STATE OF NORTH CAROLINA
COUNTY OF IREDELL

CONTRACT FOR INSPECTIONS OF ON-SITE WASTEWATER SYSTEMS TYPE II, III, IV and V

This Contract is entered into this 12th day of November, 2019 by and between TCW Wastewater Management, Inc., a North Carolina Corporation of Union County, North Carolina (hereinafter "TCW") and **Century Communities**

Preamble

TCW is contracting with The Owner to provide inspection services as described on Attachment A for the fees or charges also shown in Attachment A.

The Owner owns or controls the property upon which a ground absorption sewage treatment system ("System") is installed, such System being designated as a type II, III, IV or V system under the Rules for Sanitary Sewage Collection. Treatment and Disposal found at 15A N.C. Admin. Code 18A. 1900 et seq.; and 15A N.C. Admin. Code 18A.1961 requires that a condition of the Operation Permit for certain systems be that a properly executed inspection contract between the System Owner and a management entity shall be in effect for as long as the System is in use. TCW is a management entity which employees certified operators of a type authorized by 15A N.C. Admin. Code 18a.1961 to manage and inspect type II, III, IV, and V systems.

In consideration of the premises and of the mutual covenants and promises contained in this Agreement, it is hereby agreed by and between the Owner and TCW as stipulated below.

Conditions of the Contract

A. TCW, in consideration of the payment by the Owner as set out in the schedule of services and charges in Attachment A, incorporated herein, agrees:

1) To provide the services set out in Attachment A according to the minimum schedule of inspections/services required by regulations for the lots or parcels set out in Attachment B.

2) To report results of the inspections to the local environmental regulatory agency having jurisdiction as required by applicable laws or regulations.

3) If inspections indicate the need for System repairs:

   a) to notify the local environmental regulatory agency within 48 hours.
   b) to give notice to the "Owner" of needed repairs, and, if the necessary repairs are outside the scope of the routine maintenance described in Attachment A, then The Owner may request TCW to provide an estimate. At the authorization of The Owner TCW will perform the necessary repairs at TCW's then prevailing charges for services and materials.

4) If TCW's services are terminated, TCW will notify the local environmental regulatory agency within 48 hours.

E. **Miscellaneous**

1) Transfer of rights, responsibilities, and duties under this Agreement by any party shall be valid only on written notice and consent signed by all parties, which consent shall not be unreasonably or arbitrarily withheld.

2) TCW may perform its duties and responsibilities by subcontract but TCW will remain directly liable and responsible to the Owner under the terms of this Agreement.

3) Waiver of default or a breach of the Agreement by any party shall not operate nor be construed as a waiver of further or subsequent defaults or breach of this Agreement. Failure to take action in any default or breach does not bear action on such default at any time subsequent to such breach or default.

4) This Agreement constitutes the entire agreement of the parties, incorporating, and superseding all prior representations and negotiations and may not be changed or amended except in writing signed by the parties. The Agreement shall be interpreted under North Carolina law. Any part of the Agreement declared void, illegal, or unenforceable will not affect other provisions of the Agreement.

5) Disputes arising under this Agreement shall be determined by any method of Alternative Dispute Resolution the parties choose, including but not limited to, mediation or arbitration, under the Uniform Arbitration Act of North Carolina or its equivalent, or such means or methods as the parties agree to in writing.

6) Notices are deemed delivered if delivered in person; by certified or registered mail; by courier; or delivery service, if properly receipted, charges and postage prepaid, as follows:

Owner: Century Communities
7401 Carmel Executive Park Suite 310
Charlotte, NC 28226

Operator:
TCW Wastewater Management, Inc.
P. O. Box 788
Monroe, NC 28111

Environmental Regulatory Agency:

Iredell County Environmental Health

610 E. Center St.

Mooresville, NC 28115

A party may change its address my giving notice in the manner provided above.

EXHIBIT A
TYPE II, III, IV

MONITORING & INSPECTION PLAN

1. **COST:** **INITIAL CONTRACT YEAR:** **$ 300.00 (2 required inspections)**
$ N/A (0 required lab)
$ 300.00 Total Initial Year

RENEWAL YEARS: **$ 300.00 (2 required inspections)**
$ N/A (0 required lab)
$ 300.00 Total Renewal Years

a. The Owner shall pay to TCW the aforementioned sums for each parcel listed on Attachment B. The initial annual fees are payable upon the execution of the contract. Annual billings will be made thereafter and payable within 30 days of billing. The annual billings will be made on the anniversary dates. The annual renewal fees may increase no more than 5% per year. The Owner shall pay to TCW his normal and customary fees for any authorized work performed on the System as a result of non-scheduled service or maintenance calls. These fees are due and payable within 30 days of billing. Payments due to TCW, and unpaid by the Owner after 30 days, shall be assessed late payment fee of 15% per month, accruing monthly on the unpaid balance.

2. **PERFORMANCE DUTIES:**

- Inspections and services that meet state requirements, i.e., inspections of System using an itemized check list, monitoring "septic tanks" to insure proper operation, and make adjustments of imbalances to systems through the distribution devices.
- Inspection report copies are sent to the environmental regulatory agency (if applicable) and homeowner
- Emergency service calls at no additional charge.
- 24-hour availability
- The Owner will be advised of any repairs needed and estimated cost or repairs. Repairs will not be made without Owner authorization.
- The Owner will be advised when pumping is recommended

Bacteria Additive Option – Additional $40 per year:

- The addition of a bacterial product into the individual septic tank as needed to maintain the proper level of bacteria.