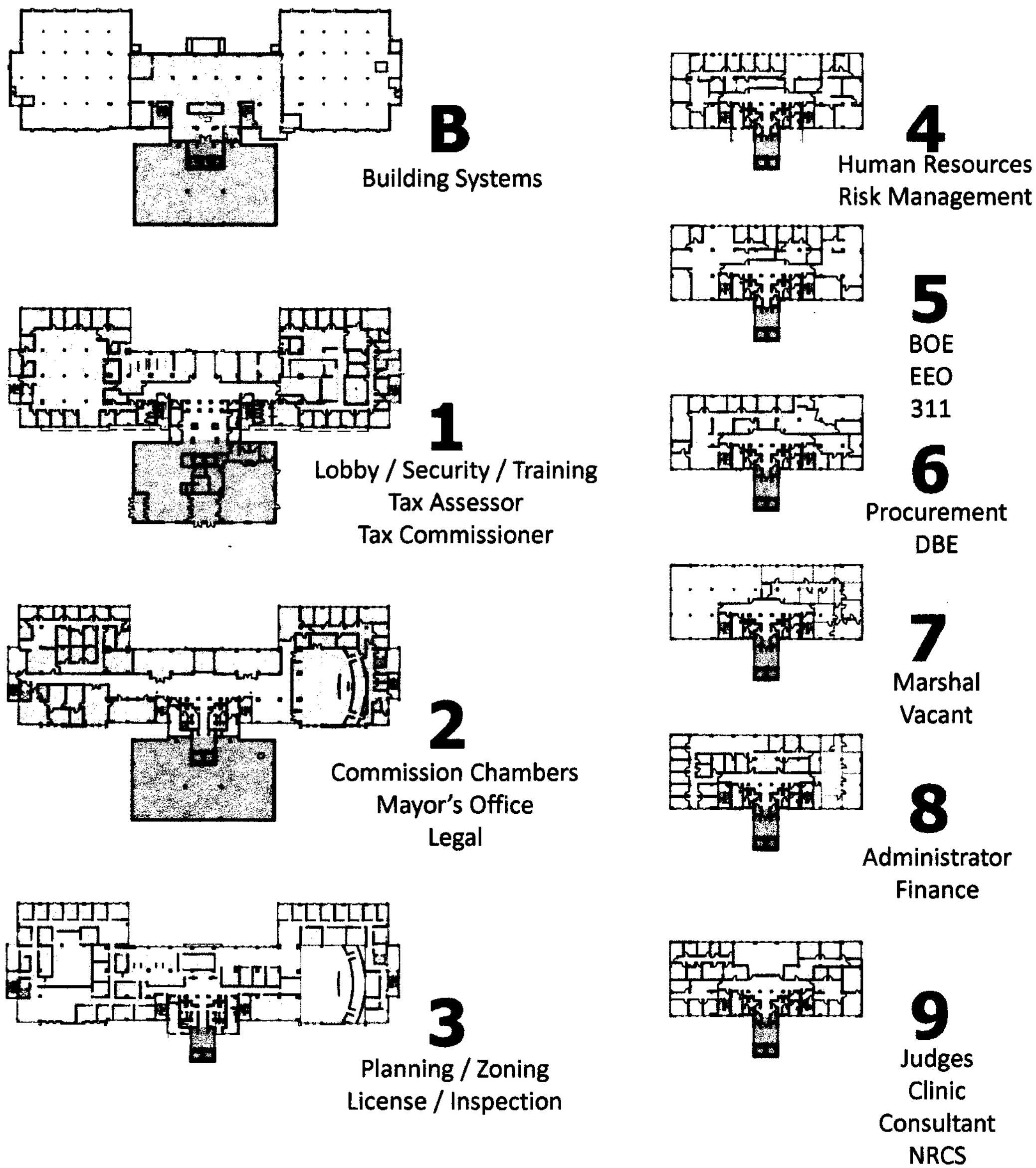
Cons

- Slab in-fills would be messy / costly in future phase.
- No new Commission chambers
- No new Mayor's office.
- P&Z/L&I stay in leased space.

VIRGO GAMBILL ARCHITECTS

Augusta

Item # 6



Option 2d

New Commission Chamber

Renovate Floors B, 1, 2 and
Construction of the Elevator Tower

$22,826,085 Total Project Cost

Pros

- Elevators and BOE wing constructed.
- Tax Departments / Mayor get new spaces.
- Eliminates slab in-fills on 3 and 9. Saves time / money.

Cons

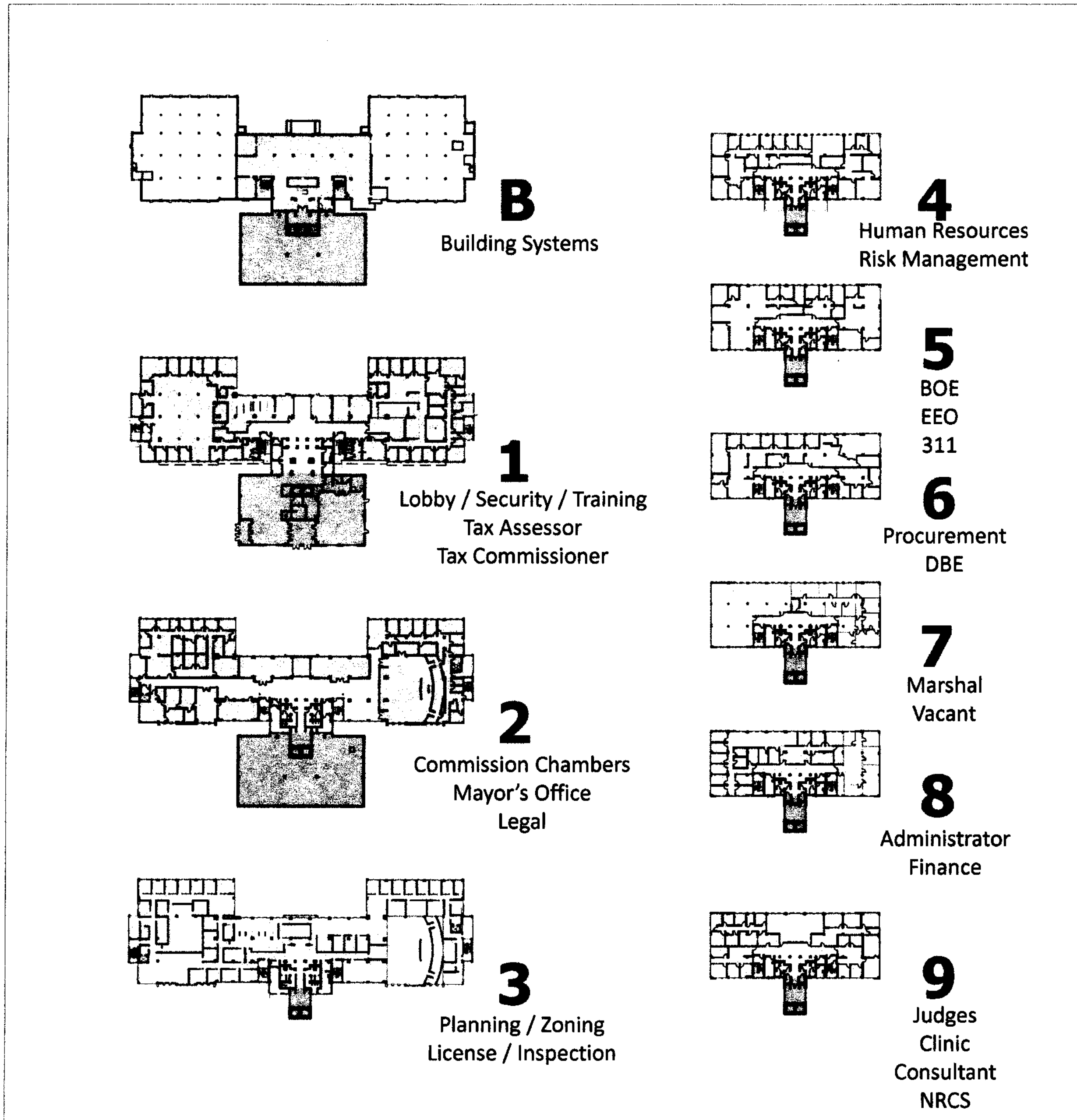
- Finance / Risk Management would need a new home.
- Slab in-fills would be messy / costly in future phase.
  - 7 floors receive no renovation.
  - P&Z/L&I stay in leased space.

VIRGO GAMBILL ARCHITECTS

Renovations and Modernization to the

Municipal Building - Project ID # 10-173

Augusta



Option 2c

Plus In-fills

Renovate Floors B, 1, 2, infill only floor 9 and Construction of the Elevator Tower

$23,952,617 Total Project Cost

Pros

- Elevators and BOE wing constructed.
- Tax Departments / Mayor get new spaces.
- Eliminates slab in-fills on 3. Saves time / money.

Cons

- Finance / Risk Management would need a new home.
- Slab in-fill would be messy / costly in future phase.
    - 7 floors receive no renovation.
    - P&Z/L&I stay in leased space.

VIRGO GAMBILL ARCHITECTS

Renovations and Modernization to the
Municipal Building - Project ID # 10-173

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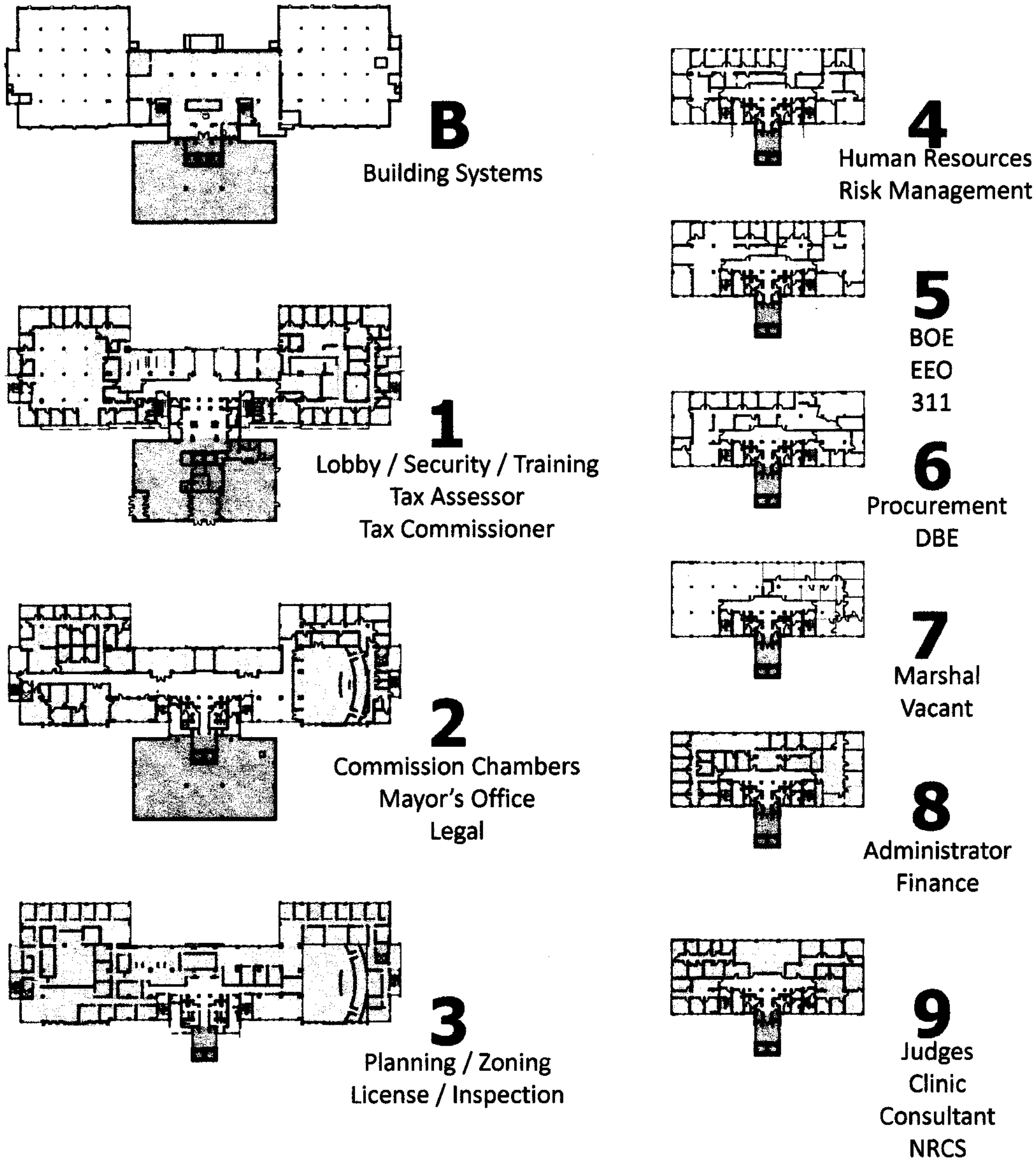


Option 2b

All but 4 floors

Renovate Floors B, 1, 2, 3, 8, 9 and Construction of the Elevator Tower

$27,590,378 Total Project Cost

Pros

- Elevators and BOE wing constructed.
- Tax Departments / Mayor get new spaces.
- Floors 4 and 5 could be used as swing space.
- Departments on floors 6 and 7 could stay in current locations as currently configured.

Cons

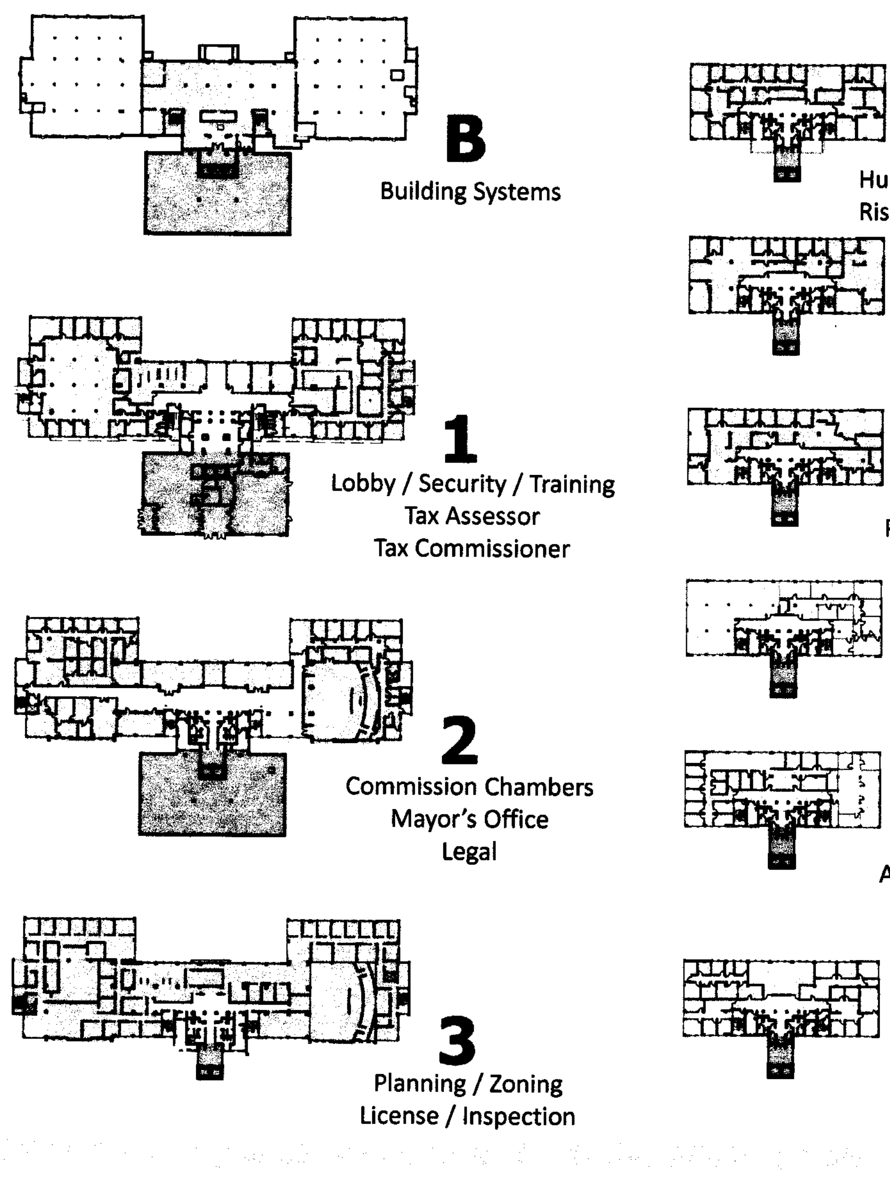
- 4 floors receive no renovation.
- Easiest floors to renovate (4 and 5) are vacant.

VIRGO GAMBILL ARCHITECTS

Renovations and Modernization to the
Municipal Building - Project ID # 10-173

Augusta

Item # 6



Option 2a

All but 3 floors

Renovate Floors B, 1, 2, 3, 4, 5, 6 and Construction of the Elevator Tower

$28,537,169 Total Project Cost

Pros

- Elevators and BOE wing constructed.
- Tax Departments / Mayor get new spaces.
  - New Commission chambers.
  - P&Z/L&I is located in the building.
- Eliminates slab in-fills on 9. Saves time / money.

Cons

- Slab in-fill on 9 would be messy / costly in future phase.
- Finance / Human Resources will not get a new space.
  - Finance will need to relocate to make way for Mayor's Office / Commission Chambers.
    - 3 floors receive no renovation.

VIRGO GAMBILL ARCHITECTS