

ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN; PROVIDING FOR IMPLEMENTATION AND ENFORCEMENT THEREOF; PROVIDING PENALTIES FOR VIOLATIONS; AND CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT

WHEREAS, the Board of Directors (the "Board") of TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10 (the "District"), has carefully considered the current water conditions in the District and area-wide and has determined that the adoption of this Amended and Restated Drought Contingency Plan (the "Plan") by the District is necessary to ensure that an adequate supply of water is maintained; and

WHEREAS, the Board of the District also desires to provide in the Plan for the possibility of a natural disaster or equipment failure; and

WHEREAS, the Board of the District has previously adopted a Drought Contingency Plan (the "Prior Plan"), and wishes to rescind the Prior Plan; and

WHEREAS, the Board of the District wishes to evidence its approval of this Plan and to adopt this Plan as the official policy of the District; NOW, THEREFORE,

BE IT ORDERED BY THE BOARD OF THE DISTRICT THAT:

Section 1: Approval of the Plan. The Board of the District hereby approves and adopts this Plan as set forth in this Order, and the provisions of such Plan shall be implemented immediately and enforced as a rule of the District.

Section 2: Education and Information. The District hereby institutes an educational program, to be implemented immediately, to promote the Plan by the general public which may include any of the following:

- A. Ongoing Communications:
1. Plan information posted on the District's website.
  2. Posting that the information on the Plan is on the website at all authorized posting boards.
  3. From time to time additional educational activities may consist of (i) publishing an article or articles in a local newspaper or newsletter of general circulation in the District's service area, providing tips or information on water saving techniques, or (ii) conducting an informational school program in a school attended by students within the District's service area, or (iii) conducting an educational program for Users at a public place within or accessible to residents of the District, or (iv) conducting or engaging in

such other informational or educational activity designed to further the Plan as, in the discretion of the Board of Directors, may be consistent with the purposes and policies of this Plan, or (v) any combination of the foregoing.

- B. Initial Plan Changes will be provided to all district customers by:
1. Posting of the new plan on the District's website
  2. Announcing the new plan on all posting boards with reference for full details on the website
  3. A summary letter to all customer's, included in normal monthly statement mailing, explaining the new plan and directing customers to the District's website for full details.
- C. Communications authorization. The district will authorize the Operator, and only the Operator as the source of all Plan communications to District's customers, with the exception of the District's website. The Operator will review all communications with the full District Board, or a Board authorized contact.

Section 3: Coordination with Regional Water Planning Groups. The water service area of the District is located within the Region K - Lower Colorado River Authority ("LCRA") and the District has provided a copy of the Plan to the Region K - Lower Colorado River Authority. The District will comply with the LCRA Drought Contingency Plan by adopting and enforcing the District's Drought Contingency Plan.

Section 4: The Drought Contingency Plan.

- A. Public Involvement. The District has informed the public and wholesale water customers, if any, and affirmatively provided opportunity for input from the public and from wholesale water customers, if any, regarding the Plan. Such provision included notifying the public and wholesale water customers, if any, of the District's public meeting regarding the proposed Plan, notice of which was given pursuant to the Open Meetings Act.
- B. Trigger Conditions. For the purpose of this Plan, the District hereby adopts the trigger conditions (the "Trigger Conditions") set forth below, which are based on a study and/or statistical analysis of the vulnerability of water sources under drought of record conditions. These Trigger Conditions are for the purpose of responding to, but not limited to, the following situations: (a) reduction in available water supply up to a repeat of the drought of record; (b) water production or distribution system

limitations; (c) supply source contamination; or (d) water system outage due to the failure or damage of major water system components (e.g., pumps).

1. Supply Triggers

a. Stage I - Mild Drought (White). When the combined storage in Lakes Travis and Buchanan is less than 1.6 million acre-feet, but above 1.1 million acre-feet, and/or the LCRA requests voluntary water conservation by firm stored water customers, the District will implement its Drought Response Measures and declare a Stage I (White) condition. The water use reduction goal is 5%.

b. Stage II - Moderate Drought (Yellow). When the combined storage for Lakes Travis and Buchanan is at or below 1.1 million acre-feet, but above 900,000 acre-feet, the District will implement its Drought Response Measures and declare a Stage II (Yellow) condition. The water use reduction goal is 15%.

c. Stage III - Severe Drought (Orange). When the combined storage for Lakes Travis and Buchanan is at or below 900,000 acre-feet, but above 600,000 acre-feet, and/or the LCRA requests reduced water use by firm stored water customers, the District will implement its Drought Response Measures and declare a Stage III (Orange) condition. The water use reduction goal is 25%.

d. Stage IV - Critical Drought (Red). When the combined storage for Lakes Travis and Buchanan is at or below 600,000 acre-feet, and/or the LCRA curtails and distributes the available supply of firm stored water among all of its firm stored water supply customers on a pro rata basis according to their historic demand for stored water during a drought determined to be more severe than the Drought of Record, the District will implement its Drought Response Measures and declare a Stage IV (Red) condition. The water use reduction goal is 35%.

2. Demand Triggers. In the event of an imminent or actual water supply emergency due to loss of water supply source (including contamination), system failure, fire, flood, hurricane, lightning strike, tornado, windstorm, or any other act of God, riot, terrorist act, or any other act of civil disobedience, or any other similar occurrence which results in the inability of the District to provide potable water to Users or

the likelihood thereof (each of which is an "Emergency Event"), the Board's President or Vice President, in its discretion, may, without prior notice, invoke all or any of the Drought Response Measures set forth in this Plan as "Emergency Response Measures". Emergency Response Measures may also include the shutting off of irrigation systems by the District's operator at the direction of the Board's President or Vice President in case of an Emergency Event, if it is deemed necessary, provided that such irrigation systems are turned on again by the District's operator at the conclusion of the Emergency Event. The Board may enforce any of the penalties set forth in the "Penalties" Section of this Order, below, for violations of the Emergency Response Measures.

C. Notice of Trigger Conditions. Once one of the above Trigger Conditions has occurred, Users will be notified that such Trigger Condition has occurred and of the Drought Response Measures (as defined below) to be taken. The process for notifying Users may include any of the following:

1. Mailing a written notice to each User via U.S. mail or electronic mail prior to the commencement of the required Drought Response Measures;

2. Posting of a notice on the District's website;

3. Posting of signs at the entrances to the District;

4. Posting of notices at public places in the District; and

5. Dissemination of press releases to the local news media.

6. For wholesale water customers, if any, the District operator shall contact wholesale water customers by written notice, and/or by other means, prior to commencement of the required Drought Response Measure.

7. In cases where a change in Trigger Conditions occurs within a billing cycle (example: when a Stage IV condition is reduced to a Stage III condition), the District's operator will: (1) read each customer's meter on the day the new Trigger Condition occurs; and (2) provide notification to each customer announcing the change, which shall include the customer's specific meter reading. Monthly usage will then be measured for whatever portion of the month remains on a pro-rated basis of the monthly Allowance (defined below).

Any notice issued shall contain (i) the date the Drought Response Measures will begin, (ii) the date the Drought Response Measures will terminate, if known, (iii) a list of Drought Response Measures to be implemented, and (iv) an explanation of penalties for violations of such Drought Response Measures.

- D. Drought Response Measures. The District hereby establishes and adopts the following measures ("Drought Response Measures") for the respective Trigger Conditions. The Drought Response Measures related to each Trigger Condition shall automatically become effective and shall be implemented by the District's operator when such Trigger Condition occurs.

The monthly water allowance applies to each user of the District's system. A user of the District's water system cannot share their water allocation with another user and the monthly water allowance cannot be accumulated.

1. Stage I - Mild Drought (White). In the event of Mild Drought Conditions, the District's targeted reduction in daily water demand shall be 5% as of the date of the Trigger Condition, and the following Drought Response Measures shall be taken:

a. Single Family Residence and Multiple Family Residence will be asked to voluntarily reduce water use by practicing water conservation and minimizing or discontinuing water use for non-essential purposes. Users will be informed by the District's operator of suggested conservation steps that may be taken to reduce water use.

b. Any commercial or bulk water users, other than wholesale customers, including POAs and HOAs, will be required to restrict water use to the same specific monthly levels (the "Allowance") as single-family residences. If usage exceeds the Allowance for the month, rates for the excess water usage will be multiplied by the Premium (see Section 6). The Mild Drought monthly water Allowance is currently set at:

Section 1 & 2 common areas at 75,000 gallons  
Section 3 common areas at 50,000 gallons  
Section 4 common area at 75,000 gallons  
Section 6 common areas at 50,000 gallons  
Waterstone common areas at 200,000 gallons

c. Stage I of the plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three consecutive days, or at the discretion of the Board of Directors of the District or the designee of the District.

2. Stage II - Moderate Drought (Yellow). In the event of Moderate Drought Conditions, the District's targeted reduction in daily water demand shall be 15% as of the date of the Trigger Condition, and the following Drought Response Measures shall be taken:

a. All District retail customers will be issued a monthly water Allowance. Monthly usage at or below that Allowance will be billed at normal District rates, in accordance with the District's Rate Order. If usage exceeds the Allowance for the month, rates for the excess water usage will be multiplied by the Premium (see Section 6). The Moderate Drought monthly water Allowance is currently set at:

Single Family Residence at 30,000 gallons  
Multiple Family Residence at 20,000 gallons  
Section 1 & 2 common areas at 50,000 gallons  
Section 3 common areas at 30,000 gallons  
Section 4 common area at 30,000 gallons  
Section 6 common areas at 30,000 gallons  
Waterstone common areas at 150,000 gallons

b. In addition to the monthly water Allowance, irrigation of landscaping may not occur more than twice a week.

c. Stage II of the plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three consecutive days, or at the discretion of the Board of Directors of the District or the designee of the District. Upon termination of Stage II, Stage I becomes operative.

3. Stage III - Severe Drought (Orange). In the event of Severe Drought Conditions, the District's targeted reduction in daily water demand shall be 25% as of the date of the Trigger Condition, and the following Drought Response Measures shall be taken:

a. All District retail customers will be issued a monthly water Allowance. Monthly usage at or below that Allowance will

be billed at normal District rates, in accordance with the District's Rate Order. If usage exceeds the Allowance for the month, rates for the excess water usage will multiplied by the Premium (see Section 6).

b. The Severe Drought monthly water Allowance is currently set at:

Single Family Residence at 20,000 gallons  
Multiple Family Residence at 15,000 gallons  
Section 1 & 2 common areas at 25,000 gallons  
Section 3 common areas at 15,000 gallons  
Section 4 common area at 25,000 gallons  
Section 6 common areas at 15,000 gallons  
Waterstone common areas at 75,000 gallons

c. Stage III will require customers to limit outdoor watering to once a week.

d. Stage III of the plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three consecutive days, or at the discretion of the Board of Directors of the District or the designee of the District. Upon termination of Stage III, Stage II becomes operative.

4. Stage IV - Critical Drought (Red). In the event of Critical Drought Conditions, the District's targeted reduction in daily water demand shall be 35% as of the date of the Trigger Condition, and the following Drought Response Measures shall be taken:

a. All District retail customers will be issued a monthly water Allowance. Monthly usage at or below that Allowance will be billed at normal District rates, in accordance with the District's Rate Order. If usage exceeds the Allowance for the month, rates for the excess water usage will multiplied by the Premium (see Section 6).

b. The Critical Drought monthly water Allowance is currently set at:

Single Family Residence at 10,000 gallons  
Multiple Family Residence at 10,000 gallons  
Section 1 & 2 common areas at 0 gallons

Section 3 common areas at 0 gallons  
Section 4 common area at 0 gallons  
Section 6 common areas at 0 gallons  
Waterstone common areas at 10,000 gallons

c. Stage IV will require customers to eliminate all outdoor watering.

d. The Board of the District may utilize alternative water sources and/or alternative delivery mechanisms with the prior approval of the executive director of the Texas Commission on Environmental Quality as appropriate, e.g., interconnection with another water system, temporary use of a non-municipal water supply, use of reclaimed water for non-potable purposes, etc.

e. The District also retains the right to and is authorized to ration water to District residences and other users of water within the District on a pro rata basis, and to initiate allocation of water supplies to its wholesale water customers, if any, on a pro rata basis, in accordance with Texas Water Code, Section 11.039.

f. Stage IV of the plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three consecutive days, or at the discretion of the Board of Directors of the District or the designee of the District. Upon termination of Stage IV, Stage III becomes operative.

E. Termination of Trigger Conditions. When a Trigger Condition no longer exists and has been rescinded in accordance with Section 4.D., then the Drought Response Measures prescribed shall terminate and the District shall cease implementation and enforcement of such measures. The District will notify Users of the termination of the particular Drought Response Measures and may utilize the same manner of notification used to inform Users of the occurrence of the Trigger Condition and implementation of the Drought Response Measures in Section 4.C. above.

Section 5: Implementation. Without limitation to specific actions stated in this Plan to be taken by the District's operator, the District's operator will administer and enforce this Plan, and will oversee and be responsible for the execution and implementation of all elements of this Plan (or, if the District employs its own peace officers pursuant to Texas Water Code §49.216, such peace officers will be responsible for enforcement of this Plan). The operator shall keep adequate records for plan



verification. The District's operator shall report to the Board of the District, at meetings of the Board, regarding actions taken and which need to be taken under this Plan. Without limiting the foregoing, the District's operator shall advise the President of the Board (or if the President is unavailable to receive notification, another member of the Board) as soon as reasonably practicable when a particular Trigger Condition has been reached under this Plan and when a particular drought condition no longer exists.

Section 6: Penalties. The following penalties shall apply to anyone violating the terms of this Plan or the Drought Response Measures or Emergency Response Measures adopted pursuant hereto. Violation will be judged as either (i) monthly usage in excess of Allowance amounts, or (ii) violation of other authorized District requirements with respect to Drought Response Measures or Emergency Response Measures.

A. First Violation. Any person or entity who violates this Plan shall receive written notification of such violation, which notice shall set forth (i) the date of the violation, (ii) the nature of the violation, (iii) the Drought Response Measures then in effect, and (iv) the penalties applicable for that violation of this Plan; provided, however, that if such person or entity has within the current Trigger conditions occurrence ever previously violated this Plan, the penalties set forth in Section (B) below, may, in the discretion of the Board, be imposed.

The penalty for the first violation shall be a Premium on normal District rates (as defined by the District's Rate Order). That Premium rate is:

- Stage I (White) at 125% of normal rates
- Stage II (Yellow) at 150% of normal rates
- Stage III (Orange) at 200% of normal rates
- Stage III (Orange) at 400% of normal Rates for all common areas
- Stage IV (Red) at 500% of normal rates

In the event that a single billing cycle contains more than one Stage, the Premium rates of the various Stages shall be applied on a pro-rated basis to the billing cycle in accordance with the number of days that each Stage was in effect.

B. Subsequent Violations.

1. Disconnection for Noncompliance. If any person or entity violates any provision of this Plan more than once within the Trigger Conditions occurrence (which violation shall constitute an unauthorized use of District services and/or facilities), then in addition to any other

remedies, penalties, sanctions and enforcement procedures provided for herein, the District shall have the right to terminate water service to such person or entity after notice is provided and any other applicable procedural requirements in the District's rate order are satisfied.

Section 7: Variances. The District may, in writing, grant a temporary variance to rationing or pro rata water allocation policies adopted pursuant to this Plan, or a temporary variance to a provision in the Plan, if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the public health, welfare, or safety 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 Plan shall file a petition for variance with the District within 5 days after any rationing allocation has been invoked. All petitions for variances shall be reviewed by the District and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) For District residents and other users of water within the District, a 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 Plan or rationing of water adopted by the District pursuant to this Plan.
- (c) For wholesale water customers, if any, a detailed statement with supporting data and information as to how the pro rata allocation of water under the policies and procedures established in the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- (d) Description of the relief requested.
- (e) Period of time for which the variance is sought.
- (f) Alternative measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (g) Other pertinent information.

Variances granted by the District shall be subject to the following conditions unless waived or modified by the District or its designee:

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

- (b) Variances granted shall expire when the Plan is no longer in effect, including such time as this Plan is replaced with any amended Drought Contingency Plan, 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.

Section 8: Receiving Water from Wholesale Public Water Supplier. In case the District receives water from another water supplier, then the District shall consult with that water supplier in order to respond appropriately to the water supplier's drought contingency plan for reductions in water supply. Also in such case, if the other water supplier implements drought response stages pursuant to its drought contingency plan, the District will evaluate implementing its drought response stages and evaluate the need to discourage excessive use of water in an effort to reduce the use of water.

Section 9: Remedies Cumulative. All rights, remedies, sanctions, penalties and enforcement procedures provided for in this Order are cumulative. In addition, the District shall have and may exercise and enforce any and all rights and remedies provided by law or in equity.

Section 10: Notice to Regulatory Authorities. The District's operator shall notify the Executive Director of the Texas Commission on Environmental Quality and the Lower Colorado River Authority General Manager within five (5) business days of the implementation of any mandatory provisions of this Plan.

Section 11: Wholesale Customer Contracts. If the District enters into or renews any wholesale water contracts after adoption of the Plan, said contracts shall include a provision that in case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Texas Water Code, Section 11.039. Each wholesale customer shall be required to develop and implement a drought contingency plan and each wholesale customer must provide that the contract for the resale of water must have drought contingency plan requirements so that each successive customer in the resale of water will be required to implement drought contingency measures in accordance with rules of the LCRA.

[EXECUTION PAGES FOLLOW]

PASSED AND APPROVED this 4<sup>th</sup> day of June, 2019.

Harvey Renteria  
President, Board of Directors

ATTEST:

Robert C. Gant  
~~Secretary, Board of Directors~~  
Assistant Vice President

(SEAL)



CERTIFICATION

I, the undersigned officer of the Board of Directors of Travis County Municipal Utility District No. 10 do hereby certify that the foregoing is a true and correct copy of the Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject approved by the Board of Directors of said District on June 4, 2019, and said rates and rules are currently in effect.

Witness my hand and seal of the District the 4th day of June 2019.

Robert C. Ernst  
Secretary, Board of Directors  
*Assistant Vice President*

(SEAL)



CERTIFICATE FOR ORDER

THE STATE OF TEXAS

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COUNTY OF TRAVIS

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I, the undersigned officer of the Board of Directors of Travis County Municipal Utility District No. 10 do hereby certify as follows:

1. The Board of Directors of Travis County Municipal Utility District No. 10 convened in regular session on June 4, 2019, at the regular meeting place outside the boundaries of the District, and the roll was called of the members of the Board:

Harvey Reiter	President
Ray Archer	Vice President
Vance Taylor	Secretary
Robert Ernst	Assistant Vice President
Dan Eckermann	Assistant Secretary

and all of said persons were present, except Director(s) Taylor, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting; a written

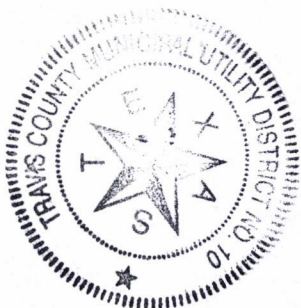
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was introduced for the consideration of the Board. It was then duly moved and seconded that the Order be adopted; and, after due discussion, the motion, carrying with it the adoption of the Order, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Order has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Order would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code and by Section 49.063, Texas Water Code.

SIGNED AND SEALED on the 4<sup>th</sup> day of June, 2019.

(SEAL)



Robert C. Ernst  
Secretary, Board of Directors  
Assistant Vice President