

August 13, 2026

Chad E. Austin, PE
City of Kingsport-Utilities Department
1113 Konnarock Rd
Kingsport, TN 37664

RE: Olympian Way Sinkhole Remediation

Please find the attached proposal for sinkhole remediation at the referenced site.

The work is unit priced. Final quantities may vary based on conditions encountered. The actual length may vary from this estimate.

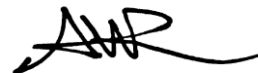
We have estimated a total duration of 5 shifts for the work included in the pricing below.

We appreciate the opportunity to provide assistance with this project. Please contact us at your convenience with questions or information regarding this proposal.

Sincerely,
Rembco Geotechnical Contractors, Inc.



Jake Messer
Senior Project Manager



Alex Radford
Associate Project Manager

SINKHOLE REMEDIATION PROPOSAL

This **Agreement** is made by and between Rembco® Geotechnical Contractors, Inc., hereinafter called Rembco, and _____, hereinafter known as the **Client**.

IN CONSIDERATION of the mutual promises contained in this agreement, the parties agree as follows:

Date Issued or Revised: August 13, 2026

PURPOSE

The purpose of this work is to install cap/compaction grout injections to improve subsurface conditions in the immediate area of an observed dropout.

The site of work is located at Olympian Way, Kingsport, TN 37660.

PROCEDURAL DESCRIPTION

The scope of work includes:

- 1) Drilling grout casing to refusal
- 2) Pumping low mobility grout through the casing from top of rock up to grade or cutoff depth below grade

PRICING SCHEDULE – SINKHOLE REMEDIATION

The Client agrees to pay Rembco under the following format:

Item	Est Qty	Units	\$/Unit	Extension
Mobilization / Demobilization	1	EA	\$13,400	\$ 13,400
Grout Injections- Includes 21 injections (17 primary and 4 secondary), up to 630 LF of drilling, up to 129 CY of grout	1	LS	\$103,425	\$103,425
Additional grout injections over 21ea, 30' depth, 5CY cap, 1cf/lf	0	EA	\$4,925	\$0
Additional drilling over 240 LF	0	LF	\$84	\$0
Additional grout over 54 CY	0	CY	\$500	\$0
Delay/Standby/Obstruction Rate ¹	0	HR/Rig	\$1,400	\$0
Total Estimated Price				\$116,825

Terms are net 30 days with no retainage. No bonding is included. Payment and Performance bonding is available. Prevailing wages are not included. Sales taxes are included in the above pricing.

¹ Should Rembco be unable to proceed with this contract after mobilizing due to an action or inaction of the client, the delay will be charged at the rate shown to a maximum of twelve hours per shift. Examples of delays include inaccessibility of the site or stop-work orders, but do not include delays resulting from inclement weather or *force majeure*. Rembco will cooperate with the Client to avoid any such delays.

CLARIFICATIONS

1. Client will be responsible for providing an acceptable working surface for our crew, equipment, and readymix trucks.
2. Working area must be provided at a sufficient rate such that our crews are not affected by poor access.
3. The work area must have sufficient compaction and/or strength to allow people to comfortably walk around the equipment and injection areas. The tracks of our drilling equipment must float on the surface. If the tracks of the drilling equipment cannot float on the surface, the area must be re-worked and/or compacted sufficiently.
4. The base pricing assumes that Rembco Geotechnical Contractors, Inc. will not incur any delays as a result of action or lack of action by the client. Delay time will be invoiced if incurred.
5. Working hours are expected to be up to 11-hours per day, 5 days per week. Monday and Friday are travel days from/to our yard in Knoxville, TN and will be shorter work days on site due to travel time

CLIENT RESPONSIBILITIES

The Client will furnish the following items and services at no additional cost to Rembco:

1. Clearing, grubbing, and excavation. An adequate work area must be provided for Rembco's crew and equipment. The area must be prepared well, maintained, and compacted firmly enough to allow wheeled all-terrain forklifts and tracked drilling equipment to move without difficulty to all areas in all weather conditions.
2. Any licenses or permits required for the project.
3. Free, dry and legal access to the site of the work including maintaining the access during the work at all times.
4. All-weather access for vehicles, equipment and readymix trucks to the site of the work including all pathways, roads, and benches on site.
5. Construction and as-built drawings, reports, locations of buried conduits, utilities, or buried tanks or structures, and other appropriate information regarding the condition of the structure or the site.
6. 2" water source for use in performance of the work.
7. A hold harmless provision against damage to any utilities or underground structures on the property and in adjoining properties.
8. Coordination and support during excavation to prevent downtime for Rembco.
9. Location and marking of buried utilities on the property and adjoining properties. Includes verification of the depth of the utilities.
10. A location on site near our work area suitable for cleanout of grouting equipment.
11. All site maintenance and excavation.
12. Erosion and sediment controls and surface runoff control.

EXCLUSIONS

We specifically exclude the cost of or responsibility for the following items:

- A. Location, removal, or relocation of any obstructions, above or below ground that increase drilling, grouting, or moving costs. Any costs due to obstructions will be extra.
- B. Location, removal, protection or relocation of any utilities, equipment, structures, surfaces, or property that may be damaged by our work. We will be indemnified for any damage unless the item is properly protected, and we are made aware of its location.
- C. Working in the proximity of hazardous or contaminated materials of any kind.
- D. Concrete/asphalt cutting, coring, demolition, or replacement
- E. Permits or fees.
- F. Subsidence of adjacent structures or utilities due to drilling.
- G. Material escalation.
- H. Pedestrian safety or traffic control.
- I. Any type of engineering, testing, reports, logs, monitoring, surveying, or inspection.
- J. Photographs, videos or monitoring of anything existing.
- K. Responsibility for any type of delay damages, acceleration costs or default due to schedule so long as we continuously man the job once mobilized as much as is within our control.
- L. Back charges without prior notification and acceptance of the charge in writing.
- M. Dewatering or pumping.
- N. Excavation or backfill.
- O. On-site dumpsters
- P. Excavation layout, staking, shooting grades, as-builts or any field engineering.
- Q. Bonds (payment and performance bonds may be added prior to mobilization).
- R. Insurance beyond our standard coverage.
- S. Indemnifying others beyond the extent of our negligence.
- T. Night shift work.
- U. Weekend work.
- V. Designated material sourcing requirements.
- W. Protection of any finished surfaces.
- X. Site preparation and maintenance during the work to maintain all-weather access.

GENERAL TERMS AND CONDITIONS

Attached hereto, incorporated in, and made a part of this agreement are the Rembco General Terms and Conditions of Sale.

ENDORSEMENT

Endorsement by a representative of the Client will be Rembco's authorization to proceed with the work under this agreement.

ACCEPTED FOR THE CLIENT

(Signature)

(Name)

(Date)

ACCEPTED FOR REMBCO



GENERAL TERM AND CONDITIONS

These Terms and Conditions are the Contractor's standard terms for all contracts. The term "Contract" is used hereinafter means Contractor's Proposal, the terms and conditions attached thereto and expressly incorporated herein directly or by reference and shall constitute collectively the agreement between the Contractor, Rembco Geotechnical Contractors, Incorporated and the client.

OFFER AND ACCEPTANCE Contractor's proposal and the accompanying documents referred to above constitute only an offer to contract which may be accepted by Client only on the exact terms hereof. If additional or different terms are proposed or requested by the Client, such proposal or request shall constitute a counter offer which the Contractor may, at its option, accept by written notice to the Client.

ENTIRE CONTRACT: MODIFICATION This Contract constitutes the sole and entire agreement between the Contractor and the Client and any prior or contemporaneous understandings or agreements, oral or written, are merged herein. Contractor shall attempt to comply with all requests for deviations, alterations, or changes in the work and services to be provided under the Contract which are requested by the Client's authorized representative providing that such deviations, alterations, or changes and compensation thereof are agreed by both parties in writing prior to performance of such modified service or work. No employees or other representative of the Contractor has any authority to waive, change, modify, or add to the terms of the Contract or waive any default thereunder without prior written approval by an authorized representative of the Contractor. No such waiver of default shall operate as a waiver of future defaults of any character.

PRICES Unless otherwise stated, prices stated in the Contractor's proposal are firm provided that this Contract becomes effective within thirty (30) days from the date of such proposal.

COVID-19 The Client and Contractor (the parties) acknowledge that the potential effects of the coronavirus disease ("COVID-19") pandemic on the construction industry and the performance of construction projects are not yet fully known and are beyond the control of the parties. The effects of this pandemic may adversely affect the Contractor's workforce, the supply chain for materials, the delivery of materials and/or otherwise adversely affect the Contractor's ability to perform as planned, causing delays in the prosecution and completion of the work and the project. The Parties agree that delays resulting from the effects of the COVID-19 pandemic are beyond the control of the Parties and if such delays occur, the Contractor will be granted a reasonable extension of the Contract Time and an equitable adjustment in the Contract Sum for the additional costs incurred by the Contractor resulting from the COVID-19 Pandemic. Contractor shall give Client written notice of delay if it experiences delays or elevated costs due to the COVID-19 pandemic and any additional costs incurred due to such delay. Furthermore, where the price of any category of material, equipment, insurance, or utility increases significantly during the term of the Agreement, the Contract Sum shall be increased in like amount by Change Order. A significant price increase means a change in price from the date of Agreement execution to the date of purchase by an amount exceeding three percent (3%) of the material, equipment, insurance or utility estimated cost in Contractor's proposal. Such price increases shall be documented by vendor quotes, invoices, catalogs, receipts or other documents of commercial use. Further, the parties acknowledge that some of the materials and products to be used and installed in the construction of the Project may become unavailable, delayed in shipment and/or subject to price increases due to circumstances beyond the control of the Contractor, including the COVID-19 Pandemic. If a required product is unavailable or shipment is delayed, Contractor shall provide written notice to the Client within 3 business days and shall be afforded additional time, substitution of products, and equitable adjustment in contract value via Change Order.

TERMS AND TIME OF PAYMENT Terms of payment are net thirty (30) days with no retainage unless stated elsewhere in this contract. Payment delayed beyond thirty (30) days from the specified due date, unless occasioned by fault of the Contractor, shall be subject to two (2) percent per month interest on any unpaid balance.

DATE OF COMPLETION The date of completion provided in this Contract is approximate and is based on prompt receipt by the Contractor of all necessary information and data required to be supplied by the Client, and subject to weather, groundwater conditions, and unforeseen site conditions. The Contractor will use all reasonable effort to meet the stipulated completion date and completion within a reasonable time shall constitute reasonable compliance with this Contract.

FINANCIAL RESPONSIBILITY Reasonable doubt as to the Client's financial responsibility to make payment due under this Contract shall entitle the Contractor to suspend performance or terminate (see "Client's Default: Termination" below) this Contract without liability to the Contractor until the Client shall have satisfied the Contractor of its continuing financial responsibility. Such action by the Contractor shall not alter Client's obligations hereunder and partial work completed shall be conclusively deemed to be separate contracts governed by the terms of this Contract.

CLIENT'S DEFAULT: TERMINATION

- A. Client shall be liable to Contractor for all damages or loss including loss of reasonable profits, and for the costs and expenses including attorney's fees sustained by the Contractor and arising from Client's default under or breach of any of the terms and conditions of this Contract. In the event of any such default or breach, Contractor may, without any obligation or liability of Client, terminate this Contract forthwith by written notice to Client and such action by Contractor shall not be deemed to waive any right or remedy with respect to any default or breach. If Contractor, in the event of such default or breach, has substantially completed the work specified in this Contract, Contractor's damages shall be no less than the price specified in this Contract.
- B. The institution of any proceedings by or against Client, voluntarily or involuntarily, under bankruptcy or insolvency laws or for the appointment of a receiver or trustee or assignee for the benefit of creditors shall be deemed an event of default under this Contract. Further, it shall be an event of default under this Contract should Client fail to make any payment required thereunder within thirty (30) days following the date specified thereof.

EXCUSABLE DELAY: FORCE MAJEURE Contractor shall be excused for delay in completion and may suspend performance of this Contract without liability to Client in the event and to the extent of "force majeure" which shall include the occurrence or existence of : acts of God, war, the public enemy, mobilization, riots, strikes, lockout, work stoppage or other labor difficulties, fire, flood, explosion, accident, embargoes, the acts of governmental or political subdivisions thereof, weather, governmental priorities, or any other abnormality, contingency, or cause beyond the control of the Contractor which adversely affects its ability to perform.

DELAY: SUSPENSION Unless occasioned by fault of the Contractor, any delay in the project which necessitates the removal and/or subsequent re-mobilization of the Contractor's work crew and/or equipment including but not limited to Client's default, unforeseen work conditions, or changes in work scope will result in expenses payable by the Client. In the event the project is not resumed within thirty (30) days, Contractor shall be relieved of all obligations and liabilities resulting from cessation of the work and shall be entitled to pursue any and all remedies available to the Contractor in law or equity for such termination.

LIABILITY Contractor does not disclaim responsibility, in accordance with generally accepted principles of law, for direct damages suffered by the Client resulting from the Contractor's failure to perform in accordance with the provisions of this Contract. Contractor's obligation and responsibility under this Contract for alleged negligence shall not extend to indirect, punitive, special, or

consequential damages, or to losses Client may suffer or incur in connection therewith such as but not limited to loss of revenue or profits, damages or losses as a result of Client's inability to operate, shutdown of its plant or operations, loss of the use of the facilities or services or inability to fulfill contracts with third parties.

TECHNICAL RESPONSIBILITIES Unless expressly stated otherwise, this contract does not include engineering or inspection services by an individual registered by a state or other jurisdiction.

INSURANCE Contractor agrees to maintain the following minimum insurance coverage throughout the duration of this Contract: Workman's Compensations-statutory; Property Damage, Bodily Injury and Automobile-\$1,000,000.

TERMINATION Except as otherwise expressly provided herein, this Contract is not subject to Termination in part or whole.

ASSIGNMENT Neither this Contract in its entirety nor any rights or interest therein may be assigned by either party without prior agreement by other party.

CONTRACTOR'S PERFORMANCE The work to be performed involves specialty, technical, engineering, and maintenance service and shall be performed by the Contractor's own personnel. Prices do not include "standby", "work-in-harmony", or other personnel or wage rates which may be imposed by local trade agreements.

LAW This Contract and Client's acceptance thereof shall be interpreted in accordance with the laws of the State in which the work takes place.

GUARANTEE Contractor guarantees that the work shall be performed in a skillful and workmanlike manner, free of defects in workmanship, and in conformance with the contract documents. Contractor's guarantee is limited by the "Liability" section and expressly does not include warranties of merchantability and fitness. Contractor's liability for its guarantee hereunder shall be limited to remedying, at its own expense, any defect in the workmanship. Client shall notify Contractor of any defect in materials or workmanship promptly after discovery of the condition.

SUB-SURFACE OR LATENT CONDITIONS Contractor shall not be responsible for damages to underground or concealed pipes, conduits, lines, cables, sewers, tanks, and the like or any other sub-structure unless accurately identified and marked by the Client. Client shall hold harmless and indemnify Contractor for any claim, loss, or delay caused by a failure to accurately identify or mark such sub-surface or latent conditions.

PERMITS: APPROVALS The Client shall secure and pay for necessary approvals, easements, assessments, and charges required for the work. Further, Client shall secure and pay for any building permit and for all other permits and governmental fees, licenses, and inspections necessary for the proper execution and completion of the work including those which are customarily secured after execution of the work.

ARBITRATION Any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator(s) may be entered in any Court having jurisdiction thereof. By initial of these Terms and Conditions, Client and Contractor specifically acknowledge this Arbitration Clause.