

**Utility Management Service Agreement
Envirolink, Inc. and
Currituck Water & Sewer, LLC**

This Utility Management Service Agreement (hereinafter referred to as the "Agreement") is made as of this 20th day of December, 2021 by and between **Envirolink, Inc.** a North Carolina corporation (hereinafter called "Envirolink"), and the **Currituck Water & Sewer, LLC**, a North Carolina limited liability company, (hereinafter called "CWS" or "Owner"). In this Agreement, Envirolink and the Owner are referred to collectively as the "Parties" and individually as a "Party."

Witnesseth

WHEREAS, the Owner is a regulated utility in the State of North Carolina, and it is in the business of providing utility services to its customers including water and sewer;

WHEREAS, the Owner owns certain options to purchase utility assets, pursuant to the Purchase Agreements, as more fully described in Exhibit A (attached hereto and incorporated herein to this Agreement);

WHEREAS, the Owner is required to provide the managerial, technical, financial, planning, operational and maintenance capabilities in accordance with its incorporation in the State of North Carolina;

WHEREAS, the Owner has authority under the laws of the State of North Carolina and desires to enter into a professional services contract for the operations, maintenance, management of the Owner including the assets described in Exhibit A;

WHEREAS, Envirolink is in the business of providing managerial, technical, financial, planning, operational and maintenance services to owners of utility assets;

WHEREAS, Envirolink is capable of operating, maintaining and managing the Owner's services on its behalf;

WHEREAS, Owner desires to engage Envirolink to provide such professional services; and

NOW THEREFORE in consideration of the mutual promises and of the rights, powers and duties hereinafter set forth to be performed by each, Owner and Envirolink mutually agree to the following terms and conditions.

ARTICLE 1: DEFINITIONS

Definitions: As used in this Agreement, the terms listed in this Article shall have the following meanings:

A. "Additional Services" shall mean those Utility Operation, Management and Maintenance Services that are not included in the Scope of Services as set forth in Exhibit B (attached hereto and incorporated herein to this Agreement). Additional Services will also include emergency assistance to

other cities and Owners under mutual aid agreements. Additional Services will also include expansion of services for growth and new customers.

B. “Affiliate” or “affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person. For purposes of the foregoing, “control,” “controlled by” and “under common control with,” with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

C. “Certified Operator” or “Operator” or “Back up Operator” shall mean personnel, employees or agents of Envirolink certified by the North Carolina Department of Environmental Quality (“DEQ”) Water Treatment Facility Operators Certification Board to operate and maintain water supply, wastewater purification and related facilities.

D. “Contract Start Date” shall begin, with respect to each Facility, on the date that Owner acquires the Facility, upon the closing of the applicable Purchase Agreement.

E. “Facilities” shall mean the assets to be acquired by Owner pursuant upon closing of Purchase Agreements, as described in Exhibit A, each asset a **“Facility,”**

F. “Operation, Management, and Maintenance Services” or “Scope of Services” or “Services” shall mean those professional services provided by Envirolink to the Owner as set forth in Article 2 and in Exhibit B.

G. “Prudent Utility Practices” means those practices, methods, equipment, specifications and standards of safety and performance, as the same may change from time to time, as are commonly used by independent operators of water and utilities of a type and size similar to those constituting the Facilities as good, safe and prudent practices in connection with the operation, maintenance, repair and use of equipment of like facilities, with commensurate standards of safety, performance, dependability, efficiency and economy. Prudent Utility Practices are not intended to be limited to the optimum practice or method to the exclusion of others, but rather to be a spectrum of possible but reasonable and prudent practices and methods.

H. “Purchase Agreements” means (i) that certain Asset Purchase and Utility Construction and Maintenance Agreement by and between Equity First NC, LLC and CV-WWRT, LLC and Currituck Water and Sewer, LLC, dated on or about October 31, 2019 (the **“Carolina Village Agreement”**); (ii) that Revised and Restated Asset Purchase Agreement by and between Sandler Utilities at Mill Run, LLC and Currituck Water & Sewer LLC, dated as of April 14, 2021 (the **“Eagle Creek Agreement”**); and (iii) that certain Service and Asset Purchase Agreement by and between Mayock Development, LLC and Currituck Water & Sewer LLC, dated as of May 6, 2021 (the **“Fost Agreement”**), pursuant to each of which Owner acquired options to purchase certain of the Facilities set forth on Exhibit A.

I. “Qualified Staff” shall mean personnel experienced and qualified to operate, maintain, manage, and operate public works and public utilities and all other responsibilities of the Owner as described herein

J. “State” shall mean the State of North Carolina.

ARTICLE 2 - SCOPE OF SERVICES BY ENVIROLINK and ANNUAL OPERATING PLAN AND BUDGET

(a) Owner engages Envirolink and Envirolink agrees to be engaged by Owner to provide the Scope of Services, as set forth in Exhibit B (attached hereto and incorporated herein to this Agreement) and to be performed in accordance with the terms and conditions set forth herein.

(b) In addition to the Scope of Services, Envirolink may perform Additional Services at the written request of the Owner, or Envirolink may perform Additional Services if such Additional Services are needed as a result of uncontrollable circumstances or the existence of an unanticipated circumstance, situation or event not included in the Scope of Services. Such requests shall be provided by Owner as written "Task Orders" delivered to Envirolink. Envirolink shall be paid for such Additional Services on the basis set forth in Article 7.

(c) Envirolink shall perform all services hereunder in all material respects in a professional, prudent and efficient manner and in accordance with: (a) all operating, maintenance and administrative manuals and procedures for the Facilities, as provided by Owner; (b) the Annual Operating Budget, as approved by Owner; (c) all applicable laws; (d) Prudent Utility Practices; (e) the requirements of this Agreement; (f) the requirements of the Facility related insurance policies; and (g) the requirements of all warranties and guarantees applicable to the Facilities and equipment located at the Facilities.

(d) Pursuant to the provisions of Exhibit B, within sixty (60) days of the Contract Start Date, and within sixty (60) days of each anniversary of the Contract Start Date, or other mutually agreed upon date of each calendar year during the Term, Envirolink shall prepare and submit to Owner a proposed Annual Operating Plan and Annual Operating Budget for the next calendar year. The annual operating plan shall set forth the underlying assumptions and implementation plans and shall include, but not be limited to operational forecasts, set metrics for safety goals, plans for staffing and Facility succession plans, operational training goals, proposals for improving Facility performance, procurement plans and environmental goals (the "Annual Operating Plan"). The annual operating budget shall establish and include on a monthly basis, and in accordance with the Annual Operating Plan, a separate operating budget and capital budget, and shall set forth anticipated reimbursable costs for operations, repairs and capital improvements, routine and preventive maintenance, procurement, staffing, personnel and labor activities (including unit rates for labor), management and administrative activities, and other work proposed to be undertaken by Envirolink, and other costs of Owner to be incurred in connection therewith (excluding anticipated costs of performing any repairs) (the "Annual Operating Budget"). Such Annual Operating Budget shall be based on accrual accounting. Owner shall promptly review Operator's proposed Annual Operating Plan and Annual Operating Budget and may require changes, additions, deletions and modifications (including staffing levels), but with corresponding changes in cost estimations.

(e) Envirolink shall not enter into any subcontract or other transaction with any Affiliate of Envirolink involving amounts which may be recoverable by Envirolink as a reimbursable cost hereunder, unless Operator obtains the prior written consent of Owner (which consent shall not be unreasonably withheld, conditioned or delayed) following notice from Envirolink to Owner certifying that such transaction is in accordance with the applicable Annual Operating Plan and Annual Operating Budget

and on terms and conditions no more favorable to such Affiliate than would be obtainable if such transaction were between unrelated parties on an arm's-length basis.

ARTICLE 3 – RESPONSIBILITIES OF OWNER

Owner shall provide Envirolink with the items and assistance set forth in Exhibit C (attached hereto and incorporated herein to this Agreement), in accordance with the terms and conditions set forth herein.

Owner shall provide compensation and payment to Envirolink in accordance with the terms and conditions set forth in Article 7.

ARTICLE 4 – INDEPENDENT CONTRACTOR

Envirolink shall be deemed to be an independent contractor. Envirolink shall have no power or right to enter into contracts or commitments on behalf of the Owner unless specifically authorized in writing by the Owner to do so.

ARTICLE 5 – TERM OF AGREEMENT

Subject to the other provisions of this Agreement, the initial term of this Agreement shall commence as of the Contract Start Date and end on the fifth (5th) anniversary of the Contract Start Date ("Initial Term"). Thereafter, this Agreement shall be automatically renewed for additional, consecutive one year terms (the "Renewal Term" and together with the Initial Term, the "Term"), unless canceled in writing by either Party no less than one hundred twenty (120) days prior to expiration of the then-current Term. The Owner shall turn the Facilities over to Envirolink on the Contract Start Date of this Agreement, free and clear of the rights of any other operator thereof, and Envirolink shall commence providing the Services on the Contract Start Date.

ARTICLE 6 - TERMINATION

6.1 Termination for Default. Either party (the "Terminating Party") may terminate this Agreement if a material breach of any provision of this Agreement has been committed by the other party (the "Breaching Party") through no fault of the Terminating Party, provided that the following procedure is strictly adhered to:

6.1.1 The Terminating Party must give the Breaching Party written notice setting forth in detail the alleged material breach. The Breaching Party shall have fifteen (15) days to cure such material breach in accordance with provisions of this Article, provided, however, that the Breaching Party shall be granted a maximum of ninety (90) days to cure any material breach (the "Cure Period"), as is reasonably necessary to accomplish such cure, in the event that (i) such breach is curable, (ii) the breach cannot be reasonably cured in the fifteen (15) day period, as mutually agreed to by the parties and (iii) such extension would not cause any material adverse effect on the Facility or the non-breaching party.

6.1.2 If the deficiencies are not corrected within the Cure Period, the Terminating Party may declare the Breaching Party in default by issuing a notice to the Breaching Party, declaring that the Breaching Party is in default under the Agreement and stating that the Agreement is thereby terminated, effective immediately.

6.1.3. In the event that the Owner disputes whether Envirolink has corrected any breach of this Agreement, a mutually acceptable professional engineer licensed to practice in the State of North Carolina will be mutually selected and retained by the Parties to be the judge of whether said deficiencies have been corrected.

6.2 Termination for Budget Overruns. In the event that, for reasons within Envirolink's control or due to the failure of Envirolink to properly perform the services hereunder, the amount of costs reimbursable to Envirolink by Owner under this Agreement exceed the Annual Operating Budget by more than (i) 15% in any given calendar year and (ii) 10% in the following calendar year, Owner may terminate this by written notice to Envirolink, such termination to be effective on the date specified in such notice, which date shall be no less than ninety (90) days after the date of such notice. Notwithstanding the foregoing, each of the Owner and Envirolink agree to use good faith efforts to negotiate any adjustments to the then-current Annual Operating Budget that are mutually deemed necessary by the parties due to circumstances (i) unforeseen by the parties at the time that such Annual Operating Budget is finalized, and (ii) outside the reasonable control of Envirolink.

ARTICLE 7 - COMPENSATION AND PAYMENT TO ENVIROLINK

Beginning on the Contract Start Date, and for each year during the Term, Owner shall pay Envirolink compensation for the services provided by Envirolink pursuant to the Scope of Services set forth in Exhibit B, in accordance with the provisions of this Article 7 ("Annual Fee") (attached hereto and incorporated herein to this Agreement).

Owner shall pay Envirolink one-twelfth (1/12) of the Annual Fee for the current year within fifteen (15) days of issuance of an invoice from Envirolink for services provided during the preceding month. Owner shall pay Envirolink interest at an annual rate equal to one and one-half percent (1.5%) per month, on payments not paid and received on the due date of the payment. Envirolink shall provide each invoice on or about the first day of the month for services provided during the preceding month.

Payment for work designated in the Agreement as ALLOWANCE (Maintenance and Sludge) work has been factored into the Lump Sum Price and Payment Schedule set forth in this Agreement. Envirolink shall submit with its monthly invoice statements for each allowance showing the balance of obligated and unobligated funds in the allowance account. Supporting documentation, including but not limited to purchase orders, invoices, contracts, time sheets, etc., shall be provided upon request. Except for emergencies, prior to obligating any funds in excess of the allowance account, Envirolink shall obtain written approval from Owner in a form acceptable to both Owner and Envirolink. It is understood that this approval may be contingent upon budget amendments, budgeting cycles, or other such Owner required procedures and that Envirolink shall not obligate any funds prior to such written approval.

If the final amount of the ALLOWANCE work is less than the ALLOWANCE line item amount listed in the Agreement, a credit will be issued to Owner after all billings related to this particular line item ALLOWANCE work have been received by Envirolink. The credit will also include the contractor's mark

up on the amount of the Allowance overage. This credit will be applied toward the contractor's next invoice on the project. Envirolink and the Owner shall both document the cost of all Allowance items with receipts and invoices.

For Additional Services that Envirolink can provide in-house (*i.e.*, Envirolink does not have to enlist the services of a contractor or subcontractor and Envirolink does not have to lease any equipment to provide the Additional Services), Owner shall pay Envirolink additional compensation as provided in Envirolink's Preferred Client Rate Schedule for Additional Services, as set forth in Exhibit E (attached hereto and incorporated herein to this Agreement). The rates contained in the Preferred Client Rate Schedule for Additional Services are subject to change. For Additional Services that Envirolink cannot provide in-house (*i.e.*, Envirolink has to enlist the services of a contractor or subcontractor or Envirolink has to lease equipment to provide the Additional Services), Owner shall pay Envirolink additional compensation based upon Envirolink's actual costs (including overhead, equipment, materials and labor), plus fifteen percent (15%) of that cost.

ARTICLE 8 – NON-SOLICIATION OF EMPLOYEES

[Reserved].

ARTICLE 9 – INDEMNIFICATION

To the fullest extent permitted by law, Envirolink shall defend, indemnify and hold harmless Owner, and Owner's respective directors, officers, agents, representatives, members, partners employees, partners, shareholders and Affiliates (collectively, the "Owner Indemnitees"), from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) resulting from (a) the violation of any law by Envirolink or any of its subcontractors, or (b) injury to or death of persons or loss of or damage to property, in any such case under this clause (b) arising as a result of or in connection with any failure on the part of Envirolink to perform its obligations under this Agreement or any negligent acts or omissions or willful misconduct of Envirolink or anyone acting on Envirolink's behalf (other than an Owner Indemnatee); provided, however, that Envirolink shall not be required to reimburse or indemnify any Owner Indemnatee for any loss or claim to the extent such loss or claim is due to the violation of Law, negligence or willful misconduct of such Owner Indemnatee.

To the fullest extent permitted by Law, Owner shall defend, indemnify and hold harmless Envirolink, and its respective directors, officers, agents, employees, members, partners, shareholders and Affiliates (collectively, the "Envirolink Indemnitees"), from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) resulting from (a) the violation of any Law by Owner, or (b) injury to or death of persons or loss of or damage to property, in any such case under this clause (b) arising as a result of or in connection with any failure on the part of Owner to perform its obligations under this Agreement or any negligent acts or omissions or willful misconduct of Owner or anyone acting on Owner's behalf (other than an Envirolink Indemnatee); provided, however, that Owner shall not be required to reimburse or indemnify any Envirolink Indemnatee for any loss or claim to the extent such

loss or claim is due to the violation of law, negligence or willful misconduct of such Envirolink Indemnatee.

Neither Party nor its affiliates shall be liable to the other Party for any special, consequential, indirect or incidental damages relating in any way to this Agreement or the Facilities,.

ARTICLE 10 - INSURANCE

Envirolink shall maintain at its own expense Worker's Compensation, Commercial General Liability, and Automobile Liability insurance policies for the duration of this Agreement in the following amounts:

<u>Type of Insurance</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory Workers' Compensation
Commercial General Liability	\$1,000,000 limit for personal injury and property damage per occurrence and \$2,000,000 in the aggregate
Automotive Liability (Auto)	\$1,000,000 each accident or loss Combined Bodily Injury and Property Damage All Vehicles covered hired car and non-owned Automobiles.

Owner shall procure and maintain fire, property, and boiler and machinery insurance, on an all risk basis, on the Facilities, in an amount equal to 100% of the value of their repair or replacement.

Each Party agrees to include the other in any liability insurance policies it holds as a named insured, and certificates of insurance shall be provided upon request. In no event shall either Party be responsible for the intentional wrongful acts of the other. All policies of liability insurance required to be maintained by Envirolink shall provide that coverage shall not be canceled or non-renewed until at least thirty (30) days prior notice has been given, except only ten (10) days' notice shall be provided for non-payment of premium.

Owner shall procure and maintain appropriate surety bonds endorsed to include faithful performance to cover the faithful performance of Envirolink in the penal amount established by North Carolina law. Owner shall also procure and maintain an appropriate crime insurance policy providing coverage for criminal acts or omissions committed by Envirolink, endorsed to include faithful performance to cover the faithful performance of Envirolink and with policy limits as established by North Carolina law. Should Owner fail to procure or maintain the surety bond or insurance policy specified in this paragraph, Envirolink may, but is not obligated to, procure such bond or policy and invoice Owner for the cost of same. Owner shall be responsible for any fines, penalties, costs or damages associated with any failure to maintain the surety bond or insurance policy specified in this paragraph.

The Owner shall provide all forms of insurance associated with the duties of Envirolink to include but not limited to: Professional Liability, and Fidelity Insurance.

ARTICLE 11 – FORCE MAJEURE

Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered or prevented by any cause which is beyond the reasonable control of such Party (hereinafter called “Force Majeure”). Force Majeure includes, but is not limited to, any of the following, if reasonably beyond the control of the Party claiming Force Majeure: war (declared or undeclared), blockages, hostilities, revolutions, riots, strikes, lockouts or other labor disturbances, epidemics, fires, earthquakes, hurricanes, tornados, tropical storms, floods, ice storms, explosions, lightning, landslides, such other cataclysmic occurrences, delays or interruptions in transportation, terrorist acts, changes in local, state or federal law that render the Agreement unlawful or unduly burdensome to continue as written, or any other cause (whether or not of kinds specifically mentioned herein) that is not reasonably within the control of the Party claiming Force Majeure.

ARTICLE 12: REPRESENTATIONS AND WARRANTIES

Each Party hereby represents and warrants to the other that:

(a) Standing. It is a company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is qualified to do business in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a material adverse effect on its financial condition, operations, prospects or business (including, in the case of Envirolink, North Carolina).

(b) No Violation of Law; Litigation. It is not in violation of any applicable Law promulgated or judgment entered by any governmental authority which violations, individually or in the aggregate, would affect its performance of any obligations under this Agreement. There are no legal or arbitration proceedings or any proceeding by or before any governmental authority, now pending or (to the best of its knowledge) threatened against it which, if adversely determined, could reasonably be expected to have a material adverse effect on its financial condition, operations, prospects or business, or its ability to perform under this Agreement.

(c) Licenses. To the best of its knowledge, it has made all filings with, and obtained all consents, licenses, permits, or other approvals from, all applicable governmental authorities, which are required or appropriate to be made or obtained to permit it to lawfully conduct its business now and as contemplated by this Agreement.

(d) No Breach. To the best of its knowledge, none of the execution and delivery of this Agreement, the consummation of the transactions herein contemplated or compliance with the terms and provisions hereof and thereof will conflict with or result in a breach of, or require any consent under, any of its charter or organizational documents, any applicable law or regulation, or any order, writ, injunction or decree of any court, or any agreement or instrument to which it is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

(e) Authority, etc. It has all necessary power and authority to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary action on its part; and this Agreement has been duly and validly executed and delivered by it and constitutes the legal, valid and binding obligation of it enforceable against it in accordance with the terms thereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

(f) Investigation. In the case of Envirolink, it has: (a) examined all documents provided by Owner, as they apply to or affect the performance of services under this Agreement, thoroughly and become familiar with their terms; and (b) has ascertained the nature and location of the Facilities, the general character and accessibility of the Facilities, and other general conditions which might affect its performance of the services under this Agreement or the cost thereof and has performed such other examination and investigation as would normally be conducted by an operator considering entering into an agreement such as this Agreement to verify conditions which might affect its performance of the services hereunder or the cost thereof.

ARTICLE 13 – INTENTIONALLY OMITTED

ARTICLE 14 - NOTICE

For purposes of this Agreement, notices and all other communications provided for or permitted herein shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by United States certified mail or nationally recognized courier service, prepaid, return receipt requested, addressed as follows:

If to Envirolink:

Envirolink, Inc.
c/o: Controller
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: jmclamb@envirolinkinc.com

If to the Owner:

Currituck Water and Sewer, LLC
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: julius@bernhardcapital.com

Or to such other addresses as either party may furnish to the other in writing in accordance herewith, except that notices of changes of address shall be effective only upon receipt. The parties must provide written notice of any changes to the authorized representatives in advance of such change.

The following individuals are the point of contact for the administration of this Agreement:

Envirolink:

Dave Strum, Director of Operations
Envirolink, Inc.
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: dstrum@envirolinkinc.com

Owner:

Currituck Water and Sewer, LLC
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631

ARTICLE 15 - GOVERNING LAW

The interpretation, validity, effect, and enforcement of this Agreement are to be governed and construed in accordance with the laws of the State of North Carolina.

ARTICLE 16 - ASSIGNMENT

The benefits and obligations hereunder shall inure to, and be binding upon, the Parties hereto. This Agreement may not be assigned by either Party, either in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that the Owner's consent shall not be required for any assignment by Envirolink to an Affiliate of Envirolink or its parent or to a wholly owned subsidiary of Envirolink. For the avoidance of doubt, any such assignment by Envirolink shall not relieve Envirolink of its duties and obligations under this Agreement.

ARTICLE 17 – CHANGES and AMENDMENTS

Owner may request changes in the Scope of Services to be performed pursuant to this Agreement. All changes to the Scope of Services must be in writing and signed by the Parties. If any such changes cause an increase in Envirolink's costs and/or increase the time required for, or the nature of performance of the Scope of Services, Envirolink shall so notify Owner within thirty (30) days of receipt of the change order notification, and as mutually agreed by Envirolink and the Owner, an equitable adjustment shall be made in Envirolink's Compensation and Payment, and this Agreement shall be

modified by a Change Order, duly executed by representatives of each Party. Further, this Agreement may not be modified unless in writing signed by both Parties.

ARTICLE 18 – ACCESS AND USE OF OWNER EQUIPMENT

Owner shall provide access to and use of the real property, equipment, improvements, buildings, structures, and facilities that are under the Owner's ownership or control that are presently located at the Facilities. Additionally, Owner shall provide access to and use of all real property, equipment, improvements, buildings, structures, and facilities that are under the Owner's ownership or control, located at the Facilities, that are required by Envirolink to fulfill its obligations under this Agreement.

ARTICLE 19: DISPUTES AND VENUE

Any dispute arising under this Agreement shall be heard exclusively in the State and Federal Courts located in the State of North Carolina.

ARTICLE 20 - SEVERABILITY

In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability thereof shall not affect the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms.

ARTICLE 21 – HEADINGS AND DEFINITIONS

The section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

ARTICLE 22 – SUCCESSORS BINDING AGREEMENT

This Agreement shall be binding upon and inure the benefit of the Parties and their respective successors and permitted assigns.

ARTICLE 23 – E-VERIFY COMPLIANCE

Envirolink hereby certifies that it shall comply with the requirements of Chapter 64, Article 2 of the North Carolina General Statutes (the "E-Verify Requirements").

ARTICLE 24 - DISPARAGEMENT

Subject to applicable law, each of the Parties covenants and agrees that neither it nor any of its respective agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, will in

any way publicly disparage, call into disrepute, defame, slander or otherwise criticize the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current officer of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), directors (including any current director of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), employees, shareholders, agents, attorneys or representatives, or any of their products or services, in any manner that would damage the business or reputation of such other Parties, their products or services or their subsidiaries, affiliates, successors, assigns, officers (or former officers), directors (or former directors), employees, shareholders, agents, attorneys or representatives

ARTICLE 25 - ENTIRE AGREEMENT

This Agreement sets forth the entire agreement and understanding between the Parties as to the matters contained herein and merges and supersedes all prior discussion, proposals, presentations, agreements and understandings of every kind and nature among them. No Party shall be bound by any condition, definition or representation other than as expressly provided for in this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

SIGNATURE PAGE TO FOLLOW

Currituck Water & Sewer, LLC

By: Currituck Water & Sewer Holdings, LLC
Its: Sole Member

By: Jeffrey Yuknis
Name: Jeffrey R. Yuknis

Title: Authorized Signatory

Date:

Envirolink, Inc.

By: _____

Name: Michael J. Myers

Title: President

Date:

Currituck Water & Sewer, LLC

By: Currituck Water & Sewer Holdings, LLC

Its: Sole Member

By: _____

Name: Jeffrey R. Yuknis

Title: Authorized Signatory

Date:

Envirolink, Inc.

By: 

Name: Michael J. Myers

Title: President

Date: 12-17-2021

EXHIBIT A
Description of Owner Facilities

Eagle Creek Wastewater Treatment Facility, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Eagle Creek Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Fost Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Fost Agreement

Flora Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Fost Agreement

Eagle Creek Spray Irrigation System, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Carolina Village Wastewater Treatment Facility, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Spray Irrigation/Infiltration Pond, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Well Treatment Facility, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Water Distribution System, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Exhibit B

Envirolink Scope of Services

SCOPE

Envirolink agrees to act and provide certain utility operation, management and maintenance services for the Facilities as described below. Pursuant to Article 17, in the event of any changes in the Scope of Services that cause an increase in Envirolink's costs and/or increases the time required for, or the nature of performance of the Scope of Services, an equitable adjustment shall be made to Envirolink's Compensation and Payment, as mutually agreed to by the Parties. The Scope of Services includes the following:

1. Envirolink will pay expenses as required in the performance of the duties set forth in this Agreement, which include:
 - A. Personnel costs for all staff, including overtime expenses for staff;
 - B. Vehicles suitable for transporting equipment and operators;
 - C. Fuel, taxes, tags, maintenance and insurance for vehicles;
 - D. Normal operating supplies -- including tools and general supplies;
2. Envirolink will provide back-up and professional support in the area of Utility Services.
3. Envirolink will deal with the public and community groups in a professional manner. Any complaints received by the Owner will be acted upon immediately by Envirolink, and the Owner will promptly inform an Envirolink representative of any complaints and subsequent actions.
4. Envirolink's superintendent or appropriate staff will attend meetings with officials of State and Federal Regulatory Agencies, upon request by the Owner.

Operation, Maintenance, and Management of the Wastewater Treatment Plants

Envirolink proposes to operate and manage the wastewater treatment plants at the Facilities for the Owner. The following outlines the services included with operation and management of the Wastewater Treatment Plant:

- Primary Operation in Responsible Charge (Grade II or greater with spray irrigation certification);
- Back up Operator in Responsible Charge (Grade I or greater with spray irrigation certification);
- 24 hour, seven day a week on call emergency response*;
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the wastewater treatment plant;
- Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Purchase sludge disposal up to \$10,000 per fiscal year. Any sludge disposal cost above \$10,000 per year will be reimbursed in accordance with Exhibit D.
- Provide operator tools, supplies, and materials for typical day to day operational and maintenance activities;
- Develop and maintain an Emergency Preparedness Plan for the water and wastewater operations;
- Provide all personal protective equipment (PPE) for employee safety, including uniforms and

- appropriate work shoes;
- Pay for annual maintenance on generator at the wastewater facility; Monitor and Record Key Operational Control Parameters;
- Monitor inventory levels of parts and supplies and coordinate replenishment;
- Maintain an Operator Log recording all operational adjustments and maintenance activities;
- Preparation of the Wastewater Performance Annual Report;
- Notify the Owner representative of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities;
- Daily duties customary with the operation of a WWTP of this type;
- The Owner will be responsible for cost associated for power, sludge disposal, and chemicals;
- Preventive Maintenance as needed;
- Test audio-visual alarms and telemetry;
- Respond to customer inquiries concerning the wastewater treatment plant;

Adjustment of the Wastewater System – Owner may not authorize any adjustments or maintenance of the wastewater treatment and spray system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink.

Operation, Maintenance, and Management of the Spray Irrigation Facility

Envirolink will operate, maintain, and manage the Spray Irrigation Facility for the Owner as follows:

- Provide a Primary Operator in Responsible Charge (Spray Irrigation Operator);
- Provide a Back-up Operator in Responsible Charge (Spray Irrigation Operator);
- In consultation with the Golf Course, operate the spray irrigation system utilizing _____ phone application (provided by Owner). Does not require operator to be on-site during irrigation times.
- Attendance at regulatory agency inspections and meetings;
- Coordination with North Carolina regulatory agencies regarding the operation of the irrigation system;
- Monitor and record key operational control parameters;
- Monitor inventory levels of parts and supplies and coordinate replenishment;
- Maintain an operator log that records all operational adjustments and maintenance activities;
- Preparation and file monthly NDARs with NCDEQ;
- Coordinate and oversee sampling program for monitoring wells and soil sampling;
- Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Coordinate with the Golf Course superintendent on the maintenance of fields and cover crop. No application of pesticide, herbicide, or fertilizers without approval of operator in responsible charge. All cover crop maintenance activities will be coordinated with the operator in response;
- It is understood that the golf course is responsible for application of pesticide, herbicides, and fertilizers. No pesticide, herbicide or fertilizers application are included;
- The Owner will be responsible for the costs associated with providing power for the Facilities;

- Preventative maintenance as per manufacturer recommendations or Envirolink standard operating procedure;
- Notify the Owner of any permit violations, specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities;

Adjustment of the Irrigation System – Owner may not authorize any adjustments or maintenance of the wastewater treatment and spray system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Operation Maintenance and Management of the Wastewater Collection System

Envirolink proposes to operate and manage the wastewater collection system for the Owner. The following outlines the services included with operation and management of the Wastewater Collection System:

- Primary Operator in Responsible Charge (Grade II);
- Back up Operator in Responsible Charge (Grade I or greater);
- Manage Fats, Oils, and Grease Program. Owner will be responsible for mailing educational material to customers.
- Inspect Three (3) lift stations as required by NCDENR but no less frequently than weekly;
- Respond to Sanitary Sewer Overflows and issue 24 hr verbal and 5 day written notification and report to NC DENR;
- Annual visual inspection of collection system and semi-annual inspection of High Priority Lines and maintain reports of these activities;
- Clean 10% of the sewer collection system per year(approximately 4,224 ft/year) and maintain reports of these activities;
- Clean lift stations 2 times per year and maintain reports of these activities
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the wastewater system;
- Respond to customer inquiries concerning the wastewater collection system;
- 24 hour a day, 365 day a year emergency response

Adjustment of the Wastewater Collection System – Owner may not authorize any adjustments or maintenance of the wastewater collection system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Operation Maintenance and Management of the Water Distribution System

Envirolink proposes to operate and manage the water distribution system for the Owner. The following outlines the services included with operation and management of the Water Distribution System:

- Primary Operator in Responsible Charge (Class B);
- Back up Operator in Responsible Charge (Not required but recommended);
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the water

system;

- Upon testing of chlorine levels, collect bacteriological samples from the distribution system per the sample site plan and deliver to a certified laboratory for analysis;
- Comply with the requirements of the lead and copper program, including distribution of lead and copper educational material and coordination of lead and copper sampling, as required by North Carolina Public Water Supply Section;
- Collect and deliver to the laboratory samples according the sample site plan for disinfection by-product monitoring as required by the North Carolina Public Water Supply Section;
- Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Track compliance monitoring and collect and deliver to a certified laboratory those parameters required according to the North Carolina Public Water Supply Section;
- Monitor and Record Key Operational and Process Control Parameters;
- Monitor inventory levels of chemicals, parts and supplies and coordinate replenishment;
- Maintain an Operator Log recording all operational adjustments and maintenance activities;
- Notify the Owner of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities.
- Read up to 184 meters once per month and deliver the readings to billing;
- 24 hours a day, 365 day a year emergency response;
- Respond to customer inquiries concerning the water distribution system;
- Other customer service related work orders typical of a public utility;
- Labor & equipment for preventive maintenance, as needed;

Adjustment of the Water System – Owner may not authorize any adjustments or maintenance of the water system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Utility Management Shared Services

- Coordination and completion of all repair/replacement maintenance events at the water and wastewater treatment facility. Includes a \$500.00 per event deductible and an annual maximum maintenance cap of \$15,000.00;
- Coordination and completion of the life cycle cost events at the water and wastewater treatment facility. Includes a \$500.00 per event deductible and an annual maximum maintenance cap of \$15,000.00;
- Coordination and completion of repair/replacement maintenance events on Owner equipment. Includes a \$250.00 per event deductible and an annual maximum maintenance cap of \$5,000.00;
- Coordination and completion of a meter replacement program. This includes the replacement of 5% of the Owner's water meters annually;
- Coordination completion of a flushing program. This includes two water system flushes annually.

Management Support

Envirolink will provide the following services in providing management support:

DAY TO DAY MANAGEMENT

- Coordinate and direct the facilitation of both long-term and short-term planning associated with utilities;
- Coordinate and direct utility related customer service to the citizens compatible with the legal responsibilities established and the economic resources available.
- Represent the Owner policies and programs with community representatives and other government agencies.
- Attend meeting of the Board of Managers of Owner (the "Board")
- Provide advice and consultation on the development of Owner programs and policies related to water, and sewer.
- In consultation with Owner, establishing goals, objectives and schedules related to utility services.
- Work with Owner to implement, administer, and enforce the water, and sewer policies and programs adopted by the Board, including,
 - Sewer use policies
 - Billing and collection policies
 - Cross Connection Control Policies
- Work in conjunction with the Owner's attorneys, accountant, and consultants to recommend to the Board changes needed to: rules and regulations; fees and charges; and specifications and requirements controlling the construction, repair, maintenance and operation of Owner's water, and sewer services systems. Said recommendations to be reviewed and acted upon by the Owner's Board. Represent the Board's water, and sewer policies and programs with customers community representatives and other government agencies.
- Providing advice and consult with Board on approval of capital projects and function as the owner's representative on the projects and work with the engineers and contractors to develop and administer goals, scope, schedule and budget.
- Administering and enforcing the programs and activities adopted to facilitate compliance with applicable regulatory licenses, permits and regulations necessary for the ownership and operations of Board approved Owner services;
- Conferring with private individuals, firms, organizations and local, state and federal agencies in the implementation and coordination of programs, projects and various activities.

ADMINISTRATION ASSISTANCE

- Assist, as required, with the following:
 - Preparation of annual water, and sewer operating and capital budgets for review and adoption by the Board.
 - Attend Board meetings, as needed;
 - Participate in strategic planning and long-term initiative meetings;
 - Monitor and report on future regulatory initiatives and changes that could potentially impact the Owner and its services;
- Use best efforts to identify service and system deficiencies;
- Attend meetings, such as, but not limited to, budget, pre-design meetings, design charrettes, preconstruction meetings, construction meetings, and partnering meetings; Oversee preparations for bids and specifications for capital expenditures
- Administer and enforce the programs and activities necessary to achieve compliance with applicable regulatory licenses, permits and regulations necessary for the ownership and operations of Owner services and utility systems.

PUBLIC RELATIONS

- Upon request, act as spokesperson/representative for the Owner in situations including, representing the Owner in negotiations and conferences conducted by and with the community and civic organizations, governmental and legislative bodies, contractors, trade, technical, professional associations, groups, etc.
- Confer with private individuals, firms, organizations and local, state and federal agencies in the implementation and coordination of programs, projects and various activities.
- Meet with the public to disseminate information regarding Owner regulations and ordinances.

Planning and Programming

In order to function as a full partner with the Owner, Envirolink must be fully engaged in planning and programming activities. The purpose of Planning and Programming provide the Owner with the types of resources and services typical of a utility department. Planning and Programming is not intended to provide the detailed analysis typical for master planning, construction estimate, utility rate reviews, etc. but rather to provide Program Management of these activities typical of Utility Departments. The following list generally describes some of these activities.

Utility Billing & Customer Service

- Utility Customer Account Management
- Respond to customer inquiries
- Service order processing and tracking
- Service order records management
- Customer account bill production and mailing
- Collection of funds through direct mail, or automatic bank draft
- Bank account, in Owner name, for receipt of utility account payments, to be deposited as required.
- Consumer Confidence Report Production
- Consumer Confidence Report distribution through direct mailing or other NC PWS approved method

BILLING AND COLLECTIONS SERVICES. Owner will provide Envirolink a copy of the Certificate approved and issued by the Board that provides the Schedule of Rates that the Owner must charge customers utilizing Owner services. Envirolink shall be responsible for all aspects of billing pursuant to the Certificate and this Agreement. Furthermore, Envirolink shall be responsible for all aspects of collection pursuant to the rates and connection fees contained in the Schedule of Rates of the Certificate, and Envirolink shall be responsible for all aspects of collection pursuant to this Agreement and in conformance with the Owner's Collection Policy. Specifically, Envirolink is responsible for all aspects of billing to and collection from the customers utilizing Owner services, including, without limitation, the following:

- (1) Collect the capacity/connection fees in accordance with the terms of the Certificate.

(2) Perform customer billing once per month in or around the fifteenth (15th) day of the month following the month that such services were rendered. Bill cycle to be between 28 – 32 days.

(3) Establish and maintain a customer file on each account in its database utilizing Envirolink's software.

(4) Establish and maintain a billing register containing information on each account billed utilizing Envirolink's software.

(5) Prepare and mail monthly water, and sewer, bills utilizing Envirolink's software. The water, and sewer, bills shall instruct the customer to make checks payable to Currituck Water & Sewer.

(6) Prepare and deliver to Owner clerk and Board monthly accounts, receivables, and aging reports prepared utilizing Envirolink's software.

(7) Prepare and mail late notices for delinquent accounts.

(8) By the twentieth (20th) day of each month, prepare and deliver to the Owner clerk a monthly sales report showing new customers connected to the wastewater utility system.

(9) Envirolink shall direct on its monthly customer bills that all payments will be forwarded to a lockbox number at a specified bank pursuant to which Currituck Water & Sewer and Envirolink will enter into a separate lockbox agreement. All checks from customers in the Service Area shall be mailed directly to the lockbox account. Envirolink acknowledges that funds deposited into the lockbox account will be wired to the Currituck Water & Sewer main checking account on a weekly basis pursuant to the lockbox agreement. All bank charges for lockbox and wire transfers shall be paid by Currituck Water & Sewer directly to the bank holding the lockbox account.

(10) Envirolink shall use its best efforts to collect all customer accounts due from customers obtaining services from the Currituck Water & Sewer, including the preparation and mailing of delinquent follow-up notices. Delinquent follow-up notices include a reminder notice when an account is five (5) days past due and a suspension of services notice when an account is twenty (20) days past due.

Envirolink shall submit to Owner the reports provided in Item 6 and 8, by the twentieth (20th) day of each month following the month that Envirolink initiates billing pursuant to this Section. Envirolink shall retain electronic and/or paper copies of all other billing records that Envirolink prepares and maintains pursuant to this Agreement.

EXHIBIT C
Owner Responsibilities

- Board shall designate in writing the one representative, to act as the Owner's representative with respect to the services to be provided under this agreement. The representative shall have complete authority to transmit instructions, receive information, interpret and administer this agreement, and define the Owner policies and decisions with respect to the services covered by this Agreement. The parties understand Envirolink shall perform its services under the direct instruction and supervision of the Owner, as designated under this paragraph.
- In matters affecting the performance of this agreement, the Board shall render decisions in a timely manner and shall not unreasonably withhold approval of the Annual Operating Plan, Annual Operating Budget or other decisions that Envirolink may reasonably need to properly act on behalf of the Owner.
- Ensure that each member of the Board functions in accordance with North Carolina law and ensures that any and all actions taken are representative of the Board. No member of the Board may take any action that represents individual goals and objectives. For clarity, all actions taken by individual members of the Board shall be supportive of the collective Board's goals and objectives based on actions taken during regularly scheduled meetings.
- Owner shall be responsible for:
 - a. Issuance of Purchase Orders
 - b. Processing Accounts Payable
 - c. Preparing Account Receivable Reports
 - d. Preparing Financial Reports
 - e. Cutting checks for payment
 - f. Facilitating audits
- The Owner shall indemnify Envirolink in accordance with Article 9 and Article 13.
- Assist Envirolink by placing at its disposal all available information pertinent to any project upon which it is working, including previous reports and any other data.
- Examine all studies, reports, estimates, specifications, drawings, proposals, and other documents presented by Envirolink, and render decisions pertaining thereto within a reasonable time so as not to delay performance of the services of Envirolink.
- Give prompt written notice to Envirolink whenever Owner observes or otherwise becomes aware of any discrepancies in the Basic Services or Additional Services provided by Envirolink so that Envirolink may investigate and make recommendations to the Owner.
- All contracts entered into on behalf of the Owner shall be approved by the Board.
- Approve an annual operating and capital budget no later than May 31st of each year.
- Approve Water, and Sewer rates supportive of full cost pricing for the on-going operation, maintenance and management of the utility systems including life-cycle cost and maintenance of an agreed upon fund balance and/or working capital.
- Ensure appropriate funds supportive of full cost pricing of Owner operations including life-cycle cost and maintenance of an agreed upon fund balance and/or working capital are available.
- Approve any reasonably requested ordinance changes that support the on-going operations of the Owner and Owner utility services.
- Approve any reasonably requested fee structure changes requested that support the on-going operations of the Owner.
- Approve any and all capital budgets and the corresponding capital budget expenditure request to support the on-going operation of the Owner and its utility services.
- At all times take such actions that support and represent the Owner and its residents best interest.

- Furnish approvals, permits, and all correspondence from all governmental authorities having jurisdiction over any services undertaken hereunder and such approvals and consents from others as may be necessary.
- Except for corrective maintenance in accordance with maintenance allowance, Owner shall be responsible for all corrective maintenance, repair or replacement cost under the direction of Envirolink.
- All utilities including water, sewer, electricity, internet and telecommunications services at no charge to Envirolink.
- Emergency power generation.
- Rehabilitative and correction of substandard conditions are the responsibility of the Owner.
- Labor, equipment and parts associated with replacement, repair, remedial, upgrades and new installation performed by Envirolink, at the request of the Owner, shall be invoiced monthly.
- Owner will pay cost to maintain all permits and licenses by NC DEQ for water and wastewater treatment facilities.
- Envirolink will pay for operating cost including gas, oil changes, supplies, tires, etc. and Owner will reimburse Envirolink any cost to maintain and repair any Owner owned equipment such as, but not limited to analytical, mechanical, or electronic equipment that is used in the performance of these services.
- Owner will pay for all application and annual inspection fees.
- Owner shall grant access and use of Owner equipment as may be necessary for the operation and maintenance of the Owner Facilities.
- Owner shall be responsible for any and all facilities modifications or safety measures required for compliance with OSHA regulations or findings; and facilities ground maintenance.
- Owner shall be responsible for all cost to maintain all easements, licenses, and equipment warranties for the mutual benefit of both the Owner and Envirolink.
- Owner agrees to pay for cost to maintain a spare parts inventory and pay for all upgrades and modifications required by State or Federal regulatory agencies.
- Be responsible for the cost of any snow removal from the access roads to the Facilities.
- Office use at no charge to Envirolink.
- Software licensing, chemical, office supplies, lab supplies, and other cost necessary to provide the services.
- Bear all costs incident to compliance with the requirements of this Section.

**EXHIBIT D
Pricing**

Contract Line Item #	Description of Service	Quantity (1)	Monthly Cost	Annual Cost
004	Utility Administration (Shared Services – Meter Reading, Turn Off, Restores, Customer Service, Billing)	12	See Utility Billing Rate Schedule	See Utility Billing Rate Schedule
005	Water, Operation & Maintenance	12		
006	Wastewater, Operations & Maintenance	12		
007	Utility Management Services	12		

Utility Billing Rate Schedule

Customer Service, Billing, and Collections		
Customers	Monthly Price Per Customer	Annual Price per Customer
0-200	\$6.30	\$75.60
201-500	\$6.00	\$72.00
501-1000	\$5.90	\$70.80
1001-1500	\$5.80	\$69.60
1501-2000	\$5.75	\$69.00
2001-2500	\$5.67	\$68.04
2501-3000	\$5.65	\$67.80

This fee shall be payable and due ten days after invoicing. Invoicing is expected to occur on or around the first day of each month for services rendered for the previous month.

1. ADJUSTMENTS AND ADDITIONS TO MONTHLY OPERATING FEE

- a) Maintenance, replacement, repair, upgrade, rehabilitation and new installation outside the scope of the Operator in Responsible Charge (as approved by the Owner) shall be

invoiced separately and will be based on time and materials needed for the job, payable to Envirolink within 15 days of invoice date.

- b) For additional services beyond the in-house capabilities of Envirolink, a markup of 15% will be made to all subcontractor labor and equipment, as well as purchased material, supplies and travel expenses.
- c) These fees shall be payable and due fifteen (15) days after invoicing. Invoicing is expected to occur on or around the fifteenth of each month for services rendered for the previous month. Owner further promises to pay interest on any outstanding balances not paid within 15 days until paid in full at an interest rate equal to eight percent (8%) per annum, compounded daily, and such interest shall be payable in full on the date that the initial unpaid balance became due and payable. All computations of interest shall be made on the basis of a year of 360 days based upon the actual number of days elapsed. Notwithstanding the foregoing, all unpaid balances and interest payments shall be subject to the Right to Setoff provisions contained in Article 7.

2. ANNUAL ADJUSTMENTS

Provided that the Contract Start Date is prior to January 1, 2023, Envirolink shall be entitled to adjust service fees on January 1, 2023 and on January 1 of each calendar year thereafter during the Term. Adjustments to service fees shall not occur more frequently than annually. Envirolink shall notify Owner of its annual adjustment 30 days prior to adjusting any service fees.

Annual fee adjustments will be based on the following:

1. Consumer Price Index (CPI)

Envirolink shall review actual cost required to operate, manage and maintain the Utility systems (including any known increases in cost of goods, supplies, etc.) in determining the actual cost. Envirolink shall be allowed to earn a fair and reasonable profit and charge a fair and reasonable Administration fee (overhead).

This paragraph applies to CLIN/Sub-CLINs 0001 - 0002 only, and does not apply to any other CLIN/Sub-CLIN as may be added unless specified in CLIN/SubCLIN. However, neither party shall request a change to CLIN/Sub-CLINs 0001 -0002 to become effective sooner than 1 year from the Contract Start Date or more frequently than annually.

Any changes to charges, terms, or conditions as a result of adjustments shall be made part of this contract and will be initiated on July 1 of each calendar year.

3. TASK ORDER AUTHORIZATION FOR ADDITIONAL WORK

All additional work under this Agreement, except for emergency situations, must be pre-approved and authorized by a representative of the Owner.

Exhibit E

ENVIROLINK PREFERRED CLIENT RATE SCHEDULE FOR ADDITIONAL SERVICES

Envirolink 2021 Labor Rates			
Line	Position	Hourly Rate*	
1	Director of Utility	\$ 300.00	
2	Supervisor	\$ 257.00	
3	Senior Project Manager	\$ 180.00	
4	Construction Inspector	\$ 90.00	
5	Project Manager	\$ 85.00	
6	Executive Assistant	\$ 55.00	
7	Office/Billing Manager	\$ 50.00	
8	Office Assistant	\$ 35.00	
9	Inspector	\$ 65.00	
10	Serviceperson II - Foreman	\$ 50.00	
11	Serviceperson I - Skilled	\$ 45.00	
12	Laborer	\$ 38.00	
11	Grade A - Water	\$ 70.00	
12	Grade B - Water	\$ 60.00	
13	Grade C - Water	\$ 52.00	
14	Cross Connection Operator	\$ 50.00	
15	Senior Laboratory Technician	\$ 50.00	
16	Laboratory Technician	\$ 40.00	
17	Analyst	\$ 37.00	
18	Driver	\$ 35.00	
19	Grade IV - Wastewater	\$ 75.00	
20	Grade III - Wastewater	\$ 60.00	
21	Grade II - Wastewater	\$ 52.00	
22	Grade I - Wastewater	\$ 47.00	
23	Spray Irrigation System Operator	\$ 53.00	
24	Physical/Chemical Operator II	\$ 55.00	
25	Physical/Chemical Operator I	\$ 50.00	
26	Subsurface Operator	\$ 55.00	
27	Land Application Operator	\$ 55.00	
28	Administration: Billing & Customer Service Representative	\$ 47.00	
	Rates applicable from 0700 hours (7:00 am) to 1700 hours (5:00 pm)		
	Overtime rate = 1.5 x regular rate. Overtime rates apply from		
	1700 hours (5:00 pm) to 0700 hours (7:00 am)		

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EnviroLink 2021 Equipment Rates		
Mobilization		
0-30 mile	\$ 250.00	
31-60 mile	\$ 350.00	
61-90 mile	\$ 450.00	
91-120 mile	\$ 550.00	
Equipment	Rate	Per
Rubber Tire Backhoe	\$ 320.00	day
Mini Excavator	\$ 360.00	day
Operator Truck	\$ 120.00	day
Maintenance Truck	\$ 240.00	day
Crane Truck (3 ton)	\$ 270.00	day
Combination Truck	\$2,000.00	day
Vacuum Truck	\$1,000.00	day
Mainline Camera	\$ 880.00	day
Push Camera	\$ 600.00	day
Flow Monitoring - Sewer	\$ 25.00	day
Leak Detection	\$ 75.00	day
2" Trash Pump	\$ 80.00	day
3" Trash Pump	\$ 80.00	day
4" Trash Pump	\$ 185.00	day
140 kw Generator	\$ 440.00	day
Air Compressor	\$ 360.00	day
Street Sweeper	Cost +	day
Leaf Truck	\$ 120.00	day
Chipper	\$ 200.00	day
6 kw Generator	\$ 45.00	day
Jetter	\$1,200.00	day
CFE PPE & Equipment	\$ 75.00	day
Smoke Testing Equipment	\$ 35.00	day
GPS Unit	\$ 35.00	day

Envirolink 2021 Unit Pricing Rates		
2018		
Service (includes labor)		
Per		
Confined Space Entry	\$	75.00
Mainline Camera (Readily accessible)		
8 - 12" (1 pass)	\$	2.00
15 - 18" (1 pass)	\$	2.50
21 - 27" (1 pass)	\$	2.90
30" (1 pass)	\$	4.00
36 - 96" (1 pass)	\$	5.90
Manhole Inspections	\$	65.00
Hydrant Flow Test (2 hydrant procedure)	\$	350.00
Meter		
3/4" x 5/8" meter (direct read)	\$	55.00
3/4" x 5/8" meter (radio read)		
3/4" x 5/8" meter (smart)		
Customer Service & Billing	\$	4.25
Customer Service, Billing & Meter Reading	\$	5.10
Backflow Prevention Certification	Cost + 15%	
Subcontractor	Cost + 15%	
Supplies	Cost + 15%	
Parts	Cost + 15%	

