SECTION H-2 - DROUGHT CONTINGENCY PLAN

MARKOUT WATER SUPPLY CORPORATION

October 8, 2018

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 augment fire protection supplies, 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 Markout Water Supply Corporation (MARKOUT WSC) 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 conditions are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of this Plan.

SECTION II: Public Involvement

MARKOUT WSC by means of posting an agenda for an open meeting notified customers that a public hearing would be held on October 8, 2018 to provide an opportunity for input into the plan.

SECTION III: Public Education

MARKOUT WSC 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 means of any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

SECTION IV: Coordination with Regional Water Planning Groups

The service area of the MARKOUT WSC is located within the Region C Water Planning Group and MARKOUT WSC will provide a copy of this Plan to the Region C Water Planning Group when required.

ECTION V: Authorization

The Board President or his/her 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 Board President or his/her 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 MARKOUT WSC. 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. City of Forney: Water supplier for MARKOUT WSC.

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 MARKOUT WSC

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 number address: street addresses, if not available then box numbers, or rural postal route numbers, ending in 0, 2, 4, 6, or 8 and locations without addresses.

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

2018 TRWA Recommend Updates

Markout WSC - Board Approved Changes through 9/14/2020

Non-essential water use: water uses that are not essential or required for the protection of public, health, safety, and welfare, including:

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

Odd numbered address: street addresses, if not available then box numbers, or rural postal route numbers, ending in 1, 3, 5, 7, or 9.

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

When conditions defined by the Drought Contingency Plan are present, the Board President or his/her designee may authorize Drought Condition Operations in the service area or for a limited area affected by equipment failure or limited capacity. The water supply and/or demand conditions will be monitored 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 known system capacity limits, equipment failure and/or supply capacity of Markout WSC. Public notification of the initiation or termination of drought response stages shall be by means of any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

SECTION IX: Drought Response Stages

The Board President, or his/her 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, critical emergency, or water shortage condition exists and shall implement the following notification procedures:

To the Public - The Board President or his/ here designee shall notify the public by means any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

Additional Notification - The Board President or his/her designee shall notify directly, or cause to be notified directly, the Board of Directors, TCEQ, and the Kaufman County Emergency Coordinator.

SECTION X: Enforcement

- No person shall knowingly or intentionally allow the use of water from MARKOUT WSC 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 Board President, or his/her designee, in accordance with provisions of this Plan. A mandatory surcharge will be added according to the appropriate drought response stage.
- *First Violation* A written notice of violation may be given to the Member. Written notice may be hand delivered, placed on the front door of the dwelling, emailed, or by US Postal mail delivery.
- **Second Violation** The Corporation may terminate service at the meter for a period of up to twenty-four (24) hours. The normal Disconnect/Reconnect fee shall apply for restoration of service.
- Any person, including a person classified as a water customer of MARKOUT WSC 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 rebuttal 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.
- Any employee of MARKOUT WSC is authorized to give written notice or to initiate enforcement after consultation with the Board President.

SECTION XI: Variances

The Board President, or his/her 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:

- 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.
- 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 the MARKOUT WSC office within 5 days after the Plan or a particular drought response stage has been invoked AND must attend a special board meeting on the 5th day after the Plan is implemented, to be considered. All petitions for variances shall be reviewed by the Board President, or his/her designee, and shall include the following:
- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- 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.
- Description of the relief requested.
- Period of time for which the variance is sought.
- 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.
- Other pertinent information. Variances granted by MARKOUT WSC shall be subject to the following conditions, unless waived or modified by MARKOUT WSC or his/her designee:
- Variances granted shall include a timetable for compliance.
- 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.

VARIANCES SHALL ONLY BE CONSIDERED DURING STAGE I AND STAGE II RATIONING!

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 1 of this Plan when notification is received from The City of Forney that mild drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 90% of the supply capacity per day for three (3) consecutive days or 100% on a single day.

Drought Response

Goal: Achieve a 2 percent reduction in daily water demand.

Limitation Responses:

Potential Water Use Restrictions -

- Voluntary reductions in water use by the public.
- Increase public education efforts on ways to reduce water use.
- Intensify efforts on leak detection and repair.
- Reduce non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Notify major water users and work with them to achieve voluntary water use reductions.
- Reduce city government water use for landscape irrigation.

Overage surcharge -. No overage surcharge.

Requirements for termination - Stage 1 of the Plan may terminate when the City of Forney terminates its Stage 1 condition or when the circumstances that caused the initiation of Stage 1 no longer prevail.

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 1 of this Plan when notification is received from The City of Forney that strong drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 95% of the supply capacity per day for three (3) consecutive days or 100% on a single day.

Drought Response

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

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stage 1.
- Initiate engineering studies to evaluate alternatives should conditions worsen.
- Further accelerate public education efforts on ways to reduce water use.
- Halt non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.
- MARKOUT WSC may prohibit watering from 5AM to 9 AM and from 4PM to 7 PM in order to allow ground and elevated storage to be replenished.
- Limit landscape watering with sprinkler or irrigation systems to no more than two days per week. An exemption is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of occupancy.
- Prohibit planting of cool season grasses (such as rye grass or other similar grasses) that intensify cool season water requirements.
- Irrigation of landscaped areas shall be prohibited between the hours of 10 AM and 6 PM beginning April 1 through October 31 of each year.
- All MARKOUT WSC water users to comply with the following two-day per week water use schedule based on the *Table* below for automatic and hose-end sprinkler systems.

Last Digit of Address	Primary Watering Day	Additional Watering Day	
0,2,4,6,8 and no address	Monday	Thursday	
1,3,5,7,9	Tuesday	Friday	
TO STATE OF STREET AND ASSESSED.			
Schools, Parks, Athletic	Wednesday	Saturday or Sundays	
Facilities, Places of			
Worship, Medians, ROW's			
& Designated Open Spaces			

Overage surcharge - No overage surcharge.

Requirements for termination - Stage 2 may terminate when the City of Forney terminates its Stage 2 condition or when the circumstances that caused the initiation of Stage 2 no longer prevail.

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 when notification is received from The City of Forney that severe drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 98% of the supply capacity per day for three (3) consecutive days.

Drought Response

Goal: Achieve a 10 percent reduction in daily water demand.

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stages 1 and 2.
- Implement viable alternative water supply strategies.
- Initiate mandatory water use restrictions as follows:
 - o Prohibit hosing of paved areas, buildings, or windows. (Pressure washing of impervious surfaces is allowed.)
 - Prohibit operation of all ornamental fountains or other amenity impoundments to the extent they use treated water.
 - o Prohibit washing or rinsing of vehicles by hose except with a hose end cutoff nozzle.
 - o Prohibit using water in such a manner as to allow runoff or other waste.
- Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. Exceptions are as follows:
 - o Foundations, new landscaping, new plantings (first year) of shrubs, and trees may be watered for up to 2 hours on any day by a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system.
 - o Public athletic fields used for competition may be watered twice per week.
 - o Locations using other sources of water supply for irrigation may irrigate without restrictions.
 - Registered and properly functioning ET/Smart irrigation systems and drip irrigation systems may irrigate without restrictions.
 - Exception for the establishment of new sodded grasses. The exemption for new sodded grass areas shall not exceed 30 consecutive days.
- Requires all MARKOUT Water Supply water users to comply with the following one day per week water use schedule based on the *Table* below for automatic and hose-end sprinkler systems.

Last Digit of Address	Primary Watering Day		
0,2,4,6,8 and no address	Monday		
1,3,5,7,9	Tuesday		
Schools, Parks, Athletic Facilities, Places	Wednesday		
of Worship, Medians, ROW's, &	•		
Designated Open Spaces			

- Limit landscape watering with sprinklers or irrigation systems between November 1 and March 31 to once every two weeks. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of the occupancy, temporary certificate of occupancy, or certificate of completion.
- Prohibit hydroseeding, hydromulching, and sprigging.
- Existing swimming pools may not be drained and refilled (except to replace normal water loss).
- Initiate a rate surcharge as requested by North Texas Municipal Water District (NTMWD).
- Initiate a rate surcharge for all water use over a certain level as determined by the Board of Directors.
- If the City of Forney has imposed a reduction in water available to MARKOUT WSC, impose the same percent reduction on MARKOUT WSC customers.
- Prohibit watering of golf courses using treated water, except as needed to keep greens and tee boxes alive.

Overage surcharge - A 25% surcharge will be added for usage in excess of 40,000 gallons per month.

Requirements for termination - Stage 3 may terminate when the City of Forney terminates its Stage 3 condition or when the circumstances that caused the initiation of Stage 3 no longer prevail.

Requirements for initiation - Critical Emergency Conditions may be triggered by any number of situations including natural disasters, major water line breaks, pump or system failures, which cause unprecedented loss of capability to provide water service, natural, or man-made contamination of the water supply source(s), massive power outages, massive equipment or facility failures, public water supply contamination or if notification is received from The City of Forney that critical emergency conditions exist in their system.

Drought Response:

Goal – The goal for water use reduction under Stage 4 is a reduction of whatever amount is necessary in the amount of water obtained from the City of Forney.

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stages 1, 2, and 3.
- Implement viable alternative water supply strategies.
- Prohibit the irrigation of new landscaping using treated water.
- Prohibit washing of vehicles except as necessary for health, sanitation, or safety reasons.
- Prohibit commercial and residential landscape watering, except that foundations and trees may be watered for 2 hours on any day with a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system. ET/Smart irrigation systems are not exempt from this requirement.
- Prohibit the permitting of private pools. Pools already permitted may be completed and filled with water. Existing private and public pools may add water to maintain pool levels but may not be drained and refilled.
- If the City of Forney has imposed a reduction in water available to MARKOUT WSC, impose the same percent reduction on MARKOUT WSC customers.
- Initiate a rate surcharge for all water use over an amount specified by the Board of Directors for all water use.

Overage surcharge - A 25% surcharge will be added for usage in excess of 25,000 gallons per month.

Requirements for termination - Stage 4 may terminate when the City of Forney terminates its Stage 4 condition or when the circumstances that caused the initiation of Stage 4 no longer prevail.

(THIS PAGE INTENTIONALLY LEFT BLANK)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MARKOUT WATER SUPPLY CORPORATION ADOPTING A DROUGHT CONTINGENCY PLAN

WHEREAS, the Board recognizes that the amount of water available to Markout Water Supply Corporation (Markout WSC) and its water utility customers is limited and subject to depletion during periods of extended drought;

WHEREAS, MARKOUT WSC recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 12.1172 of the Texas Water Code and applicable rules of the Texas Commission of Environmental Equality (TCEQ) require all public water supply systems in Texas to prepare a drought contingency plan; and WHEREAS, as authorized under law, and in the best interests of the customers of MARKOUT WSC, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MARKOUT WATER SUPPLY CORPORATION:

Section 1. That the Drought Contingency Plan attached hereto as Exhibit "A" and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of MARKOUT WSC.

Section 2. That the Board of Directors is hereby directed to implement, administer, and enforce the Drought Contingency Plan.

Section 3. That this resolution shall take effect immediately upon its passage.

DULY ADOPTED BY THE BOARD OF DIRECTORS OF THE MARKOUT WATER SUPPLY CORPORATION, ON THIS 8TH DAY OF OCTOBER 2018.

Brian Andrews, President

ATTESTED TO:

Florence Benedict, Secretary