ORDINANCE NUMBER 2891

AN ORDINANCE AUTHORIZING THE LEASE OF REAL PROPERTY OWNED BY THE CITY OF SUMTER AT 201 SOUTH HARVIN STREET

WHEREAS,	the City of Sumter is the owner of real property located at 201 South Harvin Street in
	the City and identified by Tax Map Number 250-01-03-006 (the "Property"); and

- WHEREAS, United Infrastructure Group, Inc., the Construction Engineer for the South Carolina Department of Transportation bridge replacement project on Manning Avenue, has requested that the City lease the Property to it for its use as a lay down area for equipment and storage of materials during the duration of the project; and
- whereas, the City is willing to accommodate this request to assist with and facilitate the bridge replacement project as a benefit to the citizens, residents, businesses, and travelers within the City; and
- WHEREAS, S.C. Code section 5-7-260(6) and City Code section 2-64(a)(8) require that the City act by ordinance to lease any lands of the City,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUMTER, SOUTH CAROLINA, AT ITS REGULAR MEETING DULY ASSEMBLED AND BY THE AUTHORITY THEREOF THAT:

- 1. The City Council approves the lease of the property located at 201 South Harvin Street in the City and identified by Tax Map Number 250-01-03-006, for the uses and benefit described above, by way of a Lease Agreement with United Infrastructure Group, Inc., in the form attached or in substantially similar final form.
- 2. The City Manager is authorized to execute and implement the Lease Agreement on behalf of the City.

This Ordinance shall become effective immediately upon adoption on Second Reading.

ADOPTED IN COUNCIL ASSEMBLED THIS 7^{TH} DAY OF OCTOBER, 2025.

First Reading: September 16, 2025 Final Reading: October 7, 2025

CITY OF SUMTER, SOUTH CAROLINA

David P. Merchant, Mayor	
Calvin K. Hastie, Sr., Councilman	
Gifford M. Shaw, Councilman	
Rebecca Lynn Kennedy, Councilwoman	

PROPERTY LEASE AGREEMENT

This Property Lease Agreement ("Agreement") is made and entered into this October 8, 2025 ("Effective Date") by and between City of Sumter ("Owner") and United Infrastructure Group, Inc., a South Carolina Corporation ("Company") for Parcel 250-01-03-006 with address of 201 South Harvin Street in the City and owned by the City of Sumter.

Owner desires to lease certain property to Company and Company desires to lease certain property from Owner as approximately shown in Exhibit A attached hereto ("Property"), so in consideration of the mutual covenants contained herein, Company and Owner hereby agree as follows:

- 1. <u>Term of Agreement</u>. The duration of this Agreement, unless terminated sooner per Article 18 or by mutual agreement of Company and Owner, shall begin on October 8, 2025, and end on September 7, 2027 ("Term"), a 24-month Term.
- 2. <u>Project</u>. Replacement of S-152 Over CSX RR & S-55 Over Shot Pouch near Sumter, SC for the SCDOT.
- 3. <u>Services by Owner</u>. Owner agrees to provide access to and use of the Property by Company for the Project during the Term for the Purpose and Permitted Uses stated herein.
- 4. <u>Purpose by Company</u>. Company agrees to use Property exclusively for the purpose of parking equipment and storing materials during the Term for construction of the Project ("Purpose").
- 5. <u>Fees.</u> Company shall pay Owner seven hundred and fifty dollars (\$750) per month within 15 days of the first day of each month during the Term of this Agreement.
- 6. Special Provisions; Permitted Use; Prohibited Activities. Company agrees to use the Property exclusively for the Purpose stated above and for no other purpose without Owner's prior written consent. Company agrees to: (a) clean all debris deposited by Company from Property prior to end of Term of this Agreement and to the satisfaction of Owner, (b) maintain the Property throughout Term by mowing and keeping Property free of trash, debris, and vegetative overgrowth. (c) conduct a final walkthrough of Property with Owner's representative, and (d) remain courteous and respectful of other properties neighboring or near the Property for the Term of this Agreement, including with regard to reduction of noise and dust, and with operations during daylight hours only. Company shall not (a) conduct any manufacturing or retail operations on the property, (b) install permanent structures, (c) allow overnight occupancy, or (d) store hazardous substances except in full compliance with Applicable Laws (defined below).
- 7. <u>Compliance with Laws.</u> Company, at its sole cost, shall comply with all federal, state, and local statutes, ordinances, regulations, permits, and orders (collectively, "Applicable Laws") relating to Company's use and occupancy of the Property, including those governing environmental protection, chemical storage, stormwater management, and workplace safety. Company shall obtain all licenses, permits, and approvals required for its use of the Property.
- 8. <u>Insurance</u>. For the Term of this Agreement, Company shall obtain and maintain insurance coverage specified below and shall submit certificates of insurance of same to Owner. Such insurance shall be from the insurance company or companies that maintain a minimum A.M. Best & Company A-rating and are authorized to transact business in the State in which the Project is located. Each policy shall name Owner and other affiliated or associated parties as additional insureds, but only with respect to liability arising out of the activities of Company.

Commercial General Liability Insurance with limits of liability not less than:

\$ 2,000,000 General Aggregate Limit Per Project

\$ 2,000,000 Products/Completed Operations Aggregate Limit

\$ 1,000,000 Personal & Advertising Injury Limit

\$ 1,000,000 Each Occurrence Limit

\$ 100,000 Fire Damage Limit (Any One Fire)

\$ 10,000 Medical Expense Limit (Any One Person)

\$ 15,000,000 Umbrella Limit (Excess Liability)

Commercial Automobile Liability Insurance with limits of liability not less than:

\$ 1,000,000 Each Accident (Combined Single Limit for bodily injury and property damage)

\$ 5,000,000 Umbrella (Excess Liability)

Worker's Compensation Insurance with statutory limits in accordance with the laws of the State where the Project is located (Coverage A) and Employers Liability (Coverage B) with limits not less than:

\$ 1,000,000 Each Accident (Bodily Injury by Accident) \$ 1,000,000 Each Employee (Bodily Injury by Disease) \$ 1,000,000 Policy Limit (Bodily Injury by Disease)

Pollution Liability Insurance covering claims arising out of the actual, alleged or threatened release, discharge, seepage, migration or use of pollutants or hazardous materials, transportation of pollutants or hazardous materials with limits of liability not less than \$1,000,000 Each Claim and \$2,000,000 Aggregate.

- 9. <u>Indemnity</u>. Company agrees to indemnify and defend Owner, and its employees, officials, and agents, against, and hold Owner, and its employees, officials, and agents, harmless from, all claims, demands, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorney's fees, arising out of, connected with, or resulting from this Agreement without limitation.
- 10. <u>Conditions of Property; Alterations.</u> Company accepts the Property "As Is, Where Is, With All Faults." Company shall make no alterations, improvements, or utility connections without Owner's prior written consent, which consent may be withheld in Owner's sole discretion. Any approved improvements shall become Owner's property upon installation unless Owner elects otherwise.
- 11. <u>Maintenance; Security, Restoration.</u> Company shall maintain the property in a clean, orderly, and secure condition, and erect any fencing or signage reasonably necessary to safeguard the Property. Within fifteen (15) days after expiration of the Term or earlier termination as provided in this Agreement, Company shall, to the reasonable satisfaction of Owner, (a) remove all equipment, materials, and debris; (b) restore any disturbed soils or surface conditions to substantially the same condition as of the beginning of the Term; and (c) repair any damage to the Property or adjacent property caused by Company.
- 12. <u>Environmental Matters.</u> Company shall not release, discharge, or dispose of any Hazardous Materials (defined below) on, under, or about the Property. "Hazardous Materials" include any substance regulated under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, or any similar Applicable Laws. In the event of any spill, release, or threatened release caused by Company or its agents or by Project contractors or subcontractors using the Property, Owner shall immediately notify Owner and all governmental authorities, promptly take all actions required by Applicable Laws, and remediate the condition to Owner's reasonable satisfaction.
- 13. Access; Inspection. Owner reserves the right to enter the Property at any reasonable time, upon at least twenty-four (24) hours' notice (except in emergencies, when no notice shall be required), to inspect the Property, monitor Company's compliance with this Agreement, or perform any work that Owner deems necessary to protect its interest.
- 14. <u>Assignment; Subletting.</u> Company shall not assign, sublease, mortgage, or otherwise transfer any interest in this Agreement or the Property without Owner's prior written consent, which may be withheld in Owner's sole discretion.

- 15. <u>Limitation of Liability</u>. UNDER NO CIRCUMSTANCES SHALL OWNER BE LIABLE TO COMPANY FOR LOST PROFITS OR CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES. OWNER'S LIABILITY FOR ANY CLAIM ARISING UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF RENT ACTUALLY PAID BY COMPANY DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO SUCH CLAIM.
- 16. <u>Governing Law</u>. This Agreement shall be governed by, and construed in accordance with, the laws of the State in which the Project is located without reference to principles of conflict of laws.
- 17. <u>Termination of Agreement</u>. Company may terminate this Agreement at any time during the Term when the Property is longer needed by Company. Owner may terminate this Agreement, on ten (10) days' written notice (five (5) days' notice for monetary defaults) if Company fails to cure within such period, for Company's failure to pay rent when due, or when Company violates any provision of this Agreement, becomes insolvent, or no longer operates as Construction Engineer for the Project.
- 18. <u>Notices</u>. All notices and other communications under this Agreement shall be in writing and shall be given by e-mail with a read receipt requested and receipt of such e-mail shall be acknowledged by recipient with an e-mail; or hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier to Company at 5562 Pendergrass Blvd, Great Falls, SC 29055.
- 19. <u>Entire Agreement</u>. This Agreement contains the entire agreement of Company and Owner, and supersedes all prior agreements, written or oral, between them relating to the subject matter hereof, and shall not be amended, altered, or changed except by a written agreement signed by Company and Owner.

COMPANY: United Infrastructure Group, Inc.
By:
Print Name: Adam A. Welch
Title: Construction Operations Manager
OWNER: City of Sumter
Ву:
Print Name: Deron McCormick

Title: City Manager, City of Sumter, SC

EXHIBIT A – PROPERTY

