June 23, 2026

Town of Black Mountain
160 Midland Avenue
Black Mountain, North Carolina 28711

Attention: Erin Hughes, Land of Sky

Reference: **Task Order 3 Proposal for Lower Watershed Lower Pond Prelim Breach Design**
Helene Recovery A&E Services
Black Mountain, North Carolina
S&ME Task Order Proposal No. 25-41-0083A

Dear Ms. Hughes:

S&ME, Inc. (S&ME) appreciates the opportunity to submit this Task Order proposal to perform dam engineering services associated with the Lower Watershed Lower Pond in Black Mountain, North Carolina. This proposal provides a brief discussion of our understanding of the project, our proposed scope of work, and our associated fees. We propose to perform these services in accordance with our Agreement for Services for Helene Recovery A&E Services dated October 15, 2025 and authorized by the Town of Black Mountain on November 17, 2025.

♦ Background

S&ME submitted a Work Order Proposal on February 6, 2026 for Spillway Rehabilitation Design at the Lower Pond. The intent of the work was for a replace-in-kind approach to repairing the concrete chute spillway which was severely damaged due to the high discharge rate during Tropical Storm Helene. Following the completion of the site/topographic survey, and after completing some initial design work, S&ME provided information to the Town of Black Mountain (TOBM) for an option to breach the dam in lieu of spillway repairs. TOBM elected to pursue the breach alternative and requested S&ME prepare a Work Order for preliminary design and supporting cost estimate.

♦ Scope of Work

Preliminary Design

S&ME will prepare preliminary engineering plans for breaching the Lower Pond dam. S&ME's design of the dam breach plan will consist of the following tasks:

- Delineate the watershed area using available NC DEQ or USGS LiDAR topographic data and the USGS StreamStats program;
- Estimate the NRCS hydrologic soil groups, average slope, and time of concentration for the watershed;
- Estimate stage-storage relationships for the pond using available topographic & bathymetric data and any available design information on the dam;

- Analyze geomorphologic characteristics of downstream channel to provide a reference;
- Perform H&H analysis using the HydroCAD or HEC-HMS program to estimate the peak runoff discharge rate for the 10-, 25-, and 100-year, 24-hour storm events;
- Determine dam breach (notch) dimensions to provide a stable downstream channel geometry to manage estimated peak flow rates using HydroCAD or GeoHEC-RAS. The breach opening will be sized to have stable slopes and pass anticipated flows without re-impounding water;

Although the Lower Pond Dam is non-jurisdictional, the design will generally follow breach design guidance for a Low Hazard Dam.

Construction Drawings

S&ME will prepare engineering plans for the dam breach design based on the findings of the preliminary design work. A preliminary plan set of drawings, approximating 75% Design, will be provided to allow the owner to review and provide feedback. The drawings are expected to have the following sheets:

- Cover Sheet;
- General Notes;
- Existing Conditions Survey;
- Site Grading Plan;
- Profiles and Cross Sections of breach and channel;
- Erosion & Sediment Control Plan; and
- Erosion & Sediment Control Details.

The Plans will be prepared on 22" x 34" size plan sheets. Drawings will be presented in portable document format (pdf).

Engineer's Opinion of Probable Construction Cost

The preliminary Engineer's Opinion of Probable Construction Cost (OPCC) will be S&ME's best judgement as a design professional and will be supplied for planning purposes between the Town of Black Mountain and the Federal Emergency Management Agency (FEMA). It will be based on the design team's recent experience and adjusted to accommodate factors known to the S&ME at the time the preliminary OPCC is prepared. Pricing will reflect the estimator's opinion as to the probable costs that a "prudent" contractor would include in his tender to construct the defined facilities. The OPCC is intended to be an indication of fair market value and is not necessarily a predictor of lowest bid. Separately, S&ME will include estimated costs for Design Professional, or Consultant services, including preparation of Plan and Technical Specifications, regulatory permitting, construction quality assurance, and construction certification.

Note on Opinion of Probable Construction Cost Estimates

S&ME will prepare an opinion of probable construction costs based on S&ME's experience, qualifications, and general familiarity with the construction industry. However, because S&ME has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, S&ME cannot and does not guarantee that proposals, bids, or actual

construction cost will not vary from Engineer's Opinions of Probable Construction Cost prepared by us. If the Owner requires greater assurance as to probable construction cost, you agree to obtain an independent cost estimate.

Construction Cost is the cost to the Owner for the construction of those portions of the entire project designed or specified by or for S&ME under this agreement, including construction labor, services, materials, equipment, insurance, and bonding costs, and allowances for contingencies. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to property; The Owner costs for legal, accounting, insurance counseling, or auditing services; interest or financing charges incurred in connection with the project; or the cost of other services to be provided by others to the Owner. Construction cost is one of the items comprising Total Project Costs.

The services, if any, of S&ME with respect to Total Project Costs will be limited to assisting the Owner in tabulating the various categories that comprise Total Project Costs. Total Project Costs include the total cost of planning, studying, designing, constructing, testing, commissioning, and start-up of the project, including construction cost and all other project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other project-related costs that the Owner furnishes for inclusion. S&ME assumes no responsibility for the accuracy of any opinions of Total Project Costs.

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♦ Excluded Services

Without attempting to provide a complete list of all services or potential services that will be excluded from this proposal, the following services are specifically excluded. Some of these services can be performed by S&ME if desired; however, a separate proposal for these services would be required.

- Final Design or Permitting Services and Fees
- Bid Phase Services
- Design Engineer Construction Support
- Construction Observation and Materials Testing Services

♦ Schedule and Fee

S&ME's original Work Order for the Lower Pond Spillway Replacement Design was for $34,545 and consisted of three tasks: 1) Site Visit; 2) Subcontract Site/Topographic Survey; and 3) Final Design. S&ME completed Tasks 1 and 2. Initial work for Task 3 had begun but was put on hold during the breach alternative discussions. To date, S&ME has invoiced $11,549.40 and has approximately $500 of Work-In-Progress. Therefore, the project has an estimated remaining budget of $22,495.60.

Our estimated professional fee for the proposed change in scope of work is $19,685, and therefore no additional budget is requested to cover the Preliminary Breach Design. The fee is based on a unit rate time and materials basis in accordance with the approved fee schedule.

We anticipate that the Scope of Work can be completed within three to four weeks of formal authorization to proceed. S&ME will bill monthly for all work performed and expenses incurred on the Project's behalf. We will not exceed the proposal amount without written authorization from you.

♦ Authorization

S&ME can provide these services in accordance with the Agreement for Services (Form AS-07 dated October 15, 2025) between S&ME and the Town of Black Mountain as authorized on November 17, 2026.

Our Change to Agreement for Services, Form Number CA-071, is attached and is incorporated as a part of this proposal. Please indicate your acceptance of our proposal by signing the CA-071 and returning a copy to our office. We will then proceed with the performance of services.

If this proposal is transmitted to you via e-mail, and if you choose to accept this proposal by e-mail, your reply e-mail acceptance will serve as your representation to S&ME that you have reviewed the proposal and the associated Agreement for Services (AS-071) and hereby accept both as written.

This proposal is solely intended for the Basic Services as described in the Proposed Scope of Service. The Scope of Service may not be modified or amended, unless the changes are first agreed to by the client and S&ME. Use of this proposal and resulting documents, including the final report, are limited to the referenced project and client. No other use is authorized by S&ME.

Sincerely,

S&ME, Inc.

Michael T. Romanello, PE
Senior Engineer / Project Manager

Brian Blake, PE
Project Engineer / Assistant Project Manager

Attachments:

- Change to Agreement for Services, AS-071

CHANGE TO AGREEMENT FOR SERVICES

Form CA-071

Date: Jun 23, 2026	Job Number: 2541 0083	Change Number: 3

S&ME, Inc. (hereafter Consultant)	Client Name: Town of Black Mountain (hereafter Client)
Address: 44 Buck Shoals Road, Suite 603 City: Arden State: North Carolina Zip: 28704	Address: 160 Midland Ave City: Black Mountain State: North Carolina Zip: 28711
Telephone: 828.687.9080 Fax: 828.687.8003	Telephone: 828.419.9300 Fax: 828.419.7210

PROJECT

Project Name: Tropical Storm Helene A&E Services - Dams

Project location: (Street Address) Black Mountain

City: Black Mountain State: North Carolina Zip: 28711

AGREEMENT FOR SERVICES

Date of Agreement For Services between Client and Consultant: November 17, 2025

WHEREAS, Client and Consultant have previously entered into an Agreement For Services on the date indicated, to perform services on the above project.

WHEREAS, during the performance of the services, Client and Consultant have agreed that it is necessary to change the Agreement between Consultant and Client.

NOW THEREFORE, in consideration of Consultant's promise to perform the services and Client's promise to pay for the services, Consultant and Client agree to incorporate the "Change To Agreement For Services" indicated below into Agreement For Services.

CHANGE TO AGREEMENT FOR SERVICES

The above identified Agreement For Services is changed pursuant to proposal number: 25410083A dated: 6/23/26

This Change will extend the time required for completion of the Agreement: N/A

The total agreement amount after this Change to Agreement For Services: $59,245 (No Change)

CLIENT'S SIGNATURE BELOW IS CLIENT'S ACCEPTANCE OF THIS CHANGE TO AGREEMENT FOR SERVICES AND AUTHORIZATION TO CONSULTANT TO PROCEED IMMEDIATELY WITH THIS CHANGE TO THE AGREEMENT FOR SERVICES.

Agreed to and executed by Client's and Consultant's authorized representatives.

CLIENT: _____	**S&ME, Inc.**
BY: _____ (Signature)	**BY:** _____ (Signature)
_____ (Print Name / Title)	_____ (Print Name / Title)
DATE: _____	**DATE:** _____

Client's FAXED or DIGITAL signature to be treated as original signature