SHERIDAN SANITATION DISTRICT NO. 2 <u>RULES AND REGULATIONS</u> TABLE OF CONTENTS

DATE	SECTION/AMENDMENT PAGE/TAB
11/13/1991	ARTICLE I: GENERAL1-2
11/13/1991	ARTICLE II: DEFINITIONS
11/13/1991	ARTICLE III: BOARD OF DIRECTORS
11/13/1991	ARTICLE IV: OWNERSHIP AND OPERATION OF FACILITIES
11/13/1991	ARTICLE V: USE AND MAINTENANCE OF SEWER SYSTEM9-12
11/13/1991	ARTICLE VI: RATES, TOLLS, FEES, AND CHARGES
11/13/1991	ARTICLE VII: APPEALS14-15
11/13/1991	ARTICLE VIII: MISCELLANEOUS PROVISIONS15-16
11/13/1991	ADOPTED (Joe Romero, President, and James Egan, Secretary)16
12/09/1992	AMENDMENT NO. 1: GREASE TRAP REQUIREMENTS
03/10/1993	AMENDMENT NO. 2: PERMIT RESTRICTIONS
04/14/1993	AMENDMENT NO. 3: EXTRA-TERRITORIAL SERVICE
04/14/1993	AMENDMENT NO. 4: NON-USE/DEMOLITION OF PERMITTED PROPERTY
06/09/1993	AMENDMENT NO. 5: SHOW CAUSE HEARING
09/13/1995	AMENDMENT NO. 6: LICENSED PLUMBER REQUIREMENT
01/14/1998	AMENDMENT NO. 7: SEPARATE TAP REQUIRED A7
01/14/1998	AMENDMENT NO. 7: INCORPORATION OF DENVER METRO WASTE WATER RECLAMATION DISTRICT RULES AND REGULATIONS
05/10/2000	AMENDMENT NO. 8: SEWER TAP ABANDONMENT A8
09/08/1999	AMENDMENT NO. 9: LATE BILLING DELINQUENCY CHARGES A9
08/11/2004	AMENDMENT NO. 10: DELINQUENCY CHARGES RELATING TO CONNECTION FEES

SHERIDAN SANITATION DISTRICT NO. 2 <u>RULES AND REGULATIONS</u> TABLE OF CONTENTS

DATE	SECTION/AMENDMENT	PAGE
02/09/2022	AMENDMENT NO. 11. Accessory Dwelling Unit (ADU)	A11
09/13/2023	AMENDMENT NO. 12 Inactive Connections	A12

SHERIDAN SANITATION DISTRICT NO. 2

RULES AND REGULATIONS

ARTICLE I

GENERAL

1.1 Authority. The District is a governmental subdivision of the State of Colorado and a body corporate with those powers of a public quasi-municipal corporation, that are specifically granted, necessary or incidental to those powers specifically granted for carrying out the objectives and purposes of the District.

1.2 **Purpose.** The purpose of this consolidated body of rules and regulations is to provide an orderly and uniform administration of operations of Sheridan Sanitation District No. 2 located in Arapahoe County, State of Colorado.

1.3 **Policy.** The Board of Directors of the District hereby declares that the rules and regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security and general welfare of the inhabitants of the District.

1.4 Scope. These rules and regulations shall be treated and considered as new and comprehensive regulations governing the operations and functions of the District, and shall supercede all prior rules and regulations of the District. In all instances, these rules and regulations shall be subject to the limitations and provisions of any contract or agreement existing between the Sheridan Sanitation District No. 2 and any other governmental unit, and shall also be subject to any superior law, rule or regulation, including the state statutes of the State of Colorado.

1.5 Intent of Construction. It is intended that these rules and regulations shall be liberally construed to effect the general purposes set forth herein, and that each and every part thereof is separate and distinct from all other parts. No omission or additional material set forth in these rules and regulations shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Directors by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which has been enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

1.6 Amendment. The Board of Directors of the District shall retain the power to amend these rules and regulations at any time. Whether contained in this document or not, amendments declared in the minutes of the meetings of the Board of Directors, or effected by entry into, or the amendment of, any agreement shall be in full force and effect from the date of such declaration or agreement. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this Section.

ARTICLE II

DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

2.1 "Applicant" means any person who applies to the District for a service connection or service disconnection, main line extension or other such service agreement, or who attempts to have real property included within, or excluded from the District, as the case may be.

2.2 "Board" or "Board of Directors" means the Board of Directors of Sheridan Sanitation District No. 2.

2.3 "Contractor" means any person, firm or corporation working under a contract with the District or other person to provide services, labor and materials.

2.4 "Customer" means any person, company, corporation, homeowners' association or similar entity authorized to connect to and use the public sewer system under license or permit issued by the District.

2.5 "Denver Water Board" means the Board of Water Commissioners of the City and County of Denver.

2.6 "Denver Metro" means the Metro Wastewater Reclamation District.

2.7 "Denver Wastewater" means the Wastewater Management Division of the Department of Public Works of the City and County of Denver.

2.8 "Developer" means any person who owns land and/or is subdividing land for resale or who holds an interest in property that is proposed for a change of use.

2.9 "District" or "The District" means Sheridan Sanitation District No. 2, of Arapahoe County, State of Colorado.

2.10 "District Engineer" means that person or firm employed by the District to provide engineering consultation and services on behalf

of the District.

2.11 "Dwelling Unit" means one or more habitable rooms arranged, occupied, or intended or designed to be occupied, by not more than one family with facilities for living. cooking, sleeping and eating.

2.12 "Garbage Grinder" means any device approved by the District that grinds, shreds or reduces the size of solid waste prior to discharging such waste by gravity to the sewer system.

2.13 "Grease Trap" means any device or structure approved by the District designed for intercepting oils, grease and other floating components of wastewater that may congeal, coagulate and/or adhere to surfaces of the sewer pipes or form semisolid masses or balls that could cause sewer line stoppages.

2.14 "Grinder Pump" means any device approved by the District to grind, shred or reduce particle size of waste prior to discharging sewage under pressure.

2.15 "Industrial Waste" is as defined by Denver Metro pursuant to Federal Clean Water regulations and specifically Title 40 CFR Part 403.8 (F)(1). Generally this refers to all nonresidential (domestic) sewage.

2.16 "Inspector" means that person, working under the direction of and reporting directly to the District Engineer or Manager, to observe work or construction within the District and being responsible for making a record of materials, installation conditions and compliance with the approved plans.

2.17 "Interceptor" or "Separator" means a fixture or device of a type approved by the District for the purpose of interception and/or clarifying liquid waste containing toxic pollutants, grease, oil, flammable waste, sand, solids, acids, alkaline substances or other wastes that are harmful or may cause stoppages in the sewer system and/or be detrimental to the sewage treatment and disposal systems.

2.18 "Licensed Contractor" refers to a contractor licensed by the State of Colorado and/or local governmental jurisdiction to construct sewers, service lines and plumbing.

2.19 "Lift Station" refers to any device approved by the District for pumping or lifting sewage from one elevation to an higher elevation.

2.20 "Manager" refers to that person employed by the District to administer and supervise the affairs of the District, its employees and consultants.

2.21 "Meter Station" refers to any structure, location or device approved by the District for measuring sewage flows and/or sewage strength. 2.22 "Metro" means the same as Denver Metro.

2.23 "Owner(s) of Property" or "Owner(s)" refers to the owner of record as shown by Arapahoe County Assessor's records unless the District has received in writing a notice of change of ownership indicating a recent change of ownership.

2.24 "Permit" means a written authorization issued by the District for a specific purpose and pursuant to the adopted rules and regulations of the District.

2.25 "Person" refers to any individual, firm, partnership, corporation, joint venture, association or other entity of any nature, whether public or private and singular or plural.

2.26 "Plumbing Code" refers to those statutory requirements adopted by the State of Colorado, County or City to regulate installation of plumbing.

2.27 "PVC Sewer Pipe" refers to sewer pipe made of polyvinyl chloride and conforming to ASTM specifications ASTM 3034 SDR 35.

2.28 "Quarter" or "Billing Quarter" refers to a calendar quarter of three months.

2.29 "Sand Interceptor" or "Sand Trap" refers to a device approved by the District designed to intercept sand, gravel, soil, metallic particles and other inorganic solids.

2.30 "Service Line" refers the entire sewer line, including branch lines, from and including the tap onto the sewer system to a point where building drains leave the users building or structure. This line includes manholes, cleanouts, meter station, interceptors, traps and all components not part of the District's sewer system.

2.31 "Sewage Strength" refers to the contents of sewage as related to the degree of difficulty of treatability and disposal of such sewage. Such sewage strength is normally determined in a laboratory using standardized tests for toxic pollutants, suspended solids, oxygen content and oxygen required to treat and/or stabilize the waste.

2.32 "Sewer System" refers to all those sewer lines, accessories and appurtenances or portion thereof owned and maintained by the District for the purpose of collecting and disposing of sewage.

2.33 "Shall" or "May" as used herein are to indicate mandatory or permissive. Shall means a mandatory direction, whereas the use of the word "May" indicates a permissive direction.

2.34 "Tampering" means the act of damaging, moving, altering, adjusting, or in any manner interfering with any component of the District's sewer system, or any device owned or used on behalf of the District, for measuring, regulating, transporting, collecting or otherwise handling sewage or for performing the services provided by the District.

2.35 "Tap" or "Connection" refers to the physical connection point or device connecting the service line to the District's sewer system. A tap fee refers to the fee charged for the privilege of making such connection.

2.36 "Tapping Saddle" refers to a device as approved by the District designed specifically to strengthen and/or protect the connection of a service line with a sewer line of the sewer system.

2.37 "UPC" or "Uniform Plumbing Code" refers to the regulations and standards titled Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials.

2.38 "Vent" refers to an opening or pipe provided to allow air to enter or leave a pipe, vault or structure to discharge gases or to break vacuum conditions. Such vents are to be provided as required by the UPC, Plumbing Code or engineer's designs.

2.39 "Wastewater"as used herein shall be the same as sewage and refers to water that contains pollutants, chemicals, compounds or solids that require treatment as provided by the Federal Clean Water Act and its latest revisions.

2.40 "Any Other Term" not herein defined shall be defined as presented in the "Glossary - Water & Sewage Control Engineering", APHA., A.W.W.A., ACSE. and FWSA., latest editions, or as otherwise provided in common usage.

ARTICLE III

BOARD OF DIRECTORS

3.1 **Directors.** The property and business of the District shall be governed by the Board of Directors who shall be elected or otherwise chosen pursuant to, and shall exercise the powers granted by, Colorado Statutes. The officers of the Board shall be members of the Board (Directors) and chosen as hereinafter provided.

3.2 Meetings. The Board of Directors shall meet regularly at a time and place determined by the Board. Meetings shall be convenient to and open to the public. Notice of meetings shall be as prescribed by Colorado Statutes. Special meetings may be called at any convenient time by the Chairman of the Board or by any two directors acting jointly. Notice of special meetings shall be given in the same manner as regular meetings.

Should the Board desire to discuss matters of a proprietary nature, the chairman may declare an executive session as prescribed by Colorado Statutes to be attended by Board members and other consultants as appropriate. No formal Board action may be taken in executive session. 3.3 **Quorum.** A majority of the Board shall constitute a quorum, and official action may be taken only when a quorum is present.

Any formal business of the District shall require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the health, safety and welfare of the District's residents so dictate, actions by those Directors available at the time may be ratified at the next meeting of the Board.

3.4 **Rules of Order.** Conduct of meetings will be in accordance with Roberts Rules of Order except as otherwise provided in these Rules and Regulations or as amended by the Board. A majority of a quorum of the Board present at any meeting may vote to suspend the Rules of Order at any time.

3.5 **Compensation.** Board members may receive compensation, to include reimbursement for expenses, as determined by the Board, but not in excess of that prescribed by Colorado Statutes. No Board member shall receive compensation as an employee of the Board, and no Board member shall have any interest in any contract or transaction with the District except in his capacity as Board member or where proper disclosure is provided as prescribed by the Colorado Statutes.

3.6 Officers. Officers of the Board shall be directors and be elected by the duly elected directors of the District. The officers shall be Chairman of the Board or President, First Vice Chairman, Second Vice Chairman or Assistant Secretary, Secretary, and Treasurer.

3.7 Vacancies. In the event that a Director becomes unqualified to continue service, is unable to continue service or resigns; the remaining board members shall appoint a person qualified to serve on the Board. The Director so appointed shall serve for the remaining portion of the replaced Director's term, subject to election at the next regular election.

3.8 **Committees.** The Chairman may appoint one or more board members to serve on special committees to perform specific functions and report back to the Board.

3.9 Approval of Contracts. The Board must approve all contracts, and amendments thereto, executed on behalf of the District. Contracts or amendments thereto must be signed by the President of the Board of Directors. The District shall not be bound by any contracts or amendments to contracts not executed by the President and approved by the Board. However the Board may delegate approval authority to the Manager for contracts and purchase orders not to exceed \$1,000.00. This limit shall not apply in the case of emergencies affecting the public health and welfare.

3.10 Removal. A Director may be removed if he misses three consecutive regular board meetings, or 50 percent of all board meetings in any six month period, provided that this section may be waived by the Board for good cause shown. Hospitalization or

6

recurrent medical conditions shall be deemed good cause.

3.11 **Oaths and Bonds.** Board members shall execute oaths as required by Colorado Statutes and be responsible for obtaining and keeping in force bonds as required by such Colorado Statutes. The District shall pay for all such required bonds.

3.12 Indemnification of Directors and Employees. The District will save harmless and indemnify a director, defend, officer. independent contractor, agent or employee, whether elective or appointive, against any tort or professional liability, claim or demand, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of duty. The District will compromise and settle any such claim or suit and/or pay the amount of any settlement or judgment rendered thereon. The District shall keep in force at all times a policy or policies of insurance covering such claims or demands arising out of the performance of duty on behalf of the District. The term "performance of duty" shall not include any act or omission constituting deliberate and intentional tortious or criminal conduct, or malfeasance in office, or willful or wanton neglect of duty.

3.13 **Consistent with Law.** The provisions of this Section shall be subject to and, to the extent of any inconsistency therewith, shall be modified by, the Colorado Governmental Immunity Act.

3.14 Minutes of Proceedings. The Secretary shall be responsible for keeping a record of proceedings of the Board, certificates, contracts, bonds, agreements and all other documents pertinent to the operations of the District. Such records shall be available during normal office hours for inspection by District property owners and others who have an interest in the affairs of the District.

3.15 Receipt and Expenditure of Money. The Treasurer shall be responsible for and cause to have deposited in the name of the District all funds of the District. The bank shall be that as determined by the Board. Funds shall be withdrawn only as authorized and approved by the Board and each check shall be signed by two members of the Board.

3.16 Accounting Records. The Treasurer shall be responsible for and cause to be maintained a strict and accurate record of all money received by and funds disbursed on behalf of the District.

3.17 Financial Audit. The Board shall cause a financial audit to be performed annually for the preceding year as required by State Statutes. Such audit shall be performed by an accounting firm selected by the Board. The Board shall appoint such auditor nolater than the last regularly scheduled meeting of each calendar year. Such audit will be for the period of January 1 through December 31 and will be submitted to the Board for review no later than the regularly scheduled meeting in March of the year following the year audited. The audit as performed shall be in accordance with all statutory requirements and other standards normally applied to quasi-municipal corporations. Such auditor shall also provide a Management Letter addressed to the Board of Directors which will outline deficiencies, if any, which may have been identified during the audit.

ARTICLE IV

OWNERSHIP AND OPERATION OF FACILITIES

4.1 Service Provided. The District provides sanitary sewer services for its customers using a combination of District owned sewer system and a contract with Denver Metro that enables District customers to connect to lines owned by Denver Metro with approval of the District. All connections within the service area of the District require approval of Denver Metro as provided in the contract between the District and Denver Metro.

Sewage treatment is provided by Denver Metro under the contract and the District has no responsibility for treatment or disposal of sewage or for the interruption of treatment. If Denver Metro does not have or expect to have adequate sewage treatment facilities available to serve new service taps then the District is obligated to restrict new service taps and the District shall have no obligation to provide service to such new taps until and unless adequate treatment facilities are available to the District.

4.2 **Responsibilities of District.** Except as otherwise provided in these Rules and Regulations the District is responsible for owning, operating and maintaining the sewer system after such system or portion thereof has been formally accepted by the District. The District is not responsible for operating or maintaining sewer lines owned by others such as Denver Metro.

In such event that the District is in fact using a sewer main line and has used it for a minimum period of five years, and where the ownership of such line is in doubt, it shall be deemed that the original constructor of such line, granted by virtue of his making one or more service connections to such line, did in fact offer the ownership of such line and appurtenances to the District. The District shall then have the option of officially accepting such line for ownership, operation and maintenance.

4.3 Liability of District. The District assumes no responsibilities for any act or omission that could cause damage to a customer or any other person for reasons beyond its control.

The District will provide reasonable diligence in maintaining its sewer system, however it assumes no responsibility to customers, other persons or property that may be damaged by sewer blockages, line failures or damages caused to or by the District's sewer system.

The District shall have no liability for any damage to person or property caused by enforcing any provision resulting from a

violation of these Rules and Regulations.

4.4 Service Lines. All portions of the service line(s) up to their point of connection with the District's sewer line shall be the responsibility of the owner of the property being served by such service line unless specifically agreed in a written contract between such owner and the District.

The District may obtain or accept ownership of certain specific facilities for metering, intercepting or clarifying sewage when the Board determines that it is in the best interests of the District even though such facilities may be part of, or connected to, a service line.

4.5 Service Line Construction. The District may establish minimum standards for construction and inspection of service lines that connect to the District's sewer system, however such standards and subsequent inspection of such construction shall in no way obligate the District to own, operate or maintain any such service line.

4.6 Access and Inspection Powers. The District's manager, engineer, inspector or other đuly authorized agent or representative of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurements, sampling and testing of any construction, service line or plumbing that connect to the District's sewer system as well as any waste generating facility or operation.

Refusal of a property owner or his agent to permit such inspections, observations, measurements, sampling and/or testing upon the request, in writing, of the manager may result in the revocation of the tap permit for such property. At any time that a permit is so revoked service shall not be restored until the District is assured that all requirements of these Rules and Regulations have been met and that a new tap fee and tap permit is assessed and paid including all costs incurred by the District resulting from such failure to grant access to such property and the resulting cancellation of the permit to serve such property. Such fees and charges shall be applicable whether or not the physical tap connection is disconnected.

The Board reserves the right to waive any of these charges upon a finding by the Board that such action is reasonable and in the best interest of the District.

4.7 Modification, Waiver and Suspension of Rules. The manager operating on the instructions of the Board shall have the sole authority to waive, suspend or modify certain requirements imposed by these Rules and Regulations for any specific event or circumstance and any such waiver shall not be deemed an amendment of the Rules and Regulations.

ARTICLE V

9

USE AND MAINTENANCE OF SEWER SYSTEM

5.1 Use of Sewer System. The District provides sewer service to its customers based on the type and amount of sewage generated by each specific customer and such use is a condition of the issuance of a permit for such property to obtain service. Each customershall be responsible for the wastewater generated by his service connection and he shall continue to be responsible to the District not to change, alter or enlarge the original use as provided in the original tap permit.

5.1.1 "Notice". The customer shall notify the District prior to any change in the customer's equipment, service or use of the property served by the District and upon any change of ownership of the property.

5.1.2 "Required Use". From and after the enactment of these Rules and Regulations, no sewage disposal system other than one municipal in character shall be constructed within the District, unless the same is connected with the public sewer or unless otherwise specifically authorized by special permit.

5.2 **Permits.** All customers of the District are required to obtain a permit from the District prior to making any connection into or discharging any wastewater directly or indirectly into the District's sewer system. Such permit shall specify the use permitted as well as the allowable flow and sewage strength to be discharged into the sewer system. For residential uses the number of residential dwelling units shall be specified in lieu of flow and sewage strength.

Should the original tap permit not be specific then the District shall use the historical use as the permitted use for such property.

Permits issued by the District for connection and service are issued with the presumption of full compliance by the property owner with the Rules and Regulations of the District. Should a property owner cause, or allow, a violation of the District's Rules and Regulations, the permit is subject to revocation by the Board.

5.3 Service Line Construction and Maintenance. Each customer shall use a service line to connect to the District's sewer system and such service line shall be constructed to the minimum standards established by the District. The cost of installation, operation and maintenance of the service is and remains the responsibility of the property owner.

Each customer shall maintain the service line serving his property and such maintenance shall be promptly provided when needed. Should the District discover a problem in any service line it will notify the property owner who shall promptly correct any such problem within a maximum of 72 hours. Should such problem(s) not be corrected, within 72 hours from the receipt of notice from the District, the District may proceed to have repair work done and all costs incurred by the District in making such repairs, etc. shall be charged to the property owner.

A problem in a service line is any condition that does or may cause sewage to rise to the surface of the ground, contaminate ground water, cause backups into-living areas or otherwise cause a potential health hazard or nuisance.

5.4 Unauthorized Tampering. No unauthorized person shall uncover, use, alter or make any connection with, or opening into or disturb any part of the sewer system without first obtaining a written permit from the District. Unauthorized uses of the District's sewer system include, but are not limited to, making or repairing any tap connection, tampering of sewer manhole, metering facilities, tap connections or appurtenances.

5.4.1 No person shall maliciously, willfully, or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's sewer system.

5.4.2 Any person who violates the provisions of this Section 5.4 shall be liable pursuant to CRS 40-7.5-100 to 104 and may also be criminally charged. Upon conviction such person may be jailed or imprisoned and/or fined in an amount established by the court, and shall make restitution to District as required by law.

It is expressly understood that the District is in fact a "utility" as defined in CRS 40-7.5-101 which provides for civil action to recover fees and charges and in addition damages may be awarded of three times the amount of the actual damages plus costs as determined by the court.

5.5 Maintenance Program. The district will provide reasonable maintenance for its sewer system. Such maintenance is to be designed to protect the District's investment in the sewer system capacity, minimize damage to public and private property, minimize inconveniences caused by interruptions in service, and prevent public health hazards.

5.6 Engineering Information and Data. The District will employ its engineer or others to develop a system of recording and filing all engineering data, calculations, reports and drawings possessed by the District. Such data shall include copies of plans and specifications for construction of District facilities, as built or record drawings and any associated reports, permits and correspondence.

5.6.1 The District will cause to be prepared and maintain a set of maps of the District and its sewer system. Such maps are to consist of base maps as well as larger drawings showing details of line locations, connection points, meter facilities, location of known service lines, service addresses, tap numbers, property information and such other information as may be needed.

5.6.2 The Board may authorize the manager to develop and implement

additional data systems as deemed appropriate to provide information needed to effectively manage the District's maintenance program.

5.7 Disconnection. No service line connected with the public sewer shall be disconnected therefrom without a permit to do so.

5.8 Industrial Service Agreements. Industrial users shall be subject to certain additional regulations and requirements as determined by the Board to promote the best interests of the district and the general health, safety and welfare of its inhabitants. Such regulations and requirements shall be contained in and form a part of the industrial service agreement entered into with each industrial user. For purposes of this section, an industrial user shall mean any non-governmental business. commercial or industrial use, which does contribute, or is likely to contribute, sewage to the public sewer system requiring special handling and/or extra treatment works capacities. Industries so classified shall be those identified in the Standard Industrial Classification Manual under Division A (Agriculture, Forestry, Fishing); Division B (Mining); Division D (Manufacturing); Division E (Transportation, Communications, Electrical, Sanitary Services; and Division I (Services). Any such classified user my be excluded from such class if the Board determines that such user's normal sewage contribution is representative of the type contributed by a domestic or commercial user; in such instances, the facility shall be considered as a commercial use, and the provisions of this section shall not be applicable to such user.

5.8.1 Industrial Cost Recovery. In addition to all other charges under these rules and regulations, industrial users shall be subject to annual charges for Industrial Cost Recovery, pursuant to the Federal Water Pollution Control Act Amendments of 1972, as amended, and the Colorado Water Quality Control Act, as amended, and all regulations promulgated in accordance with said laws, in amounts sufficient to recover pro-rated portions of capital facility grants utilized by the district and the Metropolitan Denver Sewage Disposal District No. 1. The charge for Industrial Cost Recovery shall be equal to contributed measured flows and contained units by weight of BOD and suspended solids, multiplied by the unit rates of such charge as computed by the Metropolitan District. Such charges shall be established and made annually commencing in 1976 and payable by the users so charged within sixty (60) days after the end of the calendar year for which the charge is levied.

5.8.2 Metering, Sampling and Pretreatment. Industrial users shall install such facilities necessary for measurement of flows and sampling of quality. Industrial users contributing sewage in volumes substantially equal to metered use of a water supply shall only provide for sampling; all others shall install sewage flow meters of the type which provide for continuous totalizing and recording in addition to facilities for sampling. An industrial user may be required to provide for pretreatment of sewage contributions before discharging into the public sewer system.

ARTICLE VI

RATES, TOLLS, FEES AND CHARGES

6.1 <u>Connection</u> Fee. For each and every connection to the District's sewer system, there shall be paid to the District the following fees before a permit is issued to the connect:

- (a) Each and every single family residential equivalent:
 - (1) Sheridan Sanitation Districtas determined by the Board XXX
 - (2) Metropolitan Denver Sewage Disposal District No. 1 (METRO)as determined from time to time by the METRO Board

XXX

XXX

Total Fee

- (b) Connections other than residential: for each and every connection other than residential, the following fees shall be paid for each single family residential equivalent or portion thereof:
 - (1) Sheridan Sanitation Districtas determined by the Board

XXX

(2) Metropolitan Denver Sewage Disposal District No. 1 (METRO)as determined from time to time by the METRO Board

XXX

Total Fee XXX

6.2 **Inclusion Fees.** Each application for inclusion of property into the Sheridan Sanitation District No. 2, regardless of size or area thereof, shall be accompanied by payment of an inclusion fee as set by the Board. None of such application fee shall be refundable to the applicant.

6.3 Sewer Service Charges. Sewer service charges shall be set by the Board and shall generally be provided in the following categories:

BILLING CODE

RATE PER QUARTER (MINIMUM = \$25.00/QUARTER)

0	Commercial	\$ XXX/1000 Gallons
1	Commercial	\$ XXX/1000 Gallons
2	Commercial	\$ XXX/1000 Gallons
3	Commercial	\$ XXX/1000 Gallons
4	Commercial	\$ XXX/1000 Gallons
9	Residential	\$ XXX/Residential Unit
.10	Residential	\$ XXX/Residential Unit

0,3 - Examples are offices, office warehouses, auto repair.

1 - Example is vet. hospital.

2,4 - Examples are restaurants, dry cleaners.

6.4 Late billing/delinquency Charges. Sewer service charges are due and payable in advance by the end of the second month of each calendar quarter. In the event of non-payment by said date, the customer shall be required to pay an additional fee as a penalty and rebilling charge which will be added to the statement for said customer. All payments by a customer shall first be applied to such late charges for penalty or rebilling and the balance of the payment, if any, shall be applied to the sewer service charges due.

6.5 **Right to Lien.** Until paid, all rates, tolls, fees or charges constitute a first and perpetual lien on and against property served, and any such lien may be certified to the County Treasurer for placement on the delinquent tax rolls as provided by the State Statutes.

ARTICLE VII

APPEALS

7.1 Appeal. Any customer, applicant, or other person who alleges to be aggrieved by any decision by the Manager or District Engineer with regard to the application of these Rules and Regulations to such customer or person may appeal the decision to the Board.

7.2 Notice. Said customer, applicant, or person shall be required to give notice of said appeal in writing to the Board within thirty days of the alleged grievance and delivery of said notice to the Manager of the District shall be sufficient notice thereon.

7.3 Hearing. Upon receipt of said notice the Board will conduct a hearing on the appeal within forty-five days of receipt thereof or at such other date that the hearing may be continued to thereafter by the Board, the Board to give 10 days prior notice of the hearing to the customer, applicant, or other person by mailing said notice to their address provided in the appeal. The hearing before the Board will be conducted as a quasi judicial administrative hearing and the Board will provide the applicant the opportunity to be heard, the opportunity to present evidence in his behalf, the opportunity to cross examine any evidence or

information placed in the record, and the opportunity to provide argument and summation. The Board will provide said applicant rudimentary due process and fundamental fairness in said proceeding.

7.4 Decision. Within thirty days of the conclusion of said hearing the Board will render a decision in writing and will mail said decision to said applicant at his address provided for in the application.

7.5 Exhaustion of Administrative Remedy. Every customer, applicant or person who is allegedly aggrieved by any decision of the Manager or District Engineer shall be required to exhaust his administrative remedy of appeal to the Board as provided for herein prior to filing any action in a court of competent jurisdiction hereunder.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Violation of Rules and Regulations. Any person found to be violating any of the provisions of these Rules and Regulations shall be served with written notice stating the nature of the violation and providing a reasonable time limit for satisfactory correction thereof.

8.2 **Revocation of Permit.** Any permit shall be subject to revocation by the inspector or of the Board, if the installation or use of the service line is not made in accordance with these Rules and Regulations, or any governing rule of the Board.

8.3 **Right of Entry onto Property.** The Board of Directors and their duly authorized representative shall have the right to enter upon any parcel of land being served by the sewage system of the District, at any reasonable hour, for the purpose of making inspections of the facilities connected to said sewage system.

8.4 Severability. If any provisions of these Rules and Regulations are held invalid, for whatever reasons, by a court of competent jurisdiction, such judgment shall not affect the remaining provisions of these Rules and Regulations, but shall be confined in its operation to the specific parts of them held valid.

8.5 Limitation. These Rules and Regulations are an implementation, on the part of the Board of Directors of the Sheridan Sanitation District No. 2, of some of the powers conferred upon that body by statute. These Rules and Regulations are in no way to be construed as a limitation upon the powers of the Board of Directors, nor as an expression of the Board of Directors of only so much of its powers as it intends to use.

8.6. **Revision.** The Board of Directors of the District may, from time to time, enlarge upon, delete, change, or amend the foregoing Rules and Regulations at any time at a regular or specially called

meeting of the Board. Adopted this 13th day of November , 1991.

SHERIDAN SANITATION DISTRICT NO. 2

Au Limero President

2. Em Secretary

AMENDMENT NO. 1 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

SECTION 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on December 9, 1992, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 5.8.3 thereto, as follows:

"5.8.3 Grease Trap Requirements. Any business (nonresidential) that prepares, prossesses or sells foods is required to install a grease trap as specified by the District. The business will be responsible for the cost of the installation and the maintenance of the grease trap."

SECTION 2. All other provisions of the District's Rules and Regulations as adopted December 9, 1992, shall remain in full force and effect except as amended herein.

Adopted this 9th day of December, 1992.

SHERIDAN SANITATION DISTRICT NO. 2

Attest:

Secretatry

AMENDMENT NO. 2 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

SECTION 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on March 10, 1993, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 5.2.1 thereto, as follows:

> "5.2.1 PERMIT RESTRICTIONS. Such permit shall restrict the sewer service to a specific use and geographical location and provide that the permit will automatically terminate without liability to the District, if the sewer tap is not made within one year from the date of issuance of the permit. In this event, the District will return the District's portion of the sewer permit fees to the applicant without interest, and the District will apply to Denver Metro for return and of the Metro portion of the fee. The Board of Directors may waive all or any one of these permit restrictions in appropriate cases."

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 10th day of March, 1993.

SHERIDAN SANITATION DISTRICT NO. 2 President

AMENDMENT NO. 3 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

SECTION 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on April 14, 1993, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 6.3.1 thereto, as follows:

> "6.3.1 EXTRA TERRITORIAL SERVICE. It is the policy of the District to not provide service to properties that are not included within the boundaries of the District, in conformity with the regulations of Denver Metro. Notwithstanding the above policy, in the event that service is provided to property not within the boundaries of the District, such service shall be provided subject to all of the applicable Rules and Regulations of the District, and shall in addition, be subject to service fees and charges at double the rate for properties within the District boundaries. The Board of Directors may waive all or any of these provisions regarding service to properties outside of the District boundaries in appropriate cases."

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 14th day of April, 1993.

SHERIDAN SANITATION DISTRICT NO. 2

AMENDMENT NO. 4 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

SECTION 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on April 14, 1993, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 5.2.2 thereto, as follows:

> "5.2.2 NON-USE/DEMOLITION OF PERMITTED PROPERTY. Non-use of any property or building, or demolition thereof, which has previously been provided a sewer tap, must be placed back in service within two years of such non-use or demolition. In the event that said sewer usage does not occur within the said two year period, the sewer tap for such property shall lapse and a new sewer permit fee shall be required upon resumption of service. The Board of Directors may waive all or any of these permit restrictions in appropriate cases."

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 14th day of April, 1993.

SHERIDAN SANITATION DISTRICT NO. 2 Ane Nomero

AMENDMENT NO. 5 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

SECTION 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on June 9, 1993, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 7.6 thereto, as follows:

> Upon a finding by the SHOW CAUSE HEARING. "6.6 Manager that any person has violated any of the Rules and Regulations promulgated hereunder, or has not corrected any violation of the Rules and Regulations hereunder by timely compliance with a correction schedule, the Manager or the Board may order any such person to show cause before the Board of Directors why enforcement action should not be taken by the Board. Notice of said show cause hearing shall be served on the offending person as set forth in Section 7.3 hereof. The hearing and decision thereon shall be conducted as set forth respectfully in Sections 7.3 and 7.4 hereof. Any enforcement action taken by the Board as a result of said hearing may include revocation of such persons permit or such other enforcement action as may be deemed proper by the Board.

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 9th day of June, 1993.

SHERIDAN SANITATION DISTRICT NO. 2

Secretar

AMENDMENT NO. 6 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on September 13, 1995, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 5.2.3 thereto, as follows:

"5.2.3 Licensed Plumber Required. "The tap or connection making a physical connection point or device connecting a service line to the District's sewer system shall be made or provided solely by a plumber who has been licensed by the State of Colorado. All such taps or connections shall conform to the tap or connection diagram attached hereto as Exhibit A and incorporated herein by this reference."

Section 2. All other provisions of the district's Rules and Regulations previously adopted shall remain in full force and effect except as amended herein.

Adopted this 13th day of September 1995.

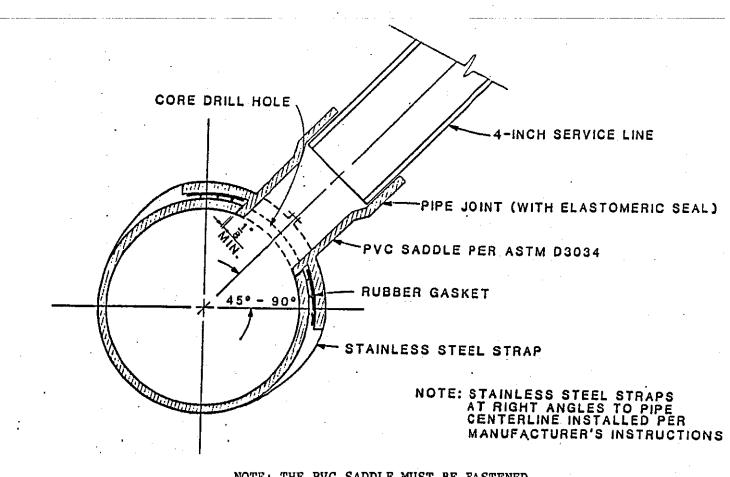
SHERIDAN SANITATION DISTRICT NO. 2

JOE ROMERO, President

ATTEST:

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EXHIBIT A



NOTE; THE PVC SADDLE MUST BE FASTENED TO THE MAIN USING EPOXY IN ADDITION TO THE STEEL STRAPS.

CONNECTIONS WITHOUT MANHOLE

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AMENDMENT NO. 7 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on January 14, 1998 the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Sections 5.2.4 and 8.7 thereto, as follows:

"5.2.4. **Separate Tap Required.** Each building that is served by the District is required to have a separate sewer service line, which connects to a separate sewer tap on the sewer main."

"8.7. Incorporation of Denver Metro Waste Water Reclamation District Rules and Regulations. The District has a Service Contract with Denver Metro Waste Water Reclamation District (Denver Metro) and is subject to the Denver Metro Rules and Regulations which are incorporated herein by this reference. In the event of conflict between the Denver Metro Rules and Regulations and the District's Rules and Regulations, the Denver Metro Rules and Regulations shall be controlling if the conflict is otherwise irreconcilable."

Adopted this 14th day of January, 1998.

SHERIDAN SANITATION DISTRICT NO. 2

JOE ROMERO, Chairman

ATTEST

Secretary

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AMENDMENT NO. 8 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on May 10, 2000 the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the addition of Section 5.2.5 thereto, as follows:

"5.2.5. Sewer Tap Abandonment. The property owner of each building seeking to abandon a sewer tap and to eliminate the quarterly service charges must write a letter to the District Manager requesting that the sewer tap be abandoned. The Board of Directors of the District will then review and must approve the request to abandon a sewer tap. If so approved, the property owner will have 60 days from the date of the District's approval to disconnect the sewer tap at the sewer main. The District's inspector must inspect the disconnection of the service line. The disconnect work must done by a Colorado licensed plumbing contractor and must meet all District requirements, and failure to do so may result in an enforcement action as deemed proper by the Board of Directors. The Board of Directors may waive any or all of these restrictions in appropriate cases."

Section 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 10th day of May, 2000.

SHERIDAN SANITATION DISTRICT NO. 2

JÓÉ ROMERO, Ćhairman

ATTEST:

Secretáry

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AMENDMENT NO. 9 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on September 8, 1999, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended by the repeal of Section 6.4 and the reenactment of Section 6.4 thereto, as follows:

> "6.4 LATE BILLING/DELINOUENCY CHARGES. Sewer service charges are due and payable in advance, on or before the thirtieth day following the first day of each calendar quarter, which is the "due date." In the event of non-payment within 30 days following the "due date", the customer shall be required to pay an additional fee as a delinquency and rebilling charge. This delinquency and rebilling charge shall not exceed 25% of the total balance due. All delinquency charges shall be assessed only one time for each current usage or quarter and will be assessed by the District within 30 days of the scheduled due date. In addition to the delinquency charges set forth herein, the District may also charge interest on the balance due, inclusive of any delinquency charges, at an interest rate not to exceed 12% per annum for any payments not made within 30 days of the due date. All payments by a customer shall first be applied to the current amount due, and then to any delinquency charges or other amounts due, i.e., interest."

Section 2. all other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 8th day of September, 1999.

SHERIDAN SANITATION DISTRICT NO. 2

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AMENDMENT NO. 10 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on August 11, 2004, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended to add Section 6.4.1 thereto, as follows:

"6.4.1 Delinquency Charges Relating To Connection Fees. Connection fees or tap fees are due and payable in advance prior to (a) making any connection into or discharging any wastewater directly or indirectly into the District's sewer system, or (b) prior to altering a tap by change of use, e.g., a change from residential to commercial use. In any event, the "due date" for such payment shall be the earlier of (a) the date of connection or change of use by the connector, or (b) the date of billing therefore by the District to the connector. In the event of nonpayment within 30 days following the "due date" the customer or connector shall be required to pay an additional fee as a delinquency charge. This delinquency charges set forth herein, the District may also charge interest on the balance due for unpaid tap fees or connection fees, inclusive of any delinquency charges, at an interest rate not to exceed 12% per annum, for any payments not made with 30 days of the due date. All payments by a customer shall first applied to the current amount due, then to any delinquency charges or other amounts due, that is, interest."

Section 2. All other provisions of the District's Rules and Regulations previously adopted shall remain in full force and effect except as amended herein.

Adopted this 11th day of August, 2004.

SHERIDAN SANITATION DISTRICT NO. 2

JOĚ ROMERO, President

ATTEST:

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AMENDMENT No. 11 SHERIDAN SANITATION DISTRICT NO. 2 RULES AND REGULATIONS

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on February 9, 2022, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended as follows:

Amend by the addition of Sections 2.41, 2.41.1, 2.41.2, 2.41.3 and 2.41.4 thereto, as follows:

"2.41 **Accessory Dwelling Unit (ADU)** refers to an independently accessed one-household dwelling unit on the same lot as a single-family dwelling unit and is coincident with all definitions and requirements of a dwelling unit as defined by the building and fire codes as adopted by the City of Sheridan."

"2.41.1 **Attached ADU** refers to an ADU which shares at least 25% of its wall length with a single-family dwelling unit and expands the footprint of the single-family dwelling unit."

"2.41.2 **Detached ADU** refers to an ADU which shares no wall length with a single-family dwelling unit, and which has a completely separate footprint."

"2.41.3 **Interior ADU** refers to an ADU which is contained completely within the building envelope of a single-family dwelling unit."

"2.41.4 **Single-family Dwelling Unit** refers to a building created and used for the purposes of housing a single household which is not attached in any way to another dwelling unit."

Amend by the addition of Section 5.2.6 thereto, as follows:

"5.2. 6 **ADU Connection Permits.** All customers of the District seeking to add an Accessory Dwelling Unit (ADU) onto their property are required to obtain an ADU Connection Permit from the District prior to making any connection into or discharging any wastewater directly or indirectly into the District's sewer system. Such permit shall be for residential uses only.

ADU permits issued by the District for connection and service are issued with the presumption of full compliance by the property owner with the Rules and Regulations of the District. Should a property owner, or ADU tenant, cause, or allow, a violation of the District's Rules and Regulations, the ADU permit, and property owners permit is subject to revocation by the Board."

Amend by the addition of Section 5.3.1 thereto, as follows:

"5.3.1 **ADU Service Line Construction and Maintenance.** Each customer shall use a service line to convey wastewater from the ADU to the District's sewer system. If practical, the ADU service line shall be connected to the single-family residence service line with a

wye branch connection. Prior to connection to the existing single-family residence service line, the customer, as a part of the permit process requirements, shall demonstrate that the existing service connection has capacity for the additional wastewater flow and is in sound structural condition.

Capacity – The customer shall provide a letter by a registered professional Engineer (sealed and signed) stating the existing sanitary service line and the proposed service line extension to the ADU has sufficient size and slope to convey the calculated wastewater flow from the combined individual residence and the ADU using an estimated individual fixture count analysis. Detail of the capacity analysis shall be submitted with the letter.

Condition – The customer shall provide an internal wastewater service line scoping video of the entire length of line from the residential unit to the tap on the District's line. The line shall be found in good condition, as determined by the District's Engineer. Criteria used for the condition determination shall include pipe physical condition, joint watertightness, alignment, pipe sags and tree root intrusion.

The customer is responsible to meet the maintenance requirements outlined in Section 5.3 of the District's Rules and Regulations for the ADU connection and service line."

Amend by the addition of Section 5.7.1 thereto, as follows:

"5.7.1 **ADU Disconnection.** No ADU service line connected to the public sewer shall be disconnected therefrom without a permit to do so. The District shall continue to bill for sewer services to the ADU until such time as the ADU is disconnected from the public system. If disconnected, the ADU service line shall be physically disconnected from the residential service line. Reconnection of the ADU service line to the public sewer shall require a permit and reconnection fee.

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted, shall remain in full force and effect except as amended herein.

Adopted this 9th day of February, 2022.

SHERIDAN SANITATION DISTRICT #2

Dallas Hall, Chairmán

Attest: Secretary

AMENDMENT No. 12 SHERIDAN SANITATION DISTRICT NO. 2 **RULES AND REGULATIONS**

Section 1. At a regular meeting of the Board of Directors of the Sheridan Sanitation District No. 2 held on September 13, 2023, the Rules and Regulations of the Sheridan Sanitation District No. 2 were amended as follows:

Amend by deletion of Amendment No. 4 (Adopted April 14, 1993) in its entirety including Section 5.2.2 Non-Use/Demolition of Permitted Property.

Amend by addition of Section 2.42 thereto, as follows:

"2.42 "Inactive Connections" means a Sewer Connection through which no flow has been discharged for more than ten (10) years. A Sewer Connection shall be considered to have been inactive when records of the water supply agency serving the building or premises show that no measurable water was supplied to the building or premises during that time, regardless of whether any payment for water was made during or after the ten (10) years. The date of reactivation shall be the date the water supply agency resumes water service."

Amend by addition of Section 5.2.7 thereto, as follows:

"5.2.7 Inactive Connections." When a Sewer Connection is inactive, as defined in Section 2.42 of these Rules and Regulations, for a period of more than ten (10) years, a reactivation charge shall be due when the connection is reactivated. The reactivation charge, per SFRE, shall be due for each year, or part thereof, beyond ten (10) which a connection is inactive. The reactivation charge shall be set by the Metro Water Recovery Board of Directors and may be adjusted from time to time by resolution of the Board. The reactivation charge shall not exceed the Sewer Connection Charges in effect at the time the connection is reactivated.

The District Board of Directors shall set their reactivation charge equal to the reactivation charge established by Metro Water Recovery. The Board of Directors may waive all or any of these permit restrictions in appropriate cases.

SECTION 2. All other provisions of the District's Rules and Regulations previously adopted shall remain in full force and effect except as amended herein.

Adopted this 13th day of September 2023.

SHERIDAN SANITATION DISTRICT #2

Cevin Johnson Dallas Hall, Chairman

Vice - Chairman

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