

**DROUGHT CONTINGENCY PLAN
FOR THE
LAKEWAY MUNICIPAL UTILITY DISTRICT
August 19, 2009**

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 fire protection, 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, the Lakeway Municipal Utility District (the District) hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) 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 Plan was provided by the District by means of providing public notice of a public Board of Directors meeting to accept input on the Plan.

Section III: Public Education

The District will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by the following means:

May – Information to all customers on water conservation.

June - Public Service Announcement in Lake Travis View reminding users of volumetric water rates and contingency plan.

November - Annual Rate announcement.

December - Information on general conservation tips for winter on freeze prevention.

New Customer Package - have packages of conservation materials prepared for distribution to office visitors and new customers.

The Conservation Coordinator will communicate with Time Warner Cable of Lake Travis, local television channels, Lakeway Radio 1620 AM, Lake Travis View, Austin American Statesman, Homeowners News, and Lakeway MUD and City of Lakeway web pages to get public service messages on the local channels and in local newspapers. The media will be contacted to advise the customers when a particular trigger level is reached together with restrictions in effect. Media communication will also take place as levels change whether up or down.

Xeriscape - maintain the demonstration garden established in September 1991 on the District office property to encourage use by customers. Provide easy access and have all plants labeled. Periodically conduct lecture meetings for the public utilizing resources of the TWDB, LCRA, and others.

Plumbing Code - revised in 1991 to include low-flow faucets and showerheads and 1.6-gallon commodes.

Hardware - maintain a supply of water conservation retrofit kits (commode displacement dams and shower head flow restrictors) for distribution at no cost to customers.

Section IV: Coordination with Regional Water Planning Groups

The service area of the District is located within the Lower Colorado River Authority (LCRA) and the District has provided a copy of this Plan to the LCRA.

Section V: Authorization

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

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the District. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, 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 commercial and non-profit establishments and governmental 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 the District.

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.

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 not 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 Plan;
- (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 or 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.

Person: all natural persons, corporations, associations, partnerships and any other entity or organization.

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

The General Manager or his 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 Plan, that is, when the specified “triggers” are reached.

The triggering criteria described below are based on a statistical analysis of the vulnerability of the water source under drought of record conditions, or based on known system capacity limits.

Stage 1 Triggers – MILD Water Shortage Conditions

Requirements for initiation

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain non-essential water uses for Stage 1 of this Plan set forth in Section IX below, when any of the following conditions exists:

When total daily water demand equals or exceeds 80% of production capacity for three (3) consecutive days; or

Combined storage of Lakes Buchanan and Travis is less than 1.6M acre-feet.

Requirements for termination

Stage 1 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days.

Stage 2 Triggers – MODERATE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 2 of this Plan set forth in Section IX below, when any of the following conditions exist:

When the combined storage capacity of Lake Buchanan and Lake Travis drops below 900,000 acre-feet;

Average water consumption is exceeds 90% of production capacity for 2 (two) consecutive days;

A component of the water plant facilities (storage, treatment plant, raw water pump, etc.) is out of service; or

Potable water storage cannot be reestablished at an acceptable level within twenty-four (24) hours.

Requirements for termination

Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Stage 3 Triggers – SEVERE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan set forth in Section IX below, when any of the following conditions exist:

Lake storage of Buchanan/Travis is less than 600,000 acre/feet;

Average daily water consumption reaches ninety-five (95%) of production capacity for a period of three (3) days; or

Potable water storage levels cannot be maintained.

Requirements for termination

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

Stage 4 Triggers – EMERGENCY Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions for Stage 4 of this Plan set forth in Section IX below, when General Manager, or his designee, determines that a water supply emergency exists based on:

Inability to purchase potable water from Hurst Creek or District 17 while water usage exceeds 100% for a two (2) day period;

Failure of water treating facilities; or

Contamination of water source.

Requirements for termination

Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of one (1) consecutive day.

Section IX: Drought Response Stages

The General Manager, or his 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 Plan, shall determine that a mild, moderate, severe, emergency or water shortage condition exists and shall implement the following notification procedures:

Notification

Notification of the Public:

A conservation notice will be mailed to all users in May, which will contain a synopsis of this program and spell out where they can expect to see notices of the current condition or emergency status. The General Manager or his designee shall notify the public by means of:

- Local TV
- Lake Travis View Newspaper
- Austin American Statesman
- Homeowners News
- Lakeway MUD web page
- City of Lakeway web page
- Posted on District bulletin board (outside) at Lakeway MUD office
- Posted at City Hall bulletin board for notices

In the case of a severe emergency condition each user will receive a special notice in the mail if time permits.

Additional Notification:

The General Manager or his designee shall notify directly, or cause to be notified directly, the following individuals and entities:

- Mayor of the City of Lakeway
- Fire Chief, Lake Travis Fire Rescue
- City Emergency Management Coordinator
- TCEQ (required when mandatory restrictions are imposed)
- Major water users
- Critical water users
- Wholesale customers (notify when mandatory restrictions are imposed)

Stage 1 Response – MILD Water Shortage Conditions

Goal: Achieve a 5% reduction in daily water demand.

Supply Management Measures:

In order to manage limited water supplies and/or reduce water demand, the District will:

1. Encourage each individual to be more aware of his demands on the system and make personal reductions.
2. Notify commercial, association and other large irrigation consumers to reduce utilization where possible.
3. Encourage consumers to insulate pipes and fittings to prevent freezing rather than leave faucets running or dripping.

Voluntary Water Use Restrictions:

Encourage irrigation per schedule of even/odd addresses below. Prohibit irrigation after 10:00 a.m. and before 7:00 p.m. to reduce evaporation.

Stage 2 Response – MODERATE Water Shortage Conditions

Goal: Achieve a 10-25% reduction in daily water demand.

Supply Management Measures:

In order to manage limited water supplies and/or reduce water demand:

1. Customers are required to irrigate only twice weekly according to the last digit in their address. A schedule, which will enable only one-half of the customers to irrigate each day will be prepared and mailed when required.

Residential

- Odd numbered addresses: Wednesdays and Saturdays
- Even numbered addresses: Thursdays and Sundays

Commercial

- Tuesdays and Fridays

2. Automated irrigation and manually operated hose systems are authorized to operate between the hours of 12:00 midnight and 10:00 a.m. and between 7:00 p.m. and 12:00 midnight.
3. Lawn or garden watering is allowed at any time on the designated day with a hand held hose or bucket.

4. Paved areas shall not be cleaned with a hose.

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

1. Irrigation of landscaped areas with a hose-end sprinkler, a soaker hose or drip irrigation system and permanently installed automatic irrigation system shall be limited to designated outdoor water use days between the hours of 12:00 midnight and 10:00 a.m. and between 7:00 p.m. and 12:00 midnight. Irrigation of landscaped areas is permitted at anytime on the designated day if it is by means of a hand-held hose, or a faucet-filled bucket or watering can.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated outdoor water use days between the hours of 12:00 midnight and 10:00 a.m. and between 7:00 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. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station.
3. 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 outdoor water use days between the hours of 12:00 midnight and 10:00 a.m. and between 7 p.m. and 12:00 midnight.
4. 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 that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the District.
5. The following uses of water are defined as non-essential and are prohibited:
 - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - c. use of water for dust control;
 - d. flushing gutters or permitting water to run or accumulate in any gutter or street; and
 - e. 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

Goal: Achieve a 35% reduction in daily water demand.

Supply Management Measures:

In order to manage limited water supplies and/or reduce water demand, the District will:

1. reduce or discontinue flushing of water mains, and
2. reduce irrigation of public landscaped areas (with potable water).

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

1. Irrigation of landscaped areas shall be limited to designated outdoor water use days between the hours of 6:00 a.m. and 10:00 a.m. and between 7:00 p.m. and 10:00 p.m. and shall only be by means of hand-held hoses or hand-held buckets. The use of hose-end sprinklers, soaker hoses, drip irrigation systems or permanently installed automatic sprinkler systems are prohibited at all times.
2. The use of water for construction purposes from designated fire hydrants under special permit is discontinued.
3. 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 is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 12:00 noon and 5:00 p.m.

Stage 4 Response – EMERGENCY Water Shortage Conditions

Goal: Achieve additional reduction in daily water demand.

Supply Management Measures:

In order to manage limited water supplies and/or reduce water demand, the District will:

1. discontinue flushing of water mains,
2. discontinue irrigation of public landscaped areas (with potable water), and
3. activate and use interconnect supply source(s).

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

1. Irrigation of landscaped areas is prohibited.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited.

3. The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.

Section X: Enforcement

- (a) No person shall knowingly or intentionally allow the use of water from the District 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 General Manager, or his designee, in accordance with provisions of this Plan.
- (b) Any person who violates any provision of this Plan shall be subject to a civil penalty of not less than \$200 and not to exceed \$2,000. The first offense will generate a warning letter; the second offense will warrant a \$200 fine, the third \$500, fourth \$1,000 and the fifth \$2,000. Each day that one or more of the provisions in this Plan is violated can constitute a separate offense. If a person commits three or more distinct violations of this Plan, the General 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, established in the District's Rate Order, and any other costs incurred by the District in discontinuing service. In addition, suitable assurance must be given to the General Manager that the same action shall not be repeated while the Plan is in effect. When drought restrictions return to a lower Stage, the number of violations on a customer record will be 'reset' to zero for purposes of the penalty structure for watering violations.
- (c) Any person, including a person classified as a water customer of the District, 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 this Plan and that the parent could not have reasonably known of the violation.
- (d) Each District employee shall know all the restrictions for the moderate and severe emergency conditions of the Water Conservation and Drought Contingency Plan. During their normal travel routine, they will watch for violations and will radio the office to identify the violation and the address when one is observed.
- (e) The office shall maintain a list of the addresses where violations are reported. The

following actions will be taken when appropriate.

- (1) The first violation will result in a letter outlining the nature of the violation, explaining the various conservation measures in this policy, and listing the escalating level of fines for further violations.
- (2) Subsequent violations will result in notice to the customer that a fine has been added to their water account.

The schedule of fines is:

First violation:	Warning letter
Second violation:	\$200
Third violation:	\$500
Fourth violation:	\$1,000
Fifth violation:	\$2,000

Continued violations can result in termination of water service.

- (f) A decision of the General Manager under this Section X may be appealed to the Board of Directors.

Section XI: Variances

The General Manager, or his 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, sanitation, or fire protection 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 Plan shall file a petition for variance with the District within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the General Manager, or his 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 Plan.
- (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.

Variations granted by the District shall be subject to the following conditions, unless waived or modified by the General Manager or his designee:

- (a) Variations granted shall include a timetable for compliance.
- (b) Variations 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.

Section XIII: Miscellaneous

Staff Participation: Encourage on an individual or team basis and make recognition awards to those completing programs, which accomplished significant and measurable conservation.

High Volume Users: Work to determine areas of possible savings through discussions with high volume users.

Technology Update: Keep in touch with the LCRA, TWDB, TCEQ, and other appropriate entities to stay abreast of conservation technology.

Management: A member of the staff (Conservation Coordinator) will be assigned responsibility for the conservation program and recommend the amount of money to be budgeted for the program.

Customer Participation: Encourage customers to make conservation suggestions and give recognition if suggestions are utilized.

Collect and monitor data required to measure the effectiveness of conservation measures.

Section XIV: Severability

It is hereby declared to be the intention of the Board of Directors of the District that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid

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judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board of Directors of the District without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

PASSED AND APPROVED this the 19th day of August, 2009.

ATTEST:

Secretary, Board of Directors

President, Board of Directors

[SEAL]