#### LEASE NO. DACW21-1-97-0120

#### DEPARTMENT OF THE ARMY

#### LEASE

# FOR COMMERCIAL CONCESSION PURPOSES HARTWELL MARINA AND BOAT SALES, INC.

#### HARTWELL LAKE

#### HART COUNTY, GEORGIA

THIS LEASE is made on behalf of the United States, between the SECRETARY OF THE ARMY, hereinafter referred to as the Secretary, and HARTWELL MARINA AND BOAT SALES, INC., hereinafter referred to as the Lessee,

#### WITNESSETH:

That the Secretary, by authority of Title 16, United States Code, Section 460d, and for the consideration hereinafter set forth, hereby leases to the Lessee, the property identified in Exhibit "A", attached hereto and made a part hereof, hereinafter referred to as the premises, for commercial concession purposes. The property is further identified as the Hi-Dri Marina Site No. 23, containing approximately 50 acres of land, located within the boundaries of Hartwell Lake Project, Hart County, Georgia.

Said premises also includes water areas of the project within 100 feet of water based facilities provided for in Condition No. 5 hereof.

THIS LEASE is granted subject to the following conditions:

#### 1. TERM

Said premises are hereby leased for a term of twenty (20) years, beginning 1 January 1997, and ending 31 December 2016. The premises herein leased are the same premises granted to Hartwell Marina and Boat Sales, Inc., under Lease No. DA-09-133-CIVENG-66-0153.

#### 2. CONSIDERATION

a. The rent due to the United States in consideration of this lease shall be calculated using the Revised Graduated Rental System (RGRS). The total gross receipts for each rental payment period will be multiplied by the applicable percentage rate and

the resulting total due payable by the TENTH DAY OF THE FOLLOWING MONTH (10TH) and will be considered delinquent if not received by the TWENTIETH DAY OF THE FOLLOWING MONTH (20TH). Made payable to the order of the Finance and Accounting Officer, Savannah District, and delivered to District Engineer, U. S. Army Corps of Engineers, P. O. Box 889, Savannah, Georgia, 31402-0889. The percentage rate for the upcoming rental year will be selected from the following RGRS rental rate chart, using the line for the total gross receipts of the ending rental year:

TABLE 1
REVISED GRADUATED RENTAL SYSTEM

GROSS ANNUAL RECEIPTS (GAR)	
Under \$ 50,000	2.0%
\$50,000-\$ 200,000	2.1%
\$200,000-\$ 400,000	2.2%
\$400,000-\$ 600,000	2.3%
\$600,000-\$ 800,000	2.4%
\$800,000-\$1,000,000	2.5%
\$1,000,000-\$1,200,000	2.6%
\$1,200,000-\$1,400,000	2.7%
\$1,400,000-\$1,600,000	2.8%
\$1,600,000-\$1,800,000	2.9%
\$1,800,000-\$2,000,000	3.0%
\$2,000,000-\$2,200,000	3.1%
\$2,200,000-\$2,400,000	3.2%
\$2,400,000-\$2,600,000	3.3%
\$2,600,000-\$2,800,000	3.4%
\$2,800,000-\$3,000,000	3,5%
\$3,000,000-\$3,200,000	3.6%
\$3,200,000-\$3,400,000	3.7%
\$3,400,000-\$3,600,000	3.8%
\$3,600,000-\$3,800,000	3.9%
\$3,800,000-\$4,000,000	4.0%
\$4,000,000-\$4,200,000	4.1%
\$4,200,000-\$4,400,000	4.2%
\$4,400,000-\$4,600,000	4.3%
\$4,600,000-\$4,800,000	4.4%
\$4,800,000-\$5,000,000	4.5%
\$5,000,001 and above	4.6%

(1) Gross receipts are defined as the total of the concessionaire's receipts from business operations conducted on the premises, including receipts of sub-lessees and licensees. No reductions are permitted except the costs of hunting and fishing licenses, license fees and taxes collected for direct remittance to a taxing authority, that portion of income from guide service

paid directly to the guide(s), and the exact amount collected from customers for electrical service which is metered to the customer and collected by the Lessee as the servicing agent and paid to the power company. Sale receipts from boats and motors are excluded and assessed a straight one-percent rent.

(2) The rental payment shall be monthly with the first payment due by the 10th of the month. The rental year will begin 1 January 1997 and end on 31 December 1997; for each rental year thereafter, the year will begin on 1 January and end on 31 December.

#### (3) RENT PAYMENT CALCULATION FORM

Reporting period	Or Strong Plant		
a) Gross receipts for this	period:	\$	
b) Rent rate:	x	0	
c) Amount due (a x b)		\$	
IF OPTIONAL BOAT RATE SELEC	TED:		
d) Boat and motor sales:		\$	111
e) Rate:	x	0.	.01
f) Amount due (d x e)		\$	_
TOTAL DUE (c + f)		\$	

- b. All rent and other payments due under the terms of this lease must be paid on or before the date they are due in order to avoid the mandatory sanctions imposed by the Debt Collection Act of 1982, 31 U.S.C. § 3717. This statute requires the imposition of an interest charge for the late payment of debts owed to the United States; an administrative charge to cover the costs of processing and handling delinquent debts; and the assessment of an additional penalty charge on any portion of a debt that is more than 90 days past due. The provisions of the statute will be implemented as follows:
- (1) The United States will impose an interest charge, the amount to be determined by law or regulation, on late payment of rent () Interest will accrue from the due date. An administrative charge of Fifty (\$50.00) DOLLARS to cover the cost of processing and handling each late payment will also be imposed.
- (2) In addition to the charges set forth above, the United States will impose a penalty charge of six percent (6%) per annum on any payment, or portion thereof, more than ninety (90) days past due. The penalty shall accrue from the date of the delinquency and will continue to accrue until the debt is paid in full.

(3) All payments received will be applied first to any accumulated interest, administrative and penalty charges and then to any unpaid rental or other payment balance. Interest will not accrue on any administrative or late payment penalty charges.

#### 3. NOTICES

All correspondence and notices to be given pursuant to this lease shall be addressed, if to the Lessee, to, Paul F. DeLargy and Walter A. Denero, Hartwell Marina & Boat Sales, Inc., 149
Hartwell Marina Road, Hartwell Georgia 30643; and, if to the United States, to the District Engineer, Attn: Chief, Real Estate Division, U.S. Army Corps of Engineers, P.O. Box 889, Savannah, Georgia, 31402-0889, or as may from time to time otherwise be directed by the parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper, addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

#### 4. AUTHORIZED REPRESENTATIVES

Except as otherwise specifically provided, any reference herein to "Secretary of the Army," "District Engineer," "said officer" or "Lessor" shall include their duly authorized representatives. Any reference to "Lessee" shall include sublessees, assignees, transferees, concessionaires, and its duly authorized representatives.

#### 5. USE AND DEVELOPMENT OF THE PREMISES

- a. The premises may be occupied and used by the Lessee or duly authorized agents, sublessees, assignees, or transferees solely for the conduct of business in connection with the recreational development of the premises for the general use of the public. Lessee shall provide facilities and activities in accordance with the Use and Development Plan and its architectural theme and sign plan, as supplemented or amended, (Development Plan) and attached hereto as Exhibit "B". All new or replacement signs will be approved by the Project Manager.
- b. No structure may be erected or altered upon the premises unless and until said Development Plan has been approved in writing by the District Engineer. The District Engineer may require the Lessee, upon completion of each of the proposed developments, to furnish a complete "as built" site plan and "as built" construction plans for all facilities with certification by a Professional Engineer that the construction meets all codes and standards.

- c. The District Engineer may agree in writing to an extension of time for providing the facilities and activities designated in said Development Plan or may waive the providing thereof for other than those specified for the first lease year as designated in said Development Plan, whenever, in the opinion of the District Engineer, the public demand does not reach the anticipated level at the time stated, or when a delay in providing the facilities and services is beyond the control of the Lessee; provided, however, that at the discretion of the District Engineer, such undeveloped area may be withdrawn from the leased premises.
- d. The use and occupation of the premises shall be subject to the general supervision and approval of the District Engineer. Modifications to said Development Plan must be approved in writing by the District Engineer prior to implementation of the change.
- e. All structures and equipment furnished by the Lessee shall be and remain the property of the Lessee, except as otherwise provided in the Condition on RESTORATION.

#### 6. CONDITION OF PREMISES

The Lessee acknowledges that it has inspected the premises, knows its condition, and understands that the same is leased without any representations or warranties whatsoever and without obligation on the part of the United States to make any alterations, repairs, or additions thereto.

#### 7. RATES AND PRICES

- a. The rates and prices charged by the Lessee or its sublessees shall be reasonable and comparable to rates charged for similar goods and services by others in the area. The District Engineer shall have the right to review such rates and prices and require an increase or reduction when it is determined that the objective of this paragraph has been violated. The Lessee shall keep such rates and prices posted at all times in an appropriate and conspicuous place on the premises. The District Engineer may require submission of a schedule of the rates and prices at any time.
- b. However, no user fees may be charged by the Lessee or its sublessees for use of facilities developed in whole or part with federal funds if a user charge by the Corps of Engineers for the facility would be prohibited under law.

#### 8. PROTECTION OF PROPERTY

The Lessee shall be responsible for any damage that may be caused to property of the United States by the activities of the

Lessee under this lease and shall exercise due diligence in the protection of all property located on the premises against fire or damage from any and all other causes. Any property of the United States damaged or destroyed by the Lessee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Lessee to the satisfaction of the District Engineer, or, at the election of the District Engineer, reimbursement may be made therefor by the grantee in an amount necessary to restore or replace the property to a condition satisfactory to the District Engineer.

#### 9. RIGHT TO ENTER AND FLOOD

The right is reserved to the United States, its officers, agents, and employees to enter upon the premises at any time and for any purpose necessary or convenient in connection with Government purposes; to make inspections; to remove timber or other material, except property of the Lessee; to flood the premises; to manipulate the level of the lake or pool in any manner whatsoever; and/or to make any other use of the lands as may be necessary in connection with project purposes, and the Lessee shall have no claim for damages on account thereof against the United States or any officer, agent, or employee thereof.

#### 10. INDEMNITY

The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of the Lessee, or for damages to the property or injuries to the person of the Lessee's officers, agents or employees or others who may be on the premises at their invitation or the invitation of any one of them, and the Lessee shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

#### 11. INSURANCE

a. At the commencement of this lease, the Lessee will obtain from a reputable insurance company, or companies, liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices or a minimum Combined Single Limit of ONE MILLION DOLLARS AND NO/100 (\$1,000,000.00), whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons, resulting from the operations of the Lessee under the terms and conditions of this lease, and the Lessee shall require its insurance company to furnish to the District Engineer a copy of the policy or

policies, or, if acceptable to the District Engineer, a certificate of insurance evidencing the purchase of such insurance annually on or before 31 March of each year. The minimum amount of liability insurance coverage is subject to revision by the District Engineer every three years or upon renewal or modification of the lease. The policy shall provide that the insurance company give the District Engineer thirty (30) days written notice of any cancellation, non-renewal or change in such insurance.

- b. The lessee's sublessees and licensees, at the commencement of operating under the terms of this lease, shall obtain from a reputable insurance company or companies liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons, resulting from the operations of the sublessees and licensees under the terms of this lease. The lessee shall require any insurance carrier or carriers to furnish to the District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance.
- c. The insurance policy or policies shall be of comprehensive form of contract and shall specifically provide protection appropriate for the types of facilities, services and activities involved. The Lessee shall require that the insurance company give the District Engineer thirty (30) days written notice of any cancellation or change in such insurance. The District Engineer may require closure of any or all of the premises during any period for which the Lessee does not have the required insurance coverage.

#### 12. RESTORATION

On or before the expiration of this lease or its termination by the Lessee, the Lessee shall vacate the premises, remove the property of the Lessee therefrom, and restore the premises to a condition satisfactory to the District Engineer. If, however, this lease is revoked, the Lessee shall vacate the premises, remove said property, and restore the premises to the aforesaid condition within such time as the District Engineer may designate. In either event, if the Lessee shall fail or neglect to remove said property and restore the premises, then, at the option of the District Engineer, said property shall either become the property of the United States without compensation therefor, or the District Engineer may cause the property to be removed and no claim for damages against the United States or its officers or agents shall be created by or made on account of such

removal and restoration work. The Lessee shall also pay the United States on demand any sum which may be expended by the United States after the expiration, revocation, or termination of this lease in restoring the premises.

#### 13. NON-DISCRIMINATION

The Lessee shall not discriminate against any person or persons because of race, color, age, sex, handicap, national origin, or religion in the conduct of operations on the leased premises. The Lessee will comply with the Americans with Disabilities Act and attendant Americans with Disabilities Act Accessibility Guidelines (ADAAG) published by the Architectural And Transportation Barriers Compliance Board.

#### 14. APPLICABLE LAWS AND REGULATIONS

- a. The Lessee shall comply with all applicable Federal laws and regulations and with all applicable laws, ordinances, and regulations of the state, county, and municipality wherein the premises are located, including, but not limited to, those regarding construction, health, safety, food service, water supply, sanitation, use of pesticides, and licenses or permits to do business.
- b. The Lessee will provide an annual certification that all water and sanitary systems on the premises have been inspected and comply with Federal, state and local standards. Lessee will also provide a statement of compliance with the Americans with Disabilities Act, noting any deficiencies and providing a schedule for correction.
- c. In addition to other applicable building codes, the lessee shall comply with the current editions of the National Fire Protection Association (NFPA) code 70, National Electric Code, ANSI/NFPA standard code 303, Marinas and Boatyards, and other applicable codes covering the type of facilities. The lessee will provide annually, on or before 31 March, a certification that all electrical installations on the premises have been inspected by a qualified individual and comply with the applicable NFPA codes.

#### 15. TAXES

Payment of any and all taxes imposed by the state or its political subdivisions upon the property or business of the Lessee on the premises is the responsibility of the Lessee.

#### 16. SUBJECT TO EASEMENTS

This lease is subject to all existing easements, easements subsequently granted, and established access routes for roadways

and utilities located, or to be located, on the premises, provided that the proposed grant of any new easement or route will be coordinated with the Lessee, and easements will not be granted which will, in the opinion of the District Engineer, interfere with developments, present or proposed, by the Lessee. The Lessee will not close any established access routes without written permission of the District Engineer.

#### 17. SUBJECT TO MINERAL INTERESTS

This lease is subject to all outstanding mineral interests. As to Federally owned mineral interests, it is understood that they may be included in present or future mineral leases issued by the Bureau of Land Management (BLM), which has responsibility for mineral development on Federal lands. The Secretary will provide lease stipulations to BLM for inclusion in said mineral leases that are designed to protect the premises from activities that would interfere with the Lessee's operations or would be contrary to local laws.

#### 18. TRANSFERS, ASSIGNMENTS, SUBLEASES

- a. Without prior written approval of the District Engineer, the Lessee shall neither transfer nor assign this lease or a controlling interest therein (including, without limitation, mergers, consolidations, reorganizations, or other business combinations), nor sublet the premises or any part thereof, nor grant any interest, privilege, or license whatsoever in connection with this lease, nor shall this lease be assignable or transferable by process or operation of law including, but not limited to, insolvency proceedings, bankruptcy, or intestacy, or in any other manner whatever.
- (1) Failure to comply with this condition or the procedures described herein shall constitute a material breach of this lease for which this lease may be revoked immediately by the District Engineer, and, the Secretary shall not be obligated to recognize any right of any person or entity to an interest in this lease or to own or operate the facilities authorized hereunder acquired in violation hereof.
- (2) The Lessee shall advise the person(s) or entity proposing to enter into a transaction described in Subsection a. above that the District Engineer shall be notified and that the proposed transaction is subject to review and approval by the District Engineer. The Lessee shall request in writing the District Engineer's approval of the proposed transaction and shall promptly provide the District Engineer all relevant documents related to the transaction, and the name(s) and qualifications of the person(s) or entity involved in the proposed transaction.

- b. The District Engineer, in exercising discretion to approve or disapprove transfer, assignments, or subleases, shall among other matters, take into consideration the management qualifications of the individuals or entities that would thereby obtain a controlling interest in the facilities or services authorized hereunder, the experience of such individuals or entities with similar operations, and the ability of such individuals or entities to operate the operations authorized hereunder in the public interest.
- c. The term "controlling interest" in a Lessee's ownership shall mean, in the instance of a corporate Lessee, an interest beneficial or otherwise, of sufficient outstanding voting securities or capital of the Lessee so as to permit exercise of substantial managerial influence over the operations of the Lessee, and, in the instance of a partnership, joint venture, or individual Lessee, any beneficial ownership of the capital assets of the Lessee sufficient to permit substantial managerial influence over the operations of the Lessee. The District Engineer will determine at the request of interested parties whether or not an interest in a lease constitutes a controlling interest within the meaning hereof.
- d. The Lessee may not enter into any agreement with any entity or person, except employees of the Lessee, to exercise substantial management responsibilities for the operation authorized hereunder or any part thereof without the prior written approval of the District Engineer.
- e. No mortgage shall be executed, and no bonds, shares of stock, or other evidence of interest in, or indebtedness upon the assets of the Lessee, including this lease, shall be issued, except for the purposes of installing, enlarging, refinancing or improving plant equipment and facilities, provided that, such assets, in addition, may be encumbered for the purposes of purchasing existing concession plant, equipment and facilities. In the event of default on such a mortgage, encumbrance, or such other indebtedness, or of other assignment, transfer, or encumbrance, the creditor or any assignee thereof shall succeed to the interest of the Lessee in such assets but shall not thereby acquire operating rights or privileges. Such rights or privileges shall be subject to disposition by the District Engineer.
- f. The lessee may allow independent private service companies to enter and conduct business on the premises for the benefit of the Lessee's customers on an as-called basis without a formal sublease or license agreement, provided that the service is occasional and incidental to the Lessee's operation and that any compensation paid to the Lessee is included in gross receipts.

g. The Lessee will not sponsor or participate in timeshare ownership of any structures, facilities, accommodations, or personal property on the premises. The lessee will not subdivide nor develop the premises into private residential development.

#### 19. COMPLIANCE, CLOSURE, REVOCATION AND RELINQUISHMENT

- a. The Lessee and/or any sublessees or licensees are charged at all times with full knowledge of all the limitations and requirements of this lease, and the necessity for correction of deficiencies, and with compliance with reasonable requests by the District Engineer. This lease may be revoked in the event that the Lessee violates any of its terms and conditions and continues and persists in such non-compliance, or fails to obtain correction of deficiencies by sublessees or licensees. The Lessee will be notified of any non-compliance, which notice shall be in writing or shall be confirmed in writing, giving a period of time in which to correct the non-compliance. Failure to satisfactorily correct any substantial or persistent noncompliance within the specified time is grounds for closure of all or part of the premises, temporary suspension of operation, or revocation of the lease, after notice in writing of such intent. Future requests by the Lessee to extend the lease, expand the premises, modify authorized activities, or assign the lease shall take into consideration the Lessee's past performance and compliance with the lease terms.
- b. This lease may be relinquished by the Lessee by giving six months prior written notice to the District Engineer in the manner prescribed in the Condition on NOTICES.
- c. In addition to the above right of revocation, if the rent or other payments provided to be paid by the Lessee or any part thereof shall be in arrears and unpaid for thirty (30) days after the same shall become due, then, and in such case, the District Engineer may elect to revoke this lease by notification in writing to the Lessee.

#### 20. HEALTH AND SAFETY

- a. The Lessee shall keep the premises in good order and in a clean, sanitary, and safe condition and shall have the primary responsibility for ensuring that any sublessees and concessionaires operate and maintain the premises in such a manner.
- b. In addition to the rights of revocation for non-compliance, the District Engineer, upon discovery of any hazardous conditions on the premises that presents an immediate threat to the health and/or danger to life or property, will so notify the Lessee and will require that the affected part or all of the premises be closed to the public until such condition is

corrected and the danger to the public eliminated. If the condition is not corrected within the time specified, the District Engineer will have the option to: (1) correct the hazardous conditions and collect the cost of repairs from the Lessee; or, (2) revoke the lease. The Lessee will be obligated to pay rental, notwithstanding any interruption or suspension of activities. The Lessee and its assignees or sub-lessees shall have no claim for damages against the United States, or any officer, agent, or employee thereof on account of action taken pursuant to this condition.

#### 21. PUBLIC USE

No attempt shall be made by the Lessee, nor any of its sublessees or concessionaires, to forbid the full use by the public of the premises and of the water areas of the project, subject, however, to the authority and responsibility of the Lessee to manage the premises and provide safety and security to the visiting public.

#### 22. PROHIBITED USES

- a. The Lessee shall not permit gambling on the premises. Specifically prohibited are the use of gambling devices, such as slot machines, video gambling machines, or other casino type devices that would detract from the family atmosphere. District Commanders may allow the sale of state lottery tickets, in accordance with state and local laws and regulations, as long as the sale of tickets constitutes a collateral activity, rather than primary activity, of the Lessee. The Lessee shall not install or operate, or permit to be installed or operated thereon, any device which is illegal; or use the premises or permit them to be used for any illegal business or purpose. There shall not be conducted on or permitted upon the premises any activity not be conducted on or permitted upon the premises any activity which would constitute a nuisance.
- b. As an exception, some games of chance, such as raffles, games and sporting events, may be conducted by nonprofit organizations under special use permits issued in conjunction with special events, if permissible by state and local law. Any request to conduct a game of chance must be submitted in writing to the District Engineer.
- c. In accordance with state and local laws and regulations, the Lessee may sell, store, or dispense, or permit the sale, storage, or dispensing of beer, malt beverages, light wines or other intoxicating beverages on the premises in those facilities where such service is customarily found. Bar facilities will

only be permitted if offered in connection with other approved activities. Advertising of such beverages outside of buildings is not permitted. Carry out package sales of hard liquor is prohibited.

#### 23. NATURAL RESOURCES

The Lessee shall cut no timber, conduct no mining operations, remove no sand, gravel, or kindred substances from the ground, commit no waste of any kind, nor in any manner substantially change the contour or condition of the premises, except as may be authorized under and pursuant to the Condition on USE AND DEVELOPMENT OF THE PREMISES herein. The Lessee may salvage fallen or dead timber; however, no commercial use shall be made of such timber.

#### 24. ACCOUNTS AND RECORDS

- a. The Lessee shall maintain complete and accurate records and no later than 120 days following the end of the Lessee's fiscal year shall submit to the District Engineer reports and data for the preceding year to include a financial statement for the activity covered by the lease and compiled by an independent certified public accountant or by an independent licensed public accountant certified or licensed by a regulatory authority of a state.
- b. The District Engineer shall have the right at any time (1) to verify all financial reports and copy the books, correspondence, memoranda, income tax returns and other records of the Lessee and sublessees, if any, and of the records of proprietary or affiliated companies, if any, related to this lease during the period of the lease (This right shall extend for such time thereafter as may be necessary to accomplish such verification, but in no event more than five (5) years after the close of the business year of the Lessee) or (2) require the Lessee to furnish an audited financial statement; or (3) to require the Lessee to furnish an audited statement of gross receipts for the concession operation, including the gross income of any sublease operation, and certification of the accuracy of the reported income.
- c. Statements will be prepared by an independent certified public accountant or by a licensed public accountant certified or licensed by a regulatory authority of a state. Audits will be in accordance with the auditing standards and procedures promulgated by the American Institute of Certified Public Accountants. Financial statements requiring audits and accompanied by remarks such as "prepared from client records without audit" are

unacceptable. Audited and reviewed financial statements shall contain appropriate footnotes. The independent licensed or certified public accountant shall include a statement to the effect that the amounts included in the financial report are consistent with those included in the Federal tax returns. If the amounts are not consistent, then a statement showing differences shall be included. An audit of Lessees tax returns is not required.

#### 25. ENVIRONMENTAL PROTECTION

a. Within the limits of their respective legal powers, the parties to this lease shall protect the project against pollution of its air, ground, and water. The Lessee shall comply promptly with any laws, regulations, conditions or instructions affecting the activity hereby authorized if and when issued by the Environmental Protection Agency, or any Federal, state, interstate or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is specifically Such regulations, conditions, or instructions in effect or prescribed by the Environmental Protection Agency, or any Federal, state, interstate or local governmental agency, are hereby made a condition of this lease. The Lessee shall require all sanitation facilities on boats moored at the Lessee's facilities, including rental boats, to be sealed against any discharge into the lake. The Lessee's dock tenant agreement shall specify that new tenants shall insure their boats are sealed against any discharge into the lake. Current dock tenant agreements shall be modified within one hundred and eighty days (180 days) from the execution of this lease to require boats currently moored and/or stored at the marina to be sealed against any discharge into the lake in accordance with all applicable Federal laws and regulations and with all laws, ordinances, and regulations of the state, county, and municipality wherein the premises are located. Services for waste disposal, including sewage pump-out of watercraft, shall be provided by the Lessee as appropriate. The Lessee shall not discharge waste or effluent from the property in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

- b. The Lessee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from the Lessee's activities, the Lessee shall be liable to restore the damaged resources.
- c. The lessee must obtain approval in writing from the District Engineer before any pesticides or herbicides are applied to the premises.

#### 26. PRELIMINARY ASSESSMENT SCREENING

A Preliminary Assessment Screening (PAS) documenting the known history of the property with regard to the storage, release or disposal of hazardous substances thereon, is attached hereto and made a part hereof as Exhibit "C". Upon expiration, revocation or termination of this lease, another PAS shall be prepared which will document the environmental condition of the property at that time. A comparison of the two assessments will assist the District Engineer in determining any environmental restoration requirements. Any such requirements will be completed by the lessee in accordance with the condition on RESTORATION.

#### 27. HISTORIC PRESERVATION

The Lessee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archaeological, architectural or other cultural artifacts, relics, remains, or objects of antiquity. In the event such items are discovered on the premises, the Lessee shall immediately notify the District Engineer and protect the site and the material from further disturbance until the District Engineer gives clearance to proceed.

#### 28. SOIL AND WATER CONSERVATION

The Lessee shall maintain, in a manner satisfactory to the District Engineer, all soil and water conservation structures that may be in existence upon said premises at the beginning of, or that may be constructed by the Lessee during the term of, this lease, and the Lessee shall take appropriate measures to prevent

or control soil erosion within the premises. Any soil erosion occurring outside the premises resulting from the activities of the Lessee shall be corrected as directed by the District Engineer.

#### 29. LIGHTS, SIGNALS AND NAVIGATION

There shall be no unreasonable interference with navigation by the exercise of the privileges granted by this lease. If the display of lights and signals on any work hereby authorized is not otherwise provided for by law, such lights and signals as may be prescribed by the Coast Guard or by the District Engineer shall be installed and maintained by and at the expense of the Lessee.

#### 30. HUNTING AND TRAPPING

The Lessee shall not hunt or trap or allow hunting or trapping on the premises.

#### 31. TRANSIENT USE

- a. Camping, including transient trailers or recreational vehicles, at one or more campsites for a period longer than thirty (30) days during any sixty (60) consecutive day period is prohibited. The Lessee will maintain a ledger and reservation system for the use of any such campsites, said system to be acceptable to the District Engineer.
- b. Occupying any lands, buildings, vessels or other facilities within the premises for the purpose of maintaining a full- or part-time residence is prohibited, except for employees, residing on the premises, for security purposes, if authorized by the District Engineer.

#### 32. DISPUTES CLAUSE

a. Except as provided in the Contract Disputes Act of 1978 (41 U.S.C. 601-613) (the Act), all disputes arising under or relating to this lease shall be resolved under this clause and the provisions of the Act.

- b. "Claim," as used in this clause, means a written demand or written assertion by the Lessee seeking, as a matter of right, the payment of money in a sum certain, the adjustment of interpretation of lease terms, or other relief arising under or relating to this lease. A claim arising under this lease, unlike a claim relating to that lease, is a claim that can be resolved under a lease clause that provides for the relief sought by the Lessee. However, a written demand or written assertion by the Lessee seeking the payment of money exceeding \$50,000 is not a claim under the Act until certified as required by subparagraph c.(2) below. The routine request for rental payment that is not in dispute is not a claim under the Act. The request may be converted to a claim under the Act, by this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.
- c. (1) A claim by the Lessee shall be made in writing and submitted to the District Engineer for a written decision. A claim by the Government against the Lessee shall be subject to a written decision by the District Engineer.
- (2) For Lessee claims exceeding \$50,000, the Lessee shall submit with the claim a certification that:
  - (i) The claim is made in good faith;
  - (ii) Supporting data are accurate and complete to the best of the Lessee's knowledge and belief; and
  - (iii) The amount requested accurately reflects the lease adjustment for which the Lessee believes the Government is liable.
- (3) If the Lessee is an individual, the certificate shall be executed by that individual. If the Lessee is not an individual, the certification shall be executed by:
  - (i) A senior company official in charge at the Lessee's location involved; or
  - (ii) An officer or general partner of the Lessee having overall responsibility of the conduct of the Lessee's affairs.

- d. For Lessee claims of \$50,000 or less, the District Engineer must, if requested in writing by the Lessee, render a decision within 60 days of the request. For Lessee-certified claims over \$50,000, the District Engineer must, within 60 days, decide the claim or notify the Lessee of the date by which the decision will be made.
- e. The District Engineer's decision shall be final unless the Lessee appeals or files a suit as provided in the Act.
- f. At the time a claim by the Lessee is submitted to the District Engineer or a claim by the Government is presented to the Lessee, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using alternate dispute resolution procedures, any claim, regardless of amount, shall be accompanied by the certification described in paragraph c.(2) of this clause, and executed in accordance with paragraph c.(3) of this clause.
- g. The Government shall pay interest on the amount found due and unpaid by the Government from (1) the date the District Engineer received the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury, as provided in the Act, which is applicable to the period during which the District Engineer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim. Rental amounts due to the Government by the Lessee will have interest and penalties as set out in the Condition on CONSIDERATION.
- h. The Lessee shall proceed diligently with performance of the lease, pending final resolution of any request for relief, claim, appeal, or action arising under the lease, and comply with any decision of the District Engineer.

#### 33. COVENANT AGAINST CONTINGENT FEES

The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessee for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to annul this lease without liability or, in its discretion, to require the Lessee to pay, in addition to the lease rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

#### 34. OFFICIALS NOT TO BENEFIT

No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this lease or to any benefits to arise therefrom. However, nothing herein contained shall be construed to extend to any incorporated company if the lease be for the general benefit of such corporation or company.

#### SEVERAL LESSEES

If more than one Lessee is named in this lease the obligations of said Lessees herein contained shall be joint and several obligations.

#### 36. MODIFICATIONS

This lease contains the entire agreement between the parties hereto, and no modification of this agreement, or waiver, or consent hereunder shall be valid unless the same be in writing, signed by the parties to be bound or by a duly authorized representative; and this provision shall apply to this clause as well as all other conditions of this lease.

#### 37. DISCLAIMER

This instrument is effective only insofar as the rights of the United States in the premises are concerned; and the grantee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of this lease does not eliminate the necessity of obtaining any Department of the Army permit which may be required pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (30 Stat. 1151; 33 U.S.C. § 403), or Section 404 of the Clean Water Act (33 U.S.C. § 1344)

		0		
			UNITED STAT	ES OF AMERICA
			Jommy	P. Filt
Signed and the presence				
Witness	n Brighte	DEEP		
Notary Publ ELOISE M. BR Notary Public, Chath My Commission Expir	IGHTWELE			ıl
	<b>EASE</b> is also , 199 <u>7</u>		the Lessee	this 27 day
			By: Oauf	(1 4
Signed and in the pres				

#### PROBATE

#### STATE OF GEORGIA

#### COUNTY OF CHATHAM

Before me a Notary Public in and for the State of Georgia, County of Chatham, Personally appeared WAYNE Leatherwood who being duly sworn says that he/she saw the within named Tommy R. Hill , sign the attached and foregoing instrument by authority of the Secretary of the Army for the purpose herein expressed as the act and deed of the United States of America, and that he/she with F LEON LEACH, witnessed the execution of the same.

SIGNATURE: Wayne Southerwood

Sworn to and Subscribed before me

Notary Public

Chatham County, Georgia

Nothiny Public, Chatham County, Gas. My Commission Expires Mar. 28, 1999

My Commission Expires:

#### CORPORATE CERTIFICATE

I Kuth Ann Bec certify that I am the TREASURER
of Hartwell Marina and Boat Sales, Inc., that Paul DeLarg,
who signed the foregoing instrument on behalf of the Corporation
was then <u>Resident</u> of the Corporation. I further
certify that the said officer was acting within the scope of
powers delegated to this officer by governing body of the
corporation in executing said instrument.

SIGNATURE:

DATE: 7-29-97

(Corporate Seal)

# SUPPLEMENTAL AGREEMENT NO. 1

# LEASE NO. DACW21-1-97-0120 HARTWELL MARINA AND BOAT SALES, INC. HARTWELL LAKE PROJECT

THIS SUPPLEMENTAL AGREEMENT NO. 1, made and entered into between the SECRETARY OF THE ARMY, AND HARTWELL MARINA AND BOAT, SALES, INC., a Corporation organized and existing under and by virtue of the laws of the State of Georgia, with its principal office in Hartwell, Georgia, its successors and assigns hereinafter referred to as the "Lessee."

#### -WITNESSETH-

WHEREAS, on 14 August 1997, the Secretary of the Army granted unto Hartwell Marina and Boat Sales, Inc., a lease for commercial concession purposes for a term of twenty (20) years, beginning 01 January 1997, and ending 31 December 2016.

WHEREAS, on 10 September 1999, an Agreement of Sale was executed by Paul DeLargy, Benjamine T. Bee, and Walter Denero to sale the corporation know as Hartwell Marina and Boat Sales, Inc. to Larry Tew.

WHEREAS, on 10 February 2000, the Secretary of the Army consented to a Bank Assignment of Lease to the Bank of Hartwell for a loan in the principal sum of \$995.000.00 to the Hartwell Marina and Boat Sales, Inc. by Loan No. 54028 which is renewable annually not to exceed 31 December 2016.

WHEREAS, it is the desire of the parties hereto, to supplement said lease to delete the term of twenty (20) years which began 01 January 1997, and shall expire 31 December 2016 to add an additional nine (9) years to the current lease. A new term of twenty five (25) years is required to secure adequate financing and for amortization

of development costs for the premises. It is also the desire of the parties hereto, to supplement said lease with a revised development plan denoting new development that has been approved for the premises.

NOW THEREFORE, in consideration of the premises and other good and valuable considerations, this Lease is amended in the following respects and in these particulars only:

1. Delete Condition No. 1: TERM in entirely and substitute a new Condition No 1: TERM as follows:

"Said premises are hereby leased for a term of twenty five (25) years, beginning 01 August 2000, and ending 31 July 2025." The premises herein leased are the same premises granted to Hartwell Marina and Boat Sales, Inc. under Lease No. DA-09-133-CIVENG-66-0153.

- 2. Delete Exhibit "B" in its entirely and substitute in lieu thereof new Exhibit "C".
- 3. Revise Condition No. 5a, USE AND DEVELOPMENT OF THE PREMISES as follows: Deleted the words "attached hereto as Exhibit "B" and substitute in lieu thereof the following words "attached hereto as Exhibit "C".
- 4. All other terms and conditions of the lease instrument shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand by authority of the Secretary of Army this \_\_\_\_\_\_ day august, 2000. Signed and sealed in Denise L. Titus the presence of: Acting Chief, Real Estate Division Loose at trol Contracting Officer Notary Public My Complication Expires Merch 5, 2002 This Supplemental Agreement No. 1 of Lease Number DACW21-1-97-0120, is also executed by the lessee this 25 day of JULY , 2006. Title:\_ Bess Signed and sealed in the presence of: щр. 5-4-01 Notary Public

## Revised Development Plan for Hartwell Marina

March 13, 2000

#### Year 1

Construct Dock "J" consisting of (15) 50 ft slips and (15) 70 ft slips. \$390,000. (completed)

- Construct new 20 ft wide in water ramp and road for launching boats from the new dry stack building.
- Add 24 uncovered slips to dock "B" \$ 75,000. (completed)

  Expand boat sales showroom to approximately twice the present size \$ 80,000.

Construct new 170 ft x 120 ft building for dry storage, \$ 450,000.

Remodel & Paint existing buildings. \$70,000.

Construct new restroom facility with showers. \$ 90,000.

Construct new asphalt road connecting front and back parking lots. \$ 18,000.

Relocate "G" dock between "H" & "I" docks. (completed)



Relocate gas dock to where "G" dock was located.

Grade new trailer storage area and add gravel.

#### Year 2

Add [12] 14' x 35' covered slips to "A" dock. \$ 45,000.

Construct additional dry stack building approximately 170 ft x 120 ft. \$ 450,000.

Construct Dock "K" consisting of (15) 50 ft slips and (15) 70 ft slips. \$ 390,000.

Add (3) 50' x 18' uncovered slips and (3) 70" x 20" uncovered slips to "J" dock. \$ 35,000.

Remove uncovered slips from "D" dock and add (12) 30' covered slips & (6) 35' covered slips. \$ 75,000.

Remove uncovered slips from "E" dock and add (12) 35' x 16'covered slips. \$100,000.

#### Year 3

Replace courtesy dock. \$ 50,000.

Add "L" dock consisting of (12) 24' x 12' covered slips. \$ 75,000.

Add "M" dock consisting of (12) 35' x 14' covered slips. \$100,000.

#### Year 4

General maintenance projects \$ 100,000

#### Year 5

General maintenance projects \$ 100,000

Const. Cura 3-13-60
Competion Det = 6-1-00
Co

#### DEPARTMENT OF THE ARMY SUPPLEMENTAL AGREEMENT NO. 2

to

# LEASE NO. DACW21-1-97-0120 HARTWELL MARINA AND BOAT SALES, INC. HARTWELL LAKE PROJECT HART COUNTY, GEORGIA

WHEREAS, on August 14, 1997, the Secretary of the Army, acting for and on behalf of the United States of America, as Secretary, did grant Lease No. DACW21-1-97-0120 to Hartwell Marina and Boats Sales, Inc., for commercial concession purposes, for a term of Twenty (20) years, beginning January 1, 1997, and ending December 31, 2016; and

WHEREAS, Supplemental Agreement No. 1, dated August 3, 2000, extended the term of the lease for a term of twenty-five (25) years beginning August 1, 2000, and ending July 31, 2025 and revised Condition No. 5a, Use and Development of the Premises, deleting Exhibit "B" and attaching Exhibit "C"; and

WHEREAS, the parties have agreed to change the rental payments from monthly to semi-annual;

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the parties hereto, Lease No. DACW21-1-97-0120 is hereby amended in the following particulars, but no others, effective upon date of execution by the United States.

Effective January 1, 2014, delete and substitute the first ten lines of paragraph a. of Condition 2. Consideration:

a. The rent due to the United States in consideration of this lease shall be calculated using the Revised Graduated Rental System (RGRS). The total gross receipts for each rental payment period will be multiplied by the applicable percentage rate and the resulting total due paid within twenty-five days to District Commander, US Army Corps of Engineers, Savannah District, 100 West Oglethorpe Avenue, Attention: RE-M, Savannah, Georgia, 31401-3640.

Effective January 1, 2014, delete paragraph 2a. (2) and substitute the following:

(2) The rental payment shall be paid semi-annual in arrears. The rental year will begin on January 1, 2014 and end on December 31, 2014, and each rental year thereafter. Semi-annual payments are due to the above address no later than July 25th and January 25th.

All other terms and conditions of this Lease instrument shall remain unchanged and in full force and affect.

This Supplemental Agreement No. 2 to Lease No. DACW21-1-97-0120 is not subject to Title 10, U.S.C., Section 2662 as amended.

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Army, this 24 day of December, 2013.

Cindy Exturner Saveanab District

Deputy Chief, Real Estate Division Real Estate Contracting Officer

WITNESSES:

HARTWELL MARINA AND BOAT SALES, INC.

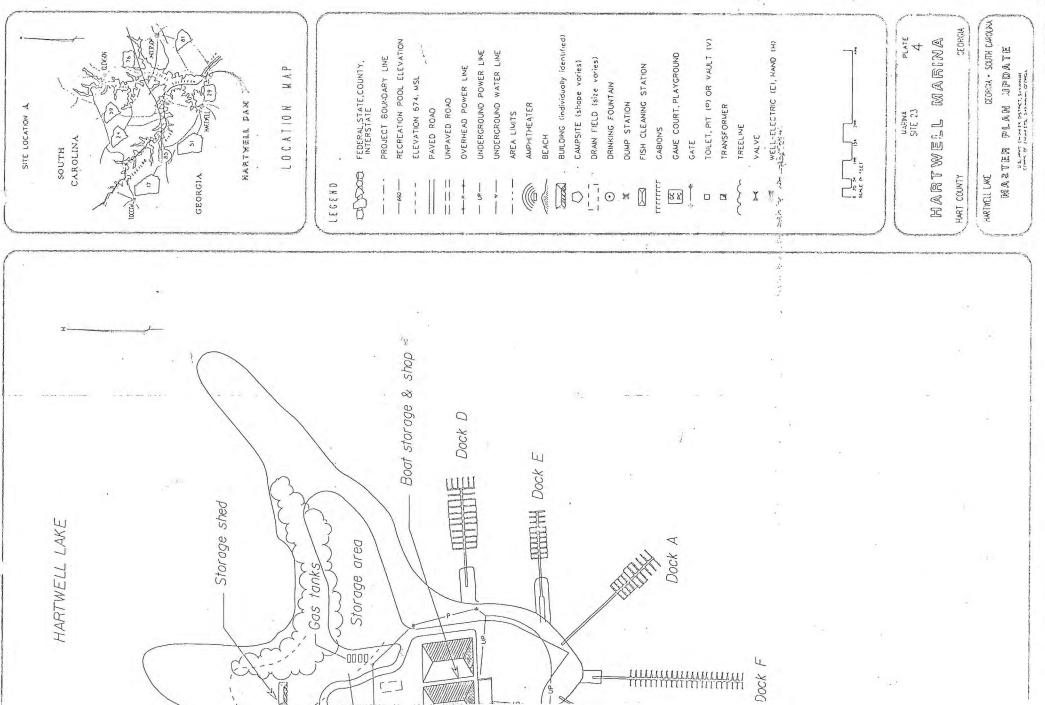
By: Bront /Zh

Title: President

WITNESSES

## CORPORATE CERTIFICATE

I, Brano / Elca , ce (Name)	ortify that I am the <u>frequent</u> of
Hartwell Marina and Boat Sales, Inc., that	(Name, Signator of Lease) who signed the
	ee, was then the President of the corporation. I further
	e scope of powers delegated to this officer by the
governing body of the corporation in execu-	ting said instrument.
	HARTWELL MARINA AND BOAT SALES, INCORPORATED
Date: 17/11/13	De la
(AFFIX CORPORATE SEAL)	



EXPIRIT A



# Development Plan For Hartwell Marina and Boat Sales September 21, 1996

Year 1  1. "C" Dock additional 4 x 40' + 4 x 50' slips	Costs
<ol> <li>"C" Dock additional 4 x 40' + 4 x 50' slips</li> <li>Repair &amp; paint showroom roof - Bldg B</li> </ol>	\$31,000 \$4,500
3. In-side storage additional 8 slips - Bldg A	\$4,800
4. Paving	\$5,000
5. Replace gas dock with pump out	\$38,000
6. Remove and replace fuel storage tanks	\$115,000
of Monte to the reputer and blonds many	0110,000
Year 2	
7. Replace E Dock with H Dock, use	
present uncovered section of E	\$55,000
8. Replace F Dock with I Dock	\$20,000
9. Build new restrooms & showers - Bldg E	\$42,000
10. Building painting - Bldgs A,B,C	\$20,000
Year 3	
11. Refurbish G Dock and later replace with K Dock	\$ 5,000
12. Construct Boat/Trailer storage area, 800 ft fencing	\$ 9,500
13. Install entrance gate & gate house	\$ 3,500
14. Replace forklift	\$60,000
Year 4	
15. Construct repair shop, Bldg F	\$72,000
16. New launch ramp w/parking	\$17,000
10. New launen famp w/parking	Ψ17,000
Year 5	
17. Construct Dock J 60' x50'x16' - 24 slips	\$210,000
18. Add pavilion to rear rest room building - Bldg E	\$27,500
19. Refurbish "A" Dock	\$ 5,000
Year 6	
20. New dry storage - Bldg D, 54 slips	\$127,033
80' x 85' Butler type building	0.00
Year 7	312744
21. Replace F Dock with I Dock	\$48,000
22. Refloat or replace & extend launch Dock	\$12,000
Year 8	
23. Replace G Dock with new K Dock	\$150,000

### **Project Description**

#### Year 1

Project 1. "C" Dock - there has been 4 ec 40' x 16' uncovered and 4 ec 50' x 16' uncovered slips added. The cost was \$31,000,

2. The showroom roof has been repaired for leaks and resurfaced. The cost was \$4,500.

- 3. Additional 8 slips were constructed with an approved engineered plan for the steel framing. The cost was \$4,800.
- 4. Additional paving was finished as part of a yearly paving program to provide completed paving over a five year period. The cost was \$5,000.

5. A new gas dock will be constructed - it will include new pumps and in addition to a larger gas service area, will include six slips. The cost estimated was \$38,000.

6. The three fuel storage tanks presently being used will be removed and a new above ground storage tank will be installed with approved connections to the gas dock. The cost estimated was \$115,000.

#### Year 2

- 7. Disconnect the uncovered slips of "E" Dock and add 16 ec 30' x 12' new covered slips to them at present "E" Dock location, and relocate the present covered slip section of "E" Dock. The cost \$55,000.
- 8. Relocate "F" Dock (see plot) and construct a new dock with 16 ec 10' x 25' uncovered slips and new walkway at present "F" Dock location as part of a 3 phase 48 ec 10' x 25' uncovered slip dock. The cost \$20,000.
- 9. Construct a new restroom "E" building facility with showers. Men' two showers, two commodes, two urinals, two sinks. Women two showers, three commodes, two sinks. The cost \$42,000.
- 10. Repair and resurfaced roof of A and C buildings and paint the exterior of complete A and C building plus showroom. The cost \$20,000.

#### Year 3

- 11. Refurbish "G" Dock replace floatation and exposed wooden flooring, paint steel framing and resurfaced roof. The cost \$19,000.
- 12. Construct Boat/Trailer storage area with seven foot commercial grade cyclone fence with additional three strand barbed wire brackets. The fence will be a 200' square area with a 14 foot double gate entry. The cost \$9,500.
- 13. Install an entrance gate and gate house at property line on right side of North Forest Avenue. The cost \$3,500.
- 14. Purchase a new forklift with 22 ft boat lifting capacity. The cost \$60,000.

#### Year 4

- 15. Construct a repair shop, F building, 100' x 60' x 16' eaves with 1" to 12" roof slope. The cost \$72,000.
- 16. Construct a new launch ramp with parking area. The ramp will be 40 ft wide and 100 ft long reinforced six inches of concrete and a ramp parking area. The cost \$35,000.

Year 5

- 17. Construct a 24 slip Dock J consisting of 8 ec 60' x 16' covered slips, 8 ec 50' x 16' covered slips, 4 ec 60' x 16' uncovered, and 4 ec 50' x 16' uncovered slips north of present "C" Dock with 150 ft x 8 ft walkways. The cost \$210,000.
- 18. Add pavilion to rear of restroom facility, Building E. The cost \$27,500.

19. Refurbish "A" dock. The cost - \$5,000.

Year 6

20. Construct new building "D" for dry rack storage, 80' x 85' Butler building. The cost - \$127,000.

Year 7

- 21. Finish "I" Dock that replaced "F" Dock to 48 slip capacity. The cost \$32,000.
- 22. Refurbish and extend launch dock. The cost \$12,000.

Year 8

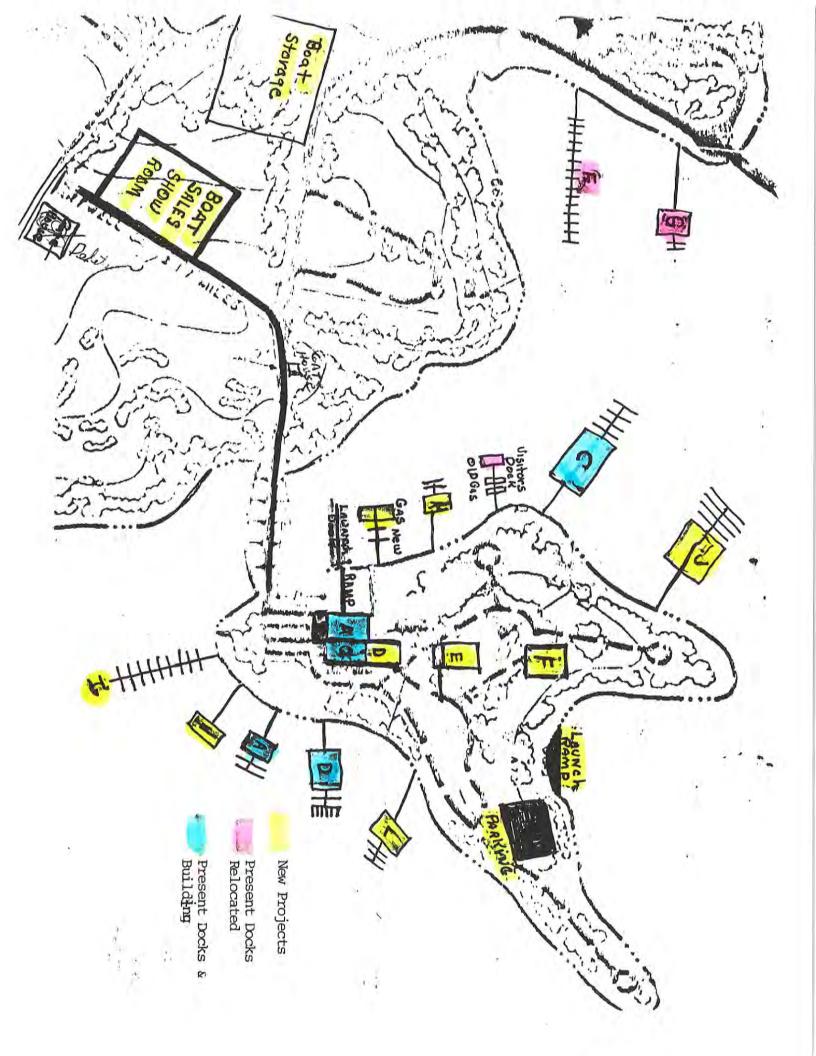
23. Replace "G" Dock with new "K" Dock having 12 ec covered 15' x 30' slips and 4 ec uncovered 15' x 30' slips. The cost - \$150,000.

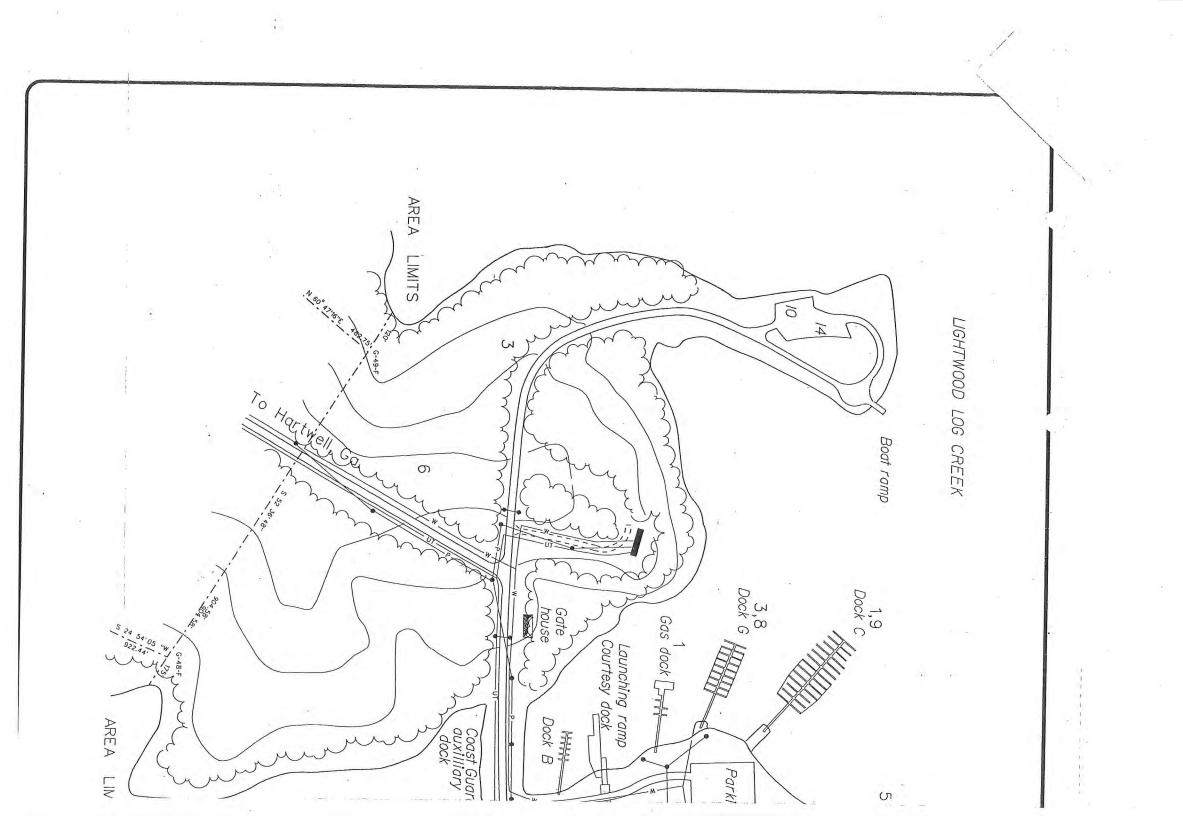
Year 9

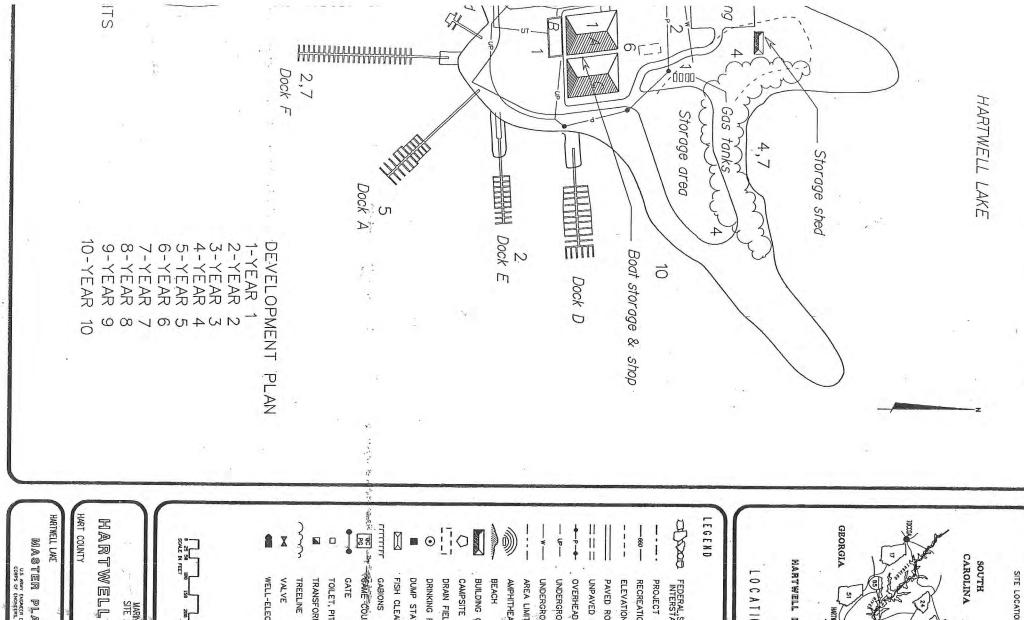
24. Refurbish and refloat "C" Dock. The cost - \$16,000.

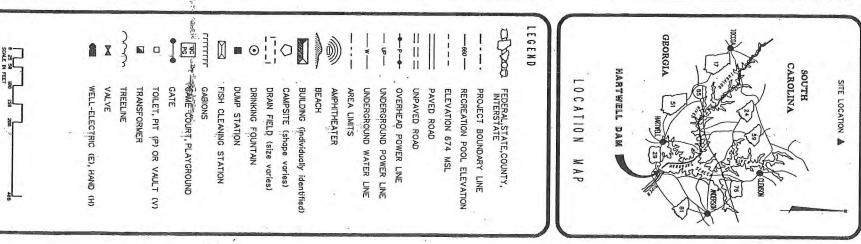
Year 10

25. Adjustment projects. The cost - \$100,000.









MASTER

PLAN UPDATE

MARINA SITE 23

MARINA

#### MEMORANDUM FOR RECORD

SUBJECT: Preliminary Assessment Screening Summary and Risk Assessment

#### Reference:

- a. Preliminary Assessment Screening Records Search, dated 15 Jan 97, performed by Wayne Leatherwood, RE-RM; Encl 1.
- b. MEMORANDUM FOR RECORD which includes Preliminary Assessment Screening Records Search, dated 12 December 96, performed by Erik S. Peterson, OP-H; Encl 2.
- 2. Proposed Real Estate Action: Renewal of Lease No. DA09-133-CIVENG-66-0153, Hartwell Marina and Boat Sales, Inc., Hartwell Project, Hart County, Georgia.

# 3. Findings:

- a. Some soil staining in and around the maintenance/dry stack area was noted, reference attached photographs.
- b. There is an accumulation of "boneyard" waste located behind the maintenance area that includes boat hulls and small quantities of scrap metal. RE-MC should follow up and address the abandoned debris simultaneously with processing this real estate action.
- c. I have reviewed the records search documentation completed by Real Estate Division and Hartwell Project staff. Although the proposed real estate action presents a high risk to human health and the environment according to CESAS guidance, there are no present environmental problems associated with the present marina operation. Continuation of the present operation as a result of this proposed real estate action will not result in increased potential for environmental liability. The record search provided no indication of contamination problems due to the release, storage or disposal of hazardous or toxic materials in the leased site or immediately adjacent

properties. I recommend this action be approved.

2 Encls

VALERIE S. KRENICKY

Park Manager

CF: RE-RM

# PRELIMINARY ASSESSMENT SCREENING RECORD SEARCH HARTWELL MARINA AND BOAT SALES, INC. LEASE NO. DA09-133-CIVENG-66-0153 HARTWELL LAKE PROJECT, HART COUNTY, GEORGIA

- 1. PROPOSED REAL ESTATE ACTION: Renewal of Lease No. DA09-133-CIVENG-66-0153, Hartwell Marina and Boat Sales, Inc., Hart County, Georgia.
- 2. RECORDS SEARCH: A search of Real Estate's Files, Tract F-610, F-614 and F-674 revealed no information regarding hazardous or toxic materials being released, stored, or disposed of on the above tracts.
- 3. RECORDS SEARCH PERFORMED ON: 15 January 1997 by Wayne Leatherwood, Reality Specialist, Management Section, Real Estate Division.

BRUCE A. BRINGMAN

Chief, Management Section

#### MEMORANDUM FOR RECORD

SUBJECT: DA-09-133-CIVENG-63-163, Preliminary Assessment Screening For New Hartwell Marina Lease, Hartwell Project, GA/SC

- Executive Summary: Hartwell Lake was constructed by the Savannah District U.S. Army Corps of Engineers between 1955 and 1963 for the purposes of hydropower, flood control, and flow augmentation for downstream navigation. It now operates for the authorized purposes of hydropower, flood control, municipal and industrial water supply, recreation, water quality, and fisheries and wildlife habitat. In addition to permitting limited private use of the lake's 962 miles of shoreline, the Government leases adjacent land to state and local governments and private organizations to provide for recreation opportunities and support facilities. Hartwell Marina leases land to provide commercial concessions to the public. The lessees requested termination of lease DA-09-133-CIVENG-66-153, as amended, to be replaced with a new lease. They seek to establish longer lease tenure and capitalize on the simplified terms of the new standard lease format. This preliminary assessment screening (PAS) was prepared in accordance with guidance from CESAS-OP, dated 12 March 96. The purpose of this PAS is to document observations of environmental conditions and identify potential environmental liabilities associated with past and present land use of the leased area, prior to granting a new lease.
- 2. <u>Project Location and Description</u>. The proposed action involves approximately 50 acres presently under lease. Roughly twenty acres is utilized for marina operations, leaving approximately 30 acres undeveloped, primarily in planted pines. The lease area is located a short distance from the city limits of Hartwell, Georgia, in Hart County. The area is on a peninsula in close proximity to an adjacent residential subdivision. A state park is approximately 800' away, immediately across a cove.
- 3. <u>Summary of Procedures</u>. The results of this PAS are based upon discussion with regulatory agencies, inquiry

interviews of current property managers, and a physical inspection of the premises.

- a. Regulatory review. We consulted the Georgia EPD, Athens field office, and the Hart County Health Department to review regulated facilities within a quarter mile of the site. This review did not identify issues of significant concern.
- 1). Georgia EPD had registered four underground fuel storage tanks (UST's) on the premises. The tanks consist of three 3,000 gallon tanks, and one 4,000 gallon tank. All presently comply with state and federal regulations.
- b. File search. Reviews of project outgrant files (405-80a) and environmental compliance files (200) revealed no records of reported spills or environmental compliance problems. These files are listed in Appendix A, Review of Records.
- c. Site reconnaissance. Hartwell Marina facilities include seven mooring docks with 187 slips, a fuel dock, a loading dock, a Coast Guard Auxiliary dock, two launching ramps, a sandwich shop, an office, marine repair and boat sales, 110 slip dry stack storage, trailer storage and a caretaker residence. Waste is handled by two septic systems and drainfields. The UST compliance is assured by periodic testing from 13 monitoring wells. Secondary containment is used for all hazardous material and hazardous waste storage. Petroleum, oils and lubricants are appropriately stored, used and disposed. Please see Appendix B, Site Assessment & Interview Checklist.
- d. Inquiry interview. Hartwell Marina has been operated by Ben and Ruth Ann Bee since the late 1980's. Marina improvements are owned by the Bees in association with Paul DeLargy and Walter DiNiro. The marina has been owned and by several people under lease since March, 1966. No past, present or potential site problems were revealed in a December 4, 1996 interview with Mr. Bee. Please see Appendix B, Site Assessment & Interview Checklist.
- e. Aerial photo review. Historical and current aerial photos were reviewed, and revealed no indications of past site contamination.
- 4. Findings And Results of Investigation: None of the conducted reviews indicated contamination or potential environmental liability. Some minor considerations determined by the review include some soil staining in and around the maintenance/dry stack area, and an accumulation

of "boneyard" waste, including a few boat hulls and small quantity of scrap metal behind the maintenance area.

5. Recommendations: Although this site reflects high risk, as defined by CESAS guidance, there are no environmental problems associated with the present marina operation. The present lessees are conscientious, and readily adhere to best management practices and regulatory controls. Continuation of the present operation as a result of this proposed Real Estate action will not result in increased potential for environmental liability. One minor housekeeping improvement might be made through more prompt disposal of scrap material, including boat hulls and other debris.

ERIK S. PETERSEN

Chief Ranger, Land Management

# Appendix A - Review of Records

#### 1. RECORDS SEARCH:

- a. Records checked as part of this search included:
  - 405-80a, Lease DA-09-133-CIVENG-63-153, Amended
  - 200-1a, Solid Waste Management
  - 200-1a, Sewage Spills
  - 200-1a, Water Pollution Complaints
  - 200-1a, Water Quality
  - 200-1c, Disposal/Surplus of Hazardous Materials
  - 200-1c, Disposal of Hazardous Waste
  - 200-1c, Hazardous Materials Handling and Storage
  - 200-1c, SC Annual Hazardous Waste Report
  - 200-1c, Hazardous Waste Sites
  - 200-1c, Pesticide Control Program
  - 200-1c, Annual Pest Control Report
  - 200-1c, Oil Spills
  - 200-1c, Asbestos

This search provided no indication of contamination problems due to release, storage or disposal of hazardous or toxic materials in the leased site or immediately adjacent properties.

- b. The proposed action involves terminating an existing commercial concession lease and granting a new lease to the same operators. I am unaware of any activity occurring on the subject or immediately adjacent properties resulting in contamination.
- 2. RECORDS SEARCH PERFORMED ON: December 12, 1996

3. PERFORMED BY:

Erik S. Petersen

Chief Ranger, Land Management

## Appendix B - Site Assessment Checklist

TRACTS: F610, F674 & F614.

COUNTY: Hart STATE: Georgia

LEASE OPERATORS: Ben & Ruth Ann Bee

LEASEES: Ben & Ruth Ann Bee, Walter Denero and Paul De Largy.

INTERVIEW & FIELD REVIEW: Erik Petersen, Chief Ranger, Land Management

INTERVIEW & FIELD REVIEW DATE: December 4, 1996

#### Observations & Comments

#### LAND USE:

Current Land Use: The area is operated as a full-service marina. It has been since initial development beginning in March, 1966.

Historic land use: Prior to reservoir impoundment and land acquisition, the land was used primarily for agriculture.

Adjacent Land Use - Previous and Current: Land was historically used primarily for agriculture. Currently, adjacent land is developed as a residential subdivision and a state park. No industrial use occurs in the immediate proximity.

UNDERGROUND STORAGE TANKS (UST's): Four underground fuel storage tanks (UST's) are on the premises. The tanks consist of three 3,000 gallon tanks, and one 4,000 gallon tank. Ancillary equipment from these tanks occupy public land and services the fuel dock. Thirteen monitoring wells are used for leak detection. The tanks are registered with the Georgia Environmental Protection Division (EPD) and are presently compliant.

ABOVE GROUND STORAGE TANKS: There are no above ground storage tanks located on the premises.

HAZARDOUS MATERIALS - ON SITE USE AND STORAGE OF PETROLEUM / OILS / LUBRICANTS / SOLVENTS / OTHER CHEMICALS: Oil and gasoline are stored for retail sales and boat service.

Small quantities of solvents and other hazardous materials are used in marine repair service. There is no evidence of other hazardous materials used or stored on public lands associated with this lease.

HAZARDOUS WASTES - DISPOSAL OF POTENTIALLY HAZARDOUS MATERIALS: There is no evidence of hazardous waste disposal on site.

CHEMICAL SPILLS: No evidence suggested that chemical spills occurred on or adjacent to land associated with this leased area.

PESTICIDE MIXING / USE / OR DISPOSAL: None.

WOOD TREATMENT FACILITIES: None.

DUMPSITES / JUNKYARDS / LANDFILLS: One 5,000 square foot dumpsite is located on public land behind the dry stack/marine repair facility. Debris includes several cubic yards of waste concrete, a few steel and fiberglass boat hulls, and a few hundred pounds of scrap metal.

AIR EMISSION SOURCES: None.

WASTEWATER TREATMENT FACILITIES / PONDS / DISCHARGES: None.

PIPELINES: No pipelines are known to traverse this area.

TRANSMISSION LINES / SUBSTATIONS: No major transmission lines occupy the leased area.

POLYCHLORINATED BIPHENYL (PCB's) / TRANSFORMERS / COMPRESSORS / HYDRAULIC SYSTEMS DISPOSAL: No transformers containing PCB contaminated oil.

WELLS / CISTERNS: Two wells are used for water supply on the premises.

UNDERGROUND INJECTION WELLS: None

ASBESTOS: None.

LEAD PAINT: None.

DRUMS OR OTHER CONTAINERS: None.

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#### SUBLEASE AGREEMENT

#### HARTWELL MARINA & BOAT SALES, INC LEASE NO. DACW21-1-97-0120

#### and

#### Jeffery L Adams DBA - The Boat House

This sublease agreement is made and entered into by and between

Hartwell Marina & Boats Sales, Inc. 149 Hartwell Marina Road Hartwell GA 30643 LEASE NO. DACW21-1-97-0120

(hereinafter referred to as "LANDLORD") and

Jeffery L Adams 1201 Maxwell Mill Road Dewy Rose, GA 30634 DBA - The Boat House

(hereinafter referred to as "TENANT").

In consideration of the mutual covenants and agreements set forth in this SUBLEASE and for other good and valuable consideration, the receipt of which is hereby acknowledged, LANDLORD does hereby sublease to TENANT and TENANT does hereby sublease from LANDLORD the premises generally described as follows:

The right to sell food and drinks at Hartwell Marina at a location (hereafter referred to as the "PREMISES") determined by LANDLORD. Menu pricing, hours of operation and items to be sold, to be approved by LANDLORD.

- 1. TERM: The term of this SUBLEASE shall be five [5] years and shall renew automatically, unless sooner terminated as provided for in this SUBLEASE and in no case shall the SUBLEASE exceed the term of the Hartwell Marina Prime Lease DACW21-1-97-0120 (hereinafter referred to as "LEASE").
- 2. RENT: TENANT agrees to pay to the LANDLORD rental payments in the amount of 5% of total gross receipts. Total gross receipts earned by TENANT upon the PREMISES will be reported to the LANDLORD on a monthly basis by the 2nd day of each month. TENANT agrees to assume and pay to LANDLORD any other fees or costs assessed by the Government.
- 3. SUBLEASE: TENANT accepts this SUBLEASE subject to all of the terms and conditions of a certain Lease Agreement, Supplemental Agreement, Extension or Modification of the Lease for the property

described in the U.S. Army Corps of Engineers Lease No. DACW21-1-97-0120, under which the LANDLORD holds the demised premises as Lessee. TENANT is hereby charged at all times with full knowledge of all the limitations and requirements of above said lease, and the necessity for correction of deficiencies, and with compliance with reasonable requests by the Government. TENANT covenants that it will do no act or thing which would constitute a violation of said Lease or any renewal, modification, or subsequent Lease the LANDLORD may have with the Government.

- 4. USE OF PREMISES: TENANT shall use the PREMISIS to conduct business approved by LANDLORD and for no other purpose without approval of LANDLORD. TENANT shall not commit any waste nor create any nuisance on the PREMISES and shall comply with all rules and regulations as established by the LANDLORD. TENANT shall comply with all applicable rules and regulations of governmental agencies and health department concerning the TENANT'S use of the PREMISES. Hours of operation will be Friday Sunday 11am 8 pm, with seasonal adjustments and other times as mutually agreed to by LANDLORD and TENANT.
- 5. MAINTENANCE: TENANT shall at its sole expense maintain its equipment, structure and surrounding areas in a manner consistent with the wishes of LANDLORD and shall leave the PREMISES in essentially the same condition as it was when delivered to the TENANT by the LANDLORD. TENANT will perform no construction or demolition without approval of LANDLORD. TENANT shall pay all utility charges for electric, water, heat, gas, and telephone service used on the PREMISES directly to the appropriate utility company/corporation.
- 6. INSURANCE: TENANT shall maintain and pay all property and liability insurance and any other insurance necessary and prudent for normal operation of the TENANT'S business, including but not limited to worker's compensation insurance. TENANT shall furnish the LANDLORD with a copy of a Certificate of Insurance, with LANDLORD furnishing a copy to U.S. Army Corps of Engineers, Real Estate Division (ATTN: RE-RM), PO Box 889, Savannah, Georgia 31402 naming the LANDLORD as an additional named insured and having a policy limit of \$1,000,000.00 per claim and aggregate of \$1,000,000.00.
- 7. INDEMNITY OF LANDLORD AND GOVERNMENT: LANDLORD and GOVERNMENT shall not be liable to TENANT or to TENANT'S employees, agents, officers, directors, invitees, customers and/or visitors for any injury to persons or damage to property on or about the Premises caused by the negligence or misconduct of the TENANT or its employees, customers, invitees, or any other person arising out of the use of the PREMISES by the TENANT and agrees to indemnify and hold the LANDLORD and GOVERNMENT harmless from any claims or damages arising from such injury or damage.

- 8. **DEFAULT**: If TFNANT shall allow any payment obligation under this SUBLEASE to be in arrears or be in default under any of the other terms or conditions set forth in this SUBLEASE for a period of more than thirty (30) days, LANDLORD may without further notice to the TENANT terminate this SUBLEASE.
- ASSIGNMENT: TENANT may not assign, sublet, transfer, or in any manner encumber this SUBLEASE
  without the prior written approval of the LANDLORD and written consent by the Government.
- 10. **NOTICES**: All notices required hereunder must be given by certified or registered mail addressed to the proper party at the following addresses:

LANDLORD:

Hartwell Marina & Boat Sales, Inc.

149 Hartwell Marina Road Hartwell, GA 30643 Attention: Brant Tew

TENANT:

Jeffery L Adams

DBA - The Boat House 1201 Maxwell Mill Road Dewy Rose, GA 30634

11. ENTIRE AGREEMENT: This SUBLEASE represents the entire agreement of the parties and no modification, amendment, or alteration of the terms of this agreement shall be binding unless in writing and duly executed by all the parties.

This SUBLEASE AGREEMENT is hereby executed this

1st Day of April 2019.

TENANT:

Jeff Adams

The Boat House

LANDLORD:

By:

Bv

\_\_\_\_

Brant Tew

Hartwell Marina

This SUBLEASE AGREEMENT is hereby consented to this

day of

20/5

and not a party hereto.

JNITED STATES OF AMERICA

Title:

Robert M. Jewell Savannah District

Deputy Chief, Real Estate Division

Real Estate Contracting Officer

# Development Plan For Hartwell Marina and Boat Sales September 21, 1996

Year 1  1. "C" Dock additional 4 x 40' + 4 x 50' slips	Costs
<ol> <li>"C" Dock additional 4 x 40' + 4 x 50' slips</li> <li>Repair &amp; paint showroom roof - Bldg B</li> </ol>	\$31,000 \$4,500
3. In-side storage additional 8 slips - Bldg A	\$4,800
4. Paving	\$5,000
5. Replace gas dock with pump out	\$38,000
6. Remove and replace fuel storage tanks	\$115,000
of Monte to the reputer and blonds many	0110,000
Year 2	
7. Replace E Dock with H Dock, use	
present uncovered section of E	\$55,000
8. Replace F Dock with I Dock	\$20,000
9. Build new restrooms & showers - Bldg E	\$42,000
10. Building painting - Bldgs A,B,C	\$20,000
Year 3	
11. Refurbish G Dock and later replace with K Dock	\$ 5,000
12. Construct Boat/Trailer storage area, 800 ft fencing	\$ 9,500
13. Install entrance gate & gate house	\$ 3,500
14. Replace forklift	\$60,000
Year 4	
15. Construct repair shop, Bldg F	\$72,000
16. New launch ramp w/parking	\$17,000
10. New launen famp w/parking	Ψ17,000
Year 5	
17. Construct Dock J 60' x50'x16' - 24 slips	\$210,000
18. Add pavilion to rear rest room building - Bldg E	\$27,500
19. Refurbish "A" Dock	\$ 5,000
Year 6	
20. New dry storage - Bldg D, 54 slips	\$127,033
80' x 85' Butler type building	0.000
Year 7	312744
21. Replace F Dock with I Dock	\$48,000
22. Refloat or replace & extend launch Dock	\$12,000
Year 8	
23. Replace G Dock with new K Dock	\$150,000

# **Project Description**

# Year 1

Project 1. "C" Dock - there has been 4 ec 40' x 16' uncovered and 4 ec 50' x 16' uncovered slips added. The cost was \$31,000,

2. The showroom roof has been repaired for leaks and resurfaced. The cost was \$4,500.

- 3. Additional 8 slips were constructed with an approved engineered plan for the steel framing. The cost was \$4,800.
- 4. Additional paving was finished as part of a yearly paving program to provide completed paving over a five year period. The cost was \$5,000.

5. A new gas dock will be constructed - it will include new pumps and in addition to a larger gas service area, will include six slips. The cost estimated was \$38,000.

6. The three fuel storage tanks presently being used will be removed and a new above ground storage tank will be installed with approved connections to the gas dock. The cost estimated was \$115,000.

# Year 2

- 7. Disconnect the uncovered slips of "E" Dock and add 16 ec 30' x 12' new covered slips to them at present "E" Dock location, and relocate the present covered slip section of "E" Dock. The cost \$55,000.
- 8. Relocate "F" Dock (see plot) and construct a new dock with 16 ec 10' x 25' uncovered slips and new walkway at present "F" Dock location as part of a 3 phase 48 ec 10' x 25' uncovered slip dock. The cost \$20,000.
- 9. Construct a new restroom "E" building facility with showers. Men' two showers, two commodes, two urinals, two sinks. Women two showers, three commodes, two sinks. The cost \$42,000.
- 10. Repair and resurfaced roof of A and C buildings and paint the exterior of complete A and C building plus showroom. The cost \$20,000.

# Year 3

- 11. Refurbish "G" Dock replace floatation and exposed wooden flooring, paint steel framing and resurfaced roof. The cost \$19,000.
- 12. Construct Boat/Trailer storage area with seven foot commercial grade cyclone fence with additional three strand barbed wire brackets. The fence will be a 200' square area with a 14 foot double gate entry. The cost \$9,500.
- 13. Install an entrance gate and gate house at property line on right side of North Forest Avenue. The cost \$3,500.
- 14. Purchase a new forklift with 22 ft boat lifting capacity. The cost \$60,000.

## Year 4

- 15. Construct a repair shop, F building, 100' x 60' x 16' eaves with 1" to 12" roof slope. The cost \$72,000.
- 16. Construct a new launch ramp with parking area. The ramp will be 40 ft wide and 100 ft long reinforced six inches of concrete and a ramp parking area. The cost \$35,000.

Year 5

- 17. Construct a 24 slip Dock J consisting of 8 ec 60' x 16' covered slips, 8 ec 50' x 16' covered slips, 4 ec 60' x 16' uncovered, and 4 ec 50' x 16' uncovered slips north of present "C" Dock with 150 ft x 8 ft walkways. The cost \$210,000.
- 18. Add pavilion to rear of restroom facility, Building E. The cost \$27,500.

19. Refurbish "A" dock. The cost - \$5,000.

Year 6

20. Construct new building "D" for dry rack storage, 80' x 85' Butler building. The cost - \$127,000.

Year 7

- 21. Finish "I" Dock that replaced "F" Dock to 48 slip capacity. The cost \$32,000.
- 22. Refurbish and extend launch dock. The cost \$12,000.

Year 8

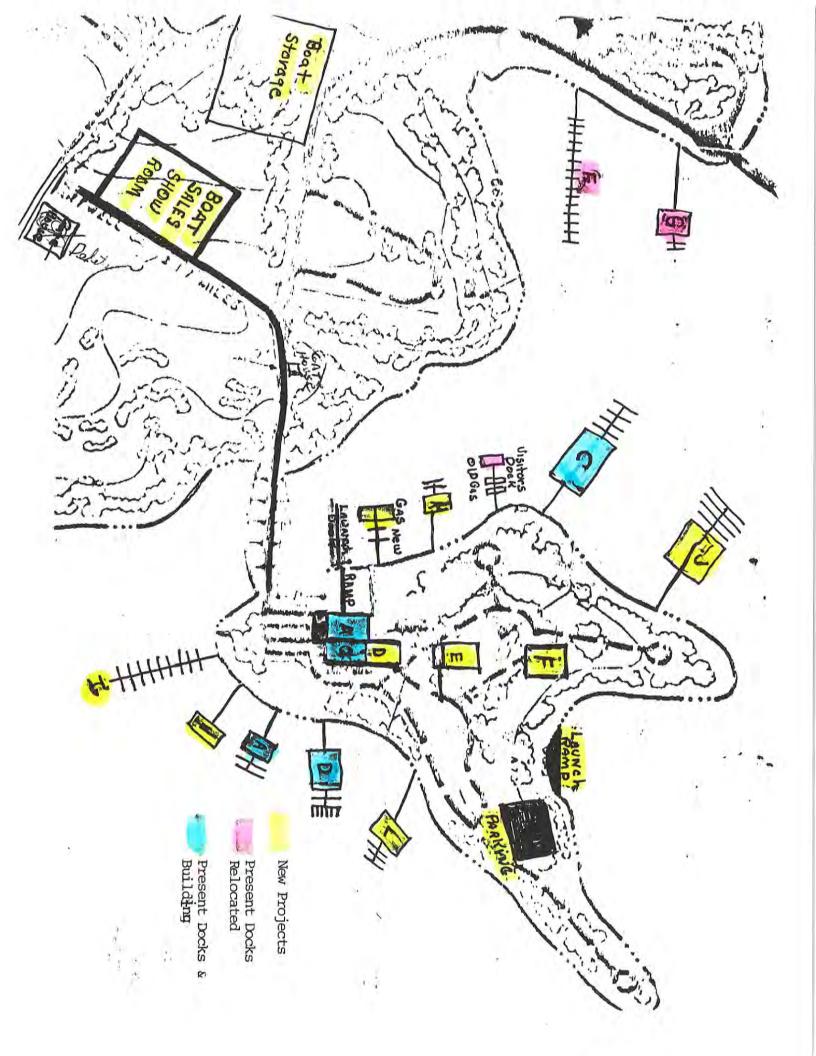
23. Replace "G" Dock with new "K" Dock having 12 ec covered 15' x 30' slips and 4 ec uncovered 15' x 30' slips. The cost - \$150,000.

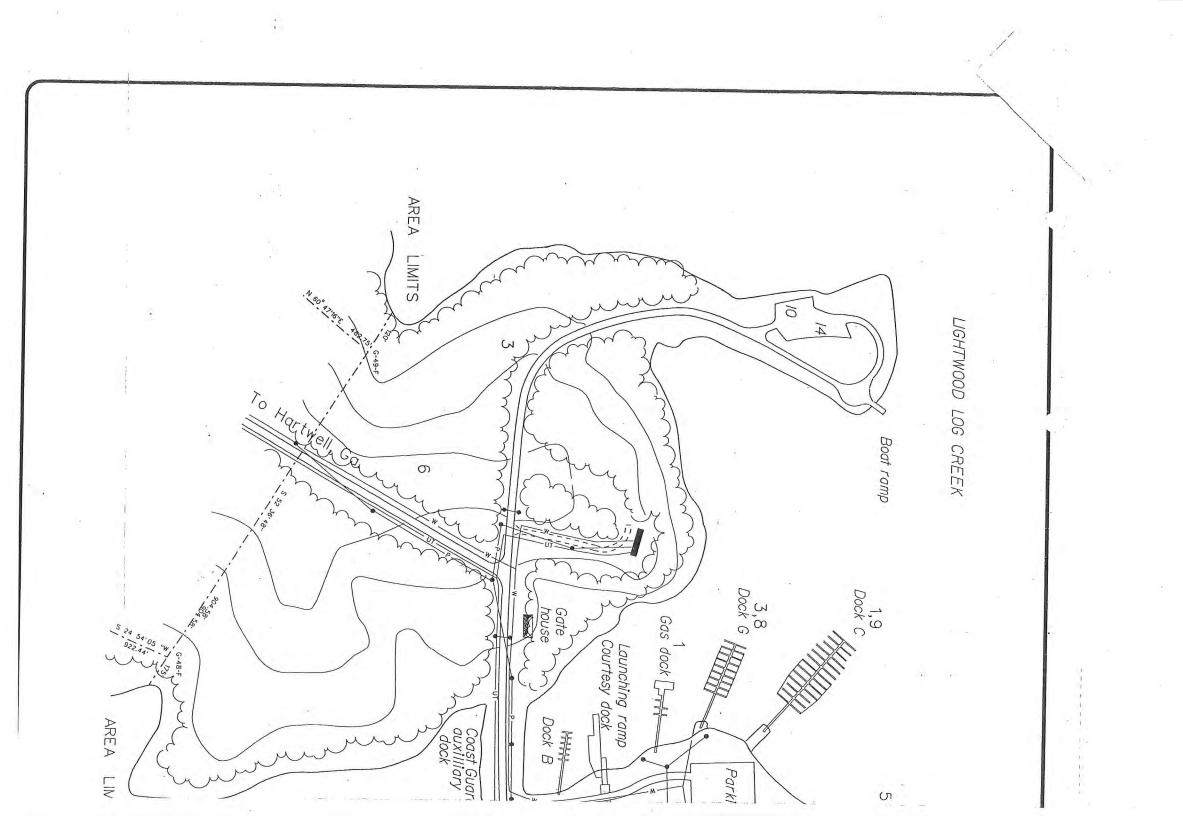
Year 9

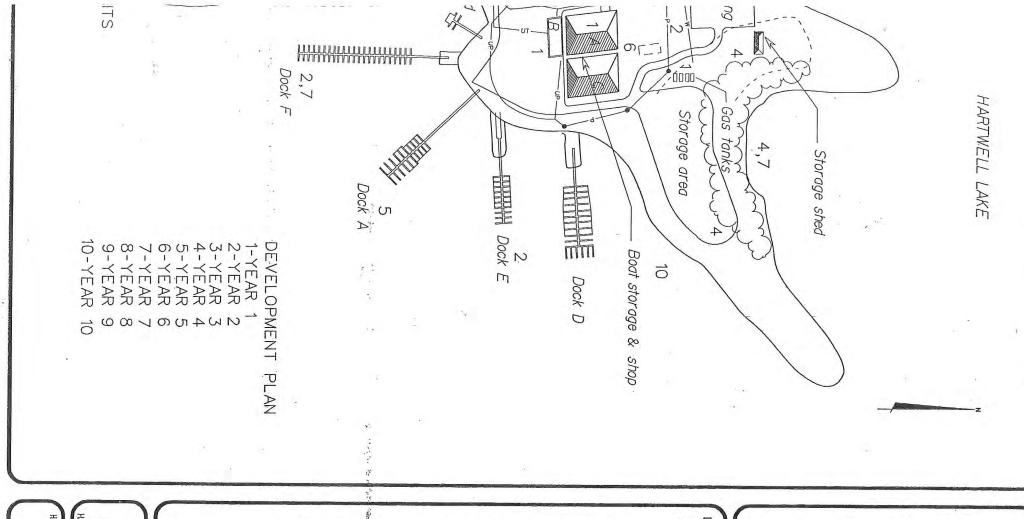
24. Refurbish and refloat "C" Dock. The cost - \$16,000.

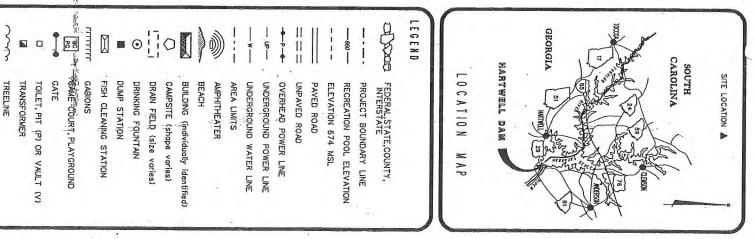
Year 10

25. Adjustment projects. The cost - \$100,000.









HARTWELL MARINA SITE 23 MARINA

VALVE

MASTER PLAN UPDATE