

SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1



OPERATING POLICIES AND PROCEDURES

**Adopted by the Board of Directors
February 26, 2019**

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**SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1
OPERATING POLICIES AND PROCEDURES**

ARTICLE 1.0 GENERAL PROVISIONS

SECTION 1.1 Definitions

For the purpose of these Policies and Procedures, the following terms shall have the following meanings, unless such definition would be clearly inconsistent with the intent of the Superstition Mountains Community Facilities District No. 1 (**the “District”**) in adopting these Policies and Procedures:

“Act” shall mean the **Arizona Community Facilities District Act, pursuant to Arizona Revised Statutes Title 48, Chapter 4, Article 6**, as amended from time to time.

“Applicant” shall mean any property owner or Person with an interest in a property who applies to receive service from the District.

“Application Fees” shall mean those fees charged by the District for the purpose of attempting to defray the District’s expenses associated with the review, processing or inspection of a Customer’s proposed service by the District.

“ADEQ” shall mean the Arizona Department of Environmental Quality.

“BOD” shall mean Biochemical Oxygen Demand.

“Board of Directors” shall mean the Board of Directors of the District.

“Building Sewer” shall mean those drain lines commencing at and connecting one or more drains or other plumbing fixtures, usually within a structure.

“City” shall mean the City of Apache Junction, Arizona.

“Collection Main” shall mean a primary sewer pipe with a diameter of **six (6) inches** or greater intended to collect and transport Sewage from one or more Service Lines, and may include Manholes and related appurtenances.

“Collection Main Extension” shall mean any extension of a Collection Main as set forth in these Policies and Procedures.

“Collection Main Extension Agreement” shall mean an agreement entered into pursuant to Section 4.2 of these Policies and Procedures.

“Collection System” shall mean the series of pipes, Manholes, pumping stations and appurtenances owned by the District whose function is to gather Sewage from divergent Sources and deliver same to a central location, not including Building Sewer or Lateral Sewer Lines.

“Connection Permit Fees” shall mean those fees collected in return for the right to connect a Source to the Collection System.

“Customer” shall mean any Person whose property by application, petition, permit or Service Agreement is subject to payment of any rates, fees or charges pursuant to these Policies and Procedures, including, but not limited to, any Person, lot, parcel of land, building, premises or Septage Hauler that has the right to Discharge into the Sewage Treatment System.

“Customer Deposit” shall mean a payment made to the District by the Customer in advance of service to provide the District with a cash reserve to cover delinquencies or non-payments of any rates, fees or charges on the part of, or other damages or costs caused by, the Customer.

“Debt Service” shall mean the amount of principal, premium, if any, and interest due on any borrowed money of the District.

“Delinquent Fees” shall mean the fees imposed on a Customer by the District for failure to remit any rates, fees or charges when due.

“Discharge” shall mean the deposit of any substance or matter, including Sewage, Wastewater, water, Septage, or any liquid or solid, into the Sewage Treatment System; the substance or matter that is deposited into the Sewage Treatment System.

“Disconnection Fees” shall mean the fees imposed by the District to compensate the District for disconnecting a Customer’s service upon the Customer’s failure to abide by the terms of these Policies and Procedures or any Service Agreement executed by the Customer.

“District” shall mean the community facilities district formed by the City of Apache Junction and known as Superstition Mountains Community Facilities District No. 1 or such Person, firm, authority or department as may be designated by the District to perform a particular function for or on behalf of the District.

“District Assistant Treasurer” or **“Assistant Treasurer”** shall mean the person responsible for assisting the Treasurer in carrying out of his or her statutorily-required duties.

“District Boundary” shall mean the 2,388 noncontiguous parcels of land described in Resolution 92-15 of the Mayor and City Council of the City of Apache Junction, Arizona, ordering and declaring formation of the Superstition Mountains Community Facility District No. 1, and Resolution 94-14 of the Mayor and City Council of the City of Apache Junction that added additional parcels of land to the District.

“District Chairman” or **“Chairman”** shall mean the member of the Board of Directors who shall be responsible for setting the agenda and conducting the District’s Board of Directors meetings and performing those functions as directed or authorized by the Board of Directors and as provided herein.

“District Clerk” shall mean the person appointed in the manner contemplated by the Act and responsible for carrying out the statutorily-required duties of the District Clerk in accordance with the Act.

“District Manager” shall mean the person responsible for carrying out the duties of the District Manager under these Policies and Procedures and as directed by the Board of Directors or any person designated by the District Manager to assist the District Manager in the carrying out of those duties.

“District Treasurer” or **“Treasurer”** shall mean the person appointed in the manner contemplated by the Act and responsible for carrying out the statutorily-required duties of the District Treasurer in accordance with the Act.

“Establishment” shall mean any building, business, facility, operation, plant or other Improvements producing any substance to be Discharged into the Sewage Treatment System.

“Improvements” shall mean any alterations, additions or modifications, whether temporary or permanent, including but not limited to, structures, fencing, landscaping, paving, ponds and water features.

“Industrial Waste” shall mean any liquid or free-flowing waste resulting from any industrial or manufacturing process or from the development, recovery or processing of natural resources, with or without Suspended Solids.

“Lateral Sewer Line” shall mean that portion of a Sewage Treatment System commencing at the termination of the Building Sewer and extending to the Service Line. A Lateral Sewer Line is constructed by or for, and maintained by or for the Customer.

“Maintenance” shall mean those actions taken and expenditures made in order to keep the Sewage Treatment System in an acceptable state of repair, including expenditures necessary to maintain the System Design Capacity.

“Manhole(s)” shall mean structures located at regular intervals along a sewer pipeline of sufficient size for a person to enter and designed for the purpose of cleaning or Maintenance.

“Minimum Charge” shall mean the monthly fee imposed on Customers by the District at least sufficient to defray a proportionate share of Debt Service and capital, operation and Maintenance expenses, whether or not the Customer utilizes the Sewage Treatment System.

“NAICS” shall mean the North American Industry Classification System, the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing and publishing statistical data related to the United States business economy.

“On-Site Charges” shall mean those charges imposed on Customers by the District for the construction necessary to connect the Customer’s property to the Collection System.

“Permittee” shall mean any Person that has a valid permit granted pursuant to these Policies and Procedures.

“Person” shall mean any individual, partnership, co-partnership, firm, company, limited liability company, limited liability partnership, corporation, association, joint stock company, trust, state, municipality, Indian tribe, political subdivision of the State, federal governmental agency or any other legal entity, including its legal representatives, agents or assigns but not including the District.

“Policies and Procedures” shall mean these Superstition Mountains Community Facilities District No. 1 Operating Policies and Procedures, as adopted by the Board of Directors and as amended from time to time.

“Pollutant” shall mean any dredged spoil, solid waste, incinerator residue, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, dirt, toxic substance, garbage, industrial or domestic wastes, or municipal and agricultural wastes.

“Property Line” shall mean the boundary lines defining or marking the location of a parcel of real property.

“Reconnection Fees” shall mean the fees imposed to compensate the District for reconnecting a Customer’s service after disconnection when the disconnection is a result of the Customer’s failure to abide by these Policies and Procedures or any Service Agreement executed by the Customer.

“Recording Secretary” shall mean the person responsible for assisting the District Clerk in the preparation of minutes of the District’s Board of Directors meetings.

“Reestablishment Fees” shall mean the fees imposed to compensate the District for maintaining treatment capacity and sewer line integrity for a property that has been disconnected as a result of a Customer's failure to abide by these Policies and Procedures or any Service Agreement executed by the Customer.

“Regulatory Agencies” shall mean any applicable public authority or government agency including, but not limited to, federal, State, county and City authorities.

“Residential Unit” shall mean a structure, portion of a structure or vehicle that is intended to be used as a dwelling. Residential Units shall include single family dwellings, multi-family dwellings, manufactured homes and recreational vehicles.

“Septage” shall mean waste from nonindustrial sources produced in individual, on-site Wastewater disposal systems such as septic tanks and portable toilets, as well as activated sludge, and biodegradable liquid wastes from sanitary sewers, decorative ponds, swimming pools and cooling towers.

“Septage Hauler” shall mean any Person who hauls Septage or who owns, leases, operates or controls an entity that hauls Septage.

“Service Agreement” shall mean the written agreement between the District and a Customer in the form prescribed by the District pursuant to which the District provides sewer service to the Customer and the Customer agrees to abide by these Policies and Procedures.

“Service Area” shall mean the area to be served by the District, as described in the Central Arizona Governments Section 208 Water Quality Management Plan, as updated and amended from time to time.

“Service Charge” shall mean the monthly fee imposed on Customers by the District for sewer service, and includes, but is not limited to, the applicable Minimum Charge.

“Service Line” shall mean the sewer pipeline from the Lateral Sewer Line at or near the Property Line of a Customer to the Collection System. A Service Line is constructed by or for and maintained by or for the Customer.

“Service Location” shall mean any easement area used for the location of any portion of the Sewage Treatment System.

“Sewage” shall mean any combination of Discharges from Establishments or Residential Units.

“Sewage Facilities” shall mean, individually or collectively, Lateral Sewer Lines, Service Lines, Collection Mains, pretreatment devices, pollution control systems, and applicable commercial and all industrial processes.

“Sewage Treatment System” shall mean all facilities, including the Treatment Plant and Collection System, for collecting, pumping, treating and disposing of Sewage and the residuals thereof.

“Source” shall mean any discernible, discrete point where Discharge initially enters the Collection System.

“State” shall mean the State of Arizona and its agencies, commissions, divisions and departments.

“System Design Capacity” shall mean the design capacity for the Sewage Treatment System as established by accepted engineering standards.

“Treatment Parameter” shall mean a fundamental characteristic of Sewage, around which treatment is designed, such as, but not limited to flow, BOD, suspended solids and nitrogen.

“Treatment Plant” shall mean that portion of the Sewage Treatment System commencing at the headworks, and including all devices, holding areas, buildings, property and other equipment, devices and structures used or designed for the treatment of Sewage and Septage and the disposal of their residuals.

“Undeveloped Land” shall mean real property for which the property owner is paying a per acre charge to secure a reduced Connection Permit Fee. After **December 1, 1994**, no additional Customers were included in the Undeveloped Land class.

“Vice Chairman” shall mean the member of the Board of Directors who, in the absence of the Chairman, shall be responsible for performing all duties of the Chairman.

“Wastewater” shall mean any used liquid or water-carried pollutant, including industrial waste, Discharged from Establishments or Residential Units.

“Website” shall mean the District’s web address that is www.smcfd.org.

SECTION 1.2 Purpose and Background

The District, located in the City of Apache Junction, Arizona, operates and maintains a system for the collection, transport, treatment and disposal of Sewage from properties existing within the District's Service Area and for the treatment of Septage.

The District is a municipal corporation and political sub-division of the State of Arizona. These Policies and Procedures are intended to provide the framework under which the District will conduct its affairs. These Policies and Procedures are intended to have the force of law for all properties within the Service Area. For Customers receiving service based on an agreement with the District, these Policies and Procedures shall serve as contractual obligations that will be incorporated by reference in each Service Agreement executed by the District and its Customers. The District may levy and collect rates, fees and charges pursuant to these Policies and Procedures. The District shall make and enforce those rules and regulations as may be deemed necessary for the safe, lawful, economical and efficient management and protection of the Sewage Treatment System, including the construction and use of the sewers and connections to the Sewage Treatment System and the regulation, collection, rebating and refunding of its rates, fees and charges. Notwithstanding any provision in these Policies and Procedures to the contrary, the District shall have all the power and authority accorded to it under federal, State and other applicable law.

SECTION 1.3 Amendments and Revisions

The District may from time to time amend its Policies and Procedures. In order to do so, the District must take the following actions:

- A.** Notice of the proposed amendments to these Policies and Procedures must be placed on the District's agenda for a public meeting.
- B.** A written copy of the proposed amendments to the Policies and Procedures must be presented to the District's Board of Directors for consideration at the aforementioned public meeting.
- C.** If the District's Board of Directors is interested in taking action to adopt the proposed amendments to these Policies and Procedures, then the District must notify its Customers of the proposed amendments by the publication of a notice of hearing on the adoption of amendments to these Policies and Procedures in a newspaper of general circulation in the City, and by posting the notice of hearing at the District's office and on the District's Website. The notice must appear not less than **ten (10)** days prior to the date when the District's hearing will be held. The notice of hearing must inform interested parties where they may obtain a copy of the proposed amendments to these Policies and Procedures. Interested parties may be required to pay the appropriate costs for obtaining copies. The District is subject to the constraints imposed by Arizona's Public Records Law.
- D.** During the course of the public hearing, the District will take public comment, to the extent required by Arizona's Open Meeting Law, on the proposed amendments to these Policies and Procedures.

- E. Once the public hearing is concluded the District’s Board of Directors may, by simple majority of the members present at a properly noticed public meeting, at which a quorum of directors is present, adopt the proposed amendments to these Policies and Procedures.
- F. If an amendment to these Policies and Procedures is adopted, the District Clerk must maintain the amended Policies and Procedures in the District’s records.
- G. Notice of the adoption of the amendments to these Policies and Procedures shall be published by reference in a newspaper of general circulation in the City, and posted at the District’s office and on the District’s Website.

SECTION 1.4 Obligations Under Other Laws

Nothing in these Policies and Procedures relieves any Person’s obligation to conform to any federal, State or other applicable law. Nothing in these Policies and Procedures requires the District to act in violation of any applicable law. The District may, in its discretion, impose requirements that are not mandated by any applicable law, provided that imposing those requirements would not violate any applicable law.

ARTICLE 2.0 ADMINISTRATION AND AUTHORITY

SECTION 2.1 Administration

The District is governed by a Board of Directors appointed by the City’s Mayor and Council in the manner contemplated by the Act. The Board of Directors will conduct meetings in accordance with Arizona’s Open Meeting Law.

A. Board of Directors

1. Chairman

The Board of Directors must elect from their members a Chairman who is responsible for setting the Board of Directors’ agenda and conducting the District’s Board of Directors meetings.

2. Vice Chairman

The Board of Directors must select from their members a Vice Chairman, who, in the absence of the Chairman, is responsible for setting the Board of Directors’ agenda and conducting the District’s Board of Directors meetings.

3. Statutorily Required Officers

The District must select a District Clerk and District Treasurer in order to comply with the requirements of the Act. Further, the Board of Directors may appoint one (1) or more persons to assist the District Clerk or the District Treasurer in carrying out his or her statutorily required duties, including, but not limited to, the power of the District to appoint a Recording Secretary to assist the District Clerk in the preparation of the District’s meeting minutes and an Assistant Treasurer to assist the Treasurer in carrying out his or her duties.

B. Board of Directors Indemnification

1. To the greatest extent permitted by law, the District will pay, defend, protect, indemnify and hold the past, present and future members of its Board of Directors (individually and collectively “**Indemnified Party**”) harmless for, from and against all causes of action (whether in contract, tort or otherwise), claims, costs, damages, demands, judgments, liabilities, losses, suits and expenses (including, without limitation reasonable cost of investigation and attorneys’ fees and expenses) of every kind, character and nature whatsoever (collectively referred to herein as “**Liabilities**”), directly or indirectly arising from or related to each Indemnified Party’s service to the District.
2. Any person entitled to indemnification under these Policies and Procedures must notify the District Clerk in writing of the existence of any claim, demand or other matter to which the District’s indemnification obligations would apply, and must give the District a reasonable opportunity to defend the same at the District’s expense and with counsel satisfactory to the Indemnified Party; provided that the Indemnified Party, at all times, will also have the right to participate in the defense of any such claim, demand or other matter to which the indemnification obligations would apply. If the Indemnified Party is advised in the opinion of legal counsel that there may be legal defenses available to the Indemnified Party that are different from or in addition to those available to the District or if the District, after receiving written notice from the Indemnified Party of the existence of any claim, demand or other matter to which the District’s indemnification obligation applies, within a reasonable period necessary to preserve any and all defenses to the claim, demand or other matter asserted, fails to assume the defense or employ legal counsel for that purpose satisfactory to the Indemnified Party, the Indemnified Party will have the right, but not an obligation, to undertake the defense of and to compromise or settle the claim, demand or other matter on behalf of and for the account of and at the risk of the District.
3. The District shall be responsible for the reasonable legal counsel fees, costs and expenses of the Indemnified Party conducting its defense. Nothing in these Policies and Procedures shall be deemed to provide indemnification to any Indemnified Party with respect to Liabilities arising from the fraud or willful misconduct of the Indemnified Party. However, these Policies and Procedures are intended to provide indemnification to each Indemnified Party for his or her own active or passive negligence.

C. District Manager

For the proper administration of the Sewage Treatment System, the Board of Directors must appoint a qualified District Manager. The District Manager is the executive officer in charge of all personnel as well as the day-to-day operation of the Sewage Treatment System, including maintenance of facilities and equipment. The District Manager will also have general supervision over all rates, fees and charges for sewer services, agreements, new connections and repairs.

The District Manager serves at the pleasure of, and reports directly to, the Board of Directors. The District Manager may, by contract and with approval of the Board of Directors, employ outside professional services to perform the duties and functions of the District. All professional services providers must be qualified and, if applicable, duly registered or licensed by the State and/or by other relevant authorities.

SECTION 2.2 Authority of the District Manager

The District Manager is authorized to enforce these Policies and Procedures and in carrying out this responsibility, the District Manager has authority to do the following, in addition to other authority as may be set forth in these Policies and Procedures or as may be delegated to the District Manager by the Board of Directors from time to time:

- A.** Issue, amend or revoke permits;
- B.** Impose monitoring, reporting, inspection, testing, sampling or treatment requirements as conditions of any permits issued;
- C.** Impose other conditions of permits as are deemed necessary to carry out the purpose of these Policies and Procedures.
- D.** Conduct monitoring or testing of Discharge, with costs to be borne by the Customer if it is determined that the Discharge is in violation of these Policies and Procedures;
- E.** Investigate possible violations of these Policies and Procedures;
- F.** Notify Persons of violations of these Policies and Procedures and demand any appropriate corrective action; the violator will be allowed the opportunity to respond to an order of the District Manager before any enforcement action against such Person is initiated, unless the Discharge is a threat to public health or safety, or the lawful, safe or effective operation of the Sewage Treatment System, in which case the District Manager may initiate enforcement action without giving notice or an opportunity to respond;
- G.** Impose appropriate fees or charges, or initiate appropriate actions, for noncompliance with these Policies and Procedures, including suspension or revocation of permits; termination of services; restricting or terminating Discharge; or requesting that the District initiate legal action against any Person violating any requirement of these Policies and Procedures or any Service Agreement executed by the Customer;
- H.** Inspect the property of any Customer in connection with any known or suspected violation of these Policies and Procedures or for any other lawful purpose related to the Sewage Treatment System;
- I.** Represent the District in collecting accounts or other amounts owed the District when permitted to do so by applicable law; and
- J.** Have care, custody and control of, and serve as custodian of, District records.

SECTION 2.3 Additional Authority

A. Design Review and Issuance of Construction Permit

A sewer construction permit will be issued only when the District is satisfied that all designs, plans and specifications for the construction of Sewage Facilities are in compliance with these Policies and Procedures and will function in a safe and sanitary manner. Nothing herein relieves the Customer of the need to obtain review and approval from the Regulatory Agencies having jurisdiction.

B. Inspections

- 1.** The District may perform inspections of any Establishment that is planning to Discharge, Discharges or allows Discharge to the Sewage Treatment System.
- 2.** Inspections may include, but are not limited to, Sewage Facilities. Inspections may be made to determine that these Sewage Facilities are maintained and operated properly and are adequate to meet the provisions of these Policies and Procedures and all applicable law.
- 3.** Access to all Sewage Facilities connected to the Sewage Treatment System must be given to the District at all reasonable times. The Customer has an obligation to remove any permanent or temporary obstruction blocking the District's access to the Sewage Facilities.
- 4.** No Person may interfere with, delay, resist or refuse entrance to an authorized District inspector attempting to inspect any Sewage Facilities connected to the Sewage Treatment System.

C. Construction Inspections

Collection Mains and Service Lines to be connected to the Sewage Treatment System must be inspected by the District prior to connection. Each Customer must notify the District at least two (2) full business days prior to connecting to the Collection System. No Discharge is permitted without approval from the District.

D. Permissible Limits

The District has the authority to establish quantities of Discharges and permissible limits of concentration for specific substances, materials, waters and wastes.

E. Maintenance and Repair

In order to facilitate the operation, repair and Maintenance of the Sewage Treatment System, all Persons owning property having Sewage Facilities connected to the Sewage Treatment System must give the District reasonable access to service and repair the Sewage Treatment System. Further, property owners have an obligation to remove any permanent or temporary obstruction necessary in a timely manner to allow the District to carry out its Maintenance obligations.

ARTICLE 3.0 SERVICE REQUIREMENTS

SECTION 3.1 Permits Required

Permits are required for the following activities:

- A.** Connection to the Sewage Treatment System;
- B.** Construction, extension, repair or replacement of the Collection System;
- C.** Operation of a commercial dump station;
- D.** Discharge by an industrial customer;
- E.** Otherwise Discharging into the Sewage Treatment System; and
- F.** Other activities deemed necessary by the District.

SECTION 3.2 Permitting Policies

Except as otherwise stated in these Policies and Procedures, permitting will be conducted as follows:

- A.** Applications for permits must be made on forms provided by the District.
- B.** An Applicant for a permit must pay all required fees.
- C.** Applications for permits must be submitted and signed by the Applicant or an authorized representative of the Applicant.
- D.** An application will not be considered complete until and unless all required information is provided and any applicable fees are paid.
- E.** Issuance of a permit will not release the Permittee from the obligation to comply with all other provisions of these Policies and Procedures.
- F.** The District may change the conditions of any permit from time to time, as Regulatory Agencies may require, or to preserve and protect public safety and health, and the lawful, safe and effective operation of the Sewage Treatment System.
- G.** Noncompliance with any part of these Policies and Procedures or applicable laws and regulations may subject the Permittee to revocation of the permit. Reissuance of a permit after revocation will be at the District's discretion, and may be made subject to those conditions as the District deems appropriate.
- H.** Permits may not be transferred without the District's written authorization.

SECTION 3.3 Service Agreements

A. General Requirements

All Customers obtaining sewer service are required to enter into a Service Agreement with the District in the form prescribed by the District. The Service Agreement is governed by and subject to these Policies and Procedures. Any Person receiving sewer service from the District and paying the applicable rates, fees and charges imposed by the District will be deemed to have entered into a Service Agreement and will be governed by these Policies and Procedures. Sewer service may be withheld from any Person who has not entered into a Service Agreement. The Service Agreement may include some or all of the following provisions:

1. Requirements for connection of the Customer’s property to the Sewage Treatment System.
2. The Customer’s obligation to pay all applicable rates, fees and charges imposed by the District.

ARTICLE 4.0 SEWAGE TREATMENT SYSTEM USE

SECTION 4.1 Connections

All Persons owning real property within the District’s Service Area may apply to connect to the Collection System by meeting the requirements of these Policies and Procedures. All expenses associated with the connection, including permitting, construction, operation and Maintenance of any Lateral Sewer Line and Service Line must be borne by the owner of the real property.

A. Authorization

The District must authorize all new connections to the Sewage Treatment System as well as changes to the use of existing connections, including without limitation the volume or characteristics of the Discharge.

B. Investigation by District

Before authorizing any connection to the Sewage Treatment System the District will investigate the conditions of all proposed connections to ascertain whether the connection can be made in accordance with these Policies and Procedures and all applicable law. If the proposed connection can be made or installed, and upon receipt of a properly prepared and executed application for service, Service Agreement and all applicable fees, the District will issue a permit to the Applicant to make or install the proposed connection.

C. Easements

1. Applicant must grant to the District or obtain for the District any easements necessary to properly effectuate the desired sewer connection as well as any future connections.
2. If a Customer splits or alienates a portion of their property, the Customer must provide the necessary easements to provide sewer service to all parcels created by that action.
3. All easements are subject to the following restrictions and conditions of use:
 - a. Any Person having charge of property subject to an easement in favor of the District must refrain from placing, constructing or building any Improvements within the Service Location.
 - b. Should the owner or occupant of property containing a Service Location construct Improvements in violation of these Policies and Procedures, the District may clear the Service Location of the Improvements and charge the costs to the owner of the property. The District will not be obligated to compensate the owner of the Service Location for the value of any Improvements cleared.
 - c. If any person desires to excavate deeper than **three (3) feet** within the Service Location, a written application for permission to excavate must first be made to the District and must state specifically the location and size of the space intended to be excavated and the purpose for the excavation.
 - d. If any Improvements are constructed within the Service Location that result in additional expenses to the District in fulfilling its obligation to maintain, repair, install or replace the Sewage Treatment System within the Service Location, then those additional expenses may be charged directly to and are payable by the property owner.

D. Construction Specifications

All new Lateral Sewer Lines, Service Lines and Collection Mains connecting to the District's Sewage Treatment System must be constructed in accordance with the District's standard specifications and any applicable code or regulations of Regulatory Agencies or other political subdivisions having jurisdiction over the construction.

E. Abandonment

Persons who connect to the Sewage Treatment System must abandon all cesspools, septic tanks, other Wastewater treatment and disposal facilities, leach lines, pits, privies, and open and unconnected drains within their Property Line, in accordance with the requirements of all applicable Regulatory Agencies. All abandoned cesspools, septic tanks, other Wastewater treatment and disposal facilities, leach lines, pits, privies, and open and unconnected drains must be inspected and approved by the applicable Regulatory Agencies prior to the District's final acceptance of the connection.

F. Required Connection

Persons within the District’s Service Area are required to connect to the District’s Sewage Treatment System unless the District has made a written determination that it will not provide service.

Persons that can be served by the Sewage Treatment System but that have a properly functioning on-site system may continue to use their existing on-site system as long as there are no changes to the property and the on-site system remains in continuous use without repair or alteration.

A Person must abandon an existing on-site treatment system and connect to the District’s Sewage Treatment System whenever a new Establishment or Residential Unit is constructed or placed, or an existing Establishment or Residential Unit is replaced, modified or expanded. Further, a Person must abandon an existing on-site treatment system and connect to the District’s Sewage Treatment System whenever an existing on-site system needs to be repaired, expanded, replaced or altered in any manner, or is disconnected from continuous use.

G. Property Outside District

The District cannot enter into a Service Agreement to provide service to property outside the District’s Boundary without the consent of the City. Service to those properties shall be subject to available capacity and compliance with all applicable laws.

H. Capacity Preference for District Properties

Notwithstanding any other provision in these Policies and Procedures, all applications for service that would result in the actual total system capacity exceeding the System Design Capacity will be rejected. In evaluating applications for service, the District shall give preference to any properties within the District Boundary.

SECTION 4.2 Collection Main Extension

A. General Requirements

Customers applying for service that requires an extension of a Collection Main are required to execute a Collection Main Extension Agreement with the District prior to sewer service being extended to that property. The terms of the Collection Main Extension Agreement must include notice of the provisions of Arizona Revised Statutes Title 38, Chapter 3, Article 8, §511 and may include some or all of the following provisions:

1. The Customer must submit the plans, specifications and cost estimates for the Collection Main Extension to the District.
2. The District will review the plans, specifications and cost estimates and notify the Customer whether the plans and specifications are acceptable.

3. The Customer must furnish any necessary easements for the Service Location.
4. If a condemnation action or eminent domain proceeding is initiated by the District to secure the necessary easement rights for the installation of the Collection Main Extension, the Customer may be required to pay associated fees, costs and expenses including costs for:
 - a. Surveying the Service Location;
 - b. The District's attorneys' fees;
 - c. Any and all filing fees;
 - d. Any and all recording fees and title company charges; and
 - e. The payment of the final adjudicated value of the interest in and to the Service Location acquired by the District.
5. The Customer is responsible for the construction and payment of the cost of construction of the Collection Main Extension, and the construction must be made in accordance with plans and specifications approved by the District.
6. Upon completion of the construction, the Customer must provide the District with as-built plans and any other documentation that may be required by the District.
7. The District must inspect the Collection Main Extension to determine compliance with the plans and specifications.
8. The Customer must obtain all required permits for the operation of the Collection Main Extension.
9. Any portion of the Collection System installed will be the sole property of the District.

B. Taxes

The District may include in the Collection Main Extension Agreement the cost of any taxes that may be imposed upon the District as a result of the Collection Main Extension Agreement.

SECTION 4.3 Customer Responsibilities

In addition to other responsibilities contained in these Policies and Procedures, the Customer is responsible for the cleaning, unstopping, Maintenance and repair of the Building Sewer, Lateral Sewer Line, and Service Line.

SECTION 4.4 Control Manholes

When required by the District, a Customer must install a suitable control Manhole to facilitate observation, measurement and sampling of the wastes. The control Manhole must be located and constructed in accordance with plans approved by the District. The Manhole must be installed at the Customer's expense and must be maintained by the Customer so as to be safe and accessible at all times.

SECTION 4.5 Industrial Customer Requirements

All industrial customers will apply for service in accordance with the District's Industrial Pretreatment Program as amended from time to time

SECTION 4.6 Septage Waste

- A. No Septage Hauler may Discharge without submitting an application for service and approval from the District.
- B. Septage may be Discharged only at the Treatment Plant. The District will not accept wastes that are not readily biodegradable or are believed to be incompatible with the operation of the Treatment Plant. Septage Haulers must adequately complete a manifest for all loads and identify the origin, content and quantity of the waste to be Discharged.

SECTION 4.7 Discharges

A. Quality Determination

Discharge quality will be determined by the type of Establishment using the Sewage Treatment System, and by testing the Discharge as required herein.

B. Basic Testing

Testing by direct sampling, utilizing recognized field techniques, equipment and procedures, will be performed by the Customer as required by the District. Discharge characteristics will be determined by the District on the basis of monitored Discharge, a certified statement from the Customer, or on the best available data as to the characteristics of such Discharges. The method of determination will be chosen by the District.

C. Notice of Process Change

Any change in ongoing processes employed by a Customer that results in a significant variation in one or more characteristics of the Discharge must be reported to the District within thirty (30) days of the change. Changes in loading or Discharge characteristics may result in a change to service class or Service Charges.

D. Adjustment of Charge

If required notification of changes in loading, and specific dates of changes, have not been reported to the District, or if notification of changes is reported and does not accurately report those changes, and it is determined through testing that a significant variation exists between Discharge characteristics as represented by the Customer and Discharge characteristics as monitored by the District, the District may adjust the Service Charge that was originally determined by the District, based on the monitored data, effective from the date of notification or the estimated date of change.

E. Economic Feasibility

Where sampling and gauging of a specific Customer's property is not practical, for physical, economic, safety or other reasons, the District may designate values for concentrations of the Discharge into the Sewage Treatment System for all Customers in the same NAICS Code or sub-classification thereof.

SECTION 4.8 Compliance

All Customers must, at all times, comply with these Policies and Procedures and with all applicable laws pertaining to Wastewater and Sewage service and treatment. Any Person who interferes with the officers or agents of the District in the discharge of their duties or who violates any of the provisions of these Policies and Procedures is subject to civil suit, penalties and applicable legal remedies. Noncompliance includes, but is not limited to:

- A.** Constructing or modifying any Sewage Facilities connected to the Sewage Treatment System without prior written authorization of the District;
- B.** Inspecting or entering any portion of the Sewage Treatment System without prior written authorization of the District;
- C.** Excavating, either directly or indirectly, a street, alley or Service Location for the purpose of connecting with the Sewage Treatment System without first obtaining a permit from the District;
- D.** Illegal use of the Sewage Treatment System, including but not limited to:
 - 1.** Deposit of any liquid or solid waste not in compliance with these Policies and Procedures or with any applicable law;
 - 2.** Any connection, either directly or indirectly, to the Sewage Treatment System that is not in compliance with these Policies and Procedures or with any applicable law;
 - 3.** Operation of a commercial dump station connected to the Sewage Treatment System without prior authorization of the District.

- E. Discharging into the Sewage Treatment System without properly completing an application for service, entering into a Service Agreement, paying all appropriate rates, fees and charges and obtaining a permit from the District;
- F. Willfully misrepresenting the origin, content or quantity of Septage loads;
- G. Exceeding quantity Discharge limitations as set forth herein, or as made part of any Discharge permit issued under these Policies and Procedures;
- H. Discharge of excessive concentrations of substances limited by these Policies and Procedures, or by any Discharge permit issued pursuant to these Policies and Procedures;
- I. Discharge of any substance prohibited by these Policies and Procedures or by any Discharge permit issued pursuant to these Policies and Procedures;
- J. Failure to pay any applicable rates, fees and charges established in accordance with these Policies and Procedures;
- K. Knowingly misrepresenting or omitting any pertinent information in applications or reports submitted to the District pursuant to these Policies and Procedures.

ARTICLE 5.0 RATES, FEES AND CHARGES

SECTION 5.1 Necessity for Charges

The District maintains a system of rates, fees and charges for sewer service that allocates the cost of providing sewer service to each Customer who Discharges to the Sewage Treatment System, or who has the right to Discharge at some time in the future, and to allow the District to pay Debt Service and capital, operation and Maintenance expenses of the District. All Customers are required to pay the rates, fees and charges as provided for in these Policies and Procedures and as published in a newspaper of general circulation in the City, and posted at the District's office and on the District's Website.

SECTION 5.2 Service Classes

The rates, fees and charges authorized under these Policies and Procedures will be charged to Customers based on the Customer's service class. Each service class may be subdivided into one or more sub-classes in order to provide a more appropriate allocation of the costs of service.

SECTION 5.3 General Establishment Procedures

In connection with the preparation of the District's budget for its fiscal year (July 1 to June 30) the District will propose rates, fees, charges and service classes, for the next fiscal year. The District's Customers will be notified of the proposed rates, fees, charges and service classes by the District's publication of a notice of a hearing on the establishment of those rates, fees, charges and service classes in a newspaper of general circulation in the City that must appear not less than ten (10) days prior to the date when the District's hearing will be held, and by posting the notice of hearing at the District's office and on the District's Website. During the course of the hearing, the

Customers and other members of the public are entitled to comment on the proposed rates, fees, charges and service classes. At the conclusion of the public hearing on the establishment of the proposed rates, fees, charges and service classes, the District's Board will establish the rates, fees, charges and service classes for the next fiscal year.

The District may amend any of its rates, fees, charges and service classes at any time during its fiscal year, provided that it follows the notice and hearing procedure set forth in this section.

SECTION 5.4 Individual Agreements

In addition to the general rates, fees, charges and service classes that are established in the manner described above, the Board of Directors reserves the right to establish separate rates, fees, charges and service classes for one or more Customer(s) when it is, in the Board of Director's judgment, in the best interests of the District to do so, and to the extent permitted by law.

SECTION 5.5 Connection Permit Fees

A Connection Permit Fee will be imposed whenever:

- A. Application is made to the District for the issuance of a permit to provide sewer service to a new or existing Establishment or Residential Unit;
- B. Application is made for the issuance of a permit to provide sewer service to an existing Establishment or Residential Unit already connected to the Collection System if the new use will result in a change to the Customer's service class; or
- C. An existing Establishment or Residential Unit is removed, a new Establishment or Residential Unit is built, and a new Service Line is constructed to connect to the Collection System.

SECTION 5.6 Special Assessments

These fees are intended to cover extraordinary costs to maintain, operate or improve the Sewage Treatment System. A special assessment may be imposed against one or more Customer(s). The purpose of any special assessment will be expressly identified at the time it is imposed.

SECTION 5.7 Delinquent Rates, Fees and Charges

- A. All rates, fees and charges are due and payable when billed. Amounts due are considered delinquent if not paid by the due date stated on the billing statement unless other arrangements have been made in advance between the Customer and the District. Any delinquent account requiring special collection effort may be assessed Delinquent Fees as established by the District's Board of Directors.
- B. Delinquent Fees may be assessed to Customer accounts not paid in full by the stated due date. In addition, the Customer's account will bear interest on all delinquent amounts owed to the District at a rate specified by the District's Board of Directors in the adopted rates, fees and charges until paid in full.

- C. Any expense incurred by the District for the repair or replacement due to damage to, theft of, tampering with or misuse of the Sewage Treatment System and all costs related to the collection of the expenses, including attorneys' fees and court costs, will be charged against and collected from the Customer. The expenses will be subject to Delinquent Fees if not paid by the stated due date.
- D. When a Customer has been notified of the amount of Service Charges remaining due after the deduction of any Customer Deposit, or has been notified that any other rates, fees and charges remain due, and payment of same has not been received by the stated due date, the District may assign the account to a collection agency, and/or record a lien on the Customer's property for the delinquent amount, or institute legal action to collect all amounts due the District, or foreclose the District's lien. If legal action is initiated or the District otherwise engages legal counsel to collect any amounts due the District, the delinquent Customer will be obligated to pay the District's expenses, including all attorneys' fees incurred.
- E. Before sewer service will be provided or restored to any property, all rates, fees and charges for service to the property then due and payable to the District must be paid, including, without limitation: charges for labor supplied or materials furnished by the District for the installation of sewer pipelines connecting the property to the Collection System; fees or charges for connecting to the Sewage Treatment System; any expenses incurred by the District associated with service provided to the property including, without limitation, legal expenses; any Connection Permit Fee, Disconnection Fee, Reestablishment Fee or Reconnection Fee; or charges for the repair or replacement of damage, theft, tampering with or misuse of the Sewage Treatment System.
- F. If a Customer Deposit is applied to a past due amount, the Customer may be considered delinquent until the Customer Deposit is restored to the required amount.
- G. Fees for Septage Discharge will be considered delinquent if not paid by the stated due date and will be subject to finance charges. Delinquency may be grounds for suspension or termination of the account.

SECTION 5.8 Returned Item Fee

A returned item fee will be assessed for payments that are returned to the District by financial institutions or other payment processors.

SECTION 5.9 Construction Inspection Fee

A construction inspection fee will be assessed for Customers who operate commercial dump stations. The construction inspection fee may be in addition to rates, fees and charges imposed for Septage treatment services.

SECTION 5.10 Undeveloped Land Fee

The District assesses per acre monthly fees applicable to Customers assigned to the Undeveloped Land class. Customers in the Undeveloped Land class that pay fees in a timely manner will be entitled to a reduced Connection Permit Fee equivalent to one-half of the Connection Permit Fee for the appropriate service class at the time the Customer connects to the Sewage Treatment System. However, Customers that do not pay Undeveloped Land fees in a timely manner will lose the right to reduced Connection Permit Fees.

SECTION 5.11 Billing of Sewer Charges

At the option of the District, billing for sewer service may be rendered on a monthly, quarterly or annual basis.

ARTICLE 6.0 TERMINATION OF SERVICE

SECTION 6.1 Termination of Service With Notice

The District may disconnect service to any Customer with notice for any reason stated below provided the District has met the notice requirements of these Policies and Procedures.

- A. Any violation of these District’s Policies and Procedures;
- B. Failure to pay any applicable rates, fees and charges owed to the District;
- C. Failure to meet or maintain the District’s credit and deposit requirements;
- D. Failure to provide the District reasonable access to the District’s equipment and property;
- E. Misrepresentation in any application for service, Service Agreement or Collection Main Extension Agreement;
- F. Any material breach of a Service Agreement or Collection Main Extension Agreement; or
- G. When necessary for the District to comply with an order of any court, governmental agencies or Regulatory Agencies having jurisdiction.

SECTION 6.2 Termination of Service Without Notice

- A. The District may disconnect service to any Customer without advance notice under the following conditions:
 - 1. The existence of an obvious hazard to the safety or health of the Customer or the general population;
 - 2. Evidence of fraud relating to the Customer’s use of the Sewage Treatment System.
- B. The District will not be required to restore service until the conditions that resulted in the termination have been corrected to the satisfaction of the District.

SECTION 6.3 Termination Notice Requirements

- A.** Except as otherwise provided in these Policies and Procedures, the District will not terminate service to any Customer without providing five (5) working days advance notice to the Customer of the District's intent to terminate service.
- B.** Advance notice must be posted first class in the United States mail, addressed to the Customer at the billing address for the Customer as provided in the Service Agreement and contain, at a minimum, the following information:
 - 1.** The name of the Customer whose service is to be terminated and the address where service is being rendered;
 - 2.** The reason for termination;
 - 3.** The date on or after which service may be terminated; and
 - 4.** A statement advising the Customer that the District's stated reason for the termination of service may be disputed by contacting the District, advising the District of the dispute and making arrangements to discuss the cause of termination with the District Manager in advance of the scheduled date of termination. The District retains the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is valid.
- C.** Notice will be posted at the address where service is provided.
- D.** If the period of time allowed by the notice has elapsed and the Customer has not rectified the violation, the District may then terminate service without giving further notice and assess a Disconnection Fee to the Customer's account.

SECTION 6.4 Hearings

- A.** If requested by the Customer, the District must schedule a hearing before the Board of Directors on any disputed matter relevant to the termination of service or obligation to pay rates, fees or charges. Once a request for hearing is made by the Customer, the District must not terminate service until the matter is resolved, unless the District Manager determines that the continuance of sewer service would endanger public health or safety, or would interfere with the lawful, safe or effective operation of the Sewage Treatment System.
- B.** If the request for a hearing is based on a dispute concerning rates, fees or charges, the Customer will be required to pay the amount in dispute, pending the resolution of the matter. If the matter is resolved in favor of the Customer, the District must promptly return any funds due to the Customer. Nothing herein will relieve the Customer of paying any applicable rates, fees or charges while the matter is pending resolution.

SECTION 6.5 Landlord/Tenants

The District will allow a tenant to rectify an account delinquency prior to service being terminated. If the tenant declines to rectify the delinquency, the District may terminate service. The District will not attempt to recover from a tenant any outstanding amounts due on the account of the landlord.

SECTION 6.6 Undeveloped Land

Customers assigned to the Undeveloped Land class who do not remedy any default specified in a notice of the District’s intention to terminate the Customer’s account will be relieved of the obligation to pay any future fees and will lose the right to obtain reduced Connection Fees. If the Customer subsequently desires to connect to the Sewage Treatment System, the Customer will have an obligation to pay all of the rates, fees and charges associated with obtaining service from the District at the time the Customer connects to the Sewage Treatment System.

ARTICLE 7.0 REGULATED DISCHARGES

SECTION 7.1 Accidental Discharges

A. Protection Against Discharge

Each Customer must provide protection from accidental Discharge of materials that are incompatible with the operation of the Treatment Plant as set forth in these Policies and Procedures.

B. Notification of District

A Customer must notify the District immediately upon accidentally Discharging wastes in violation of these Policies and Procedures. This notification must be followed within fifteen (15) days of the date of occurrence by a detailed written statement describing the cause or causes of the accidental Discharge, the remediation measures taken and the measures taken to prevent a future occurrence. The notification will not relieve the Customer of liability for any expense, loss or damage caused by the accidental Discharge, including but not limited to, damage to the Sewage Treatment System. The Customer will be liable to the District for any fines imposed on the District as a result of the accidental Discharge, and for the District’s cost of defense of any enforcement action including, without limitation, the District’s attorneys’ fees resulting from the occurrence.

C. Labeling

Any possible connection or entry point where a hazardous or prohibited substance may enter the Customer’s Building Sewer or the Collection System must be appropriately labeled to warn operating personnel against the Discharge of any hazardous or prohibited substance in violation of these Policies and Procedures.

SECTION 7.2 Discharge Restrictions

A. Acceptability

The District will determine the acceptability or unacceptability of any Discharge to the Sewage Treatment System. That determination will be made on the basis of sound engineering and operational evaluations, taking into consideration the nature and concentration of the Discharge, its point of entry into the Sewage Treatment System, its compatibility with other Discharges in the Sewage Treatment System, its compatibility with the Treatment Plant, the requirements of applicable law and all other factors pertinent to the effect of the Discharge on any part of the Sewage Treatment System.

B. Unacceptable Discharge Prohibited

No Person shall release or cause to be released or allow to run, leak or escape into the Sewage Treatment System any Discharge that the District has determined is unacceptable or not in compliance with these Policies and Procedures. The District may impose fees or charges on any Customer who Discharges wastes having a strength greater than normal Sewage or containing non-permissible quantities of prohibited substances into the Sewage Treatment System. The fees or charges so imposed will reflect the extra costs incurred by the District in surveilling, sampling, testing and treating the Discharges, plus any additional administrative, legal, engineering, regulatory or operating and Maintenance expenses, and any other actions required to identify, handle, process or supplement normal activities of the Sewage Treatment System due to the unauthorized Discharge. Failure by a Customer to pay the charges and to provide corrective measures as may be required to prevent further unauthorized Discharges, after written notice by the District, shall be sufficient cause to terminate sewer service.

C. Unacceptable Discharges

Unacceptable Discharges include, but are not limited to, those that have been determined by the District to:

1. Contain materials or substances that could constitute a hazard to the health or safety of personnel engaged in inspection, Maintenance and operation of the Sewage Treatment System;
2. Contain materials or substances that are determined by the District to be toxic;
3. Contain materials or substances that are in any way deleterious to any part of the Sewage Treatment System;
4. Contain concentrations of any chemicals, materials or substances in excess of any limits set forth in these Policies and Procedures;
5. Cause the District to incur excessive expense in the handling or treatment thereof;
6. Be incompatible with or inhibit the performance of the treatment process;

7. Be of a volume, contain a BOD or suspended solids, or exhibit some other Treatment Parameter that could cause the Treatment Plant to exceed its design capabilities;
8. Cause the District to fail to meet requirements of or permit limits set by any applicable Regulatory Agencies, or cause any adverse effect on the receiving body of water, aquifer or point of Discharge or reuse;
9. Contain viable pathogenic organisms in quantities that are a hazard to public health;
10. Contain any chemicals, materials or substances in excess of those allowed by Regulatory Agencies; or
11. Be harmful to public health or safety.

D. Toxic and Deleterious Substances

Certain materials shall by their nature be considered by the District to be toxic or deleterious to the Sewage Treatment System, including but not limited to:

1. Construction materials, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastic, wood, paunch manure, fur, waste or any solid or viscous substance capable of causing obstruction to the flow, or other interference with the proper operation of the Sewage Treatment System;
2. Any gasoline, motor oil, benzene, naphtha, fuel oil or other flammable or explosive liquids, solids or gases;
3. Steam or hot water above 105° F (40°C);
4. Any water or waste containing fats, wax, grease or oils, whether emulsified or not, in excess of 100 mg/l or containing substances that may solidify or become viscous at temperatures between 33°F and 150° F (1°C and 65°C);
5. Any water or waste having a pH lower than 5.5 or higher than 9.5, or having any other corrosive property apt to cause damage or hazard to the Sewage Treatment System or personnel employed in its operation;
6. Any water or waste containing readily releasable cyanide (cyanide released at a temperature of 150°F/65°C and pH = 2.5) in excess of 2 mg/l: any water or water containing total cyanide in excess of 5 mg/l;
7. Coal tar, its derivatives and waste;

8. Any liquids or wastes containing toxic, radioactive, poisonous or other substances in sufficient quantities or rate of flow as to adversely affect or cause corrosive structural damage to the Sewage Treatment System, to constitute a hazard to human beings or animals, or to create any hazard in the receiving body of water, aquifer or point of discharge or reuse; or
9. Any storm water, surface water, ground water, roof runoff or surface drainage.

E. Discharges Permitted

Certain toxic or deleterious substances and pathogenic bacteria, admission of which into the system would otherwise be prohibited, may be acceptable in a Discharge, upon written approval in advance by the District, if (1) treated by the Customer before Discharge in a manner that will meet the requirements set forth in these Policies and Procedures; or (2) Discharged in small enough concentrations not to be injurious to or adversely affect personnel, public health and safety, or the lawful, safe or effective operation of the Sewage Treatment System, or receiving body of water, aquifer or point of discharge.

F. Conformance with Other Laws

In no event shall any toxic substance, pathogenic bacteria or any other chemical, substance, or material be Discharged if the Discharge would violate federal, State, or other applicable law.

G. Maximum Allowable Values.

Table A lists the maximum allowable values for certain materials in, or characteristics of, Discharge entering the Sewage Treatment System. The District reserves the right to establish standards for substances not contained in this list.

TABLE A

Material or Characteristic	Maximum Allowable Value
Antimony	10.00 ug/l
Arsenic	0.10 mg/l
Beryllium	1.00 ug/l
Boron	1.00 mg/l
Barium	5.00 mg/l
Cadmium	1.00 ug/l
Chloroform	80.00 ug/l
Chromium	0.50 mg/l
Chromium III	0.50 mg/l
Chromium VI	5.00 ug/l
Chromium, total	5.00 mg/l
Copper	5.00 mg/l
Cyanide(s)	0.50 mg/l
Cadmium	1.00 mg/l
Lead	0.10 mg/l
Manganese	0.50 mg/l
Mercury	0.05 mg/l
Nickel	5.00 mg/l
Selenium	0.10 mg/l
Silver	0.50 mg/l
Sulfide	1.00 mg/l
Thallium	0.01 mg/l
Zinc	10.00 mg/l
Iron	10.00 mg/l
Phenols	0.50 mg/l
Temperature	105.00 F

The above limitations are intended to apply generally to all Customers utilizing the Sewage Treatment System. If and when any applicable Regulatory Agencies require a specific pretreatment concentration for a specific industry, the more stringent concentration level between these Policies and Procedures and those regulations shall apply.

SECTION 7.3 Commercial Waste Pretreatment Requirements

A. When Required

Pretreatment devices, e.g. grease, oil, lint or sand traps or interceptors, must be installed by Customers operating laundries, restaurants, service stations, auto repair shops, carwashes and other facilities, when in the opinion of the District they are necessary for the proper handling of liquid wastes containing grease or oil in excessive amounts, any flammable wastes, sand, lint, hair or other harmful ingredients.

B. Specifications

- 1.** All pretreatment devices must be of a type and capacity approved by the District and must be located where they are readily and easily accessible for cleaning and inspection at all times.
- 2.** All pretreatment devices must:
 - a.** Be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature, and use substantially watertight construction;
 - b.** Be equipped with easily removable covers
 - c.** Be gastight and watertight when bolted covers are required;
 - d.** Be maintained by the Customer, at the Customer's expense;
 - e.** Be in compliance with the cleaning schedule approved by the District to allow for continuously efficient operation.

C. Recordkeeping

Customers required to conduct pretreatment pursuant to these Policies and Procedures must keep written records of all cleaning, repair, calibration, and maintenance at the facility for a minimum of three (3) years and provide same to the District upon request.

SECTION 7.4 Industrial Waste Pretreatment Requirements

A. When Required

Pretreatment will be required in the following instances and the District shall provide to each applicant the pretreatment levels that must be obtained:

- 1.** If the District determines upon initial application that the proposed Discharge must be pretreated to lower the level of any Treatment Parameter of the Industrial Waste Discharged to the Sewage Treatment System;

2. If the District determines it must improve the quality of its effluent, then the District may require that a Customer install or enlarge pretreatment facilities to lower the affected Treatment Parameter of the Customer's Discharge to an acceptable level;
3. If any Discharge prohibited under these Policies and Procedures is produced by a Customer, then the Customer shall pretreat the Discharge to the extent required to comply with the standards established herein or hereby before Discharging to any part of the Sewage Treatment System.

B. Consideration by District

The acceptability of a pretreatment method for any given Discharge and the terms for the installation and use thereof, must be reviewed by the District at the time that an application for Discharge is considered. The review shall be made on the basis of sound engineering and operational evaluations, taking into consideration all factors pertinent to the effect of the Discharge, both before and after pretreatment, on public health and safety and on the lawful, safe and effective operation of the Sewage Treatment System.

C. Costs Borne by Customer

Pretreatment facilities must be provided, and must at all times be maintained in satisfactory and effective operation, by the Customer and at the Customer's expense. Pretreatment facilities will at all times be subject to inspection by the District in order to determine if the facilities are efficiently performing the function for which they are installed.

D. Changes in Process

If the District determines that a Customer has increased either the strength or volume of its Discharge, the District may require additional pretreatment to lower the level of the volume and/or any Treatment Parameter of the waste before Discharge.

E. Dilution Prohibited

Except as otherwise stated herein, dilution of waste Discharged to the Sewage Treatment System is prohibited, whether accomplished by the combination of two (2) or more waste streams by one (1) or more Customer(s), or by the addition of other liquids solely for the purpose of diluting the Discharge.

One (1) or more Customer(s) may, upon application and approval by the District, combine waste streams prior to Discharge to avoid pretreatment requirements if the diluted combination of waste streams produces a combined Discharge that is more easily treated than the non-diluted waste stream if Discharged separately, and if the combination meets the requirements of these Policies and Procedures in all other respects.

F. Plans

Detailed plans showing any pretreatment facilities must be submitted to the District for approval before construction of the facilities. The District's review of the plans will in no way relieve the Customer from the responsibility of modifying and operating the facilities to produce an effluent complying with the established conditions of the Discharge permit and federal regulations. Any subsequent, significant changes to the approved facilities or method of operation shall be reported to the District and must be reviewed and approved by the District as complying with the provisions hereof.

Furthermore, all facilities, methods of operation and Discharges must comply with the rules and regulations contained in the United States Code of Federal Regulations, Title 40, Chapter 1, Part 403, and with all other applicable law. No construction of pretreatment facilities will be commenced without the District's written approval. The completed facilities shall not be placed in service until the facilities have been inspected for conformance to the approved plans and the final construction has been approved by the District.

After the as-built construction plans for pretreatment facilities have been approved and a permit issued, the approved as-built plans must be placed on file in a permanent, reproducible form with the District, without cost to the District, before Discharge is allowed.

G. Recordkeeping

Customers required to conduct pretreatment pursuant to these Policies and Procedures must keep written records of all cleaning, repair, calibration, and maintenance at the facility for a minimum of three (3) years and provide same to the District upon request.