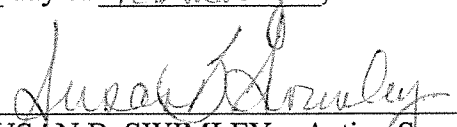


CERTIFICATE AS TO AUTHENTICITY

I, the undersigned, being the duly qualified and acting Secretary of the Four Corners County Water and Sewer District, Montana (the "District"), hereby certify that the attached Interlocal Agreement for Sharing of Wastewater Treatment Services, between Gallatin Gateway Water & Sewer District and the Four Corners Water & Sewer District is the original document signed by Ted Border as President of the Gallatin Gateway Water & Sewer District, attested to by Maralee Parsons as the District's Secretary, as well as signed by Cory Klumb as President of the Four Corners Water & Sewer District, attested to by Maralee Parsons as the District's Secretary.

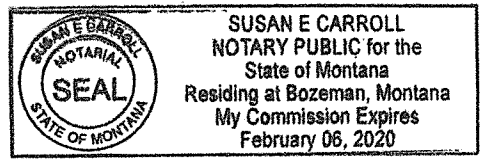
WITNESS my hand officially this 25th day of February, 2016.

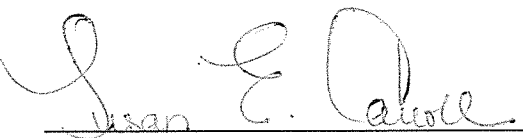


SUSAN B. SWIMLEY – Acting Secretary
Four Corners Water & Sewer District

STATE OF MONTANA)
 : ss.
County of Gallatin)

The foregoing instrument was acknowledged before me this 25th day of February, 2016, by SUSAN B. SWIMLEY, Acting Secretary of the Four Corners Water & Sewer District.





Notary Public for the State of Montana
Printed Name: Susan E. Carroll

INTERLOCAL AGREEMENT

For Sharing of Wastewater Treatment Services

Prepared for and between:

Gallatin Gateway Water
& Sewer District

PO Box 383
Gallatin Gateway, MT 59730

and the

Four Corners
Water & Sewer District

PO Box 11030
Bozeman, MT 59719

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List of Exhibits

Exhibit A – Boundary Maps of Gateway and Four Corners

Exhibit B – Four Corners Discharge Limits and Restrictions

Exhibit C – Acceptable Limits for Residential Strength Wastewater

INTERLOCAL AGREEMENT

This Interlocal Agreement (“the Agreement”) is entered into on this 16th day of February, 2016, by and between the Gallatin Gateway County Water and Sewer District of Gallatin Gateway, Montana (“Gateway”), and the Four Corners County Water and Sewer District of Gallatin County, Montana (“Four Corners”). Collectively, Gateway and Four Corners are referred to herein as the “Parties.”

1.0 RECITALS

WHEREAS, Gateway is a county water and sewer district validly organized pursuant to Title 7, Chapter 13, parts 22 and 23, Montana Code Annotated (“MCA”). Gateway was incorporated on February 17, 2009 and is located at Gallatin Gateway, Montana. For purposes of this Interlocal Agreement, the term “Gateway” means the incorporated boundaries in effect at the time of execution of the Agreement; and

WHEREAS, Four Corners is a county water and sewer district, validly organized pursuant to Title 7, Chapter 13, parts 22 and 23, MCA. Four Corners was incorporated on May 2, 2003 and in the Four Corners area of Gallatin County, Montana being approximately 7 miles west of Bozeman, Montana; and

WHEREAS, Gateway’s boundary and Four Corner’s boundary are as shown on **Exhibit A**; and

WHEREAS, Four Corners owns a public wastewater system consisting of collection and treatment plant (“Elk Grove Plant”) located at Elk Grove Subdivision in Gallatin County Montana which has an approved and constructed design flow of 300,000 gallons per day (average daily flow), which services all current users of Four Corners’ wastewater system and the Elk Grove Subdivision (collectively referred to herein as the “Four Corners Customers”) and has additional capacity remaining; and

WHEREAS, Gateway has been advised by its engineer that the costs of connecting Gateway’s wastewater system (“Gateway’s System”) within the boundaries of Gateway and the “Project”, being the design, engineering and construction of a wastewater force main connecting Gateway’s System to the Elk Grove Plant; related improvements; a reserve capacity fee to be paid to Four Corners for the use and reservation of availability of capacity within the Elk Grove Plant; and an appropriate share of the monthly operation and maintenance costs of the Elk Grove Plant; are comparable to the costs of Gateway building its own treatment and disposal system; and

WHEREAS, Four Corners has determined that the Elk Grove Plant has capacity available and Four Corners’ customers would benefit by adding new wastewater users to help pay for the costs of operation and maintenance of the Elk Grove Plant; and

WHEREAS, Four Corners has been advised by its engineers that, in addition to its regular and

anticipated use, the Elk Grove Plant can accept as additional flow up to 27,000 gallons per day (average daily flow) from Gateway, which will provide for reasonable future growth for Gateway; and

WHEREAS, pursuant to Title 7, Chapter 13, Part 22, MCA, Four Corners has authority to furnish wastewater treatment services to properties outside Four Corners boundary, as well as the authority to enter into contracts for wastewater treatment services outside its boundary; and

WHEREAS, pursuant to Title 7, Chapter 11, Part 1, MCA, Four Corners and Gateway have the authority to enter into interlocal agreements for the extension of wastewater treatment services; and

WHEREAS, as a condition to the acceptance of funding from the Funding Agencies for the Project, Gateway must provide this negotiated and executed Interlocal Agreement to the Funding Agencies;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Four Corners and the Board of Directors of Gateway that, for the reasons stated above and pursuant to MCA § 7-11-104, Four Corners and Gateway agree it is to their mutual advantage to enter into this Interlocal Agreement as follows:

2.0 DEFINITIONS

“Average Daily Flow,” for purposes of determining capacity and availability, means: “*The average flowrate occurring over a 24-hour period based upon annual flowrate data*”, and calculated as follows:

Example:

Total Annual Flow (V) = 30,000,000 gallons

Average Daily Flow (Q_{ave}) = 30,000,000 gallons/365 days = 82,192 GPD

“Average Daily Flow, Monthly Basis” for the purposes of determining the monthly usage charge, means: “*The average flowrate occurring over a 24-hour period based upon monthly flowrate data*”, and calculated as follows:

Example:

Total Monthly Flow (V) = 300,000 gallons

Average Daily Flow ($Q_{ave/monthly}$) = 300,000 gallons/31 days in month = 9.677.42 GPD

“Reserved Capacity Fee” means the fee established to reserve capacity of the Elk Grove Plant to accept and treat 27,000 gpd (Average Daily Flow) from Gateway.

“Elk Grove System” means the sewer collection system facilities owned and operated by Four Corners located in and around Elk Grove to the Point of Connection that convey wastewater to the Elk Grove Plant.

“Elk Grove Plant” means the mechanical wastewater treatment plant of Four Corners.

“Four Corners Customers” means all users of Four Corners’ wastewater system, whether within or outside the boundaries or limits of Four Corners, except for Gateway Customers.

“Gateway Customers” means all persons who own property in Gateway, whether or not currently served by Gateway System.

“Gateway System” means the wastewater collection system facilities owned and operated by Gateway located in and around the community of Gallatin Gateway, the sewer pump stations, the Wastewater Lift Station, and the force-main pipeline from the Wastewater Lift Station to the Elk Grove Lift Station. The Gateway System does not include systems connected to Gateway System that are not owned and operated by Gateway.

“Monthly Usage Charge” means the monthly fee established in Section 11.2 hereof.

“Point of Connection” means the point where Gateway System connects to the existing Four Corners owned wastewater treatment facilities at Elk Grove.

“Project” means the design, engineering and construction of certain improvements to Gateway System, including construction of approximately 4 miles of pipeline connecting Gateway System to the Elk Grove System, construction of a wastewater collection system, funding a deposit to a reserve account to secure bonds, and any costs of administering funding or issuing bonds.

“Reserved Capacity” means, initially, the capacity of the Elk Grove Plant to accept and treat 27,000 gpd (Average Daily Flow) from Gateway. The Reserved Capacity may be increased by mutual agreement of the Parties, as discussed in Section 13.0.

“Substantial Completion” means the time at which the Project has progressed to the point where, in the opinion of Gateway Engineer, the Project is sufficiently complete so that the Project can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Project refer to Substantial Completion thereof.

“Wastewater” means residential strength wastewater within the discharge limits as specified in Exhibit C hereto.

“Wastewater Lift Station” shall mean the wastewater lift station to be constructed as part of the Project and forming a part of Gateway System.

3.0 PURPOSE AND DURATION

It is the purpose of this Agreement to delineate the responsibilities between Gateway and Four Corners with respect to financing, construction, ownership, operation and maintenance of the Project, Gateway System, the Elk Grove System, and the Elk Grove Plant; to set forth the agreement of Four Corners to accept, properly treat and dispose of wastewater of Gateway in an amount up to the Reserved Capacity; and to provide for sharing the operations and maintenance costs of wastewater treatment at the Elk Grove Plant. This Agreement shall remain in full force

and effect for a period of forty (40) years, commencing no sooner than date of substantial completion of the Gateway System or bond closing for the Gateway System, whichever is later, and subject to termination according to the provisions of Section 12.2 hereof. This Agreement shall not be assigned by Gateway without the express written consent of Four Corners and shall not be assigned by Four Corners without the express written consent of Gateway.

4.0 ADMINISTRATION

4.1 LEGAL ENTITY

No separate legal entity is established by this Agreement.

4.2 FUNDING ADMINISTRATION

Gateway and Gateway's consultants will administer the funding established for the Project, including all grants and loans.

4.3 GATEWAY ENGINEER; GATEWAY REPRESENTATIVE

4.3.1 Gateway intends to enter into a contract with Stahly Engineering (the "Gateway Engineer") for the Project, wherein Gateway Engineer will be responsible for overseeing the design, construction and certification of the Project as Substantially Complete.

4.3.2 The Board of Directors of Gateway will appoint a representative (the "Gateway Representative"), who will coordinate with Gateway Engineer and Four Corners Representative (as hereinafter defined) as necessary. Gateway may appoint a new Gateway Representative at any time and from time to time after notice to Four Corners Representative.

4.4 FOUR CORNERS REPRESENTATIVE

4.4.1 The Board of Directors of Four Corners will appoint a representative (the "Four Corners Representative") who will coordinate and consult with Gateway Engineer and Gateway Representative as necessary in fulfilling Four Corners' obligations under this Agreement. Four Corners may designate a new Four Corners Representative at any time and from time to time after notice to Gateway Representative.

5.0 DESIGN AND CONSTRUCTION OF PROJECT

5.1 FOUR CORNERS APPROVAL OF PLANS

5.1.1 Gateway agrees to submit to the Four Corners Representative bid plans and specifications at 75% completion and at full completion for the Project prior to submitting the plans to DEQ for approval. Four Corners Representative shall review and provide any comments within ten (10) business days after receiving such plans.

5.1.2 After Four Corners Representative has reviewed the plans and any comments have been addressed to Four Corners Representative's reasonable satisfaction, Four Corners agrees to provide written approval of the design plans and permission to Gateway to connect to Four Corners' System, recognizing that such written permission may be required for DEQ approval of the plans and specifications for the Project.

5.2 FOUR CORNERS APPROVAL AND ACCEPTANCE OF CONSTRUCTION

5.2.1 Gateway Engineer agrees to notify Four Corners Representative at least seven (7) days in advance of connecting to Four Corners' System.

5.2.2 Upon Substantial Completion Four Corners shall review the work and provide to Gateway any necessary items requiring correction. Upon correction of these items, Four Corners shall provide a letter of acceptance to Gateway.

5.2.3 Gateway Engineer shall provide the necessary certification of completion to DEQ and furnish record drawings to Gateway Representative, Four Corners Representative and DEQ.

6.0 OPERATION, CONTROL AND OWNERSHIP

6.1 OWNERSHIP OF PROJECT AND GATEWAY SYSTEM; RESPONSIBILITY FOR GATEWAY SYSTEM

6.1.1 Gateway will maintain ownership of and responsibility for the Gateway System and Project. Gateway is solely responsible for any and all indebtedness incurred by Gateway in connection with the Project. Nothing in this Interlocal Agreement shall obligate Four Corners to pay for any costs of the Project or the Gateway System.

6.1.2 Gateway will own, maintain, operate and repair Gateway System. Gateway is solely responsible for any and all operation, maintenance, repair and replacement costs of Gateway System, including any indebtedness incurred by Gateway in connection with such costs.

6.1.3 Gateway is responsible for the assessing, charging and collecting of any and all assessments, taxes, charges and fees required to provide income and revenue adequate to pay: the reasonable expense of operation and maintenance of Gateway System; the Monthly Usage Charge; administration costs of Gateway; principal and interest on any bonded or other indebtedness of Gateway; and to establish or maintain any required reserves.

6.1.4 Gateway shall own and operate the Project and the Gateway System. Gateway shall allow Four Corners access to the Wastewater Lift Station and associated equipment at all times after notice to the Gateway Representative. All personnel entering the facility must adhere to Gateway's safety policy.

6.1.5 Gateway will indemnify, hold harmless, and defend Four Corners and its agents, principals, and employees from and against all claims, demands, damages, costs, expenses, losses, liability (including liability where activity is inherently or intrinsically dangerous), judgments, defense expenses, and attorney's fee rising out of or resulting from Gateway's wrongful acts, errors, omissions, or negligence or from Gateway's failure to comply with the requirements of this Agreement or with federal, state and local law applicable to the performance under this Agreement. Four Corners may elect to represent itself and any such fees, expenses or costs incurred shall be reimbursable by Gateway. These obligations shall survive termination of this Agreement.

6.1.6 Four Corners will indemnify, hold harmless, and defend the Gateway and its agents, principals, and employees from and against all claims, demands, damages, costs, expenses, losses, liability (including liability where activity is inherently or intrinsically dangerous), judgments, defense expenses, and attorney's fee rising out of or resulting from Four Corners' wrongful acts, errors, omissions, or negligence or from Four Corners' failure to comply with the requirements of this Agreement or with federal, state and local law applicable to the performance under this Agreement. Gateway may elect to represent itself and any such fees, expenses or costs incurred shall be reimbursable by Four Corners. These obligations shall survive termination of this Agreement.

6.1.7 Four Corners and Gateway shall jointly work to optimize the Gateway System, Project and Elk Grove System. To that end, the Board of Directors of Gateway and the Board of Directors of Four Corners shall meet at a minimum annually in February to discuss comments and concerns regarding the Gateway System, Project and Elk Grove System.

**6.2 OWNERSHIP OF ELK GROVE PLANT AND ELK GROVE SYSTEM;
RESPONSIBILITY FOR ELK GROVE SYSTEM**

6.2.1 Four Corners will own, maintain, operate and repair the Elk Grove Plant and the Elk Grove System.

6.2.2 Four Corners is solely responsible for any and all operation, maintenance, repair and replacement costs of the Elk Grove System and the Elk Grove Plant, including any indebtedness incurred by Four Corners in connection with such costs.

6.2.3 Four Corners shall maintain that portion of the Elk Grove System that is necessary or appropriate to collect and convey the discharge from Gateway System to the Elk Grove Plant in good repair and condition so that the Elk Grove Plant is continuously available to service the discharge of Gateway System. Four Corners will use best efforts to maintain Elk Grove Plant in good repair and condition.

6.3 RESPONSIBILITIES FOR ELK GROVE PLANT

6.3.1 Gateway agrees to share with Four Corners in the costs of operation and maintenance of

the Elk Grove Plant in accordance with the Monthly Usage Charge described in Section 11.2.

6.3.2 Gateway will share in the costs of any improvements to the Elk Grove Plant that are reasonably necessary in connection with expanding the Reserved Capacity for the benefit of Gateway. Gateway shall have no obligation to share in the costs of enlarging the Elk Grove Plant (if the Reserved Capacity is not also enlarged) or for costs and expenses at the Four Corners Plant that are not related to the acceptance of the Reserved Capacity.

6.3.3 Four Corners agrees to maintain its discharge permit in good standing throughout the term of this Agreement. If discharge permit regulations change such that Four Corners is required to perform upgrades to its system in order to maintain its discharge permit in good standing, Gateway shall share in the costs of the upgrade in proportion to Gateway's Reserved Capacity, or any capacity purchased by Gateway subsequent to its use of the Reserved Capacity.

6.4 MUTUAL EASEMENTS

6.4.1 Gateway grants to Four Corners an irrevocable easement to inspect the Project and install verification sampling equipment at the Gateway Wastewater Lift Station and along the Project, as necessary. Four Corners will provide Gateway notice before inspection of the Project and installation of verification sampling equipment.

6.4.2 Four Corners grants to Gateway an irrevocable easement to inspect Elk Grove Lift Station, lines to the Elk Grove Plant and the Elk Grove Plant. Gateway will provide Four Corners notice before inspection of the Elk Grove Plant.

7.0 SEWER POLICY

7.1.1 Gateway shall adopt and enforce a sewer policy regulating discharges into Gateway System, which shall comply with the restrictions and limitations established by the Four Corners' policies as set forth in **Exhibit C** and requirements of **Exhibit B**. Gateway agrees to amend its policy as necessary from time to time, upon request of Four Corners, to ensure that Gateway's sewer policy and Four Corners' sewer policy remain in uniform conformance. Gateway's sewer policy may be more restrictive or limiting in respect of discharge into Gateway System than Four Corners' sewer discharge policy is in respect of discharge into the Elk Grove System and Elk Grove Plant.

7.1.2 Gateway shall prohibit the discharge of any of the waters or wastes that do not comply with the restrictions and limitations established by the Four Corner's policies as set forth in **Exhibit C** and the requirements of **Exhibit B**.

7.1.3 Gateway shall only accept wastewater from houses, businesses or buildings located within Gateway having a permanent sewer service connection. No waste will be imported for disposal from outside Gateway including but not limited to septic, septage, or

other hauled or transported wastes. Septage, septic tank waste, or similar materials shall not be allowed into Gateway System under any circumstances.

8.0 FURNISHING OF WASTEWATER TREATMENT SERVICES BY FOUR CORNERS; RESERVED CAPACITY

- 8.1.1 Four Corners hereby agrees to accept, properly treat, and dispose of wastewater of Gateway in an amount of up to the Reserved Capacity, estimated to be 27,000 gallons per day (average daily flow), from Gateway.
- 8.1.2 Gateway hereby agrees to pay the Reserved Capacity Fee representing Gateway's proportionate share of the documented capacity of the Plant of treatment and disposal costs in one lump sum. The payment shall be due within 60 days of the release of said funds from the funding agency and in all events no later than two years from the execution of this Interlocal Agreement; to pay the Monthly Usage Charge at the rates specified in this Agreement. Gateway will not share in or pay costs associated with the Elk Grove System not utilized by Gateway. Future changes necessitated by this Agreement may require Gateway to share in such costs.
- 8.1.3 Each of Gateway Customers as of the date of this Agreement is included in the calculation of the Reserved Capacity Fee to be paid to Four Corners.
- 8.1.4 Gateway shall not be allowed to use or sell any excess or unused capacity of Elk Grove Plant without the prior written consent of Four Corners.
- 8.1.5 Nothing herein shall be considered a guarantee by Four Corners that Gateway will be allowed any capacity beyond the Reserved Capacity. Any capacity in addition to the Reserved Capacity may be provided to Gateway in the sole discretion of Four Corners.

9.0 INSURANCE

Gateway shall carry and maintain property and liability insurance on the Project and the Gateway System in amounts required by the Funding Agencies but in at least the amount of \$2 million per occurrence and shall name Four Corners as an additional insured to the extent Gateway's insurance policy reasonably allows the naming of a Four Corners as an additional insured. Four Corners shall carry and maintain property and liability insurance on the Elk Grove System and the Elk Grove Plant in amounts established by Four Corner's policies and shall name Gateway as an additional insured to the extent Four Corners' insurance policy reasonably allows the naming of Gateway as an additional insured. Gateway and Four Corners agree to provide proof of such insurance annually to each other.

10.0 ANNEXATION AND OUT OF DISTRICT CUSTOMERS

Four Corners intends the relationship between Four Corners and Gateway to be a mutually

advantageous contractual arrangement for treatment of wastewater in their respective jurisdictions.

Subject to applicable rules, regulations, process, and the written consent of Four Corners, Gateway may at any time and from time to time consider expansion of the Gateway's legal boundaries, and expand the legal boundaries in order to utilize the Reserved Capacity. If Gateway has not yet reached the Reserved Capacity and demonstrates to Four Corners' reasonable satisfaction that the proposed expansion will not cause the then-existing Reserved Capacity to be exceeded, the consent of Four Corners is expected to be granted, provided Gateway is then in compliance with this Agreement. Any expansions of the Gateway System that in the Parties' reasonable projections would cause the Gateway to exceed its then-existing Reserved Capacity will be granted by Four Corners only upon mutually agreeable amendments to the Agreement and only if Four Corners believes excess capacity is available

Persons proposing to connect to Gateway System after completion of the Project shall pay wastewater fees, assessments and charges, and a connection or impact fee as provided in Gateway's sewer policy and subject to Gateway's funder's requirements, including but not limited to recapture or repayment amounts to Gateway at the time of application for connection. Such fees shall be used or reserved for any reasonable purpose of Gateway.

If a developer develops land between Gateway and Four Corners and intends to connect such development to the Project, the development may petition for annexation to either Gateway or Four Corners. The connections in such development may be required to pay for necessary connection fees and costs to the appropriate Party.

Connections to the Project between the Wastewater Lift Station and the Point of Connection will not be strictly prohibited nor permitted by this Agreement but must be approved by both Four Corners and Gateway. Such connections to the Project between the Wastewater List Station and the Point of Connection must include a flow meter before the connection point to the Project.

Nothing in this Agreement binds Four Corners or Gateway to permit expansion or guarantees permission to connect any subsequent connections, or any capacity above the Reserved Capacity.

11.0 RESERVED CAPACITY FEE, RATES, AND CHARGES

11.1 RESERVED CAPACITY FEE

Gateway shall pay the Reserved Capacity Fee pursuant to 8.1.2 above. The Reserved Capacity Fee is the sum of \$540,000 for a maximum of 27,000 gallons per day of Reserved Capacity. The basis for the Reserved Capacity Fee is established as follows $[27,000 \div 250] \times \$5,000$.

11.2 MONTHLY USAGE CHARGES

Gateway agrees to pay to Four Corners monthly a proportionate amount of documented operations of the Elk Grove Plant for treatment and disposal costs attributable to Gateway. At no time shall Gateway be responsible for Four Corners' existing debt, debt service, or operation and maintenance cost other than those costs attributable to Gateway for wastewater treatment and

disposal. This agreement requires Four Corners establish accounting methods and tracking in order to demonstrate the costs of treatment and disposal provided to Gallatin Gateway, which shall be provided to Gateway at the annual meeting.

The Monthly Usage Charge shall be based upon actual flow as measured by a flow meter at a location to be agreed upon prior to construction of the pipeline. The meter shall be calibrated and sealed. The meter shall be accessible to both Gateway and Four Corners. Either Party can call for a new calibration.

Gallatin Gateway agrees to grant Four Corners access to connect Gateway meter readings to the Four Corners SCADA system. The meter reading, for billing purposes, shall be taken as close to noon on the last business day of the month as practical, recognizing that the word "practical" means that there is no expectation that operators will work overtime or weekends to take this reading. The reading used to "close out" the prior month shall be the same reading used to "open" the new month, for billing purposes.

The first year Monthly Usage Charge shall be \$94.50 per 1,000 gpd using the Average Daily Flow, Monthly Basis method.

The second year Monthly Usage Charge shall be \$98.50 per 1,000 gpd using the Average Daily Flow, Monthly Basis method.

Thereafter the Monthly Usage Charge shall be a prorata share of the operating and maintenance costs of the Four Corners treatment and disposal infrastructure. The method used to compute the prorata share shall be gallons delivered from Gateway divided by total gallons treated times the ~~total proportionate~~ operation and maintenance cost for the Elk Grove Lift Station, lines to the plant and the plant, where flow measurements use the Average Daily Flow, Monthly Basis method. Four Corners shall not attribute any costs to operation and maintenance that are not directly attributable to treatment and disposal operation and maintenance of Gateway flows. Examples of unallowable costs are: cost of operating or maintaining any part of any water system; cost of operating or maintaining any part of any wastewater collection system, including trunk lines and main lines not carrying Gateway flows; and cost of operating or maintaining any lift station not carrying Gateway flow; cost of treating or pretreating any industrial wastes or any wastes that require special handling.

After the initial two (2) years of this Agreement, should Four Corners determine it is necessary to adjust the Monthly Usage Charge, it shall provide to the Board of Gateway notice and the opportunity to comment on any proposed adjustments to the Monthly Usage Charge. The Board of Directors of Gateway and its consultants will be afforded the opportunity to review all materials that Four Corners has available that relate to any proposed adjustment in the Monthly Usage Charge and the Board will have the full opportunity to provide to Four Corners information and data in response to a proposed increase to the Monthly Usage Charge, which Four Corners

shall accord reasonable consideration in any proposed increase to the Monthly Usage Charge. Any proposed increase in the Monthly Usage Charge by Four Corners that would cause the rates and charges imposed by Gateway for use and availability of Gateway System will not go into effect until such time as Gateway is able to implement an increase in its rates and charges and collect the increased rates and charges. Four Corners acknowledges that an increase in Gateway's rates and charges in excess of 5% in a 12-month period will take at least one month to implement and an additional month to collect.

Four Corners will bill Gateway each month in arrears for the Monthly Usage Charge. Gateway shall pay the Monthly Usage Charge to Four Corners within [30] days of receiving such bill.

11.3 WASTEWATER SAMPLING AND CORRECTIVE ACTION

Wastewater from Gateway shall be sampled bi-weekly during the first three months after Gateway connects to the Elk Grove System, monthly for the remainder of the first year and thereafter monthly, which may be waived at the sole discretion of the Four Corners. Sampling shall be conducted by Gateway at the Gateway Wastewater Lift Station. Four Corners shall be provided access to the Gateway Wastewater Lift Station to set up and install verification sampling equipment. Gateway shall submit quarterly sampling reports to Four Corners.

In the event corrective action is necessary, based upon sampling, the appropriate Party shall take all steps necessary to correct the source of disposal discharging in violation of the limits and restrictions set forth in **Exhibit B** and **Exhibit C**. The responsible Party shall pay any fines levied by the State for a non-compliance discharge. The determination of responsible Party shall be based upon an identifiable demonstrated source.

11.4 GATEWAY'S OBLIGATION TO COLLECT PAYMENT FROM GATEWAY USERS

Four Corners will not bill, or attempt to collect from, individual Gateway Customers. Four Corners will send bills reflecting charges and fees payable under this Agreement to the attention of Gateway at an address provided by Gateway, as may be updated from time to time by Gateway by notice to Four Corners. Gateway will collect those charges and fees and, upon a determination that they are properly calculated in accordance with this Agreement, pay them monthly to Four Corners and shall pay Four Corners the entire amount due as calculated in accordance with this Agreement each billing cycle, regardless of whether Gateway was able to collect from its users.

12.0 TERMINATION

12.1 EVENTS OF DEFAULT

12.1.1 The following are Events of Default by Gateway under this Agreement:

12.1.1.1 Failure to pay the Reserved Capacity Fee calculated in accordance with the

terms and conditions of this Agreement;

12.1.1.2 Failure to pay the Monthly Usage Charges calculated in accordance with the terms and conditions of this Agreement within 30 days of receiving a bill for such Monthly Usage Charges from Four Corners; and

12.1.2 The following are Events of Default by Four Corners under this Agreement:

12.1.2.1 Failure to maintain the Elk Grove Plant's discharge permit in good standing;

12.1.2.2 Failure to make best efforts to maintain the Elk Grove Plant or Elk Grove System in good working order; and

12.1.2.3 Failure to reserve the Reserved Capacity for Gateway.

12.2 TERMINATION

12.2.1 This Agreement may be terminated prior to commencing construction of the Project by mutual written consent of the Parties hereto.

12.2.2 This Agreement may be terminated by Four Corners for failure of Gateway to timely pay the Reserved Capacity Fee, the Monthly Usage Fee or the Wastewater Surcharge as provided above in this Section. Gateway must be given written notice, (a copy of which must be sent to the Funding Agencies and DEQ), with the opportunity to cure any such defect within 90 days of such notice. Four Corners may terminate this Agreement only after holding a duly called and noticed public hearing, which the Board of Directors of Gateway is given notice of and the opportunity to attend and speak, and a majority of Four Corners Board votes in favor. Gateway shall have up to two years following termination to make provisions for an alternate wastewater plan and shall be able to use the Elk Grove Plant during that period of time, provided that Gateway continues to pay the Monthly Usage Charge. At the end of the two years, Four Corners shall terminate the ability of Gateway to use the Elk Grove Plant.

12.2.3 This Agreement may be terminated by Gateway for Events of Default by Four Corners as set forth above. Four Corners must be given 90 days written notice (a copy of which must be sent to the Funding Agencies and DEQ) with the opportunity to cure any such defect prior to termination of the Agreement for failure to provide wastewater treatment service. Gateway may terminate service only after holding a duly called and noticed public hearing, which Four Corners Board is given notice of and the opportunity to attend and speak, and a majority of the Gateway Board of Directors vote in favor.

12.2.4 This Agreement may be terminated by Gateway if Gateway builds its own or acquire alternative capacity. Four Corners must be given two-years written notice (a copy of which must be sent to the Funding Agencies and DEQ). Gateway may terminate service only after holding a duly called and noticed public hearing, which Four Corners Board is given notice of and the opportunity to attend and speak, and a majority of the Gateway Board of

Directors vote in favor.

12.2.4 Either Party may request that mediation (the cost of which will be split by the Parties) be accomplished prior to the Notices described above.

12.2.5 All costs of termination without regard to the initiating Party shall be borne equally by the Parties, exclusive of remedies to cure defaults.

12.3 REMEDIES

Either Party shall be entitled to any or all remedies available in law or at equity, including, without limitation, specific performance, injunctive relief, preventative relief, consequential damages, declaratory judgment, equitable tolling of any contractual cure periods and attorney fees for prevailing Parties.

13.0 AMENDMENT

This Agreement may be amended only after a duly held and noticed public meeting identifying the proposed amendment has been held by both Four Corners and Gateway and approved by a majority of the Board of Directors of Gateway and a majority of Board of Directors of Four Corners.

14.0 NO JOINT ENTITY CREATED

Except as otherwise provided herein, this Agreement does not affect each Party's responsibility to manage its own affairs. No joint board or budget shall result from the undertakings set forth in this Agreement and no partnership or joint venture exists or shall be deemed to exist between the Parties. This includes, without limitation, responsibility for reports and payment of retirement system contributions pursuant to Section 19-2-506, MCA.

15.0 FILING

Gateway Representative shall file this Agreement, once executed, with the Gallatin County Clerk and Recorder and Montana Secretary of State pursuant to Section 7-11-107, MCA.

16.0 MISCELLANEOUS

16.1.1 Headings. The headings used herein are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any provision contained herein.

16.1.2 Entire Agreement. The Parties intend that the terms of this Agreement shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Agreement, together with the exhibits attached hereto, shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever

may be introduced in any judicial, administrative, arbitral, or other legal proceeding involving this Agreement.

16.1.3 Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16.1.4 Further Assurances The Parties will cooperate in executing all further documents necessary to effect the transactions discussed herein.

Signatures authorized by Gateway Resolution No. 2016-01 adopted on 2/22/16.

GALLATIN GATEWAY COUNTY WATER AND SEWER GATEWAY

By 
Director President

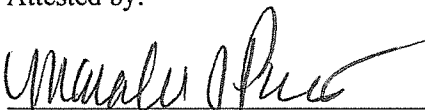
By _____
Director

By _____
Director

By _____
Director

By _____
Director

Attested by:


District Secretary

Signatures authorized by Four Corners Resolution No. 2016-04 adopted on 2/16/2016

FOUR CORNERS COUNTY WATER AND SEWER DISTRICT

By [Signature]
Director

By _____
Director

By _____
Director

By _____
Director

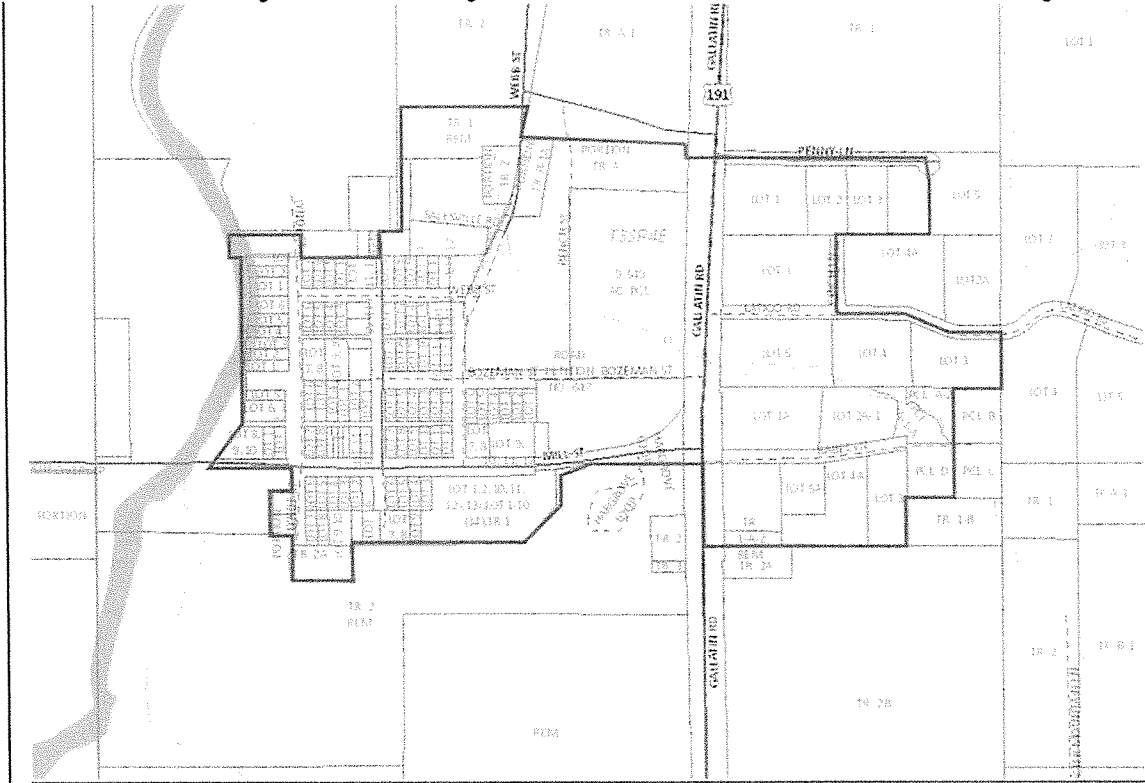
By _____
Director

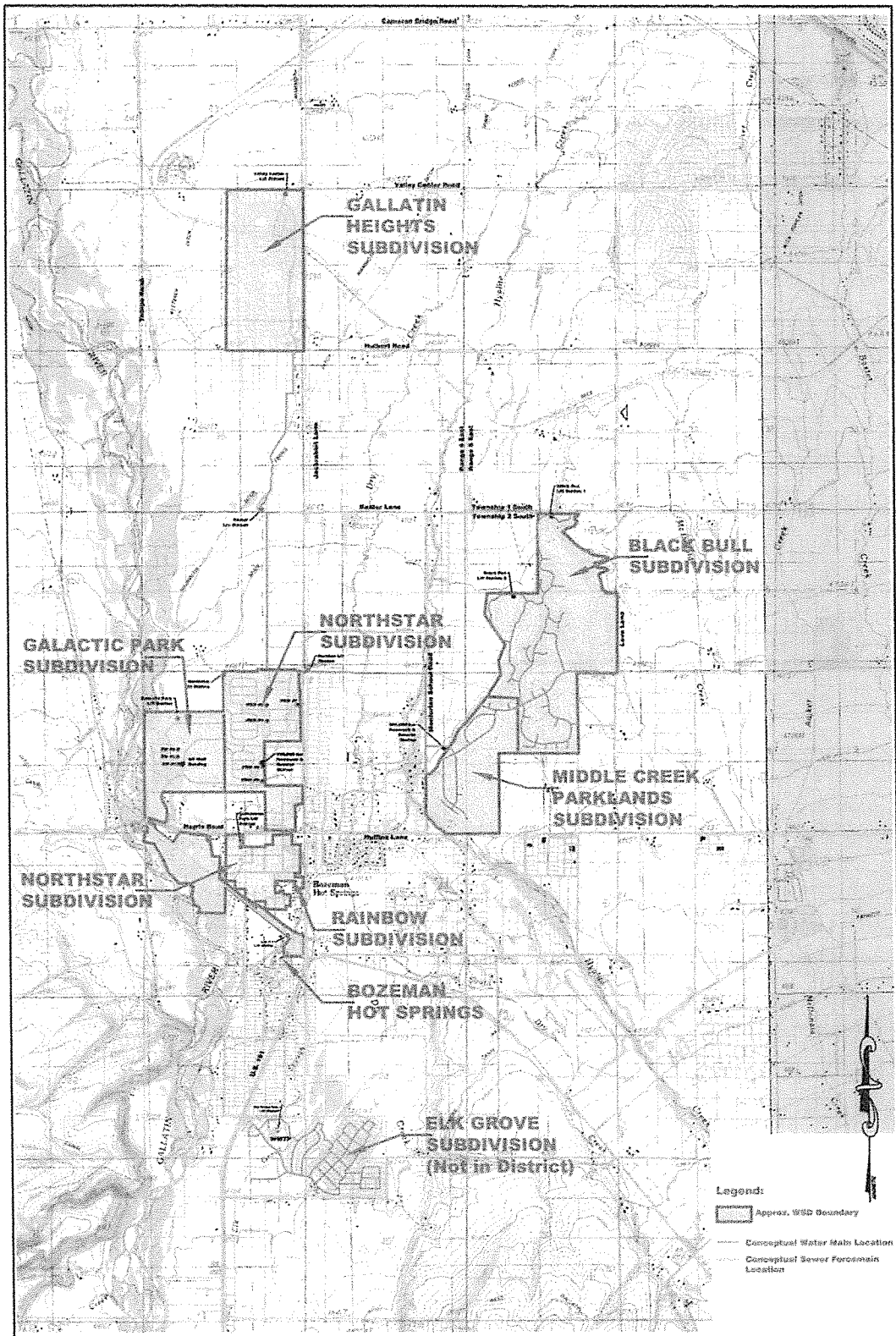
Attested by:

[Signature]
District Secretary

Exhibit A

Gateway Boundary and Four Corners Boundary

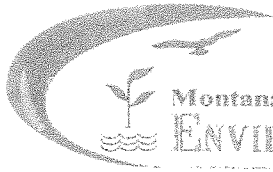




MORRISON MAIERLE, INC. An Equal Opportunity Employer	Engineer Systems Scientist Planner	921 Technology Blvd. Bozeman, MT 59717 Phone: (406) 552-2211 Fax: (406) 552-1171	DRAWN BY: J.L.B. CHECKED BY: J.M.G. APPROVED BY: J.M.G. DATE: 06/20/02	FOUR CORNERS COUNTY WATER & SEWER DISTRICT BOZEMAN MONTANA	PROJECT NO. #716-002 FIGURE NUMBER EXH. A
	MORRISON MAIERLE, INC. 12100 N. UNIVERSITY AVENUE, SUITE 200, BOZEMAN, MONTANA 59717 (406) 552-2211 FAX (406) 552-1171			FCCWSD BOUNDARY MAP	

Exhibit B

FOUR CORNERS DISCHARGE LIMITS AND RESTRICTIONS



Montana Department of
ENVIRONMENTAL QUALITY

P.O. Box 206981 • Helena, MT 59620-0901 • (406) 444-2543 • www.deq.mt.gov

 COPY

Brian Schweitzer, Governor
Richard H. Opper, Director

April 15, 2010

Barbara Campbell
P.O. Box 10098
Bozeman, Montana 59719

RE: Modification to Montana Ground Water Pollution Control System (MGWPCS) Permit for the Utility Solutions, LLC Wastewater Treatment System Permit No. MTX000110

Dear Ms. Campbell:

Enclosed please find a modified version of the Montana Ground Water Pollution Control System (MGWPCS) permit for the Utility Solutions, LLC Wastewater Treatment System. This modification was completed due to errors the Department discovered on Table 2 "Parameters To Be Monitored in the Effluent, Table 3 "Ground Water Monitoring Requirements" and Table 4 "Ground Water Limits [Standards] for Monitoring Wells" of the permit.

A footnote has been added to eliminate monitoring for *E. coli* Bacteria in the effluent at Outfall 001 on Table 2. The unit designation for specific conductance has been changed to $\mu\text{mhos/cm}$ or $\mu\text{Siemens/cm}$ at 25° Centigrade in Table 3. The "limit" designation has been changed to "standard" in Table 4 and in the text following Table 4. The "standard" assigned to *E. coli* Bacteria will be changed from "equal to or greater than 1 colony forming unit (CFU) to "greater than 1 CFU" as footnoted in Table 4. These modifications are explained in the attached (modified) Fact Sheet and are included in the modified permit, which are enclosed in this letter. The modification does not change the permit number.

If you have questions or need clarification, please contact Lou Volpe at (406)444-6769 or the Water Protection Bureau at phone number (406)444-3080.

Sincerely,



Jenny Chambers, Bureau Chief
Water Protection Bureau
Permitting and Compliance Division

Enclosures: Fact Sheet
MGWPCS Permit



PERMIT FACT SHEET

For Permit Modification dated April 15, 2010

Permittee: Utility Solutions, LLC
Permit No.: MTX000110
Facility Name: Utility Solutions, LLC Wastewater Treatment System
Facility Location: Section23, Township 2 South, Range 4 East, Gallatin County
Facility Contact: Barbara Campbell
P.O. Box 10098
Bozeman, MT 59719
Phone: (406)587-0994
Receiving Water: Class I Ground Water
Number of Outfalls: 3
Outfall(s)/Type: 001 – Infiltration/Percolation Cells
002A – Subsurface Drainfield (primary)
002B – Subsurface Drainfield (replacement)
003 – Rapid Infiltration Basin

I. PERMIT MODIFICATION

The permit was modified to correct errors in the MGWPCS permit for Utility Solutions, LLC Wastewater Treatment System. The Department discovered these errors on Table 2 "Parameters To Be Monitored in the Effluent", Table 3 "Ground Water Monitoring Requirements" and Table 4 "Ground Water Limits [Standards] for Monitoring Wells" of the permit. A footnote has been added to eliminate monitoring for *E. coli* Bacteria in the effluent at Outfall 001 on Table 2. The unit designation for specific conductance has been changed from mg/L to $\mu\text{mhos/cm}$ or $\mu\text{Siemens/cm}$ at 25° Centigrade in Table 3. The "limit" designation has been changed to "standard" in Table 4 and in the text following Table 4. The "standard" assigned to *E. coli* Bacteria will be changed from "equal to or greater than 1 colony forming unit (CFU) to "greater than 1 CFU" as footnoted in Table 4. Tables 2, 3 and 4 of the permit have been modified to reflect these corrections.

The permit number remains the same.

Prepared by: Pat Potts

Date: April 15, 2010

COPY

Permit No.: MTX000110
Modified April 15, 2010

**MONTANA DEPARTMENT OF
ENVIRONMENTAL QUALITY**

AUTHORIZATION TO DISCHARGE UNDER THE
MONTANA GROUND WATER POLLUTION CONTROL SYSTEM

In compliance with Montana Water Quality Act, Title 75, Chapter 5, Montana Code Annotated (MCA) and the Administrative Rules of Montana (ARM) 17.30. Subchapter 5, Subchapter 7, and Subchapter 10 *et seq.*,

Utility Solutions, LLC

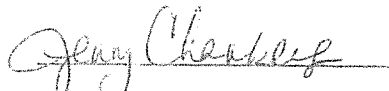
is authorized to discharge from its Elk Grove Wastewater Treatment Facility,
located at Section 23, Township 2 South, Range 4 East, Gallatin County
to receiving waters, Class I ground water,

in accordance with discharge point(s), effluent limitations, monitoring requirements and other conditions set forth herein. Authorization for discharge is limited to those outfalls specifically listed in the permit. The numeric effluent limits, water quality standards, and trigger values/nonsignificance criteria specified herein support the protection of the affected receiving water.

This permit shall become effective: February 1, 2010.

This permit and the authorization to discharge shall expire at midnight, January 31, 2015.

FOR THE MONTANA DEPARTMENT OF
ENVIRONMENTAL QUALITY



Jenny Chambers, Chief
Water Protection Bureau
Permitting & Compliance Division

Modified
Issuance Date: April 15, 2010

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I. EFFLUENT LIMITATIONS, MONITORING REQUIREMENTS & OTHER CONDITIONS

A. Description of Discharge Points and Mixing Zone

The authorization to discharge provided under this permit is limited to those outfalls specially designated below as discharge locations. Discharges at any location not authorized under an MGWPCS permit is a violation of the Montana Water Quality Act and could subject the person(s) responsible for such discharge to penalties under the Act. Knowingly discharging from an unauthorized location or failing to report an unauthorized discharge within a reasonable time from first learning of an unauthorized discharge could subject such person to criminal penalties as provided under Section 75-5-632 of the Montana Water Quality Act.

<u>Outfall</u>	<u>Description</u>
001	<p>Location: 12 infiltration/percolation cells located in the Elk Grove Subdivision, at N 45° 38' 22" latitude, W 111° 10' 55" longitude.</p> <p>Mixing Zone: The Department has granted a source specific 405 foot long ground water mixing zone oriented at a direction of N16°W.</p> <p>Treatment: Oxidation ditch (activated sludge) with secondary clarification and aerobic sludge digestion. Final treatment in soil beneath infiltration/percolation cells.</p>
002A	<p>Location: Pressure-dosed drainfield located on lots C-1 and UL -1, at N 45° 39' 45" latitude, W 111° 11' 18" longitude.</p> <p>Mixing Zone: The Department has granted a source specific 200 foot long ground water mixing zone oriented at a direction of N20°W for this primary area.</p> <p>Treatment: Oxidation ditch (activated sludge) with secondary clarification, aerobic sludge digestion, and ultraviolet disinfection. Final treatment in soil beneath drainfield.</p>

- 002B **Location:** Pressure-dosed drainfield located on lots C-1 and UL -1, at N 45° 39' 45" latitude, W 111° 11' 18" longitude.
- Mixing Zone:** The Department has granted a source specific 500 foot long ground water mixing zone oriented at a direction between N8°W and N18°W for the replacement area.
- Treatment:** Oxidation ditch (activated sludge) with secondary clarification, aerobic sludge digestion, and ultraviolet disinfection. Final treatment in soil beneath drainfield.
- 003 **Location:** From the rapid infiltration beds located on Lot UL-1, at N 45° 39' 58" latitude, W 111° 11' 28" longitude.
- Mixing Zone:** The Department has granted a source specific 500 foot long ground water mixing zone oriented at a direction between N8°W and N18°W for the rapid infiltration beds.
- Treatment:** Oxidation ditch (activated sludge) with secondary clarification, aerobic sludge digestion, and ultraviolet disinfection. Final treatment in soil beneath infiltration/percolation cells.
- Spray Irrigation **Location:** From the spray irrigation area located on tract I of Elk Grove Subdivision, at N 45° 38' 27" latitude, W 111° 11' 39" longitude. Size is 10.5 acres.
- Mixing Zone:** The Department has not granted a ground water mixing zone.
- Treatment:** Oxidation ditch (activated sludge) with secondary clarification, aerobic sludge digestion, and ultraviolet disinfection. Final treatment in soil and plant uptake.

B. Effluent Limitations

Effective immediately and lasting through the term of the permit, the quality of effluent discharged by the facility shall, as a minimum, meet the limitations as set forth in Table I.

Table 1. Final Effluent Limits for Outfalls 001, 002A, 002B, and 003

Parameter	Outfall	30-Day Average Concentration ⁽¹⁾ (mg/L)	30-Day Average Load ^(1,2) (pounds per day)
Total Nitrogen, (TN) ⁽³⁾	001	10	37.9
Total Phosphorus, (TP)	001	3	2.13
Total Nitrogen, (TN) ⁽³⁾	002A	10	7.7
Total Phosphorus, (TP)	002A	3	10.6
<i>E. coli</i> Bacteria	002A	128 cfu/100 ml ⁽⁴⁾	NA
Total Nitrogen, (TN) ⁽³⁾	002B	10	18.3
Total Phosphorus, (TP)	002B	3	18.3
<i>E. coli</i> Bacteria	002B	128 cfu/100 ml ⁽⁴⁾	NA
Total Nitrogen, (TN) ⁽³⁾	003	10	61.2
Total Phosphorus, (TP)	003	3	18.2
<i>E. coli</i> Bacteria	003	128 cfu/100 ml ⁽⁴⁾	NA

(1) See definitions in Part V of this permit.

(2) The calculation used for determining load is: Load (lb/d) = design flow (gpd) x concentration (mg/L) x 8.34x10⁻⁴

(3) Total Nitrogen (TN) is the sum of nitrate + nitrite (as N) and total Kjeldahl nitrogen (as N).

(4) The 30-day geometric mean shall not exceed this value (see part V. of this permit for definitions).

NA Not Applicable

cfu colony forming units

C. Self-Monitoring Requirements

1. Effluent Monitoring - Outfalls 001, 002A, 002B and 003

Samples representative of effluent quality will be collected from the dosing tanks at the Elk Grove treatment plant.

As a minimum, upon the effective date of this permit and continuing through the term of the permit, the constituents in Table 2 shall be monitored at the frequency and with the type of measurement indicated; samples or measurements shall be representative of the volume and nature of the monitored discharge. If no discharge occurs during the entire monitoring period, it shall be stated on the Discharge Monitoring Report Form (EPA No. 3320-1) that no discharge occurred.

The amount of wastewater discharged will be reported as a 30-day average rate (in gallons per day) that is representative of the total volume discharged during that month for each individual outfall and the spray irrigation area. The measurement method shall for each outfall shall be a BadgerMeter MagnetoFlow Magmeter totalizing flow meter.

Analytical methods must be 40 CFR 136 approved methods unless otherwise approved by the Department. Analyses must meet the Required Reporting Values listed in DEQ-7 (February 2008).

The reporting period for the parameters in Table 2 is monthly.

Table 2. Parameters To Be Monitored in the Effluent

Parameter, units	Frequency	Sample Type ⁽¹⁾
Effluent Flow Rate, gpd ⁽²⁾	<i>Continuous</i>	Continuous
Total Suspended Solids (TSS), mg/L	Monthly	Composite
Biological Oxygen Demand (BOD ₅), mg/L	Monthly	Composite
<i>E. coli</i> Bacteria, colony forming units/100 mL ⁽⁴⁾	Monthly	Grab
Chloride, mg/L	Monthly	Composite
Nitrate+Nitrite (as N), mg/L	Monthly	Composite
Ammonia (as N), mg/L	Monthly	Composite
Total Kjeldahl Nitrogen, as N (TKN), mg/L	Monthly	Composite
Total Phosphorus, as P (TP), mg/L	Monthly	Composite
Total Phosphorus, as P (TP), lb/d	Monthly	Calculated
Total Nitrogen (TN), mg/L ⁽³⁾	Monthly	Calculated
Total Nitrogen (TN), lb/d ⁽³⁾	Monthly	Calculated

(1) See definitions, Part V of this permit

(2) To be measured by a totalizing flow meter following UV treatment. Effluent flow rates shall be reported separately for each Outfall and for the spray irrigation area.

(3) Total Nitrogen = nitrate + nitrite, (as N) + total Kjeldahl nitrogen, (as N).

(4) *E coli* monitoring will not be required @ outfall 001.

2. Ground Water Monitoring

OUTFALL 001

As a minimum, upon the effective date of this permit and continuing through the term of the permit, the permittee shall monitor the ground water in monitoring wells MW-4, MW-4a and MW-4c for the parameters and at the frequency specified in Table 3. The wells shall be monitored through the term of the permit for the parameters and frequency in Table 3 regardless of whether any discharge occurs from Outfall 001.

OUTFALL 002A and 002B

Prior to any discharge from Outfall 002A the permittee will be required to construct two monitoring wells (MW-1 and MW-1a) at the downgradient edge of the mixing zone. The permittee shall monitor the ground water in the two downgradient monitoring wells for the parameters and at the frequency specified in Table 3. Construction of MW-1 and MW-1a shall be required according to the schedule outlined under Part I. D. 1. of this permit.

Monitoring from each well (MW-1 and MW-1a) shall, at a minimum, begin in the quarterly period prior to the quarterly period that effluent is initially discharged to Outfall 002A. Prior to the initial discharge to Outfall 002A, and if no water quality analyses are conducted on the ground water, the DMR for each well shall be completed by checking the "No Discharge" box. Once monitoring begins on the

wells they shall be monitored through the term of the permit for the parameters and frequency in Table 3 regardless of whether any discharge occurs from Outfall 002A.

OUTFALL 003

As a minimum, upon the effective date of this permit and continuing through the term of the permit, the permittee shall monitor the ground water in monitoring wells MW-2, MW-2a and MW-2b for the parameters and at the frequency specified in Table 3.

Monitoring from each well (MW-2, MW-2a and MW-2b) shall, at a minimum, begin in the quarterly period prior to the quarterly period that effluent is initially discharged to Outfall 003. Prior to the initial discharge to Outfall 003, and if no water quality analyses are conducted on the ground water, the DMR for each well shall be completed by checking the "No Discharge" box. Once monitoring begins on the wells they shall be monitored through the term of the permit for the parameters and frequency in Table 3 regardless of whether any discharge occurs from Outfall 003.

Table 3. Ground Water Monitoring Requirements – Monitoring Wells MW-1, MW-1a, MW-2, MW-2a, MW-2b, MW-3, MW-3b, MW-4, MW-4a and MW-4c⁽¹⁾

Parameter, units	Frequency	Sample Type ⁽²⁾
Static Water Level (SWL), feet below top of casing	Quarterly	Instantaneous
<i>E. coli</i> Bacteria, colony forming units/100 mL	Quarterly	Grab
Nitrate (as N), mg/L	Quarterly	Grab
Total Nitrogen (TN), mg/L ⁽³⁾	Quarterly	Grab
Specific Conductance, $\mu\text{hos/cm}$ or $\mu\text{S/cm}$ @ 25° C	Quarterly	Grab
Chloride, mg/L	Quarterly	Grab

(1) Monitoring schedule for MW-1, MW-1a, MW-2, MW-2a, MW-2b, MW-3 and MW-3b may be delayed from the effective date of the permit as described in Part I.C.2. and Part I. D.3. of this permit.

(2) See definitions, Part V. of this permit.

(3) Total Nitrogen = nitrate + nitrite, (as N) + total Kjeldahl nitrogen, (as N)

Samples or measurements shall be representative of the ground water.

The reporting period for the parameters in Table 3 is quarterly.

3. Ground Water Limits

Effective immediately and lasting through the term of the permit, the ground water shall not exceed the water quality limits at monitoring wells MW-4/MW-4a (Outfall 001), MW-1/MW-1a (Outfall 002A), and MW-2/MW-2a (Outfall 003) as shown in Table 4.

Table 4. Ground Water Standards for Monitoring Wells MW-1, MW-1a, MW-2, MW-2a, MW-4, and MW-4a

Parameter, units	Standards
<i>E. coli</i> Bacteria, colony forming units/100 mL	Greater than 1 ⁽¹⁾
Nitrate (as N), mg/L	7.5

(1) The 24-hour geometric mean shall not exceed this value (see part V. of this permit for definitions).

If a groundwater quality standard for a parameter listed in Table 4 is exceeded, the permittee shall resample the well(s) within 72 hours of receiving the analytical results. The permittee shall notify the Department within 24 hours of receiving both the initial result and the conformational results. Based on the results, the Department may direct the permittee to implement one or more of the following contingency measures:

- In coordination with the Department, review water quality trends, discharge data, and other site activities to identify the probable cause and extent of the water quality changes.
- Increase the efficiency of wastewater treatment to lower concentrations of the parameters that exceeded limits.
- Increase the amount of effluent and/or ground water monitoring.
- Installation of additional ground water monitoring wells.
- Prohibit additional connections to the waste water system until the cause of the exceedance has been determined, remediation measures taken, and measures implemented to prevent a reoccurrence.
- Supply drinking water to residences, business and any other affected ground water users.
- Implement other measures as determined by the Department and may include invoking provisions set forth in Part IV.O. of this permit.

D. Special Conditions

1. Monitoring Well Installation and Monitoring – Outfall 002A and 002B:

Monitoring for Outfall 002A will be completed through the installation of two ground water monitoring wells at the downgradient edge of the mixing zone. These wells shall serve as monitoring for the mixing zone associated with this outfall. The two monitoring wells shall be installed adjacent to each other (a shallow well and a deep) well or as a nested pair. The shallow well shall be screened approximately from the top of the high ground water table to 15 feet below the low water table. The deep well shall be screened starting at the bottom of the screen interval for the adjacent shallow well and extend for 15 feet below that depth. The wells shall be identified as MW-1 and MW-1a.

The two monitoring wells shall be constructed prior to any discharge from Outfall 002A. The proposed well locations shall be submitted to and approved by the

Department prior to construction. Well logs and locations shall be submitted to the Department within 30 days of completion of the wells.

If Outfall 002A ever fails and it becomes necessary to construct the replacement area, Outfall 002B, new monitoring well locations will be determined at that time.

2. Effluent Monitoring -- Spray Irrigation Area

Samples representative of effluent quality will be collected from the dosing tanks at the Elk Grove treatment plant prior to disposal in the spray irrigation area.

As a minimum, upon the effective date of this permit and continuing through the term of the permit, the constituents in Table 2 shall be monitored at the frequency and with the type of measurement indicated; samples or measurements shall be representative of the volume and nature of the monitored discharge. If no discharge occurs during the entire monitoring period, it shall be stated on the Discharge Monitoring Report Form (EPA No. 3320-1) that no discharge occurred.

The amount of wastewater discharged will be reported as a 30-day average rate (in gallons per day) that is representative of the total volume discharged during that month to the spray irrigation area. The measurement method shall be a BadgerMeter MagnetoFlow Magmeter totalizing flow meter.

Analytical methods must be 40 CFR 136 approved methods unless otherwise approved by the Department. Analysis must meet the Required Reporting Values listed in DEQ-7 (February 2008).

The reporting period for the parameters in Table 2 is monthly.

3. Ground Water Monitoring -- Spray Irrigation Area

Prior to any discharge to the spray irrigation the permittee shall monitor the ground water in the upgradient (MW-3b) and downgradient (MW-3) monitoring wells for the parameters and at the frequency specified in Table 3. Monitoring of MW-3 and MW-3b shall be required according to the schedule outlined below.

Monitoring from each well shall, at a minimum, begin in the quarterly period prior to the quarterly period that effluent is initially discharged to the spray irrigation area. Prior to the initial discharge to the spray irrigation area, and if no water quality analyses are conducted on the ground water, the DMR for each well shall be completed by checking the "No Discharge" box. Once monitoring begins on the wells they shall be monitored through the term of the permit for the parameters and frequency in Table 3 regardless of whether any discharge occurs from the spray irrigation area.

II. MONITORING, RECORDING AND REPORTING REQUIREMENTS

- A. Representative Sampling
Samples taken in compliance with the monitoring requirements established under Part I of the permit shall be collected from the effluent stream prior to discharge into the receiving waters. Samples and measurements shall be representative of the volume and nature of the monitored discharge.
- B. Monitoring Procedures
Monitoring must be conducted according to test procedures approved under Part 136, Title 40 of the Code of Federal Regulations, unless other test procedures have been specified in this permit. All flow-measuring and flow-recording devices used in obtaining data submitted in self-monitoring reports must indicate values within 10 percent of the actual flow being measured.
- C. Penalties for Tampering
The Montana Water Quality Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate, any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$25,000, or by imprisonment for not more than six months, or by both.
- D. Reporting of Monitoring Results
Self-monitoring results shall be submitted to the Department monthly. Monitoring results obtained during the previous monitoring period shall be summarized and reported on a Discharge Monitoring Report Form (EPA No. 3320-1), postmarked no later than the 28th day of the month following the completed reporting period. If no discharge occurs during the reporting period, "no discharge" shall be reported on the report form. Legible copies of these, and all other reports required herein, shall be signed and certified in accordance with the "Signatory Requirements" (see Part IV.G of this permit), and submitted to the Department at the following address:
- Montana Department of Environmental Quality
Water Protection Bureau
PO Box 200901
Helena, Montana 59620-0901
Phone: (406) 444-3080
- E. Compliance Schedules
Reports of compliance or noncompliance with, or any progress reports on interim and final requirements contained in any Compliance Schedule of this permit shall be submitted no later than 14 days following each schedule date.

- F. Additional Monitoring by the Permittee
If the permittee monitors any pollutant more frequently than required by this permit, using approved analytical methods as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report. Such increased frequency shall also be indicated.
- G. Records Contents
Records of monitoring information shall include:
1. The date, exact place, and time of sampling or measurements;
 2. The initials or name(s) of the individual(s) who performed the sampling or measurements;
 3. The date(s) analyses were performed;
 4. The time analyses were initiated;
 5. The initials or name(s) of individual(s) who performed the analyses;
 6. References and written procedures, when available, for the analytical techniques or methods used; and
 7. The results of such analyses, including the bench sheets, instrument readouts, computer disks or tapes, etc., used to determine these results.
- H. Retention of Records
The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three years from the date of the sample, measurement, report or application. This period may be extended by request of the Department at any time. Data collected on site, copies of Discharge Monitoring Reports, and a copy of this MPDES permit must be maintained on site during the duration of activity at the permitted location.

I. Twenty-four Hour Notice of Noncompliance Reporting

1. The permittee shall report any serious incidents of noncompliance affecting the environment as soon as possible, but no later than twenty-four (24) hours from the time the permittee first became aware of the circumstances. The report shall be made to the Water Protection Bureau at (406) 444-3080 or the Office of Disaster and Emergency Services at (406) 841-3911. The following examples are considered serious incidents:
 - a. Any noncompliance which may seriously endanger health or the environment;
 - b. Any unanticipated bypass which exceeds any effluent limitation in the permit (See Part III.G of this permit, "Bypass of Treatment Facilities");
 - c. Any upset which exceeds any effluent limitation in the permit (See Part III.H of this permit, "Upset Conditions").
2. A written submission shall also be provided within five days of the time that the permittee becomes aware of the circumstances. The written submission shall contain:
 - a. A description of the noncompliance and its cause;
 - b. The period of noncompliance, including exact dates and times;
 - c. The estimated time noncompliance is expected to continue if it has not been corrected; and
 - d. Steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance.
3. The Department may waive the written report on a case-by-case basis if the oral report has been received within 24 hours by the Water Protection Bureau, by phone, at (406) 444-3080.
4. Reports shall be submitted to the addresses in Part II.D of this permit, "Reporting of Monitoring Results".

J. Other Noncompliance Reporting

Instances of noncompliance not required to be reported within 24 hours shall be reported at the time that monitoring reports for Part II.D of this permit are submitted. The reports shall contain the information listed in Part II.I.2 of this permit.

K. Inspection and Entry

The permittee shall allow the head of the Department or the Director, or an authorized representative thereof, upon the presentation of credentials and other documents as may be required by law, to:

1. Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
3. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
4. Sample or monitor at reasonable times, for the purpose of assuring permit compliance, any substances or parameters at any location.

III. COMPLIANCE RESPONSIBILITIES

- A. Duty to Comply
The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Montana Water Quality Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application. The permittee shall give the Department advance notice of any planned changes at the permitted facility or of an activity which may result in permit noncompliance.
- B. Penalties for Violations of Permit Conditions
The Montana Water Quality Act provides that any person who violates a permit condition of the Act is subject to civil or criminal penalties not to exceed \$25,000 per day or one year in prison, or both, for the first conviction, and \$50,000 per day of violation or by imprisonment for not more than two years, or both, for subsequent convictions. MCA 75-5-611(a) also provides for administrative penalties not to exceed \$10,000 for each day of violation and up to a maximum not to exceed \$100,000 for any related series of violations. Except as provided in permit conditions on Part III.G of this permit, "Bypass of Treatment Facilities" and Part III.H of this permit, "Upset Conditions", nothing in this permit shall be construed to relieve the permittee of the civil or criminal penalties for noncompliance.
- C. Need to Halt or Reduce Activity not a Defense
It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- D. Duty to Mitigate
The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.
- E. Proper Operation and Maintenance
The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. However, the permittee shall operate, as a minimum, one complete set of each main line unit treatment process whether or not this process is needed to achieve permit effluent compliance.

F. Removed Substances

Collected screenings, grit, solids, sludges, or other pollutants removed in the course of treatment shall be disposed of in such a manner so as to prevent any pollutant from entering any waters of the state or creating a health hazard.

G. Bypass of Treatment Facilities

1. Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of Parts III.G.2 and III.G.3 of this permit.

2. Notice:

- a. Anticipated bypass. If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least 10 days before the date of the bypass.
- b. Unanticipated bypass. The permittee shall submit notice of an unanticipated bypass as required under Part II.I of this permit, "Twenty-four Hour Reporting".

3. Prohibition of bypass:

- a. Bypass is prohibited and the Department may take enforcement action against a permittee for a bypass, unless:
 - 1) The bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
 - 2) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and
 - 3) The permittee submitted notices as required under Part III.G.2 of this permit.
- b. The Department may approve an anticipated bypass, after considering its adverse effects, if the Department determines that it will meet the three conditions listed above in Part III.G.3.a of this permit.

IV. GENERAL REQUIREMENTS

A. Planned Changes

The permittee shall give notice to the Department as soon as possible of any planned physical alterations or additions to the permitted facility. Notice is required only when:

1. The alteration or addition could significantly change the nature or increase the quantity of pollutant discharged. This notification applies to pollutants which are not subject to effluent limitations in the permit; or
2. There are any planned substantial changes to the existing sewage sludge management practices of storage and disposal. The permittee shall give the Department notice of any planned changes at least 180 days prior to their implementation.

B. Anticipated Noncompliance

The permittee shall give advance notice to the Department of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

C. Permit Actions

This permit may be revoked, modified and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

D. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a new permit. The application must be submitted at least 180 days before the expiration date of this permit.

E. Duty to Provide Information

The permittee shall furnish to the Department, within a reasonable time, any information which the Department may request to determine whether cause exists for revoking, modifying and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Department, upon request, copies of records required to be kept by this permit.

F. Other Information

When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or any report to the Department, it shall promptly submit such facts or information with a narrative explanation of the circumstances of the omission or incorrect submittal and why they weren't supplied earlier.

G. Signatory Requirements

All applications, reports or information submitted to the Department shall be signed and certified.

1. All permit applications shall be signed by either a principal executive officer or ranking elected official.
2. All reports required by the permit and other information requested by the Department shall be signed by a person described above or by a duly authorized representative of that person. A person is considered a duly authorized representative only if:
 - a. The authorization is made in writing by a person described above and submitted to the Department; and
 - b. The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility, such as the position of plant manager, superintendent, position of equivalent responsibility, or an individual or position having overall responsibility for environmental matters. (A duly authorized representative may thus be either a named individual or an individual occupying a named position.)
3. Changes to authorization. If an authorization under Part IV.G.2 of this permit is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of Part IV.G.2 of this permit must be submitted to the Department prior to or together with any reports, information, or applications to be signed by an authorized representative.
4. Certification. Any person signing a document under this section shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

- H. Penalties for Falsification of Reports
The Montana Water Quality Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction be punished by a fine of not more than \$25,000 per violation, or by imprisonment for not more than six months per violation, or by both.
- I. Availability of Reports
All reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Department and the EPA. Permit applications, permits and effluent data shall not be considered confidential and shall also be available for public inspection.
- J. Oil and Hazardous Substance Liability
Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties to which the permittee is or may be subject under Section 311 of the Clean Water Act.
- K. Property or Water Rights
The issuance of this permit does not convey any property or water rights of any sort, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations.
- L. Severability
The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.
- M. Transfers
This permit may be automatically transferred to a new permittee if:
1. The current permittee notifies the Department at least 30 days in advance of the proposed transfer date;
 2. The notice includes a written agreement between the existing and new permittees containing a specific date for transfer of permit responsibility, coverage, and liability between them;
 3. The Department does not notify the existing permittee and the proposed new permittee of an intent to revoke or modify and reissue the permit. If this notice is not received, the transfer is effective on the date specified in the agreement mentioned in Part IV.M.2 of this permit; and

4. Required annual and application fees have been paid.

N. Fees

The permittee is required to submit payment of an annual fee as set forth in ARM 17.30.201. If the permittee fails to pay the annual fee within 90 days after the due date for the payment, the Department may:

1. Impose an additional assessment consisting of 15% of the fee plus interest on the required fee computed at the rate established under 15-31-510(3), MCA, or
2. Suspend the processing of the application for a permit or authorization or, if the nonpayment involves an annual permit fee, suspend the permit, certificate or authorization for which the fee is required. The Department may lift suspension at any time up to one year after the suspension occurs if the holder has paid all outstanding fees, including all penalties, assessments and interest imposed under this sub-section. Suspensions are limited to one year, after which the permit will be terminated.

O. Reopener Provisions

This permit may be reopened and modified (following proper administrative procedures) to include the appropriate effluent limitations (and compliance schedule, if necessary), or other appropriate requirements if one or more of the following events occurs:

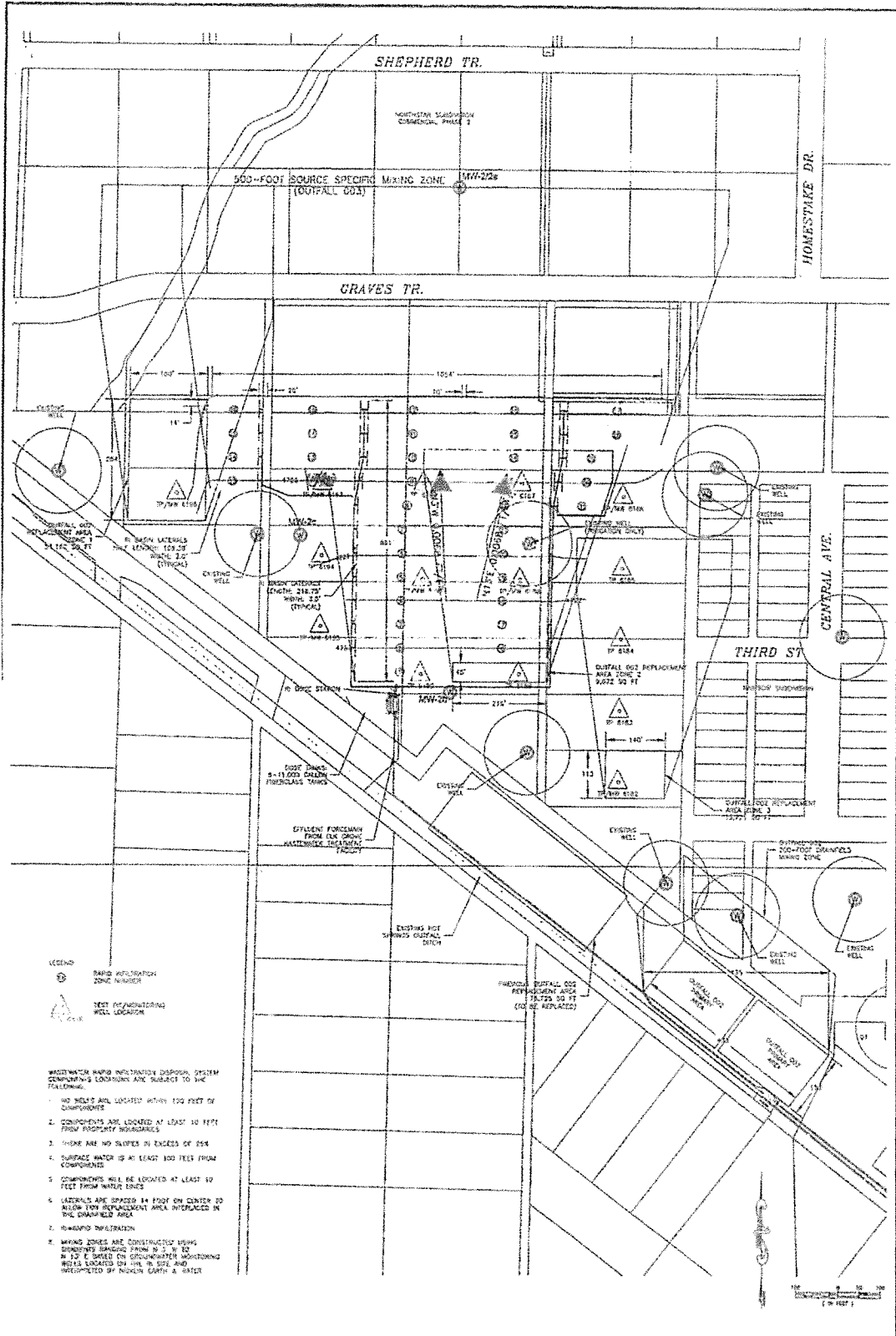
1. Water Quality Standards: The water quality standards of the receiving water(s) to which the permittee discharges are modified in such a manner as to require different effluent limits than contained in this permit.
2. Water Quality Standards are Exceeded: If it is found that water quality standards or trigger values, excluding mixing zones designated by ARM 17.30.501-518, for parameters included in the permit or others, the department may modify the effluent limits or water management plan.

V. DEFINITIONS

1. "30-day (and monthly) average" other than for fecal coliform bacteria, means the arithmetic average of all samples collected during a consecutive 30-day period or calendar month, whichever is applicable. Geometric means shall be calculated for fecal coliform bacteria. The calendar month shall be used for purposes of reporting self-monitoring data.
2. "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility.
3. "Composite samples" shall be flow proportioned. The composite sample shall, as a minimum, contain at least four (4) samples collected over the compositing period. Unless otherwise specified, the time between the collection of the first sample and the last sample shall not be less than six (6) hours nor more than 24 hours. Acceptable methods for preparation of composite samples are as follows:
 - a. Constant time interval between samples, sample volume proportional to flow rate at time of sampling;
 - b. Constant time interval between samples, sample volume proportional to total flow (volume) since last sample. For the first sample, the flow rate at the time the sample was collected may be used;
 - c. Constant sample volume, time interval between samples proportional to flow (i.e. sample taken every "X" gallons of flow); and,
 - d. Continuous collection of sample, with sample collection rate proportional to flow rate.
4. "Continuous" means the measurement of effluent flow which occurs without interruption throughout the operating hours of the facility, except for infrequent shutdowns for maintenance process changes, or other similar activities.
5. "Daily Discharge" means the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.
6. "Daily Maximum Limit" means the maximum allowable discharge of a pollutant during a calendar day. Expressed as units of mass, the daily discharge is cumulative mass discharged over the course of the day.

Expressed as a concentration, it is the arithmetic average of all measurements taken that day.

7. "Department" means the Montana Department of Environmental Quality.
8. "Discharge" means the injection, deposit, dumping, spilling, leaking, placing, or failing to remove any pollutant so that it or any constituent thereof may enter into state waters, including ground water.
9. "Geometric Mean" means the value obtained by taking the Nth root of the product of the measured values where zero values for measured values are taken to be the detection limit.
10. "Grab" sample means a sample which is taken from a waste stream on a one-time basis without consideration of flow rate of the effluent or without consideration for time.
11. "Instantaneous" measurement, for monitoring requirements, means a single reading, observation, or measurement.
12. "Load Limits" are mass-based discharge limits expressed in units such as lb/day
13. "Mixing zone" means a limited area of a surface water body or aquifer where initial dilution of a discharge takes place and where certain water quality standards may be exceeded.
14. "Nondegradation" means the prevention of a significant change in water quality that lowers the quality of high-quality water for one or more parameters. Also, the prohibition of any increase in discharge that exceeds the limits established under or determined from a permit or approval issued by the Department prior to April 29, 1993.
15. "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
16. "TMDL" means the total maximum daily load limitation of a parameter, representing the estimated assimilative capacity for a water body before other designated uses are adversely affected. Mathematically, it is the sum of wasteload allocations for point sources, load allocations for non-point and natural background sources, and a margin of safety.
17. "TSS" means the pollutant parameter total suspended solids.



MORRISON MAIBERLE, INC.
 An Lorraine Group Company

Engineers
 Surveyors
 Architects
 Planners

361 Technology Blvd
 Bozeman, MT 59713
 Phone: (406) 597-3721
 Fax: (406) 597-1111

DRAWN BY: JLE
 CHECKED BY: JLB
 APPR BY: JMS
 DATE: 03/22/11

UTILITY SOLUTIONS, LLC
 MTX000110

BOZEMAN MONTANA

PROJECT NO. 000207
 DRAWING NUMBER

OUTFALLS 002 AND 003
 NON-DEGRADATION EXHIBIT

FIG. 1

STATE OF MONTANA REGISTERED PROFESSIONAL ENGINEERS BOARD

Exhibit C

Acceptable Limits for “Residential” Strength Wastewater

Specific Discharge Limits

BOD₅		
30-Day Average	mg/L	240
Maximum Day	mg/L	312.5
TSS		
30-Day Average	mg/L	240
Maximum Day	mg/L	312.5
pH	s.u.	7.0-9.0
Total Kjeldahl Nitrogen (TKN)		
30-Day Average	mg/L	50
Ammonia (NH₃-N)		
30-Day Average	mg/L	38
Phosphorus		
30-Day Average	mg/L	6
Oil & Grease Total		
30-Day Average	mg/L	25
Maximum Day	mg/L	50

Local Discharge Limits

1. Influent wastewater constituents may not exceed MCL limits for Ground Water as listed in Circular DEQ-7 with exception for E. Coli, Nitrate, Nitrate+Nitrite, and Nitrite constituent concentrations which are compatible with the design treatment conditions of the POTW.
2. Floor drains in auto shops, parking areas, or operating areas subject to storm water, salts, oils, flammable fluids, or other potential pollutants will be not be allowed to connect to the sanitary sewer service in accordance with EPA Underground Injection Control (UIC) requirements for Class V injection wells. Floor drains in restrooms and utility rooms may be allowed on a case by case basis.
3. Wastewater influent must be compatible with the Montana Ground Water Pollution Control Systems (MGWPCS) Permit #MTX000110 which the POTW uses for treated effluent discharge.
4. Wastewater influent must not cause a reduction in ultraviolet transmittance (UVT) below 65% in POTW effluent. Examples are color or other non-removable characteristics.

Pretreatment Standards and Requirements

1. EPA General Prohibitions: The general prohibitions at 40 CFR Part 403.5(a) forbid the discharge of any pollutant(s) to a POTW that can cause pass through or interference:
 - a. Pass through (40 CFR Part 403.3(p)) (PDF)(4 pp, 192 K) – “A discharge that exits the POTW into waters of the United States in quantities or concentrations that, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the POTW's NPDES [National Pollutant Discharge Elimination System] permit (including an increase in the magnitude or duration of a violation).”
 - b. Interference (40 CFR Part 403.3(k)) (PDF)(4 pp, 192 K) – “A discharge that, alone or in conjunction with a discharge or discharges from other sources, both (1) inhibits or disrupts the POTW, its treatment processes or operations, or its sludge processes, use, or disposal; and (2) therefore is a cause of a violation of any requirement of the POTW's NPDES permit (including an increase in the magnitude or duration of a violation) or of the prevention of sewage sludge use or disposal in compliance with the following statutory provisions and regulations or permits issued thereunder (or more stringent state or local regulations): Section 405 of the Clean Water Act, the Solid Waste Disposal Act (SWDA) (including title II, more commonly referred to as the Resource Conservation and Recovery Act (RCRA), and including state regulations contained in any state sludge management plan prepared pursuant to subtitle D of the SWDA), the Clean Air Act, the Toxic Substances Control Act, and the Marine Protection, Research and Sanctuaries Act.”

2. EPA Specific Prohibitions: The specific prohibitions at 40 CFR Part 403.5(b) are intended to “enhance control of hazardous wastes entering POTWs.” (55 FR 30082) These provisions forbid eight categories of pollutant discharges:
 - a. Pollutants which create a fire or explosion hazard in the POTW, including, but not limited to, wastestreams with a closed cup flashpoint of less than 140 degrees Fahrenheit or 60 degrees Centigrade using the test methods specified in 40 CFR Part 261.21 (2 pp, 204 K).
 - b. Pollutants which will cause corrosive structural damage to the POTW, but in no case discharges with pH lower than 5.0, unless the works is specifically designed to accommodate such discharges.
 - c. Solid or viscous pollutants in amounts which will cause obstruction to the flow in the POTW resulting in interference.
 - d. Any pollutant, including oxygen demanding pollutants (biochemical oxygen demand, etc.) released in a discharge at a flow rate and/or pollutant concentration which will cause Interference with the POTW.
 - e. Heat in amounts which will inhibit biological activity in the POTW resulting in Interference, but in no case heat in such quantities that the temperature at the POTW treatment plant exceeds 40 °C (104 °F) unless the approval authority, upon request of the POTW, approves alternate temperature limits.
 - f. Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass through.
 - g. Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
 - h. Any trucked or hauled pollutants, except at discharge points designated by the POTW.