City Council
Meeting Minutes
Tuesday, August 18, 2026
6:00 PM

Present: Mayor Joe Gibbons presiding. Mayor Pro-Tem Ike Perkins, Councilmembers present were Jonathan Beal, Rebecca Dellinger, Ralph Prestwood, Kimmie Rogers, David Stevens, Crissy Thomas, City Manager Scott Hildebran, City Clerk Lauren Hartley, and Attorney Timothy Rohr.

City Staff: In attendance was Finance Director Donna Bean, Public Services Public Works Director Jon Hogan, Fire Chief Norman Staines, Police Chief Andy Wilson, Planning Director Hannah Williams, City Parks & Recreation Director Phil Harper, Public Services Public Utilities Director Jeff Church, and Economic Development Main Street Director Brenda Floyd.

Absent Communication & Public Information Director Joshua Harris

I. Call to Order

A. Mayor Gibbons thanked city staff for all their hard work at the 52nd Harambee Festival held at the Martin Luther King Jr. Center and the back-to-school extravaganza event held at the Mulberry Recreation Center.

The meeting was opened by a moment of silence and the pledge of allegiance led by Mayor Gibbons.

Mayor Gibbons introduced special guests from Italy that were visiting John and Kaylynn Tye.

II. Matters Scheduled for Public Hearings

There were no public hearings.

III. Consent Agenda Items

A. Minutes: Approval of the City Council minutes of the meeting of Tuesday, August 4, 2026, as submitted.

B. Revised Capital Project Budget Ordinance; Lenoir/Valdese Water Interconnection Project: Staff request City Council to adopt the Revised Capital Project Budget Ordinance for the Lenoir/Valdese Water Interconnection Project in the amount of $24,796,000, as submitted.

C. Capital Project Budget Ordinance; LFD Building Foundation Stabilization Project: Staff request City Council to adopt the Capital Project Budget Ordinance for the LFD Building Foundation Stabilization Project in the amount of $2,993,000, as submitted.

D. Design-Build Contract, LFD Building Foundation Stabilization: Staff recommends execution of the Agreement Between Owner and Design-Builder on

the Basis of a Stipulated Price (EJCDC Document C-520-2018), with GeoSpecialties LLC for Design-Build Services for the Lenoir Fire Department Station #1 Building Foundation Stabilization Project related to stormwater repair with a total contract amount of $1,880,000.00. Following a thorough review and evaluation of vendor statement of qualifications submittals, GeoSpecialties LLC was selected at the July 28, 2026 Council meeting as the most qualified vendor to provide Design-Build services for the project.

Upon a motion by Mayor Pro-Tem Perkins, City Council voted 7 to 0 to adopt the above listed items (A through D) on the Consent Agenda as listed and recommended.

IV. Requests and Petitions of Citizens

Steve Huntley at 914 Southview Place said he would like to request that City Council create a resolution that states ICE is disruptive and a danger to our community.

V. Reports and Boards and Commissions

There was no report from Boards and Commissions.

VI. Reports and Recommendations of the City Manager

A. Items of Information

1. The City of Lenoir Employee Appreciation Day will be held Thursday, August 20, from 5:30 p.m. to 7:30 p.m. at the Lenoir Aquatic & Fitness Center.

2. Friday Night Live concert featuring News@ 11 will be held Friday, August 21, from 7:00 p.m. to 10:00 p.m. at the Downtown Lenoir Stage.

3. The Committee of the Whole will meet on Tuesday, August 25, at 8:30 a.m. at City Hall, Third Floor.

4. The Foothills Regional Airport Authority will meet on Wednesday, August 26 at noon.

B. Items for Council Action

1. Vacate and Closure Ordinance: 397 Willow Street NW: Planning staff requests that City Council adopt a Vacate and Closure ordinance directing staff to abate the non-residential structure violations by vacating and securing the building on the property at 397 Willow Street NW Parcel ID: 06 5 4 3. The subject structure is unfit for any use, and the property owner has been given a period of more than 90 days to take corrective action, but has not completed the required corrective actions within that period, as submitted.

Planning Director Hannah Williams said Council has made public safety and commercial corridor improvements a priority. The building at 397 Willow Street NW has formally been found unsafe and unfit for any use, which has been confirmed through inspections.

Director Williams said the owner was given an administrative hearing with 90 days to comply, but the building remains unsecured. If this ordinance is passed, it will allow the city to legally secure the structure and post it as unfit for use.

Councilmember Stevens asked what business previously occupied the building. The consensus from the group was Greer Laboratories.

Councilmember Beal said he appreciates the work from the Planning Department on this property and improvements were a priority as discussed by Council. Beal said this is important because the City Fire Department and Police Department are going into these unsafe buildings.

Upon a motion by Councilmember Beal, City Council voted 7 to 0 to approve the Vacate and Closure Ordinance for 397 Willow Street NW, as presented.

VII. Reports and Recommendations of the City Attorney

There was no report from the City Attorney.

VIII. Reports and Recommendations of the Mayor

There was no report from the Mayor.

IX. Reports and Recommendations of Council Member

There was no report from Councilmembers.

X. Adjournment

There being no further business, Mayor Gibbons adjourned the meeting at 6:24 p.m.

_____ _____

Lauren Hartley, City Clerk Joseph L. Gibbons, Mayor

Revised Capital Project Budget Ordinance for the City of Lenoir

Lenoir-Valdese Interconnect

BE IT ORDAINED by the City Council Members of the City of Lenoir, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project to authorize activities for the Lenoir-Valdese Interconnect project to include the expenditure of funds for the projects detailed below. The ordinance will authorize the activities necessary to establish a regional water system interconnection. Funding for the project will be provided through a $17,000,000 direct appropriation from the North Carolina General Assembly, less $255,000 in loan fees; a State Revolving Fund (SRF) loan for $3,000,000 at 2.45% interest over 20 years; a $350,000 grant from the Hurricane Helene Disaster Fund; and $4,701,000 in local/state loans/grant funding.

Section 2: The officers of this unit are hereby directed to accept the funding and proceed with the capital project within the terms of the budget contained herein.

Section 3: The following revised amounts appropriated for the project are:

Description	Budget
Engineering	$ 2,120,000.00
Admin Costs	$ 1,337,500.00
Construction	$ 21,338,500.00
Total	$ 24,796,000.00

Section 4: The following revenues are anticipated to be available to complete this project:

Description	Budget
North Carolina General Assembly Direct Appropriation (SRP-D-134-0165)	$ 16,745,000.00
DWSRP Loan: 2.45 at 20 yrs. (SRP-D-0240)	$ 3,000,000.00
Hurricane Helene Disaster Funding Grant (HEL-RTA-04)	$ 350,000.00
Local Funds/State Loan/Grant	$ 4,701,000.00
Total Revenue	$ 24,796,000.00

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the Project Ordinance.

Section 6: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3.

Section 7: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 8: Copies of this capital project ordinance shall be furnished to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 18th day of August, 2026

Mayor

Clerk

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

Capital Project Budget Ordinance for the City of Lenoir

LFD Building Foundation Stabilization

BE IT ORDAINED by the City Council Members of the City of Lenoir, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project will authorize activities for the Lenoir Fire Department (LFD) Building Foundation Stabilization Project, including the expenditure of funds for the project activities detailed below. The ordinance will authorize the necessary work to stabilize the Lenoir Fire Station 1 building and address stormwater-related issues impacting the building's foundation.

Project activities will include the design and installation of a ground improvement and underpinning system, as well as pipe replacement. Funding for the project will be provided through a State Capital and Infrastructure Fund (SCIF) Grant appropriated by the North Carolina General Assembly in the amount of $500,000, remaining ARPA funds (in Fund Balance) of $397,550, and $2,095,450 in local funding.

Section 2: The officers of this unit are hereby directed to accept the funding and proceed with the capital project within the terms of the budget contained herein.

Section 3: The following revised amounts appropriated for the project are:

Description	Budget	
Admin, Engineering, and Professional Services	$	100,000.00
Construction	$	2,630,000.00
Contingency	$	263,000.00
Total	$	2,993,000.00

Section 4: The following revenues are anticipated to be available to complete this project:

Description	Budget	
Grant Funding (SCIF)	$	500,000.00
Local Funding	$	2,095,450.00
ARPA Funding (in Fund Balance)	$	397,550.00
Total Revenue	$	2,993,000.00

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the Project Ordinance.

Section 6: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3.

Section 7: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 8: Copies of this capital project ordinance shall be furnished to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 18th day of August, 2026

Mayor

Clerk

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

AGREEMENT BETWEEN OWNER AND DESIGN-BUILDER ON THE BASIS OF A STIPULATED PRICE

THIS AGREEMENT is by and between **City of Lenoir**, a North Carolina municipal corporation, ("Owner"), and **GeoSpecialties** ("Design-Builder").

Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Design-Builder agree as follows:

ARTICLE 1—THE PROJECT AND THE WORK

The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **Lenoir Fire Department Foundation Stabilization** – Design & Construction of foundation stabilization for the Lenoir Fire Department, including: foundation stabilization and slab-on-grade remediation requiring integrated geo-structural engineering, site-civil work, subsurface investigation, installation and construction.

1.01 Design-Builder shall complete all Work as specified or indicated in the Contract. The Work is generally described as the design and construction of the following as presented in the GeoSpecialties proposal dated August 6, 2026:

- **Compaction grout under Fire Station Foundation**
  - Drilling will be conducted from outside the Fire Station under the structure and pressure grouted.
  - Compaction grouting will be performed using 15 different drill locations at 30 feet in depth under the building outer foundation.
- **Install micropiles:**
  - Excavate "windows" at micropile locations.
  - Micropiles will be installed adjacent to the building along the exterior wall. The depth of the micropiles is estimated to be 60 feet.
- **Tie in micropiles to existing foundation**
  - Install underpinning brackets
- **Temporary lining within portion of existing storm drain**
  - Approximately 20 to 25 foot section to be lined with gunite
- **Compaction grout from below storm drain to 15 feet below ground surface**
  - The area will be compaction grouted at approximately 115 locations to a depth of 30 feet.
  - GeoSpecialties proposes to utilize cementitious compaction grouting in accordance with the alternate grouting provisions permitted under SP-16.
- **Grade and seed sinkhole area**
  - Sink hole area will be cleaned out of vegetation filled and regraded using soil. Specifically in the top two (2) feet topsoil will be used to facilitate grass growth and seeding will be applied.
  - Remainder of the area will be reclaimed and cleaned.

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ARTICLE 2—OWNER'S ADVISOR AND DESIGN-BUILDER'S ENGINEER

2.01 Owner's Advisor **Mattern & Craig** and **Catawba Valley Engineering & Testing**

2.02 Engineer: Design-Builder will provide a final design package sealed by a Professional Engineer Registered in the state of North Carolina ("Engineer") for the performance of professional engineering services for the micropile portion only under this Contract.

ARTICLE 3—CONTRACT TIMES

3.01 Time of the Essence

A. All time limits for Design-Builder's attainment of Milestones, if any, Substantial Completion, and completion and readiness for final payment, as stated in the Contract, are essential obligations of this Contract. Time is of the essence for completing the Work included in this Contract.

3.02 Contract Times—Weeks

A. Design-Builder will substantially complete the Work within **12 to 16 weeks after Notice to Proceed (NTP)** is issued after the Effective Date of the Contract.

B. Design-Builder will complete the Work and be ready for final payment in accordance with General Conditions Paragraph 15.07 within **20 weeks** after the Effective Date of the Contract.

3.03 Liquidated Damages

A. Not Applicable under this Contract per *Attachment A – Standard Terms and Conditions*

ARTICLE 4—CONTRACT PRICE

4.01 Stipulated Sums

A. Owner shall pay Design-Builder for completion of the Work in accordance with the Contract Documents at the prices as presented in GeoSpecialties proposal dated August 6, 2026, attached hereto as an exhibit.

4.02 Changes in Contract Price Based on Cost of the Work

A. If a Change Order or an adjustment in the Contract Price is determined on the basis of Cost of the Work and includes Design Professional Services, the Cost of the Work for those services shall include direct labor cost of each employee providing services multiplied by a factor of **2.5**, which covers labor costs, overhead, and profit. Reimbursable expenses shall be compensated for at cost with no markup for overhead and profit.

B. If the value of Work covered by a Change Order or an adjustment in the Contract Price is determined on the basis of Cost of the Work, and involves Work performed under Construction Subcontracts or Design Agreements, the allowable markups on lower tier invoices are limited as stated in General Conditions Paragraphs 11.07.D.1.c and d.

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ARTICLE 5—PAYMENT PROCEDURES

5.01 Submittal and Processing of Payments

A. Design-Builder shall submit Applications for Payment in accordance with General Conditions Article 15. Owner will process Applications for Payment as provided in the General Conditions.

5.02 Progress Payments; Retainage

A. Owner shall make progress payments on the basis of Design-Builder's Applications for Payment on or about the **7th** day of each month during performance of the Work, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions, and in the case of Unit Price Work based on the number of units completed, or in the event there is no Schedule of Values, as provided elsewhere in the Contract.

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

2. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Design-Builder to **100 percent** of the Work completed, less such amounts set off by Owner pursuant to General Conditions Paragraph 15.01.E, and less **150 percent** of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

B. Notwithstanding the provisions above, no retainage will be withheld with respect to the portion of a payment application pertaining to engineering, design, and other professional services.

5.03 Final Payment

A. Owner shall pay the remainder of the Contract Price upon final completion and acceptance of the Work in accordance with General Conditions Paragraph 15.07.

5.04 Interest Rate

A. All amounts not paid when due will bear interest at the rate of **two percent [2%]** percent per month, or if applicable at the rate stated in a governing prompt payment statute.

ARTICLE 6—CONTRACT DOCUMENTS

6.01 Contents

A. The Contract Documents consist of the following:

1. This Agreement.

2. GeoSpecialties proposal dated August 6, 2026

3. Informational documents incorporated herein by reference as provided to GeoSpecialties for analysis listed on Page 1 in the attached proposal.

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4. Bonds (as required by NCGS)
    a. Performance bond and power of attorney.
    b. Payment bond and power of attorney.
5. General Conditions.
6. Supplementary Conditions.
7. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    a. Work Change Directives.
    b. Change Orders.
    c. Allowance Authorization.
    d. Warranty bond, if any.

B. The documents listed in Paragraph 6.01.A are attached to this Agreement, except as expressly noted otherwise above.

C. There are no Contract Documents other than those listed above in this Article 6.

D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 7—DESIGN-BUILDER'S REPRESENTATIONS AND CERTIFICATIONS

7.01 Representations

A. Design-Builder makes the following representations on which Owner may rely:

1. Design-Builder has examined and carefully studied the Contract Documents and any data and reference items identified in the Contract Documents.
2. Design-Builder has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
3. Design-Builder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. Design-Builder has carefully studied:
    (a) reports of explorations and tests of subsurface conditions at or adjacent to the Site, and all drawings of physical conditions relating to existing surface or subsurface structures at the Site, if any, that Owner has identified or made available to Design-Builder, especially with respect to Technical Data in such reports and drawings, and
    (b) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site, that Owner has identified or made available to Design-Builder, especially with respect to Technical Data in such reports and drawings.

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5. Design-Builder has considered the information known to Design-Builder itself, and to Construction Subcontractors and Project Design Professionals that Design-Builder has selected as of the Effective Date; information commonly known to design professionals, design-builders, and contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings, if any, identified in the Contract Documents or otherwise made available to Design-Builder, with respect to the effect of such information, observations, and documents on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Design-Builder; and (c) Design-Builder's safety precautions and programs.

6. Based on the information and observations referred to in the preceding paragraph, Design-Builder agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary prior to entry into the Contract at the Contract Price, subject to the Contract Times.

7. Design-Builder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

8. Design-Builder has given Owner written notice of all conflicts, errors, ambiguities, or discrepancies that Design-Builder has discovered in the Contract Documents, and the written response from Owner is acceptable to Design-Builder.

9. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

10. Design-Builder's entry into this Contract constitutes an incontrovertible representation by Design-Builder that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

7.02 Certifications

A. Design-Builder certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 7.02:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial noncompetitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, noncompetitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

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IN WITNESS WHEREOF, Owner and Design-Builder have signed this Agreement.

This Agreement will be effective on **[indicate date on which Contract becomes effective]**, which is the Effective Date of the Contract.

Owner:	Design-Builder:
_____ *(typed or printed name of organization)*	_____ *(typed or printed name of organization)*
By: _____ *(individual's signature)*	By: _____ *(individual's signature)*
Date: _____ *(date signed)*	Date: _____ *(date signed)*
Name: _____ *(typed or printed)*	Name: _____ *(typed or printed)*
Title: _____ *(typed or printed)*	Title: _____ *(typed or printed)* *(If Design-Builder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)*
Attest: _____ *(individual's signature)*	Attest: _____ *(individual's signature)*
Title: _____ *(typed or printed)*	Title: _____ *(typed or printed)*
Address for giving notices:	Address for giving notices:
_____	_____
_____	_____
_____	_____
Designated Representative:	Designated Representative:
Name: _____ *(typed or printed)*	Name: _____ *(typed or printed)*
Title: _____ *(typed or printed)*	Title: _____ *(typed or printed)*
Address:	Address:
_____	_____
_____	_____
_____	_____
Phone: _____	Phone: _____
Email: _____ *(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)*	Email: _____ License No.: _____ *(where applicable)* State: _____

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Martin J. Woodard, PhD PG PE
www.geospecialties.com | 540.315.0270
martin.woodard@geospecialties.com

August 6, 2026

Jon Hogan, ISA
Public Works Director
801 West Ave NW
Lenoir, NC 28645
Jon.hogan@CI.LENOIR.NC.US
(828) 757-2175

Subject: Lenoir Fire Station- Emergency Sinkhole Repair

Dear Mr. Hogan:

GeoSpecialties is pleased to offer this proposal for the above-referenced project. This proposal is exclusively for the City of Lenoir, herein known as the "Owner," to consider. The site is located at 602 Harper Avenue, Lenoir, Caldwell County, North Carolina.

This proposal has been prepared after a site visit that included Jon Hogan and Neill Belk (City of Lenoir), David LeGrand (Catawba Valley Engineering), Mike Milton and Martin Woodard (GeoSpecialties). The following is a list of information Catawba Valley Engineering & Testing provided for the analysis.

- 2026 Geophysical Exploration performed by Terracon.
- Special Provisions in Bid - prepared by Ardurra.
- SP-15 and SP-16 Special Provisions provided to Ardurra by CVET for Bid.
- CVET repair drawings for bid (23-872)
- 2022 Culvert Inspection and Initial Geophysical Exploration

Our understanding is that the storm drain adjacent to the fire station is compromised. Soil has entered the drain and is being washed away during heavy storm events, creating voids around the pipe and weakening the surrounding soils. These weakened soils appear to extend beneath the fire station.

The loss and weakening of soil have caused a sinkhole-like depression adjacent to the fire station. The resulting settlement may also have stressed the building, causing wall cracks and operational issues with windows and doors. Catawba Valley has monitored several of these cracks for several years, and some appear to be widening.

Based on the site visit, discussions with the City of Lenoir, and the documents provided, we propose the following mitigation measures.

Support the Fire Station

Geophysical results indicate that the soils beneath the fire station are weak. The first step is to improve subsurface conditions by compaction grouting to a depth of approximately 30 feet using cementitious grout.



Figure 1. Model of fire station and sink hole at 602 Harper Ave.

After the initial compaction grouting beneath the station north foundation, the north building perimeter will be supported with micropiles installed adjacent to the exterior wall. This system will provide both immediate and long-term resistance to continued differential settlement.

The instability is being caused by breaks and leaks in the storm drain and the loss of material around

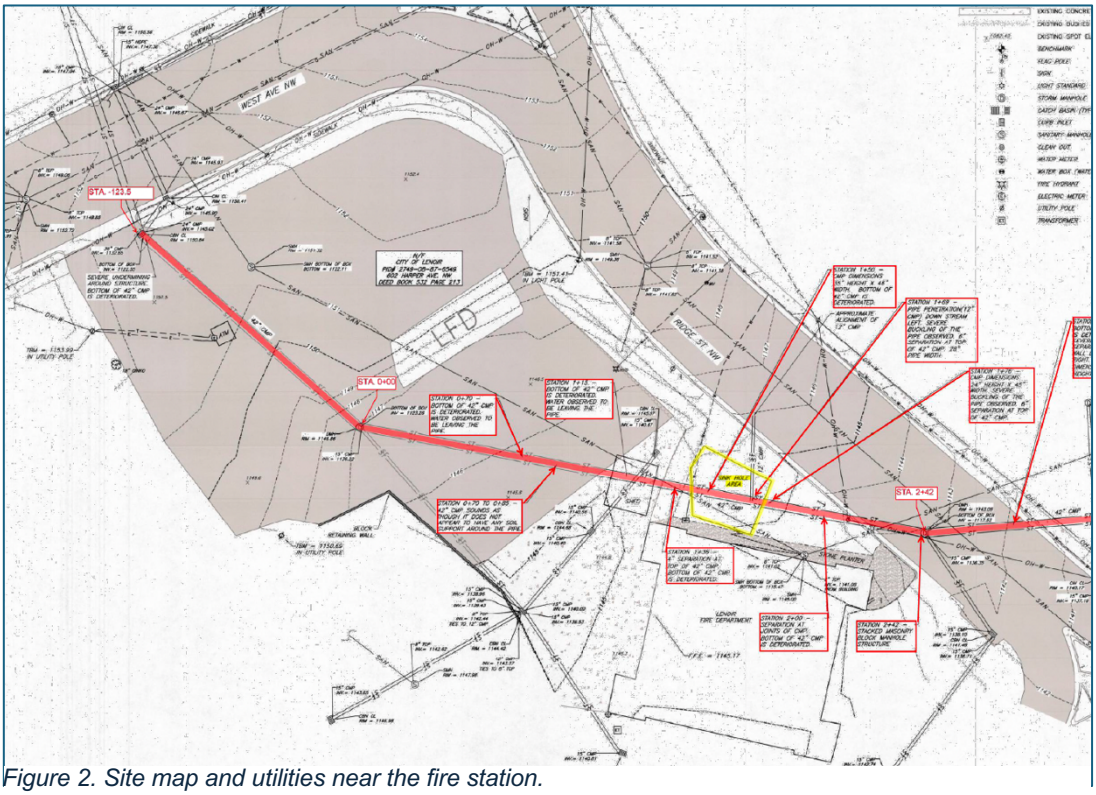


Figure 2. Site map and utilities near the fire station.

the pipe, which must also be addressed. We have accounted for a 20–25-foot section of the pipe to be lined with gunite to prevent further inflow and outflow of water and soil. After the lining is installed, the ground from below the pipe to approximately 15 feet below grade will be improved by compaction grouting. Compaction grouting is not intended near the existing water line that serves the fire station.

After compaction grouting is complete, the area will be regraded, covered with topsoil, and seeded.

GeoSpecialties' proposed remediation approach is intended to provide both immediate stabilization and long-term support of the existing structure. The proposed system combines deep cementitious compaction grouting and micropile underpinning to mitigate continued settlement risks associated with subsurface voiding and soil loss.

GeoSpecialties will perform construction monitoring during the grouting operations including visual crack monitoring, laser elevation monitoring, grout pressure monitoring, grout take monitoring, and daily installation logs. Grouting operations will be adjusted in the field based on observed subsurface conditions and structure response.

GeoSpecialties' proposed approach is performance-based and intended to satisfy the contractor-designed ground improvement requirements outlined in SP-16 of the project specifications.

I. Proposed Scope of Work

GeoSpecialties proposes slope stabilization improvements at the following site(s):

- **Compaction grout under Fire Station Foundation**
  - Drilling will be conducted from outside the Fire Station under the structure and pressure grouted.
  - Compaction grouting will be performed using 15 different drill locations at 30 feet in depth under the building outer foundation.
- **Install micropiles:**
  - Excavate "windows" at micropile locations.
  - Micropiles will be installed adjacent to the building along the exterior wall. The depth of the micropiles is estimated to be 60 feet.
- **Tie in micropiles to existing foundation**
  - Install underpinning brackets
- **Temporary lining within portion of existing storm drain**
  - Approximately 20 to 25 foot section to be lined with gunite
- **Compaction grout from below storm drain to 15 feet below ground surface**
  - The area will be compaction grouted at approximately 115 locations to a depth of 30 feet.
  - GeoSpecialties proposes to utilize cementitious compaction grouting in accordance with the alternate grouting provisions permitted under SP-16.
- **Grade and seed sinkhole area**
  - Sink hole area will be cleaned out of vegetation filled and regraded using soil. Specifically in the top two (2) feet topsoil will be used to facilitate grass growth and seeding will be applied.
  - Remainder of the area will be reclaimed and cleaned.

II. Roles and Responsibilities

GeoSpecialties' scope of work includes labor, tools, equipment, and materials to design and install the ground improvement and underpinning system pursuant to the following conditions:

1. Design and installation of the mitigation system.
    a. Design and monitor all compaction grouting.
    b. Install micropiles up to 60 feet in length.
    c. Connect the micropiles to the fire station structure
    d. Provide temporary lining for portions of the storm pipe
    e. Grade and seed grass area adjacent to the fire station
2. The pricing contained herein is based on the following assumptions:
    a. Micropile installation depths averaging approximately 60 feet.
    b. A total of approximately 33 micropiles.
    c. Compaction grouting quantities not exceeding approximately 450 cubic yards of grout injection.
    d. Drilling footage not exceeding approximately 3,900 linear feet.
    e. Subsurface conditions generally consistent with the provided geotechnical and geophysical information.
    f. No major underground obstructions, abandoned structures, undocumented utilities, hazardous materials, artesian groundwater conditions, or excessive voiding conditions are encountered.

    If actual field conditions differ materially from the assumptions above, including but not limited to increased grout take, deeper treatment zones, excessive voiding, utility conflicts, obstruction removal, or additional underpinning requirements, GeoSpecialties reserves the right to adjust the contract amount through a change order.
3. Provide final design package sealed by a Professional Engineer Registered in the state of North Carolina for micropile portion only.
4. The initial mobilization includes labor, equipment, and material capable of installing the micropile and compaction grouting system. If GeoSpecialties is required to leave the site and return outside of what was previously stated and planned for, the cost is as indicated in the pricing table provided in Section V for each demobilization/remobilization. Work shall be available to GeoSpecialties prior to our mobilizing to the site.
5. GeoSpecialties' design responsibilities are limited to the ground improvement, underpinning, and temporary stabilization systems specifically described herein. GeoSpecialties does not assume responsibility for the evaluation or repair of pre-existing structural damage to the fire station, including existing cracks, door/window movement, slab distress, or architectural finishes.
6. Final acceptance of the ground improvement system shall be based upon reasonable professional judgment, observed field performance, and the completion of the work generally consistent with the project intent and the contractor-designed performance requirements outlined in SP-16.

Owner would be responsible for the following:

1. Provide traffic control, as required.
2. Obtain any necessary permits.
3. Backfill existing 42" storm sewer within a month of compaction grouting completion.
4. Provide an on-site dump site for excavated materials.
5. Provide all weather working access to GeoSpecialties for material/equipment deliveries, and on-site area for material/equipment storage. Owner to obtain all right of way, licenses, or easements for GeoSpecialties to perform its work.

III. Key Assumptions, Clarifications and Exclusions

The following are additional key assumptions made in the preparation of this proposed scope and fee.

- No off-site waste is assumed.
- No traffic control is assumed. The sidewalk will be closed to permit work within the area.
- No surveying is included (e.g. layout survey, as-built survey, and wall tolerances as required).
- The cost of a bond premium is not included in the GeoSpecialties' price. If desired by and paid by the Owner, GeoSpecialties will furnish a Payment and Performance Bond at a rate of 2% of the total price.
- Pricing assumes existing utilities shown in the provided documents are generally accurate and locatable.
- Repair or replacement of existing utilities damaged due to undocumented conditions, inaccurate utility locations, pre-existing deterioration, or utility failure is excluded.
- Independent third-party geotechnical testing, CPT testing, DMT testing, laboratory testing, and special inspections by others are excluded unless specifically noted otherwise.
- Structural repairs to the existing fire station building are excluded.
- Dewatering beyond normal construction means and methods is excluded.
- Removal and disposal of contaminated soils, hazardous materials, or unsuitable materials is excluded.
- Excessive grout takes associated with large undocumented voids, karst features, failed utilities, or subsurface anomalies are excluded.
- Pricing assumes reasonable access around the structure for drilling and grouting operations.
- Any work associated with permanent storm drain replacement is excluded from this proposal.
- Prevailing wage, Buy American compliance, and bond costs can be incorporated upon request if required by the Owner.

IV. Anticipated Schedule

GeoSpecialties estimates that the work described above can be completed in approximately **12 to 16 weeks**. **If notice to proceed is given within one week of receipt of this proposal, GeoSpecialties can mobilize prior to the end of June, possibly earlier.** Actual construction duration may vary depending on subsurface conditions, utility conflicts, weather delays, owner-directed changes, material lead times, and permitting or review durations. The approximate delivery schedule below assumes timely delivery of information and review comments from the owner. All construction work is based on a work schedule of Monday through Friday, up to 10 hours per day as weather and daylight permits. GeoSpecialties can mobilize to the site within a mutually negotiated timeframe from GeoSpecialties receiving an executed contract, approved submittals, and a written notice to proceed.

V. Pricing

Our scope of work includes labor, tools, and equipment to perform the work described herein based on the prices listed below. The prices included herein are based and expressly conditioned on continuous unobstructed work beginning the day GeoSpecialties mobilizes on the site. Should the work not proceed as continuous unobstructed work, the price to perform the work may likely increase. We propose to perform the above scope of work via the following fee breakdown. This pricing also assumes work is completed within 12 or more hours of daylight.

Because the project involves sinkhole remediation and subsurface conditions that are inherently variable and not fully defined prior to construction, the quantities provided herein are estimates only

and are based upon the currently available information. Actual grout quantities, drilling footage, micropile depths, and remediation extents may vary depending on field conditions encountered during construction.

Table 1 – Cost Estimate

Item	Description	Qty	Unit	Unit Price	Total
1	Mobilization	1	LS	$100,000	$100,000
2	Design and Stamped Plans for Micropiles	1	LS	$25,000	$25,000
3	Underpinning Micropiles with Brackets	33	EA	$8,500	$280,500
4	Compaction Grouting, Drilling	3,900	LF	$245	$955,500
5	Compaction Grouting, Grouting	450	CY	$900	$405,000
6	42” Pipe Temporary Repair (5’x20’ area)	1	LS	$29,000	$29,000
7	Utility Locating	1	LS	$20,000	$20,000
8	Landscaping	1	LS	$15,000	$15,000
9	Utility Conflict/Moving allowance*	1	LS	$50,000	$50,000
					$1,880,000

* Billed at cost plus 15% if needed.

VI. Closure

Thank you for the opportunity to propose this very important project. If you have any questions or would like any additional information, please don’t hesitate to contact me.

Sincerely,

GeoSpecialties

Martin J. Woodard, PhD PG PE
martin.woodard@geospecialties.com
c: (540) 315-0270

Accepted by: _____
(Signature)

Accepted by: _____
(Printed name/title)

Date: _____

Attachment A – Standard Terms and Conditions

STANDARD OF CARE: Services performed by GeoSpecialties will be conducted in a manner consistent with that level of care and skill ordinarily exercised by other professionals currently practicing under similar conditions in the same locality, subject to the time limits, physical or other constraints applicable to the services. No warranty, express or implied is made.

INVOICES AND PAYMENT TERMS: Unless otherwise specified in any proposal, GeoSpecialties will submit monthly progress invoices to Client and a final bill upon completion of services. Payment is due upon receipt of invoice by Client and is past due thirty (30) days from the date of the invoice. Client agrees to pay a finance charge of two percent (2%) per month or the maximum rate permitted by law on past due accounts. Client agrees to pay attorneys' fees, legal costs and all other collection costs incurred by GeoSpecialties in pursuit of past due payments.

DELAYS AND FORCE MAJEURE: Client shall not hold GeoSpecialties responsible for damages or delays in performance that arise from a cause or condition reasonably beyond GeoSpecialties 's control, such as but not limited to acts or omissions of Client, its subcontractors, governmental authorities, or regulatory agencies; civil or labor unrest; acts of God, nature, or terror; disruptions of the Internet, GeoSpecialties' electronic telecommunications or hosting services; interruption of sources of supply; or any other events that are beyond the reasonable control of GeoSpecialties.

LIMITATION OF LIABILITY: Client shall immediately notify GeoSpecialties in writing of any deficiencies or suspected deficiencies arising directly or indirectly from GeoSpecialties 's negligent acts, errors or omissions. Failure by Client to notify GeoSpecialties shall relieve GeoSpecialties of any further responsibility and liability for such deficiencies. To the extent permitted by law, Client and GeoSpecialties agree that all liability arising directly or indirectly from this Agreement or the services of GeoSpecialties shall expire no later than one (1) year from the date of GeoSpecialties' acts, errors, or omissions or prior to the last date allowed in the applicable statute of limitation, whichever occurs first in time.

To the maximum extent permitted by law, Client agrees to limit the liability of GeoSpecialties, whether in contract, tort, or otherwise, which arises from GeoSpecialties' acts, negligence, errors or omissions to a maximum of the greater of (a) insurance proceeds (including any deductible payable by GeoSpecialties) payable for such acts, negligence, errors, or omissions and (b) GeoSpecialties 's total fee for the services rendered under this Agreement.

Special risks occur whenever engineering or related disciplines are applied to identify subsurface conditions. Even a comprehensive sampling and testing program implemented in accordance with a professional Standard of Care may fail to detect certain conditions. The environmental, geological, geotechnical, geochemical, hydrogeological and other conditions that GeoSpecialties interprets to exist between sampling points may differ from those that actually exist. Furthermore, Client recognizes that, passage of time, natural occurrences, direct or indirect human intervention at or near the site may substantially alter discovered conditions. For the foregoing reasons, Client agrees to the fullest extent permitted by law that GeoSpecialties shall have no liability whatsoever for claims, damages or losses caused by site conditions that cannot reasonably be known by standard engineering methods.

INSURANCE: GeoSpecialties maintains professional liability insurance coverage and will provide a certificate of insurance upon Client's request. Client agrees that GeoSpecialties will not be liable or responsible for any loss or damage beyond the amounts, limits, exclusions, terms and conditions of such insurance.

Client may request that GeoSpecialties obtain professional liability insurance coverage higher than GeoSpecialties' existing coverage through project-specific insurance, if available, provided that Client shall pay an additional fee based on the additional premium cost.

PROFESSIONAL WORK PRODUCT: The Services provided by GeoSpecialties are intended for one-time use only. All documents, including but not limited to, reports, plans, designs, boring logs, field data, field notes, laboratory test data, calculations, and estimates and all electronic media prepared by GeoSpecialties are considered its professional work product (the "Documents"). GeoSpecialties retains all rights to the Documents.

Client understands and acknowledges that the Documents are not intended or represented by GeoSpecialties to be suitable for reuse by any party, including, but not limited to, the Client, its employees, agents, subcontractors or subsequent Contractors on any extension of a specific project not covered by this Agreement or on any other project, whether Client's or otherwise, without GeoSpecialties' prior written permission. Client agrees that any reuse unauthorized by GeoSpecialties will be at Client's sole risk and that Client will defend, indemnify and hold GeoSpecialties harmless from any loss or liability resulting from the reuse, misuse or negligent use of the Documents.

DATA AND INFORMATION: Client shall provide to GeoSpecialties all reports, data, studies, plans, specifications, documents and other information ("Project Information") which are relevant to the Services. GeoSpecialties shall be entitled to rely upon the Project Information provided by Client or others and GeoSpecialties assumes no responsibility or liability for the accuracy or completeness of such.

RIGHT OF ENTRY: Client will provide for the right of entry for GeoSpecialties, its subcontractors, and all necessary equipment in order to complete the Services under this Agreement. If Client does not own the site, Client shall obtain permission and execute any required documents for GeoSpecialties to enter the site and perform Services. It is understood by Client that in the normal course of work some surface damage may occur, the restoration of which is not part of this Agreement.

CONTROL OF WORK AND JOB-SITE SAFETY: Insofar as job site safety is concerned, GeoSpecialties is responsible only for the health and safety of its employees and subcontractors. Nothing herein shall be construed to relieve Client or any other consultants or contractors from their responsibilities for maintaining a safe job site. GeoSpecialties shall not advise on, issue directions regarding, or assume control over safety conditions and programs for others at the job site. Neither the professional activities of GeoSpecialties, nor the presence of GeoSpecialties or its employees and subcontractors, shall be construed to imply that GeoSpecialties controls the operations of others or has any responsibility for job site safety.

DISPUTES: All disputes, claims, or controversies arising out of or related to this Agreement shall be submitted to mediation.

TERMINATION: Either party may terminate this Agreement as a result of a material breach of the other party if the other party does not commence and continue to cure the breach within seven (7) days of receipt of written notice of the breach from the non-breaching party. In the event of termination, GeoSpecialties shall be paid for Services performed to the termination notice date, together with reimbursable expenses including subcontractors, sub- consultants, project-related materials and travel. If GeoSpecialties suspends the services hereunder, GeoSpecialties shall have no liability to Client for any resulting delay or damage to Client or others. Client shall make no deductions from GeoSpecialties' compensation on account of sums withheld from payments to contractors, nor shall payment to GeoSpecialties be contingency upon financing arrangements or Client's receipt of payment from any third party.

ELECTRONIC MEDIA: Client acknowledges that electronic media are subject to unauthorized and undetectable alteration, modification, deterioration, and incompatibility, either intentional or unintentional, due to transmission, conversion, media degradation, software error, or human alteration. Accordingly, documents provided to Client in electronic media are submitted for informational purposes only subject to a review and acceptance period of 30 days. Client should report any defects discovered during that time period to GeoSpecialties for correction. GeoSpecialties makes no warranties, either express or implied, regarding the fitness or suitability of electronic media. Client agrees not to use any electronic media provided by GeoSpecialties, in whole or in part, for any project other than that for which they were created, without the express written consent of GeoSpecialties and without suitable compensation. Accordingly, Client agrees to waive any and all claims against GeoSpecialties resulting in any way from the unauthorized reuse or alteration or electronic media.

HAZARDOUS MATERIALS AND CONTAMINANTS: Nothing in this Agreement shall be construed as providing any type of service relating to an assessment of the presence or absence of oil, hazardous materials, asbestos, radioactive materials or any other environmental contaminants or conditions which may be subject to governmental regulation or control, or for the design of systems to remove, treat, handle, remediate or dispose of such materials, contaminants, or conditions.

MISCELLANEOUS: This Agreement supersedes all other agreements, oral or written, and contains the entire agreement of the parties. No cancellation, modification, amendment, deletion, addition, waiver or other change

in this Agreement shall have effect unless specifically set forth in writing signed by the party to be bound thereby. Titles in this Agreement are for convenience only. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns provided that it may not be assigned by either party without consent of the other. It is expressly intended and agreed that no third-party beneficiaries are created by this Agreement, and that the rights and remedies provided herein shall inure only to the benefit of the parties to this Agreement. Client acknowledges and agrees that GeoSpecialties can retain subconsultants, who may be affiliated with GeoSpecialties, to provide services for the benefit of GeoSpecialties. GeoSpecialties will be responsible to Client for the services and work done by all of its subconsultants and subcontractors, collectively to the maximum amount stated in Limitation of Liability.

No waiver of any right or remedy in respect of any occurrence on one occasion shall be deemed a waiver of such right or remedy in respect of such occurrence on any other occasion. All representations and obligations (including the Limitation of Liability) shall survive indefinitely the termination of the Agreement. Client acknowledges that it may not use GeoSpecialties' name or any reference to the Services in any press release or public document without the express, written consent of GeoSpecialties. Any provision, to the extent found to be unlawful or unenforceable, shall be stricken without affecting any other provision of the Agreement, so that the Agreement will be deemed to be a valid and binding agreement enforceable in accordance with its terms.

All questions concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder shall be governed by the laws of Kentucky unless the law of another jurisdiction must apply for this Agreement to be enforceable.

Client represents and warrants that the individual signing the proposal is an authorized representative of Client and has authority to bind the Client.

CHANGES: If the contract is changed after the construction crew delivers the materials or begins work, the project site is not ready for GeoSpecialties' work to begin, or other delays outside of GeoSpecialties' control, there will be a $600.00 per crew-hour charge for time lost.

INTEGRATION: This agreement contains the entire understanding between the parties hereto and no other representation or inducement, verbal or written, has been made which is not contained in this contract.

RETAINAGE: if any, is to be released to GeoSpecialties within 30 days after the completion of GeoSpecialties' work.

LIQUIDATED DAMAGES: Client agrees that GeoSpecialties shall not be responsible for liquidated damages, delay damages, or other time related damages for any work that is outside GeoSpecialties' control.

VIBRATIONS: GeoSpecialties cannot accept any liability for disturbance to existing structures and their inhabitants on or near the site. Client shall indemnify GeoSpecialties against any and all claims for such disturbance and also take precautions as necessary to avoid any such claims. This may include vibration monitoring, excavating trenches around the affected area, etc. It is possible that damage may occur as a result of heave, settlement, utility not correctly marked, or intrusion of grout and/or construction water and GeoSpecialties cannot accept responsibility/liability for such damage. Client agrees to waive all liability and damages against GeoSpecialties in any related to the underground conditions and/or existing facilities described in the preceding sentence.

UTILITIES: Client shall ensure that all utilities are properly located before GeoSpecialties mobilizes to the site. Specific location (potholing), removal, and/or relocation of all underground and overhead utilities are not included in GeoSpecialties 's scope of work.

OTHER: This offer expires 30 days from the date transmitted.

PERFORMANCE BOND

Contractor Name: **[Full formal name of Contractor]** Address *(principal place of business)*: **[Address of Contractor's principal place of business]**	**Surety** Name: **[Full formal name of Surety]** Address *(principal place of business)*: **[Address of Surety's principal place of business]**
Owner Name: **[Full formal name of Owner]** Mailing address *(principal place of business)*: **[Address of Owner's principal place of business]**	**Contract** Description *(name and location)*: **[Owner's project/contract name, and location of the project]** Contract Price: **[Amount from Contract]** Effective Date of Contract: **[Date from Contract]**

Bond

Bond Amount: **[Amount]**

Date of Bond: **[Date]**

(Date of Bond cannot be earlier than Effective Date of Contract)

Modifications to this Bond form:

☐ None ☐ See Paragraph 16

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Performance Bond, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.

Contractor as Principal	Surety
_____ *(Full formal name of Contractor)*	_____ *(Full formal name of Surety) (corporate seal)*
By: _____ *(Signature)*	By: _____ *(Signature)(Attach Power of Attorney)*
Name: _____ *(Printed or typed)*	Name: _____ *(Printed or typed)*
Title: _____	Title: _____
Attest: _____ *(Signature)*	Attest: _____ *(Signature)*
Name: _____ *(Printed or typed)*	Name: _____ *(Printed or typed)*
Title: _____	Title: _____

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.

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1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.

3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond will arise after:

    3.1. The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice may indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 will be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement does not waive the Owner's right, if any, subsequently to declare a Contractor Default;

    3.2. The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and

    3.3. The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 does not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

    5.1. Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

    5.2. Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

    5.3. Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

    5.4. Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:

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5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or

5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment, or the Surety has denied liability, in whole or in part, without further notice, the Owner shall be entitled to enforce any remedy available to the Owner.

7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner will not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety will not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:

   7.1. the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

   7.2. additional legal, design professional, and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and

   7.3. liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety's liability is limited to the amount of this Bond.

9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price will not be reduced or set off on account of any such unrelated obligations. No right of action will accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.

10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.

11. Any proceeding, legal or equitable, under this Bond must be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and must be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit will be applicable.

12. Notice to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears.

13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted therefrom and provisions conforming to such

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statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.

14. Definitions

    14.1. *Balance of the Contract Price*—The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

    14.2. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

    14.3. *Contractor Default*—Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

    14.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

    14.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.

15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.

16. Modifications to this Bond are as follows: **[Describe modification or enter "None"]**

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PAYMENT BOND

Contractor	**Surety**
Name: **[Full formal name of Contractor]** Address *(principal place of business)*: **[Address of Contractor's principal place of business]**	Name: **[Full formal name of Surety]** Address *(principal place of business)*: **[Address of Surety's principal place of business]**
Owner	**Contract**
Name: **[Full formal name of Owner]** Mailing address *(principal place of business)*: **[Address of Owner's principal place of business]**	Description *(name and location)*: **[Owner's project/contract name, and location of the project]** Contract Price: **[Amount, from Contract]** Effective Date of Contract: **[Date, from Contract]**

Bond

Bond Amount: **[Amount]**

Date of Bond: **[Date]**

(Date of Bond cannot be earlier than Effective Date of Contract)

Modifications to this Bond form:

☐ None ☐ See Paragraph 18

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Payment Bond, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

Contractor as Principal	Surety
_____ *(Full formal name of Contractor)*	_____ *(Full formal name of Surety) (corporate seal)*
By: _____ *(Signature)*	By: _____ *(Signature)(Attach Power of Attorney)*
Name: _____ *(Printed or typed)*	Name: _____ *(Printed or typed)*
Title: _____	Title: _____
Attest: _____ *(Signature)*	Attest: _____ *(Signature)*
Name: _____ *(Printed or typed)*	Name: _____ *(Printed or typed)*
Title: _____	Title: _____

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.

EJCDC® C-615, Payment Bond.
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1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond will arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.

4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.

5. The Surety's obligations to a Claimant under this Bond will arise after the following:

    5.1. Claimants who do not have a direct contract with the Contractor

        5.1.1. have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and

        5.1.2. have sent a Claim to the Surety (at the address described in Paragraph 13).

    5.2. Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).

6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.

7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

    7.1. Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

    7.2. Pay or arrange for payment of any undisputed amounts.

    7.3. The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 will not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

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8. The Surety's total obligation will not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond will be credited for any payments made in good faith by the Surety.

9. Amounts owed by the Owner to the Contractor under the Construction Contract will be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfying obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.

11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.

12. No suit or action will be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit will be applicable.

13. Notice and Claims to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, will be sufficient compliance as of the date received.

14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted here from and provisions conforming to such statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.

15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

16. Definitions

    16.1. *Claim*—A written statement by the Claimant including at a minimum:

        16.1.1. The name of the Claimant;

        16.1.2. The name of the person for whom the labor was done, or materials or equipment furnished;

        16.1.3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;

        16.1.4. A brief description of the labor, materials, or equipment furnished;

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16.1.5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;

16.1.6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;

16.1.7. The total amount of previous payments received by the Claimant; and

16.1.8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.

16.2. *Claimant*—An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond is to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.

16.3. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

16.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

16.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.

17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.

18. Modifications to this Bond are as follows: **[Describe modification or enter "None"]**

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BK 2173 PG 878 - 882 (5)
This document presented and filed:
08/19/2026 10:18:11 AM

Fee $26.00

10122259

Caldwell County North Carolina
Wayne L. Rash, Register of Deeds

City of Lenoir

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AN ORDINANCE DIRECTING CITY OFFICIALS TO VACATE AND CLOSE THE PROPERTY HEREIN DESCRIBED AS AN IMMINENT DANGER TO THE PUBLIC AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE SAME MAY NOT BE OCCUPIED

WHEREAS, N.C. Gen. Stat. § 160D-1129, et seq. authorizes any local government by ordinance to provide for the repair, closing, or demolition of Buildings, as defined by N.C. Gen. Stat. § 160D-1129, found unfit for any use due to dilapidation, defects increasing the hazards of fire, accidents or other calamities, or other conditions rendering the Buildings unsafe or unsanitary, or dangerous or detrimental to the health, safety, morals, or otherwise inimical to the welfare of the residents of the local government; and

WHEREAS, the City has adopted by ordinance in Chapter 4, Article 4 of the City of Lenoir Code of Ordinances ("Non-residential Buildings or Structures Standards") to provide for the repair, closing, or demolition of Buildings found unfit for any use; and

WHEREAS, on or about March 11, 2026, the Code Compliance Officer, as defined in Section 4-197 of the Non-residential Buildings Standards, found that the Building located at 397 Willow Street NW, Lenoir, North Carolina, Parcel ID: 06 5 4 3 (the "Building"), as unfit for any use; and

WHEREAS, on March 11, 2026, the Code Enforcement Officer, after conducting a preliminary investigation disclosing a basis for such charges, issued and caused to be served on Dustin Hartley, the Owner of the Building, as defined by N.C. Gen. Stat. § 160D-1202(1), and parties in interest of such Building a complaint stating the charges in that respect and containing a notice that an administrative hearing would be held before the Code Compliance Officer, or the designated agent, at Lenoir City Hall; and

WHEREAS, after notice and an administrative hearing, the Code Compliance Officer determined that the Building was unfit for any use due to the fact that the Building was unsafe, dangerous and in non-compliance with City ordinance due to structural damages to roof, ceiling, inadequate egress and fire hazards and stated, in writing, findings of fact to support that

determination; and

WHEREAS, the repair to the Building cannot be made at a reasonable cost in relation to the value of the Building; and

WHEREAS, on March 31, 2026, the Code Enforcement Officer issued and caused to be served on the Owner an order requiring the Owner to vacate and close the Building by not later than June 29, 2026; and

WHEREAS, the Owner of the Building has been given a reasonable opportunity to bring the Building into conformity with the Non-residential Buildings or Structures Standards, but has failed to comply; and

WHEREAS, N.C. Gen. Stat. § 160D-1129 provides that if the Owner fails to comply with an order to vacate, close and/or remove the Building, the Code Compliance Officer may, following ordinance adopted by the governing board, cause the Building to be vacated, closed, posted with a placard on the main entrance of the Building the following words: "This building is unfit for any use; the use or occupation of this building for any use is prohibited and unlawful," and removed; and

WHEREAS, the City Council has determined that the Building is unfit for any use due to structural damages to roof, ceiling, inadequate egress and fire hazards rendering the Buildings unsafe or unsanitary, or dangerous or detrimental to the health, safety, morals, or otherwise inimical to the welfare of the residents of the City of Lenoir; and

WHEREAS, based on the foregoing, the City Council finds that the Building should be vacated, closed, to meet the requirements of the Non-residential Buildings or Structures Standards, and should be placarded by placing thereon a notice prohibiting use for any use until repaired; and

WHEREAS, the City Council finds that all of the provisions of the Non-residential Buildings or Structures Standards have been complied with as a condition of the adoption of this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Lenoir, that:

SECTION 1. The Owner of the Building having been notified in accordance with Chapter 160D of the North Carolina General Statutes, is hereby ordered to vacate the Building on or before September 1, 2026.

SECTION 2. The real property upon which the Building is situated is more particularly described as follows:

> FIRST TRACT: BEGINNING on an iron pipe stake in or near the western margin of Oak Street at a point forty feet at a right angle from a point four feet west of the northeast corner of the Carolina Store Company's Warehouse, and runs North 87° 58' West 175-5/10 feet to an iron pipe stake eight feet from the centerline of the

railroad siding; thence North 28° 46' East 67 feet to the iron pipe stake eight feet from the centerline of said railroad siding; thence South 87° 54' East 122-8/10 feet to an iron pipe stake in or near the margin of Oak Street; thence with said street 64 feet to the BEGINNING, which is at an iron pipe stake forty feet from the Carolina Store's Warehouse. SECOND TRACT: BEGINNING on an iron pipe stake on the west margin of Oak Street, also T. H. and J. E. Broyhill's northeast corner, and running thence North 89° 00' West 150 feet to a railroad iron on the east side of Town Branch; thence with the east side of Town Branch, North 01° 35' East 36 feet to a stake in R. T. Greer's line; thence with his line, South 88° 00' East about 135 feet to a stake on the west margin of Oak Street; thence with the west margin of Oak Street, South 14° 00' East 37.1 feet to the BEGINNING. SUBJECT to express condition relating to an alleyway or street set out in quitclaim deed recorded in Book 213, Page 321, Caldwell County Registry. THIRD TRACT: BEGINNING on a brass nail, Greer Drug's and Whitnel Industries' corner and Oak Street on the edge of the pavement, and runs with Greer Drug's line, North 87° 54' West 146.30 feet to an iron piping in the center of the railroad siding; thence with the center of the railroad siding and a new line as follows: North 26° 24' East 30.85 feet; North 18° 54' East 30 feet; North 11° 17' East 50 feet, in all 110.85 feet to an iron pipe a new corner; thence a new line, South 79° 45' East 67.80 feet to a railroad spike in the edge of the pavement of Oak Street, a new corner in the Whitnel Industries' line; thence with the edge of the pavement of Oak Street and Whitnel Industries' line, South 37° 52' East 09 feet to a brass nail, Whitnel Industries' corner; thence still with the edge of the pavement of Oak Street and Whitnel Industries', South 24° 16' East 100 feet to the BEGINNING.
Parcel ID: 06 5 4 3
NCPIN: 2749676789

SECTION 3. That the Owners of the real property described herein is Dustin Hartley.

SECTION 4. The Code Enforcement Officer or his designee is hereby authorized and directed to place a placard on the main entrance of the Building containing the legend: "THIS BUILDING IS UNFIT FOR ANY USE; THE USE OR OCCUPATION OF THIS BUILDING FOR ANY PURPOSE IS PROHIBITED AND UNLAWFUL. ANY PERSON WHO OCCUPIES OR KNOWINGLY ALLOWS THE OCCUPANCY OF A BUILDING OR STRUCTURE SO POSTED SHALL BE GUILTY OF A MISDEMEANOR."

SECTION 5. It shall be unlawful for any person to remove or cause to be removed the placard from Building to which it is affixed thereto pursuant to this Ordinance. It shall likewise be unlawful for any person to occupy or to permit the occupancy of Building having been declared to be unfit for any use. Occupation of a building so posted shall constitute a Class 1 misdemeanor.

SECTION 6. That Owner and parties in interest of the Building are hereby ordered to vacate and close the Building found by the Code Enforcement Officer and City Council to be unfit for any use within 14 days from the date of adoption of this Ordinance. If the Owner or parties in interest fail to have the Building vacated within 14 days from the adoption of this Ordinance, the Code Enforcement Officer is hereby authorized to commence summary ejectment proceedings

pursuant to N.C. Gen. Stat. § 160D-1129(j).

If the Owners or parties of interest fail or refuse to vacate and close the Building within the time allowed, then the Code Enforcement Officer is hereby authorized to proceed to vacate, close and secure and demolish the Building in accordance with this Ordinance pursuant to the Non-residential Buildings or Structures Standards and N.C. Gen. Stat. § 160D-1129. The cost of vacating and closing, or removal and demolition by the Code Enforcement Officer shall be a lien against the real property upon which the cost was incurred as provided in the Regulation authorized as to repair, closing, and demolishing off non-residential buildings or structures; order of public officer N.C. Gen. Stat. § 160D-1129(i).

SECTION 7. The Code Enforcement Officer or his designee is further directed and authorized to take such other and further action and exercise such other powers with respect to said building as may be necessary or convenient to carry out and effectuate the provisions of the Non-residential Buildings or Structures Standards of the City of Lenoir.

SECTION 8. That any person violating the provision of this Ordinance or the Non-residential Buildings or Structures shall be subject to the penalties and fines set forth in Section 4-219. If the violation is continued, each day's violation shall be a separate offense. In addition, this Ordinance may be enforced by an appropriate equitable remedy such as an injunction or order of abatement issuing from any court or competent jurisdiction pursuant to N.C. Gen Stat. § 106D-1129 and by any, all, or a combination of the remedies as authorized and prescribed by law or under Section 4-219(2) of the City of Lenoir Code of Ordinances.

SECTION 9. That the City Clerk is hereby directed to record a certified copy of this Ordinance in the Office of the Caldwell County Register of Deeds and see that it is properly indexed in the name of the Owner in the grantor index.

SECTION 10. That all ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 11. That if any section, subsection, paragraph, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

SECTION 12. That the City Attorney is authorized to proceed with in rem foreclosure proceedings to collect taxes and liens owed for the property, if any.

SECTION 13. This Ordinance shall become effective upon its adoption.

ORDAINED by City Council for the City of Lenoir, North Carolina, this 18 day of August, 2026.

THE CITY OF LENOIR,
a North Carolina Municipal Corporation

ATTEST:

Lauren Hartley, City Clerk

Joseph L. Gibbons, Mayor

(Seal)

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851
SEAL