After recording, please return to: Locke Lord, LLP Execution Copy As Agreed to by BSFD Council on June 22, 2016

2800 Financial Plaza Providence, RI 02903-2499 Attention: Stephen R. Ucci, Esq.

## SANITARY SEWER LINE EASEMENT AGREEMENT

SANITARY SEWER LINE EASEMENT AGREEMENT (this "Agreement") is made and entered into as of the 27 day of \_\_\_\_\_\_\_, 2016 by and between Bonnet Shores Fire District, a fire district chartered and existing under Rhode Island law and having an address of 130 Bonnet Point Road, Narragansett, Rhode Island 02882 (the "Grantor"), and Bonnet Shores Beach Club Condominium Association, a Rhode Island non-profit corporation and having an address of 175 Bonnet Point Road, Narragansett, Rhode Island 02882 (the "Grantee" and/or interchangeably referred to as the "Beach Club").

#### WITNESSETH:

WHEREAS, the Grantor was created by the General Laws of the State of Rhode Island and has been asked by Grantee to grant an easement in a portion of that certain roadway located in the Town of Narragansett known as Bonnet Point Road (such portion of Bonnet Point Road being hereinafter referred to as the "Causeway");

WHEREAS, the Grantee is the association that represents all of the unit owners of the Bonnet Shores Beach Club Condominium, a condominium declared pursuant to that certain Declaration of Condominium dated January 26, 1988, and recorded in the Land Evidence Records of the Town of Narragansett at Book 215 at Page 169, as amended (the "Condominium" or the "Bonnet Shores Beach Club Condominium"), which Condominium affects certain real property and improvements as currently described in the aforesaid condominium declaration (the "Benefited Land" or "Grantee's Property"), and which abuts Bonnet Point Road;

WHEREAS, the Grantee desires to construct, operate and maintain within a portion of the Causeway a force main sewer line that will provide for the conveyance and disposal of the sanitary sewage generated at the Bonnet Shores Beach Club to the Town of Narragansett sanitary sewer pumping station located at the intersection of Bonnet Point Road and Allagash Trail in Narragansett; and

**WHEREAS**, Grantee has requested, and Grantor has agreed, to convey to Grantee a non-exclusive, easement for a sanitary sewer line burdening the Causeway for the benefit of Grantee's Property;

WHEREAS, the easement shall be solely for the benefit of the Grantee's Property and shall inure to the benefit of Grantee's successors and assigns as provided for herein;

WHEREAS, the easement shall be utilized by the Grantee in conformance with this grant and the Grantee shall indemnify and hold harmless the Grantor as set forth herein:

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**WHEREAS**, the easement is granted in consideration of and the receipt of terms and conditions from the Grantee provided to the Grantor, who acknowledges receipt of the same, pursuant to this Agreement.

**WHEREAS**, the Grantor agrees to provide to the Grantee an easement within a portion of Bonnet Point Road for such sewer line in accordance with and subject to the terms and conditions set forth herein.

**NOW, THEREFORE**, for good and valuable consideration given, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. Grant of Easement. Subject to Grantee's receipt of any and all state and local approvals necessary or appropriate for the construction, installation and operation of the Sanitary Sewer Line (herein defined), the Grantor does hereby grant to the Grantee a non-exclusive easement (the "Easement") underneath that portion of the Causeway as shown on the drawing attached hereto as Exhibit A (the "Easement Area") to construct, install, maintain, repair, remove, replace, use and operate one (1) force main sanitary sewer line (the "Sanitary Sewer <u>Line</u>") solely for the purpose of connecting (and transmitting sanitary sewerage from) the Bonnet Shores Beach Club Condominium seasonal beach club to the Town of Narragansett sanitary sewer pumping station located at the intersection of Bonnet Point Road and Allagash Trail, all at the sole cost and expense of Grantee, and all in accordance with the terms and provisions of this Agreement, and for no other use and for no other purpose. All lines, fixtures, equipment and apparatus so installed in the Easement Area (collectively, the "Sewer Fixtures") shall, after installation, remain the sole property and responsibility of the Grantee and Grantor shall have no responsibility or liability whatsoever with respect to the Sewer Fixtures. The Sanitary Sewer Line and Sewer Fixtures are hereinafter collectively referred to as the "Sanitary Sewer Line". It is understood and agreed that Grantor shall not be liable for any inconvenience or interruption or other consequences resulting from any damage to the Sanitary Sewer Line, howsoever caused.
- 2. <u>Temporary Easement</u>. The Easement shall include a temporary construction easement, as provided for herein, allowing ingress and egress to and from the Easement Area as reasonably necessary for the installation, maintenance, repair and removal of the Sanitary Sewer Line provided that none of Grantee's aforesaid activities on the Causeway shall interfere with Grantor's (and all others entitled to the use thereof) use of Bonnet Point Road, the Causeway, or the Easement Area and nothing herein shall allow Grantee to relocate any Sanitary Sewer Line to any area outside of the Easement Area.

If the surface of Bonnet Point Road or any portion thereof, or any improvements thereon, shall be disturbed by any activities performed by or on behalf of Grantee in connection with the Easement, said surface and improvements shall be promptly restored by Grantee to the condition and standards required by the Town of Narragansett, at Grantee's sole cost and expense. Immediately following the completion of work by or on behalf of Grantee, Grantee shall remove from Bonnet Point Road, including the Easement Area, all equipment, materials and debris resulting from or used in connection with such work.

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#### 3. Restrictions on Scope of Easement.

The easement granted by Grantor in Section 1 herein, is made expressly subject to the condition that in no event will the Sanitary Sewer Line be utilized for any purpose other than for the transmission of sanitary sewage and non-hazardous wastewater generated by the Bonnet Shores Beach Club Condominium, operating as a seasonal beach club. As used herein, "seasonal beach club use" shall mean a private club that is open to its members and guests from May to October, and operated in a manner consistent with the current use; provided, however, that the Grantee is not limited from expanding services to benefit its members and owners consistent with its current use, as a seasonal beach club.

In addition, this Easement is expressly made subject to the following covenants and conditions, which, if violated shall render the rights of Grantee hereunder null and void:

- (a) The Benefited Land may only be used as a seasonal beach club. Grantee agrees that this Easement is an easement in gross and that Grantee's rights hereunder shall cease and be of no further force or effect in the event that the Benefited Land is used for any use other than a seasonal beach club. The Sanitary Sewer Line and Easement may only serve the Benefited Land and no other property may utilize or burden the Easement or the Easement Area, except as expressly set forth in Section 10(c) hereof.
- (b) The Sanitary Sewer Line and Grantee's Work must be built and performed in strict accordance with the approved construction plans from the State and local regulatory agencies which will approve such plans ("Plans"). The approved Plans shall be incorporated herein by reference as identified on <a href="Exhibit B">Exhibit B</a>, attached hereto and incorporated herein.
- 4. <u>Construction on Easement Area</u>. Grantee will perform (or cause to be performed) all construction in a workmanlike manner in accordance with the Plans, and all applicable laws, statutes, ordinances and codes and all permits and approvals therefor and in such manner so as to minimize any interference with the use and enjoyment of Bonnet Point Road by Grantor (and all others entitled to the use thereof) and only upon forty eight (48) hours prior notice during business hours, which notice shall include a description of the scope and nature of the work to be performed.

Following the installation of the Sanitary Sewer Line, Grantee shall repair and resurface the entire Causeway, from edge to edge. The resurfacing and repair will be pursuant to the requirements of the Town of Narragansett. The installation of the Sanitary Sewer Line and the performance of the aforesaid repair and resurfacing of the Causeway are collectively referred to as "Grantee's Work". Grantee's Work shall not be performed during June, July or August and, once commenced, shall be diligently completed, within a reasonable time period.

Prior to the commencement of any construction, the Grantee agrees to provide the Grantor with a construction schedule; Insurance Binder naming Grantor as an insured party which shall be consistent with the insurance requirements set forth in Section 7 hereof; and, provide Grantor with evidence of all necessary approvals from the Rhode Island Department of

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Environmental Management, Town of Narragansett, Rhode Island Coastal Resources Management Council, and any other governmental entity having jurisdiction with respect to the Grantee Work, for the construction and the installation of the Sanitary Sewer line.

To ensure that Grantee timely completes Grantee's Work as required herein, Grantee shall, prior to commencing Grantee's Work, provide a copy of the Bond posted with the Town of Narragansett, which Bond will name the Grantor as a party.

Grantee shall promptly pay when due all charges from all contractors, subcontractors and suppliers supplying goods or services to Grantee and shall keep the Causeway free and clear of any liens related to such charges.

Grantee shall ensure that all contractors and subcontractors performing any work with respect to the Causeway are duly licensed and insured.

Maintenance and Repair. Grantee shall, at all times, repair, and maintain the Sanitary Sewer Line, at its sole expense, in a workmanlike manner and accordance with all thenapplicable laws, statutes, codes and ordinances. Prior to performing any such maintenance, repairs or replacements, Grantee shall deliver to Grantor prior notice during business hours of at least five (5) business days (except in emergencies threatening injury to persons or property when such notice as is practicable under the circumstances shall be provided), which notice shall include a description of the scope and nature of the work to be performed. Any damage or disturbance to Bonnet Point Road caused by any such entry shall be repaired by Grantee in a workmanlike manner and in accordance with the standards and requirements of the Town of Narragansett. Grantee shall assure at all times that the Sanitary Sewer Line does not leak and that no sanitary sewage, petroleum-containing substance, hazardous substance or hazardous material is discharged or released therefrom in, on or under the Causeway or any other property. If Grantee in the course of the exercise of any of its rights hereunder, including without limitation, constructing, installing, operating, inspecting, maintaining, repairing or replacing any Sewer Fixtures and the Sanitary Sewer Line in the Causeway damages the pavement, landscaping or other improvements on the Causeway, Grantee shall promptly repair at its sole cost and expense all damage and restore the Causeway in accordance with the standards and requirements of the Town of Narragansett. Notwithstanding the foregoing, any damage or disturbance to Bonnet Point Road arising in whole or in part from the Grantee's exercise of its rights under this Agreement, the neglect or misuse by Grantee, or from the installation. connection, maintenance, repair and replacement of the Sanitary Sewer Line by Grantee shall be immediately cured by Grantee at its sole cost. Grantor and Grantee shall coordinate with each other with regard to any temporary road closures that may be required in connection with such maintenance or repair work. Grantee agrees to mitigate any road closures, the need for road closures and perform all necessary repairs, maintenance and replacements with the least impact to the Grantor and the Causeway as possible. Grantee agrees that any temporary road closures that may be required in connection with such construction shall be coordinated with the Grantor. Repair and maintenance may occur year round, however the Grantee will use best efforts to minimize work performed in July and August.



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6. Reservation. Grantor hereby reserves and retains all other property rights in and to the Bonnet Point Road and the Easement Area, including without limitation, the right to use Bonnet Point Road and the Easement Area for any purpose whatsoever, so long as such use does not substantially and unreasonably interfere with Grantee's rights hereunder. The Grantor reserves the right to relocate the Sanitary Sewer Line at any time, necessary to improve Bonnet Point Road and the Easement Area, so long as the relocation has a minimal impact on the Grantee. In addition, Grantee shall fully cooperate with Grantor and the Town of Narragansett in connection with any maintenance, repair, replacement or reconstruction of the Causeway conducted by Grantor or the Town of Narragansett. Grantor also agrees to reasonably cooperate with Grantee, at no cost to Grantor and without incurring any liability thereunder, in executing such applications, as may be reasonably necessary or appropriate to facilitate the permitting and installation of the Sanitary Sewer Line. The Grantor does hereby authorize the President of the Bonnet Shores Fire District Council to execute such documents.

## 7. <u>Insurance</u>.

Grantee shall obtain and at all times maintain, at its own cost and expense, a policy or policies of general liability insurance with respect to the activities permitted pursuant to the terms of this Agreement, such policies to provide coverage for death or personal injury and for property damage having minimum limits of not less than One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) in the aggregate. Such insurance shall include but not be limited to coverage for the accidental release or discharge of sanitary sewage from the Sanitary Sewer Line.

The policy/policies shall name Grantor as an additional insured and contain a waiver of subrogation in favor of Grantor. All such policy or policies shall be issued by companies having a Best's rating of not less than A. An insurance certificate, evidencing such coverage and requiring thirty (30) days prior written notice to Grantor of any cancellation or termination of such insurance, shall be provided to the Grantor prior to the commencement of any construction activities conducted pursuant to this Agreement and within thirty (30) days of any such policy renewals or expiration.

Indemnity. The Grantee shall indemnify, defend and hold harmless the Grantor from and against any and all action, causes of action, suits, claims, demands, obligations, damages and liabilities, of any nature whatsoever, including court costs and reasonable attorneys' fees, arising directly or indirectly from the exercise of the Grantee's rights or performance of its obligations hereunder, any other acts or omissions of Grantee, its employees, agents or contractors, or Grantee's breach of any of the terms and provisions of this Agreement, or arising from any accident, injury or property damage whatsoever relating to bodily injury (including, but not limited to death of any person) or damage occurring on or about the Easement Area, or arising from any accident, injury (including, but not limited to death of any person) or damage occurring on the Easement Area, where such accident, injury or damage results or is claimed to have resulted from any act, omission or negligence on the part of such Grantee or such Grantee's permittees, or their contractors, licensees, affiliates, nominees, assigns, agents, servants, invitees or employees. This indemnity and hold harmless covenant shall include an indemnity against all costs, expenses and liabilities incurred in connection with any such claim or proceeding brought

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thereon, and the defense thereof, including without limitation any effects or consequences resulting from any exposure to Hazardous Waste or violation of any state and/or federal environmental law. Grantee agrees that Grantor shall not be responsible or liable to Grantee, or to those claiming by, through our under Grantee, for any loss or damage that may be occasioned by or through the acts, omissions or negligence of persons or entities occupying, visiting, or otherwise using the Grantee's Property (including, but not limited to, Grantee's permittees). This indemnity shall survive the expiration or earlier termination of this Agreement.

- 9. <u>No Dedication</u>. Nothing contained herein shall be deemed to be a gift or dedication of any land to the general public or for any public use or purpose whatsoever. Except as specifically set forth herein, no right, privilege or immunity of any party shall inure to the benefit of any third party, nor shall any third party be deemed to be a beneficiary of this Agreement.
- 10. <u>Consideration</u>. (a) Grantee agrees to make a one-time payment of \$21,000 (Twenty-One Thousand Dollars) to Grantor within fifteen (15) days of the issuance of all necessary approvals for the construction of the Sanitary Sewer Line, but prior to commencing construction or installation of the Sanitary Sewer Line.
- (b) Grantee hereby grants to the Grantor an access easement to allow the Grantor to have access to the main entrance to the Benefited Land from the Causeway, year-round at all reasonable times, to permit backhoes and other machinery to access the beach and shoreline for purposes of maintaining Kelly Beach, the breachway and performing such other activities on the Grantor's Property as Grantor deems appropriate.
- (c) Upon installation and implementation of the Sanitary Sewer line, Grantee agrees to grant to Grantor, and or the Bonnet Shores Land Trust, the necessary permission and utility easement to connect to the operational Sanitary Sewer Line for restrooms on property owned by Grantor and or the Bonnet Shores Land Trust, on what is commonly known as Kelly Beach. Grantee agrees to publicly support the restroom construction during all phases of permitting and execute all necessary documents.
- Agreement shall constitute covenants and easements appurtenant to the real property of the Grantor and its related entities, and shall run with the land. The rights and privileges granted to the Grantee hereunder are in gross and shall terminate and be of no further force or affect in the event that the Grantee breaches any of the terms and conditions set forth herein. This Grant of Easement cannot be assigned, transferred, conveyed, or assumed by any other entity, Association and/or person who intends to utilize the Benefited Land for any other purpose other than a seasonal beach club, as currently used.

# 12. Remedies and Enforcement.

A. In the event of a breach or threatened breach by Grantee of the provisions hereof, Grantor shall be entitled to full and adequate relief by injunction and all other available

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legal and equitable remedies.

- B. In addition to all other remedies available at law or in equity, upon the failure of Grantee to cure a breach of this Easement Agreement within thirty (30) days following written notice thereof, Grantor shall have the right to perform such obligations contained in this Easement Agreement on behalf of Grantee and be reimbursed by Grantee upon demand for the reasonable costs thereof. Any claim for reimbursement and all costs and expenses including reasonable attorneys' fees awarded to Grantor in enforcing any payment in any suit or proceeding under this Agreement shall be assessed against the Grantee and shall constitute a lien (the "Assessment Lien") against the Benefited Land until paid, effective on and as of the time and date of the recording of a notice of lien with respect thereto in the Land Evidence Records of the Town of Narragansett (the "Registry"). Upon the timely curing by the Grantee of any default for which a notice of lien was recorded, the party recording same shall record an appropriate release of such notice of lien and Assessment Lien.
- C. In any legal or equitable proceeding to determine the rights of the parties to enforce or restrain the breach of this Easement Agreement, the unsuccessful party shall pay the reasonable attorneys' fees and costs of the prevailing party. The remedies set forth herein shall be cumulative and in addition to all of the remedies permitted at law or in equity.
- 13. <u>Governing Law</u>. This instrument shall be governed and construed under the laws of the State of Rhode Island.
- 14. Reasonable Use of the Easement. This grant of easement is to be used and enjoyed by the Grantee (its permittees as provided herein) in such a manner so as not to unreasonably interfere with, obstruct or delay the conduct and operations of Bonnet Point Road and adjacent properties. Grantee shall not overburden the existing sewer facilities owned by Grantor located on, in, under and through the Causeway.
- 15. <u>Headings</u>. Paragraph headings, where used herein, are inserted for convenience only and are not intended to be a part of this Easement Agreement or in any way to define, limit or describe the scope and intent of the particular paragraphs to which they refer.
- 16. <u>Amendment</u>. This Easement Agreement may only be amended by a recorded document executed by the Parties to this Easement Agreement or their successors of record.
- 17. <u>Waiver</u>. No waiver of, acquiescence in, or consent to any breach of any term, covenant or condition of this Easement Agreement shall be construed as a waiver of or acquiescence in, or consent to any other, further, or succeeding breach of the same or any other term, covenant or condition.
- 18. <u>Severability</u>. If any term or provisions of this Easement Agreement shall, to any extent be invalid or unenforceable under applicable law, then the remaining terms and provisions of this Easement Agreement shall not be affected thereby, and each such remaining terms and provisions shall be valid and enforced to the extent permitted by law.

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

Grantor:

BONNET SHORES FIRE DISTRICT

Name: Leonard J. Mercier Title: President

Grantee:

BONNET SHORES BEACH CLUB CONDOMINIUM ASSOCIATION

Name: CARUC Title: BSBCA

Grantor: STATE OF RHODE ISLAND - Massachuset IS COUNTY OF WASHINGTON ESSEX In Daniel, MA on the 24 day of June, 2016 before me personally appeared Leonard Mercies , the President , of Bonnet Shores Fire District, to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed in said capacity and the free act and deed of said Fire District. Notary Public
Print Name Kenn Dillon I My Commission Expires Grantee: STATE OF RHODE ISLAND COUNTY OF PROVIDENCE In Narragauserr on the 27th day of June, 2016 before me personally appeared CAROL O'Dome 11, the President of Bonnet Shores Beach Club Condominium Association, to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed in said capacity and the free act and deed of said Association.

Notary Public

Print Name Michelle Lab

My Commission Expires 12/3/17

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My Commission Expires December 03, 2017

Notary Public State of Rhode Island

After recording, please return to: Locke Lord, LLP

Execution Copy As Agreed to by BSFD Council on June 22, 2016

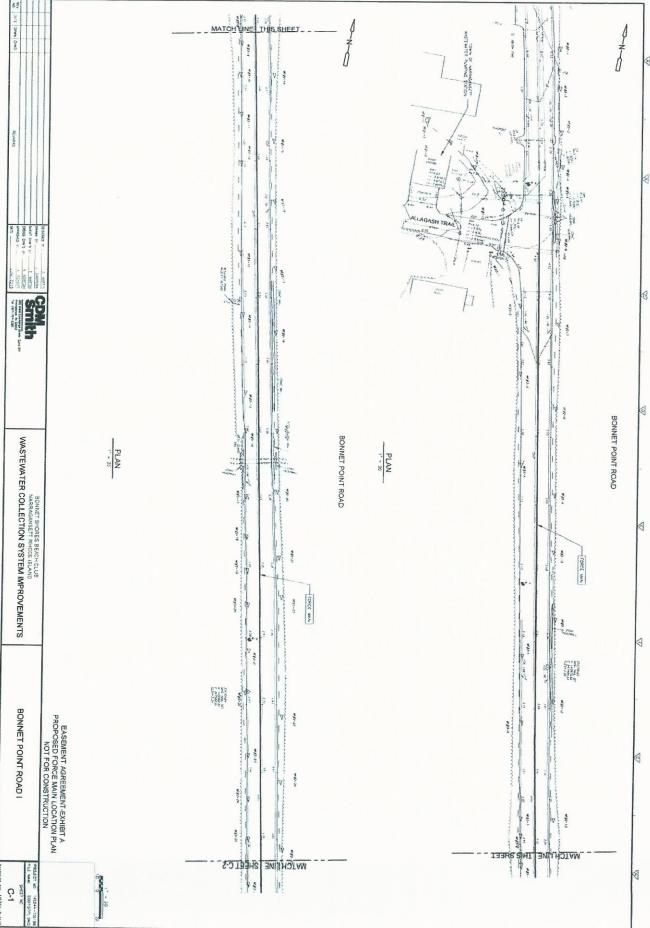
2800 Financial Plaza Providence, RI 02903-2499 Attention: Stephen R. Ucci, Esq.

#### **EXHIBIT A**

Survey Showing Causeway and Easement Area

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# **EXHIBIT B**

Final Plans as approved



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