



HOLSTON ENGINEERING, INC.

301 Montgomery Street, Suite #4
Johnson City, TN 37604
(423) 926-5991
e-mail: Holston.Engineering@holsteng.com
April 17, 2025

Ms. Sandra Sloan
Kingsport City Schools
400 Clinchfield Street, Ste. 200
Kingsport, TN 37660

SUBJECT: HVAC Replacement
Washington Elementary School

Dear Sandra:

Holston Engineering, Inc. is pleased to provide pricing for the design and project management for the HVAC replacement at Washington Elementary School based on 6% of Total Installed Cost not to exceed \$240,000 (two hundred and forty thousand dollars). The state review fee will be billed as a separate direct pass through to the school system. We quickly evaluated the HVAC replacement and believe that there is roughly 250 tons of cooling for this school. Also, with our quick evaluation we believe that the overall power supply in the school is adequate but believe at this time the breakers and wire to each unit will need to be replaced. All these items will need to be confirmed through design efforts. To replace HVAC systems (including new electrical wire and breakers for all units), evaluate the cooling tower, and add return ductwork (including ceiling tile replacements) we estimate the total installed cost would be roughly \$4,000,000 plus engineering fees and contingency. Please understand with market volatility and unknowns currently the cost estimate is preliminary. Our scope will include the following items:

Design Services

1. Meet with Owner to establish project schedule, define objectives, and develop project plan. The Project Plan/Schedule will include the bid process, pre-bid meeting, deadline for questions, bid opening, award, pre-construction meeting, project start date, and completion date.
2. Develop design drawings and specifications which include any mechanical, electrical, and piping as needed.
3. Provide a schematic cost estimate and conceptual project schedule.
4. Facilitate meetings as needed.

Bid Administration

1. Develop and provide bid drawings and specifications for review.
2. Assist with the development of final bid package.
3. Issue design documents for review as appropriate prior to bidding process.

4. Reproduce and issue the final bid package documents to potential bidders during the bid process.
5. Assist with the bid process including attending pre-bid meetings, issuance of addenda, assisting in receipt of bids, investigate and recommend award of contracts to the lowest responsive bidder for the project and provide recommendation letter.
6. Design team may be asked to assist with design review for value engineering if bid is over budget.

Construction Administration Phase

1. Facilitate Pre-Construction meeting and conduct regular construction progress meetings.
2. Provide Construction Administration.
3. Review, log, and approve submittals, shop drawings, Request for Information, etc.
4. Review construction reports.
5. Attend project progress meetings.
6. Review and approve applications for payment and make sure all required forms (three originals of the Application and Certificate of Payment and Certificate of the Contractor) are submitted.
7. Coordinate with designated Project Manager on all Change Orders, etc., including maintaining a log of all such documents.
8. Provide direction for questions and concerns from the contractor and Project Manager in resolution of problems.
9. Provide Field Services for entire construction period.
10. Conduct site visits as appropriate for the project.
11. Conduct Substantial Completion Inspection, coordinate with Project Manager to create punch list, substantiate those items noted are completed, and issue Substantial Completion Certificate.

Project Close Out

1. Provide support services as needed during the project close out process.
2. Issue Final Completion and Acceptance letter recommending acceptance.
3. Coordinate with all contractors, consultants, to develop a project O&M Manual to be submitted with final project as built drawings. (One hard copy of the O&M Manual and project as built documents will be submitted along with an electronic copy on a USB Drive)

Our billing would be 70% of total due based on the acceptable low bid which will be invoiced when the bids are received and the final 30% +/- adjusted for the final total installed cost which will be invoiced on owner's acceptance.

If you have any questions, please feel free to contact me. Thank you for allowing us the opportunity to provide pricing for this project.

Sincerely,
HOLSTON ENGINEERING, INC.



Derwin E. Cartmel, PE
President