

SECTION H. DROUGHT CONTINGENCY PLAN FOR ARMSTRONG WATER SUPPLY CORPORATION

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, Armstrong Water Supply Corporation hereby adopted and approved on the 5th day of September of the year 2000, the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Drought Contingency Plan (DCP) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the DCP was provided by Armstrong Water Supply Corporation by means of a committee of water supply members. A public meeting was held on September 5, 2000 prior to final adoption by the Board.

Section III: Public Education

Armstrong Water Supply Corporation will periodically provide the public with information about the DCP, including information about the conditions under which each stage of the DCP is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of press releases and or utility bill inserts. Special mailings may be required if necessary.

Section IV: Coordination with Regional Water Planning Groups

The service area of Armstrong Water Supply Corporation is located within the Region G area and Armstrong Water Supply Corporation has provided a copy of this DCP to the Region G Planning Group.

Section V: Authorization

The water system manager of the DCP designee is hereby authorized and directed to implement the applicable provisions of the DCP upon determination that such implementation is necessary to protect public health, safety, and welfare. The water system manager, or designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this DCP.

Section VI: Application

The provisions of this DCP shall apply to all persons, customers, and property utilizing water provided by Armstrong Water Supply Corporation. The term's "person" and "customer" as used in the DCP include individuals, corporation, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this DCP, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use, which is integral to the operations of governmental and non-profit establishments and commercial entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by Armstrong Water Supply Corporation.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even numbered address: street addresses, box numbers, or rural postal route numbers ending in 0,2,4,6, or 8 and locations without addresses.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1,3,5,7, or 9.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are neither essential nor required for the protection of public, health, safety, and welfare, including:

- (a) Irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this DCP;
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) Use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) Flushing gutters or permitting water to run or accumulate in any gutter of street;
- (f) Use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (g) Use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) Use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Section VIII: Criteria for Initiation and Termination of Drought Response Stages

The system manager or designee shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the DCP, that is, when the specified “triggers” are reached.

The triggering criteria described below are based on lake levels and demand of pumping capacity.

Stage 1 Trigger—MILD Water Shortage Conditions

Requirements for initiation

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses, defined in Section VII-Definitions, when Stillhouse Hollow Lake Reservoir is at or below 75% of its total active water supply capacity.

Requirements for termination

Stage 1 of the DCP may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days. Armstrong Water Supply Corporation will notify its members, and, as needed, the media, of the termination of Stage 1 in the same manner of the notification of initiation of Stage 1.

Stage 2 Trigger—MODERATE Water Shortage ConditionsRequirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section IX of this DCP when Stillhouse Hollow Reservoir is at or below 60% of its total active water supply capacity.

Requirements for termination

Stage 2 of the DCP may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Stage 3 Trigger—SEVERE Water Shortage ConditionsRequirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this DCP when Stillhouse Hollow Reservoir is at or below 30% of its total active water supply capacity.

Requirements for termination

Stage 3 of the DCP may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Stage 4 Trigger—CRITICAL Water Shortage ConditionsRequirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 4 of this DCP when Central Texas Water Supply Corporation has notified Armstrong Water Supply Corporation an emergency water shortage condition exists due to line breaks or pump or system failure, which would cause unprecedented loss of capacity to provide water service, or natural or man made contamination of the water supply source.

Requirements for termination

Stage 4 of the DCP may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

Stage 5 Trigger—EMERGENCY Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions for Stage 5 of this DCP when system manager, or designee, determines a water supply emergency exists based on:

1. Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service, or natural or man-made contamination of the water supply source(s).

Requirements for termination

Stage 5 of the DCP may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days.

Stage 6 Trigger—WATER ALLOCATION

Requirements for initiation

Customers shall be required to comply with the water allocation plan prescribed in Section IX of this DCP and comply with the requirements and restrictions for Stage 5 of this DCP when conditions require the manager and directors of Armstrong Water Supply Corporation in implement a water allocation.

Requirements for termination

Water allocation may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 90 consecutive days.

Section IX: Drought Response Stages

The system manager, or designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of this DCP, shall determine that a mild, moderate, severe, critical, emergency or water shortage condition exists and shall implement the following notification procedures:

Notification

Notification of the Public:

The system manager or designee shall notify the public by means of: publication in a newspaper, public service announcements, or mail notification to each customer.

Additional Notification:

The system manager, or designee, shall notify directly, or cause to be notified directly, the following individuals and entities:

Texas Commission on Environmental Quality

Stage 1 Response—MILD Water Shortage Conditions

Target: Raise Public Awareness

Voluntary Water Use Restrictions:

- (a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursday for customers with a street address ending in an even number (0,2,4,6 or 8), and locations without a street address, and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1,3,5,7 or 9), and to irrigate landscapes only between the hours of midnight and 10:00 a.m. and 8:00 p.m. to midnight on designated watering days.
- (b) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Stage 2 Response—MODERATE Water Shortage Conditions

Target: Achieve a 20% reduction in total water use.

Water Use Restrictions: Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

- (a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation

systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0,2,4,6 or 8), and locations without a street address, and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1,3,5,7 or 9) and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated water days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- (c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.
- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (e) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except use of water from designated fire hydrants for construction purposes may be allowed under special permit from the Armstrong Water Supply Corporation.
- (f) All restaurants are prohibited from serving water to patrons, except upon request of the patron.
- (g) The following uses of water are defined as non-essential and are prohibited:

1. Wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
2. Use of water to wash down buildings or structures for purposes other than immediate fire protection;
3. Use of water for dust control;
4. Flushing gutters or permitting water to run or accumulate in any gutter or street; and
5. Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Stage 3 Response—SEVERE Water Shortage Conditions

Target: Achieve a 30% reduction in water demand.

Water Use Restrictions. All requirements of Stage 2 shall remain in effect during Stage 3 except:

- (a) Irrigation of landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
- (b) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

Stage 4 Response—CRITICAL Water Shortage Conditions

Target: Achieve a 40% reduction in water demand.

Water Use Restrictions. All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except:

- (a) Irrigation of landscaped areas shall be limited to designated watering days between the hours of 4:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or

other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 6:00 a.m. and 10:00 a.m. and between 6:00 p.m. and 10:00 p.m.

- (c) The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.
- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (e) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

Stage 5 Response—EMERGENCY Water Shortage Conditions

Target: Achieve a 50% reduction in water demand.

Supply Management Measures:

Water Use Restrictions. All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

- (a) Irrigation of landscaped areas is absolutely prohibited.
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

Stage 6 Response—WATER ALLOCATION

In the event that water shortage conditions threaten public health, safety, and welfare, the system manager is hereby authorized to allocate water according to the following water allocation plan:

Single-Family Residential Customers

The allocation to residential water customers residing in a single-family dwelling shall be as follows:

- 7,000 gallons per household

Residential water customers shall pay the following surcharges:

\$12.00 for the first 1,000 gallons over allocation.

\$16.00 for the second 1,000 gallons over allocation.

\$20.00 for the third 1,000 gallons over allocation.

\$25.00 for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

Commercial Customers

A monthly water allocation shall be established by the system manager, or designee, for each nonresidential commercial customer other than an industrial customer who uses water for processing purposes. The non-residential customer's allocation shall be approximately 75% of the customer's usage for corresponding month's billing period for the previous 12 months. If the customer's usage for corresponding month's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no history exists.

Upon request of the customer or at the initiative of the system manager, the allocation may be reduced or increased if, (1) the designated period does not accurately reflect the customer's normal water usage, (2) one nonresidential customer agrees to transfer part of its allocation to another nonresidential customer, or (3) other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the Board of Directors or a special water allocation review committee of Armstrong Water Supply Corporation. Nonresidential commercial customers shall pay the following surcharges:

\$15.00 per thousand gallons for the first 1,000 gallons over allocation.

\$20.00 per thousand gallons for the second 1,000 gallons over allocation.

\$25.00 per thousand gallons for each additional 1,000 gallons over allocation.

The surcharges shall be cumulative. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

Section X: Enforcement

- (a) No person shall knowingly or intentionally allow the use of water from Armstrong Water Supply Corporation for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the system manager, or designee, in accordance with provisions of this Plan.
- (b) Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than fifty dollars (\$50.00) and not more than two hundred dollars (\$200.00). Each day one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the system manager shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, hereby established at \$100.00, and any other costs incurred by Armstrong Water Supply Corporation in discontinuing service. In addition, suitable assurance must be given to the system manager that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.
- (c) Any person, including a person classified as a water customer of the Armstrong Water Supply Corporation, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of the Plan and that the parent could not have reasonably known of the violation.
- (d) Any employee of the system management team of Armstrong Water Supply Corporation may issue a citation to a person he/she reasonably believes to be

in violation of this Ordinance.

Section XI: Variances

The system manager, or designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health and sanitation for the public or the person requesting such variance and if one or more of the following conditions are met:

- (a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- (b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with Armstrong Water Supply Corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the system manager, or designee, and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Ordinance.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (h) Other pertinent information.

Variances granted by Armstrong Water Supply Corporation shall be subject to the following conditions, unless waived or modified by the system manager or designee:

- (a) Variances granted shall include a timetable for compliance.

- (b) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.