

FIRM WATER CONTRACT

By and Between

LOWER COLORADO RIVER AUTHORITY

And

THE CITY OF DRIPPING SPRINGS, TEXAS

FIRM WATER CONTRACT

This Contract is entered by and between the LOWER COLORADO RIVER AUTHORITY (hereinafter, together with its successors and assigns, "LCRA") and THE CITY OF DRIPPING SPRINGS, TEXAS, (hereinafter, together with its successors and assigns as provided herein, "PURCHASER"), who, in mutual consideration of the provisions herein contained, agree as follows:

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1. STANDARD TERMS AND CONDITIONS

Except as expressly provided in Section 2 of this Contract, the Parties agree to the standard terms and conditions attached hereto as Exhibit A.

2. GENERAL TERMS, EXCEPTIONS & SPECIAL CONDITIONS

2.1 Incorporation of Exhibits.

All Exhibits attached to this Contract are incorporated herein by this reference in their entirety and made a part hereof for all purposes.

2.2 Maximum Annual Quantity

The MAQ is 2,438 acre-feet per year from the Effective Date. Of this amount, no more than 2,425 acre-feet per annum of raw or untreated water may be diverted by or on behalf of PURCHASER at the Point of Availability.

2.3 Loss Factor

The Loss Factor for this Contract shall be 0.55% of the amount made available at the Point of Availability. PURCHASER acknowledges that this Loss Factor reflects estimated conveyance, delivery, and system losses from Lake Travis to the Point of Availability.

2.4 Points of Availability.

The Point of Availability is Lake Austin in Travis County, Texas as described and depicted in Exhibit B.

2.5 Maximum Diversion Rate.

The maximum diversion rate authorized under this Contract, in combination with other diversions at the Point of Availability, is 62 cubic feet per second.

2.6 Type of Use.

This Contract is authorized for Municipal use consistent with Section 1.F. of Exhibit A.

2.7 Service Area.

Water supplied under this Contract shall only be used within that certain area in Hays County as described in Exhibit C and depicted in Exhibit D, together hereinafter called the "Service Area."

2.8 Sewage Regulations.

PURCHASER and LCRA are parties to a 2017 settlement agreement related to PURCHASER's application to obtain a Texas Pollutant Discharge Elimination System permit with the intent that effluent be put to beneficial reuse, rather than discharged (the "Settlement Agreement"). This Contract is not intended to alter the terms of the Settlement Agreement. PURCHASER further agrees to make reasonable efforts to develop, and to require its wholesale users make reasonable efforts to develop, projects for the beneficial reuse of all unused water or effluent resulting from this Contract. Additionally, PURCHASER agrees to use its best efforts to avoid any discharge into Walnut Creek or other watercourses of the state of unused water or treated effluent resulting from this Contract.

2.9 Water Conservation Plan Update.

PURCHASER agrees to update its Water Conservation Plan and/or Drought Contingency Plan within ninety (90) days of execution of this Contract. The update plan(s) shall include a year-round mandatory watering schedule limiting landscape irrigation to no more than twice per week.

Pursuant to stages of PURCHASER's Drought Contingency Plan, a more restrictive watering schedule may apply.

2.10 Indemnification.

PURCHASER's obligations under Section IV.C of Exhibit A, Indemnification, are to the extent allowed by law.

2.11 Term of Contract.

The term of this Contract is 40 years unless terminated earlier by either party consistent with Exhibit A.

2.12 Previous Contract.

There is no contractual relationship between the parties prior to the Effective Date related to the raw water supply for the Service Area of this Contract. This contract is separate and apart from the contract between LCRA and PURCHASER related to Headwaters MUD.

2.13 Notice.

All notices and invoices to PURCHASER shall be addressed to:

City of Dripping Springs
P.O. Box 384
Dripping Springs, Texas 78620

All payments to LCRA shall be made to the address on the invoices received by PURCHASER. All notices to LCRA shall be addressed to:

Lower Colorado River Authority
Attn: Raw Water Sales
P.O. Box 220
Austin, Texas 78767
(512) 473-3551 for facsimile transmission

and

Lower Colorado River Authority
Attn: River Operations
P.O. Box 220
Austin, Texas 78767
(512) 473-3551 for facsimile transmission

SIGNED BY:

Lower Colorado River Authority

By: _____

Monica Masters, P.E.

Vice President, Water Resources

Date: _____

City of Dripping Springs, Texas

By: _____

Name: _____

Title: _____

Date: _____

EXHIBITS

- A. Standard Contract Terms and Conditions
- B. Description of Point(s) of Availability
- C. Description of Service Area
- D. Depiction of Service Area
- E. Water Conservation Plan
- F. Drought Contingency Plan
- G. Demand Schedule
- H. Arbitration Procedures

Exhibit A

Standard Contract Terms and Conditions

Exhibit A

STANDARD CONTRACT TERMS AND CONDITIONS

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I. WATER SUPPLY

A. PERMIT(S) MAY BE REQUIRED

PURCHASER may not impound, divert, or use water under this Contract unless PURCHASER, in accordance with the substantive rules of the Texas Commission on Environmental Quality ("TCEQ"), U.S. Corps of Engineers, or any other local, state, or federal regulatory authority, obtains and maintains any water rights permit, wastewater discharge permit, dredge and fill permits, or any other similar permit, that is necessary to authorize PURCHASER'S impoundment, diversion and/or consumptive use, and subsequent discharge, of water consistent with this Contract.

B. MAXIMUM ANNUAL QUANTITY & LOSS FACTOR

From and after the Effective Date hereof, PURCHASER shall have the right to a Maximum Annual Quantity (MAQ) of raw or untreated water per annum made available by LCRA as set forth in the terms of the Contract. For purposes of this Contract, the term "made available" refers to the greatest of: (i) the amount of water released from LCRA firm supplies to allow for diversions by or on behalf of PURCHASER; or (ii) the amount of water diverted by or on behalf of PURCHASER at the Point(s) of Availability plus, if applicable, the Loss Factor (defined below) times the amount of water diverted.

Notwithstanding the foregoing, in the event that PURCHASER's Point(s) of Availability are located downstream of Lake Travis, PURCHASER and LCRA agree that calculations of Maximum Annual Quantity and the amount of water made available under this Contract will be based on the amount of water which LCRA makes available for diversion by or on behalf of PURCHASER at the Point(s) of Availability plus the Loss Factor as set forth in this Contract.

In the event that PURCHASER'S Point(s) of Availability are located downstream of Lake Travis, the Contract will specify a Loss Factor. The Loss Factor represents LCRA's best available estimate of the conveyance, delivery, or system loss incurred to provide water under this Contract. LCRA hereby reserves the right to modify the Loss Factor and make any associated changes to the MAQ, at any time, based on any revised estimates of conveyance, delivery, or system loss associated with the delivery of water to PURCHASER, including but not limited to changes in the source of supply LCRA uses to make water available to PURCHASER or updated and substantiated information related to river or canal losses.

PURCHASER may, at its option, conduct its own investigation of conveyance, delivery, or system losses, associated with the delivery of water by LCRA under this Contract. If PURCHASER conducts such study in accordance with LCRA's then-current Water Contract Rules, it shall provide to LCRA in a written report the results of any such investigation within sixty (60) calendar days of completion and LCRA agrees to consider whether any adjustment to the Loss Factor is appropriate under this Contract. If LCRA determines that an adjustment to the Loss Factor is appropriate, it shall provide PURCHASER written notice, by certified mail, of any change to the Loss Factor and resulting change to the Contract MAQ, within fifteen (15) business days of adopting such change. A change to the Loss Factor that results in an increase in the MAQ of 500 acre-feet per year or more shall not take effect until approved by the LCRA Board as an amendment to this Contract. Notwithstanding the foregoing or any provision in LCRA's raw water contract rules, LCRA will not require PURCHASER to obtain a new contract on the most current standard form water contract where the change to the MAQ is based solely on a change to the Loss Factor.

PURCHASER shall designate a point or points of availability for such water as described and depicted in Exhibit "B" attached hereto (the "Point(s) of Availability"), said Exhibit depicting the location by reference to a corner of an original land survey and/or other survey point, giving course and distance and providing the latitude and longitude. Such Points of Availability may be located on the Colorado River or a LCRA-operated canal. In the event that the Point(s) of Availability are located on a LCRA operated-canal, PURCHASER shall also identify a point or points of diversion for such water on the Colorado River ("Point(s) of Diversion"). Such Point(s) of Diversion, if any, shall be described and depicted in Exhibit "B" in the same manner described for Point(s) of Availability.

C. EXCEEDANCE OF MAXIMUM ANNUAL QUANTITY.

If the amount of water made available to PURCHASER for any reason exceeds the Maximum Annual Quantity stated in PURCHASER's Contract during two (2) consecutive years, or two (2) out of any four (4) consecutive years, PURCHASER shall submit an application (including the application fee) for a new standard form water contract for an adjusted MAQ, the reasonableness of which shall be determined consistent with LCRA's then effective Water Contract Rules, to the extent LCRA has water supplies available.

D. MAXIMUM DIVERSION RATE

PURCHASER may not divert water made available by LCRA under this Contract at a rate greater than as set forth in this Contract ("Maximum Diversion Rate").

E. SOURCE OF WATER SUPPLY.

1. The water made available for impoundment, diversion and/or use under this Contract will be water provided from any source available to LCRA at the time PURCHASER uses water under this Contract.

2. LCRA may make water available under this Contract in accordance with LCRA's Water Management Plan, as may be amended in accordance with state law from time to time, from storage in Lakes Buchanan and/or Travis in accordance with water rights held by LCRA as set forth in Certificates of Adjudication No. 14-5478, as amended, and 14-5482, as amended.
3. LCRA may make water available under this Contract from water rights owned by LCRA based on that certain water right previously owned by the Garwood Irrigation Company and identified as Certificate of Adjudication No. 14-5434 issued by the Texas Water Commission on June 28, 1989, as amended (herein, "Garwood's Right"). That portion of Garwood's Right that is owned by LCRA (and for which reference is made to Certificate of Adjudication No. 14-5434C issued by the Texas Natural Resource Conservation Commission) is referred to herein as "Garwood's Remaining Right."
 - a) PURCHASER acknowledges and agrees that LCRA may make water available for impoundment, diversion and/or use under this Contract from Garwood's Remaining Right only following approval by the Texas Commission on Environmental Quality or its successors (hereafter, "TCEQ"), of amendments to allow use of Garwood's Remaining Right for the type of use authorized by this Contract at the Point of Diversion and/or Point of Availability.
 - b) In this event, this Contract is subject to the commitments and conditions set forth in Section 7.08 of that certain Purchase Agreement, dated July 20, 1998, between Garwood Irrigation Company, as seller, and the Lower Colorado River Authority, as buyer (the "LCRA-Garwood Purchase Agreement"), and is further subject to all terms, provisions and special conditions contained within Garwood's Remaining Right, as amended. Copies of the LCRA-Garwood Purchase Agreement and Garwood's Remaining Right, as amended, are available at the following internet web-site address:

<http://www.lcra.org/water/contracts.html>

PURCHASER also may obtain copies of the LCRA Purchase Agreement and Garwood's Remaining Right, as amended, by request to LCRA's address for notices herein. By executing this Contract, PURCHASER hereby acknowledges receipt of copies of the LCRA Purchase Agreement and Garwood's Remaining Right, as amended.

F. TYPE OF USE.

PURCHASER represents to LCRA and LCRA relies on such representation that all water made available under this Contract will be impounded, diverted, and/or used by PURCHASER for the type of use as described in this Contract, as such use is defined by the substantive rules for water rights of the TCEQ. In accordance with state law, any part of the water that PURCHASER impounds or diverts but does not use or consume for such use in accordance with this Contract shall be returned to the Colorado River or a tributary of the Colorado River.

G. SERVICE AREA.

Water made available under this Contract shall only be used within that certain area, as described in Exhibit "C" attached hereto and depicted in Exhibit "D," attached hereto, together hereinafter called the "Service Area."

H. WATER CONSERVATION AND DROUGHT CONTINGENCY MEASURES.

1. PURCHASER agrees to implement the water conservation program contained in the water conservation plan (the "Water Conservation Plan") described in Exhibit "E" attached hereto. PURCHASER further agrees that the water impounded and/or diverted by PURCHASER pursuant to this Contract will be used in accordance with such Water Conservation Plan. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to water conservation measures. PURCHASER shall update its Water Conservation Plan every five years, or on such schedule as may be required by LCRA or other state law. PURCHASER further agrees to amend its Water Conservation Plan, as necessary, to reflect amendments in state law, regulations or LCRA's water conservation rules and regulations. PURCHASER further agrees to do so within 180 days of the effective date of such amendments, provided that, if the amendments are adopted by LCRA (rather than, for example, TCEQ), the deadline for PURCHASER to make corresponding amendments to its Water Conservation Plan shall run from the date LCRA provides written notice of the amendments to PURCHASER. PURCHASER further agrees to submit its amended Water Conservation Plan to LCRA within 30 days after its adoption. Revisions to PURCHASER's Water Conservation Plan are not required under this section if PURCHASER has not initiated diversions; however, PURCHASER shall update its Water Conservation Plan to be consistent with LCRA's rules and regulations related to water conservation at least sixty (60) days prior to initiating diversions under this Contract. In the event that PURCHASER agrees to furnish water or water services to a third party, who in turn will furnish the water or water services to an ultimate consumer, PURCHASER agrees to include in its agreement with the third party provisions that obligate the third party to: a) develop and implement a water conservation program consistent with PURCHASER's Water Conservation Plan; and, b) amend its water conservation program to reflect amendments in state law, regulations or LCRA's water conservation rules and regulations within the same timelines that apply to PURCHASER.
2. PURCHASER agrees to implement the drought contingency program contained in the drought contingency plan (the "Drought Contingency Plan") described in Exhibit "F" attached hereto. PURCHASER further agrees that the water impounded and/or diverted by PURCHASER pursuant to this Contract will be used in accordance with such Drought Contingency Plan. PURCHASER shall review and update the Drought Contingency Plan not less than once every five (5) years or following written request by LCRA consistent with any other schedule required by LCRA's Water Contract Rules. PURCHASER further agrees to submit any amended Drought Contingency Plan to LCRA within 30 days after its adoption. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to drought contingency measures, including LCRA's Water Management Plan. PURCHASER agrees to amend its Drought Contingency Plan, as necessary, to reflect amendments in state law or regulations or LCRA's rules, regulations or Water Management Plan. PURCHASER further agrees to do so within 180 days of the effective date of such amendments, provided that, if the amendments are adopted by LCRA (rather than, for example, TCEQ), the deadline for PURCHASER to make corresponding amendments to its Drought Contingency Plan shall run from the date LCRA provides written notice of the amendments to PURCHASER. Revisions to PURCHASER's Drought Contingency Plan are not required under this section if PURCHASER has not initiated diversions; however, PURCHASER shall update its Drought Contingency Plan to be consistent with LCRA's rules and regulations related to water conservation at least sixty (60) days prior to initiating diversions under this Contract. In the event that PURCHASER agrees to furnish water or water services to a third party, who in turn will furnish the water or water services to an ultimate consumer, PURCHASER agrees to include in its agreement with the third party provisions that obligate the third party to: a) develop and implement a drought contingency program consistent with PURCHASER's Drought Contingency Plan; and b) amend its drought contingency program to reflect amendments in state law, regulations, or LCRA's rules, regulations, or Water

Management Plan within the same timelines that apply to PURCHASER.

I. AVAILABILITY OF WATER.

LCRA is committing to make available to PURCHASER under this Contract a portion of LCRA's firm water supply, as defined in LCRA's Water Contract Rules; provided, however, LCRA may interrupt or curtail the water supplied under this Contract as required by state law or in accordance with LCRA's Water Management Plan or Drought Contingency Plan, as such Plans and any amendments thereto have been approved and may be approved in the future by the TCEQ.

J. DELIVERY OF WATER.

LCRA is responsible for making water available under this Contract only up to the MAQ. LCRA makes no guarantee that the water made available under this Contract will be available at any particular time or place or that any LCRA owned/operated reservoir or the Colorado River will be maintained at any specific elevation or flow at any particular time. Furthermore, PURCHASER acknowledges and agrees that LCRA's obligations under this Contract shall not require LCRA to make additional releases of water from LCRA firm water supplies beyond the MAQ or to make releases to raise the water elevations or flows at the Point(s) of Availability at a particular time sufficient for PURCHASER's intake and/or diversion facilities to operate.

K. DEMAND SCHEDULE.

PURCHASER has provided a Demand Schedule (Exhibit G) that reflects PURCHASER's best estimate of the scheduled initiation of diversions, initial usage, annual water usage, and any increases of usage over time, of the water to be made available by LCRA under this Contract, consistent with LCRA's Water Contract Rules. PURCHASER shall review, update if needed, and provide to LCRA an updated Demand Schedule not less than once every five (5) years coincident with any updated Water Conservation Plans required by this Contract or LCRA's Water Contract Rules, or following written request by LCRA consistent with any other schedule that may be required by LCRA's Water Contract Rules.

L. REDUCTION IN MAQ FOR NON-USE.

Upon sixty (60) days' written notice to PURCHASER, LCRA may consider reducing the MAQ under this Contract at any time after ten year(s) after the Effective Date of this Contract if PURCHASER's maximum annual use has not been at least ten percent of the MAQ on an annual basis within the first ten years. Within thirty (30) days of LCRA's written notice that it is considering reduction of the MAQ, PURCHASER shall provide LCRA with a written assurance and updated Demand Schedule that demonstrates PURCHASER's intent to increase its diversions under this Contract within the next two (2) years to an amount that will be at least ten percent (10%) of the original MAQ secured by this Contract. If PURCHASER fails to or is unable provide such written assurance, or if at least ten percent (10%) of the MAQ is not put to use on an annual basis within the two year period, LCRA may thereafter, at its sole option, terminate the contract or reduce the MAQ to any amount LCRA deems appropriate and reasonable under LCRA's raw water contract rules in effect at the time. An adjustment to the MAQ of this Contract under this section does not require PURCHASER to obtain a new contract on the most current standard form contract.

M. STATE REGULATION OF LCRA WATER SUPPLIES.

PURCHASER acknowledges and agrees that the water LCRA makes available under this Contract may be regulated in whole or in part by the State of Texas or local regulatory authorities. PURCHASER further acknowledges and agrees that LCRA's water rights are subject to regulation by the State of Texas, including but not limited to periodic review and amendment of LCRA's Water Management Plan by the TCEQ. LCRA and PURCHASER acknowledge and agree that LCRA shall be obligated to exercise due diligence to manage its water supplies within such regulatory regimes to make water available to PURCHASER in accordance with the terms of this Contract. PURCHASER acknowledges and agrees, however, that LCRA's obligations under this Contract may be affected by orders of the State of Texas, its agencies or

local regulatory authorities. Orders of the State of Texas, its agencies or local regulatory authorities may constitute a “force majeure” event in accordance with this Contract.

N. OPERATIONS OF DAMS AND RESERVOIRS.

The right of LCRA to maintain and operate its several dams and their appurtenances on the Colorado River and its associated tributaries and at any and all times in the future to impound and release waters thereby in any lawful manner and to any lawful extent LCRA may see fit is recognized by PURCHASER; and, except as otherwise provided herein, there shall be no obligation upon LCRA to release or not to release any impounded waters at any time or to maintain any waters at any specified elevation or flow. PURCHASER acknowledges that the elevations of said reservoirs and the Colorado River will vary as a result of hydrologic events, or lack thereof, (e.g. floods or droughts) in the watershed and LCRA’s operations of its dams on the Colorado River.

PURCHASER acknowledges that Longhorn Dam, which is owned and operated by the City of Austin, may lie upstream of the Point(s) of Availability and/or Point(s) of Diversion, if any, and downstream of Lake Travis. PURCHASER agrees to hold LCRA harmless for any claims that PURCHASER has against LCRA for any action or inaction by the City of Austin relating to its ownership and operation of Longhorn Dam.

O. QUALITY OF WATER.

LCRA makes no representation as to the quality of the water made available under this Contract, and PURCHASER hereby releases LCRA and agrees to hold it harmless from any and all claims that PURCHASER or PURCHASER’s customers or users have or may have against LCRA for any diminution in or impairment of the quality of water made available under this Contract.

P. INTERBASIN TRANSFER.

Any surface water made available under this Contract may not be transferred or used outside of the Colorado River basin unless such transfer or use is within LCRA’s water service area or is otherwise in strict compliance with LCRA Board Policies, LCRA water rights and a final permit for interbasin transfer (“IBT”) issued by the TCEQ. In the event that PURCHASER intends to transfer or use surface water made available under this Contract outside of the Colorado River basin in accordance with this section, PURCHASER, by executing this Contract, authorizes LCRA to apply to the TCEQ for the necessary authorization pursuant to Texas Water Code § 11.085 and 11.122 within forty-five (45) days of the Effective Date of this Contract. LCRA shall diligently pursue such authorization after it is filed. PURCHASER shall pay for any filing and notice fees related to such application after LCRA bills PURCHASER for such fees in accordance with this Contract.

Q. REQUIRED NOTICES.

1. PURCHASER shall notify LCRA in writing of its intention to initiate diversions of water under this Contract not more than eight (8) weeks, nor less than four (4) weeks, prior to PURCHASER’s initiation of diversions. Such notice shall include PURCHASER’s anticipated diversion rate, not to exceed the Maximum Diversion Rate. If impoundments or diversions of water are being continued from a previous contract or other right to divert, and no change in diversion rate is anticipated, no notice is necessary.
2. PURCHASER shall notify LCRA in writing not more than two (2) weeks prior to making any change in its planned diversion rate, not to exceed the Maximum Diversion Rate specified in this Contract.
3. If PURCHASER’s Point(s) of Availability and/or Point(s) of Diversion, if any, are located downstream of Lake Travis or on a tributary which flows into the Colorado River downstream of Lake Travis, PURCHASER shall notify LCRA’s River Operations Center

(ROC) of its intent to impound and/or divert water under this Contract and shall either: (1) develop with the ROC a written process or mechanism for notifying the ROC of its intent to divert water under this Contract; or (2) notify the ROC prior to making any impoundment and/or diversion under this Contract in accordance with any requirements set forth in the Special Conditions in the Contract.

4. In the event the PURCHASER is required by state law to obtain a water right permit or water right permit amendment – including but not limited to contractual, term, or temporary water right permits – from TCEQ related to water that is reserved or purchased pursuant to an LCRA water contract, PURCHASER shall provide LCRA: (i) a copy of the application for the water right permit or water right permit amendment within five (5) business days of its filing with TCEQ; (ii) a copy of any proposed notice related to the application; and (iii) a copy of the water right permit or water right permit amendment promptly following the issuance of the water right permit or water right permit amendment. PURCHASER shall incorporate LCRA's reasonable comments into the application notice provided that: (i) LCRA provides its comments to PURCHASER within ten (10) business days of LCRA's receipt of the draft notice, unless a shorter response period is required by the TCEQ; and (ii) TCEQ accepts LCRA's comments in the final version of the notice. Applicant also shall provide LCRA two copies of any notice or action by TCEQ of a violation or termination of the water right permit or water right permit amendment within ten (10) days of Applicant receiving notice from TCEQ.
5. PURCHASER shall notify LCRA in writing not more than eight (8) weeks, nor less than four (4) weeks, prior to implementing a program for reuse of water that is reserved or purchased pursuant to this Contract and that falls within the type of use and Service Area provided in this Contract. PURCHASER will make available to LCRA non-privileged documents regarding PURCHASER's reuse program within a reasonable amount of time, not to exceed fifteen (15) business days, following a written request by LCRA staff. For all purposes of this Contract, the term "reuse" means the authorized use of water, which water was diverted and used pursuant to this Contract, but which water remains unconsumed and has yet to be either disposed of or discharged or otherwise allowed to flow into a watercourse, lake or other body of state-owned water.
6. PURCHASER shall notify LCRA in writing of its intentions to divert or deliver water for a Secondary Purchaser at least thirty (30) days prior to any diversions or deliveries from PURCHASER to the Secondary Purchaser.
7. Prior to the Effective Date of this Contract, PURCHASER shall provide to LCRA a demand or use schedule that estimates PURCHASER's annual usage, and any increases to it over time, of the water to be made available by LCRA under this Contract (the "Demand Schedule"). PURCHASER shall review, update if needed, and provide to LCRA the Demand Schedule not less than once every five (5) years or following written request by LCRA consistent with any other schedule required by LCRA's Water Contract Rules.

II. CONTRACT ADMINISTRATION

A. TERM OF CONTRACT.

This Contract shall be for the term of years as set forth in this Contract, which shall commence on the Effective Date and end on the anniversary of the Effective Date in the last year of the contract term as set forth in this Contract, unless terminated earlier by either party as provided below.

B. PAYMENT.

1. The "Water Rate" is the rate determined by the Board of Directors of LCRA to then be in

effect for all sales of firm water for the same use as provided in this Contract. The "Reservation Rate" is the rate determined by the Board of Directors of LCRA to then be in effect for the reservation of firm water for the same use as provided in this Contract. The "Inverted Block Rate" is the rate determined by the Board of Directors of LCRA to then be in effect for diversion or use of water in amounts in excess of the Maximum Annual Quantity.

2. The Water Rate presently in effect is \$155 per acre-foot (\$0.48 per 1,000 gallons) of water. The Reservation Rate presently in effect is \$77.50 per acre-foot. The Inverted Block Rate presently in effect is \$310 per acre-foot of water. LCRA reserves all rights that it may have under law to modify the Water Rate, the Reservation Rate, or the Inverted Block Rate. PURCHASER understands and acknowledges that the Water Rate, Reservation Rate, and the Inverted Block Rate set forth in this Contract have been approved by LCRA's Board of Directors, and that the Board may change all rates, fees and charges under the Contract from time to time.
3. PURCHASER agrees and covenants to pay LCRA – on a monthly basis beginning with the first billing period after the Effective Date of this contract – an amount of money (the "Use Charge") equal to the Water Rate less the Reservation Rate multiplied by the amount of water made available to PURCHASER during the previous billing period ("Monthly Use").

In the event that PURCHASER'S Point(s) of Availability are located on Lake Buchanan, Inks Lake, Lake LBJ, Lake Marble Falls or Lake Travis, the Monthly Use shall be amount of water diverted by or on behalf of PURCHASER.

In the event that PURCHASER'S Point(s) of Availability are located downstream of Lake Travis the Monthly Use shall be the sum of i) the Monthly Diversion, plus ii) the Loss Factor, times the Monthly Diversion, as such Loss Factor is established under this Contract. In the event the amount diverted at the Point(s) of Availability is less than the amount LCRA made available (through releases from storage and/or pumping into LCRA canals) at the Point(s) of Availability at PURCHASER's request, for purposes of this Section II.B, the Monthly Diversion shall be the amount of water made available at the Point(s) of Availability. Otherwise the Monthly Diversion shall be calculated from the actual amount diverted at the Point(s) of Availability.

4. PURCHASER agrees and covenants to pay – on a monthly basis beginning with the first billing period after the Effective Date of this Contract – the "Monthly Reservation Charge," which shall be an amount equal to the Reservation Rate multiplied by one-twelfth (1/12) of the MAQ.
5. PURCHASER further agrees and covenants to pay LCRA – on a calendar year basis – an amount of money (the "Excess Use Charge") equal to the Inverted Block Rate multiplied by any amount of water made available to PURCHASER in excess of the Maximum Annual Quantity during the previous calendar year, less any amount PURCHASER has previously paid for the same water through the Use Charge and/or Reservation Charge. In the event the amount of water made available to PURCHASER is limited because of a curtailment imposed by LCRA or state law in accordance with this Contract to an amount less than the MAQ, then PURCHASER shall pay a surcharge, in excess of any Use or Reservation Charges, to be set by LCRA's Board of Directors, multiplied by any amount of water made available to PURCHASER in excess of the amount PURCHASER is authorized to have available during the curtailment (the "Curtailment Surcharge").
6. The term "billing period," as used for purposes of metering and billing in this Contract, shall refer to each period between readings of the Meter(s), which readings typically are performed on a monthly basis. All charges under this Contract shall be pro-rated as necessary to reflect the Effective Date or date of termination of this Contract; in other

words, LCRA may include in an invoice up to thirty (30) additional days in a billing period to account for water reserved, released, diverted or impounded during days following execution or prior to termination of this Contract. For purposes of metering and billing, the "calendar year" may be based upon the 12-month period from the December meter reading date to the next December reading date.

7. Each month, LCRA will mail an invoice to PURCHASER showing the Monthly Use. Such invoice shall also show the amount of money owed by PURCHASER to LCRA in accordance with the Monthly Reservation Charge and/or Use Charge and any late payment charges, as specified herein.
8. The invoice mailed by LCRA to PURCHASER in the month of January each year, in addition to showing the amount of money owed by PURCHASER to LCRA in accordance with the Monthly Reservation Charge, and/or Use Charge, shall also show any amount of water that PURCHASER had made available to it in excess of the Maximum Annual Quantity during the previous calendar year, as well as the corresponding Excess Use Charge.
9. PURCHASER shall pay LCRA for water provided under this Contract in the amount of each invoice submitted to PURCHASER by LCRA on or before thirty (30) days from the date of the invoice. PURCHASER shall mail checks for payments to the address indicated on the invoice. PURCHASER may pay by hand-delivery of checks or cash to LCRA's headquarters in Austin, Travis County, Texas, or by bank-wire if PURCHASER obtains LCRA's approval and makes arrangements for doing so prior to the due date. Payment must be received at the address provided on the invoice, or, if approved, at LCRA's headquarters or bank, not later than thirty (30) days from the invoice date in order not to be considered past due or late. In the event PURCHASER fails to make payment of that invoice within thirty (30) days of the invoice date, PURCHASER shall then pay a late payment charge of five percent (5%) of the unpaid amount of the invoice. For each calendar month or fraction thereof that the invoice remains unpaid, PURCHASER shall pay interest at the rate of one and one-half percent (1.5%) per month on the unpaid portion of the invoice. In the event PURCHASER attempts to pay LCRA by check, draft, credit card or any other similar instrument and the instrument is returned or refused by the bank or other similar institution as insufficient or non-negotiable for any reason, PURCHASER shall be assessed and must pay to LCRA, per each returned instrument, the LCRA's current returned instrument fee. If the invoice has not been paid within thirty (30) days of the invoice date, PURCHASER further agrees to pay all costs of collection and reasonable attorney's fees, regardless of whether suit is filed, as authorized by Chapter 271, Texas Local Government Code.

C. MEASURING WATER.

1. To measure the amount of water diverted by PURCHASER hereunder, PURCHASER agrees at PURCHASER's expense to install such measuring and recording devices or methods as are approved by LCRA (the "Meter"), such Meter to permit, within five percent (5%) accuracy, determination of quantities of raw water diverted from the reservoir or stream hereunder in units of 1,000 gallons. LCRA shall have the right to approve both the design of the meter as well as the location of its installation. PURCHASER must repair, replace or make necessary improvements to a meter that is not in compliance with this Contract or LCRA's Water Contract Rules promptly after PURCHASER becomes aware of the deficiency that causes the meter to not comply with this Contract or LCRA's Water Contract Rules.
 - a) PURCHASER agrees to read Meter and submit meter readings to LCRA via electronic mail, online portal or other format as specified by LCRA, on a monthly

basis, on or about the 15th day of each month or on such date as specified by LCRA.

- b) PURCHASER agrees to provide LCRA's representatives access across PURCHASER's property for inspection, testing and reading of the Meter. PURCHASER shall locate the meter in a manner that provides LCRA with reasonably safe access to the Meter for the purpose of making meter readings, testing, and/or periodic inspections.
- c) PURCHASER agrees that the Meter shall be tested for accuracy by qualified personnel as approved by LCRA and at the expense of PURCHASER once each calendar year at intervals of approximately twelve (12) months if the MAQ is greater than 20 acre-feet per year and at intervals of approximately (24) months if the MAQ is less than or equal to 20 acre-feet per year.
- d) PURCHASER shall furnish to LCRA a report of such test results. Readings within five percent (5%) of accuracy shall be considered correct.
- e) In the event PURCHASER fails to test the Meter for a period of fifteen (15) consecutive months for contracts with a MAQ greater than 20 acre-feet per year or fails to test the Meter for a period of 25 consecutive months for contracts with a MAQ of 20 acre-feet per year or less, PURCHASER agrees to pay LCRA for the actual cost of testing the Meter plus a fifty dollar (\$50) administrative fee. LCRA will provide PURCHASER a written invoice of the cost of testing the Meter, and said invoice will be subject to the payment terms provided in section II.B of this Contract.
- f) If, at any time, LCRA provides PURCHASER a written notice that questions the accuracy of the Meter, PURCHASER promptly shall test the Meter and, in this event, the expense of such test will be paid by LCRA if the Meter is found to be correct and by PURCHASER if it is found to be incorrect.
- g) Any party that tests the Meter shall provide written notice of the test to the other party at least five (5) business days in advance of the test and shall allow the other party to observe the test.
- h) PURCHASER shall be required to take necessary steps to correct any inaccuracy in the Meter discovered during any test. LCRA may install, at its expense, check meters in or to any of PURCHASER's Meters at any time and may leave such check meters installed for such periods as is reasonably necessary to determine the accuracy of PURCHASER's Meters.
- i) If, as a result of any test, the Meter is found to be registering inaccurately (i.e., in excess of five percent (5%) of accuracy), the readings of the Meter shall be corrected at the rate of its inaccuracy for any period which is definitely known and agreed upon or, if no such period is known and agreed upon, the shorter of the following periods shall be used as the basis for correction:
 - (1) a period extended back either sixty (60) days from the date of demand for the test or, if no demand for the test was made, sixty (60) days from the date of the test; or
 - (2) a period extending back half of the time elapsed since the last previous test; and the records of reading shall be adjusted accordingly.

2. In the event PURCHASER is charged based on water released from LCRA firm water supplies under this Contract rather than the actual amount withdrawn from the reservoir or stream by PURCHASER, LCRA shall include the amount of such releases in the monthly invoice provided to PURCHASER. LCRA shall make available information regarding its calculation of the amount of water released attributable to PURCHASER's actual diversions under this Contract within a reasonable period following PURCHASER's written request.

D. TERMINATION OF CONTRACT OR REDUCTION IN MAXIMUM ANNUAL QUANTITY.

This Contract may be terminated as follows:

1. If PURCHASER is current on all payments due to LCRA under this Contract and the MAQ is less than 500 acre-feet, PURCHASER may terminate this Contract or reduce the MAQ as set forth in this section at any time following the expiration of five (5) years, measured from the Effective Date, by providing at least one year's prior written notice to LCRA. If the MAQ is 500 acre-feet or more, Purchaser's ability to terminate or reduce the MAQ is limited as follows: beginning with the five-year anniversary of the Effective Date of the contract, Purchaser may: (a) reduce its MAQ by up to 25 percent of the original contract quantity once every five years; or (b) if LCRA's other firm, non-temporary commitments have increased in an amount greater than projected under LCRA's Water Supply Resource Plan, Purchaser may terminate the contract or reduce the MAQ by a quantity greater than 25 percent.
2. LCRA at its sole option, in accordance with the terms and conditions set forth in Section II.E, "Non-Payment," may terminate this Contract without recourse should PURCHASER fail to comply with the terms and conditions of this Contract for the payment of moneys owed to LCRA pursuant to Section II.B. "Payment."
3. If PURCHASER fails to comply with its Water Conservation Plan, its Drought Contingency Plan, or any applicable LCRA nonpoint source water pollution abatement ordinance, or if PURCHASER fails to amend its Water Conservation Plan or its Drought Contingency Plan to reflect changes in LCRA's Water Conservation Plan Rules, LCRA's Drought Contingency Plan Rules, or state law or rules, LCRA may terminate, at its sole option, this Contract without recourse unless such default is cured within thirty (30) days of the date LCRA provides written notice to PURCHASER (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed one hundred eighty (180) days of PURCHASER's receipt of written notice of such default.
4. If PURCHASER fails to comply with the requirements of Sections III.A, "Nonpoint Source Pollution Abatement," III.B, "Sewage Regulations," or III.C, "Documentation of Compliance; right of Entry," LCRA may, at its sole option, terminate this Contract without recourse unless such default is cured within thirty (30) days of the date LCRA provides written notice to PURCHASER (or if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed one hundred eighty (180) days of PURCHASER's receipt of written notice of such default. For purposes of this section, LCRA shall not deem PURCHASER to be in default for so long as PURCHASER is in compliance with any remedial or enforcement agreement authorized by an agency of appropriate jurisdiction.
5. If PURCHASER fails to comply with other requirements of this Contract not specifically stated above, LCRA may, at its sole option, terminate this Contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time

during which PURCHASER diligently prosecutes the cure of such default, not to exceed one hundred eighty (180) days of PURCHASER's receipt of written notice of such default.

6. Subject to the requirements of applicable bankruptcy laws, including the rights of a trustee to assume contracts under applicable bankruptcy laws, this Contract may be terminated immediately by LCRA upon the declaration of bankruptcy by PURCHASER.
7. In the event TCEQ or any other local, state, or federal regulatory agency denies to PURCHASER, or terminates for any reason, a permit required by this Contract, PURCHASER shall notify LCRA within three (3) business days and immediately cease diversions under this Contract. LCRA, at its sole option, may this Contract terminate on or after the denial or termination of any permit required by this Contract..

PURCHASER shall remain liable for all fees and charges, including any non-refundable Pre-paid Reservation Charges, accruing under the Contract through the date the Contract is terminated, including but not limited to a pro-rated Reservation Charge, which shall be calculated based upon the excess of the Maximum Annual Quantity, pro-rated to the date of termination, over the amount of water made available to PURCHASER through the date of termination. In the event LCRA terminates this Contract as provided herein, PURCHASER shall suspend immediately upon such termination all withdrawal of water from the Colorado River, or any tributaries thereof, under this Contract. LCRA may exercise any rights that it may have at law or in equity to prevent unauthorized withdrawals by PURCHASER or enforce the requirements of PURCHASER's Water Permit, if any. In the event that the contract is terminated based upon the denial or termination of a permit required by this Contract, PURCHASER shall be required to pay an early termination fee equal to the Reservation Rate times the MAQ.

E. NON-PAYMENT.

1. If LCRA determines that PURCHASER has not paid the full amount owed for any payment due under Section II.B, "Payment", hereof within the time provided therefore, LCRA shall give written notice to PURCHASER stating the amount LCRA has determined is due and unpaid. If LCRA gives notice as provided herein and PURCHASER fails to pay within thirty (30) days the amounts claimed in such notice to be due and unpaid, LCRA may, at its sole option: (1) upon giving ten (10) days written notice to PURCHASER terminate this Contract without recourse; and/or, (2) request injunctive relief from a court of competent jurisdiction to prevent PURCHASER from impounding and/or diverting additional water pursuant to this Contract.
2. If PURCHASER should dispute PURCHASER's obligation to pay all or any part of the amount stated in any invoice or notice, PURCHASER may, in addition to all other rights that PURCHASER may have under law, pay such amount under protest in which case such amount shall be deposited by LCRA in an interest bearing account mutually acceptable to both LCRA and PURCHASER pending final resolution of such dispute in accordance with Section IV.H, "Dispute Resolution." LCRA may not terminate this Contract, or request injunctive relief to prevent additional impoundments and/or diversions, for failure to pay the amount stated in any invoice or notice if PURCHASER pays such amount under protest and until there is a final resolution of such dispute in accordance with Section IV.H, "Dispute Resolution," favorable to LCRA.

F. EQUITABLE REMEDIES.

PURCHASER agrees that diversions or impoundments of water by PURCHASER without the authorization provided by this Contract will result in damages to LCRA that cannot be adequately compensated by money alone. As a result, PURCHASER agrees that LCRA shall have available to it equitable remedies, including injunctive relief against additional diversions or impoundments by PURCHASER unless PURCHASER demonstrates that it is otherwise authorized to divert or impound water. In addition, PURCHASER agrees that the provisions of Section IV.H, "DISPUTE RESOLUTION," will not apply to any legal action brought by

LCRA seeking equitable remedies under this Contract except as expressly provided by Section II.E.2 regarding "NON-PAYMENT."

G. NOTICE.

Any notice under this Contract may be delivered by facsimile transmission or by certified mail, return receipt requested. If delivered by facsimile transmission, notice shall be deemed effective as of the facsimile send date, provided that any notice sent by facsimile must also be sent the same date by first-class mail. If delivered by certified mail, return receipt requested, notice shall be deemed effective five (5) days after the date on which the notice is post-marked.

All notices and invoices to PURCHASER shall be addressed as set forth in the General Terms of this Contract.

All notices and payments to LCRA shall be addressed as set forth in the General Terms of this Contract.

Either party may change its address by giving written notice of such change to the other party. PURCHASER is required to provide notice of change in address or contact person within ten (10) days of such change. PURCHASER shall maintain a physical address on file with LCRA.

H. ASSIGNMENT OF CONTRACT.

PURCHASER shall have the right to assign this Contract provided that: i) there is no change to the MAQ, source, type of use or Service Area provided in this Contract; ii) prior to such assignment, this Contract is amended to be consistent with all terms of LCRA's then-current standard form contract for purchase of firm water from Lake Travis and LCRA's then-current Water Contract Rules as determined by LCRA; iii) the Water Conservation Plan and Drought Contingency Plan are updated as may be necessary in accordance with this Contract as determined by LCRA; iv) PURCHASER provides LCRA at least sixty (60) days prior written notice of such assignment; and, v) PURCHASER is not in default under this Contract at the time of such assignment.

I. COMPLIANCE WITH FILING REQUIREMENTS.

LCRA agrees to file a copy of this Contract with the Executive Director of the TCEQ, P.O. Box 13087, Capitol Station, Austin, Texas 78711, it being fully recognized by PURCHASER hereunder that the effectiveness of this Contract is dependent upon compliance with the substantive rules and procedural rules for water rights of the TCEQ.

III. ENVIRONMENTAL, PERMITTING AND OTHER ISSUES RELATED TO WATER SUPPLY

A. NONPOINT SOURCE WATER POLLUTION ABATEMENT.

If PURCHASER will use water under this Contract to serve areas located within the jurisdictional area of LCRA Lake Travis Nonpoint Source Pollution Control Ordinance, the Upper Highland Lakes Nonpoint Source Pollution Control Ordinance, or any other LCRA water quality ordinance that has been adopted by the LCRA Board, PURCHASER agrees to comply with and shall comply with the provisions of that respective ordinance, which ordinance may require a permit and compliance with other applicable local, state, and federal rules and regulations pertaining to water quality protection. If PURCHASER will use water under this Contract to serve areas wholly outside the jurisdiction of an LCRA water quality ordinance, PURCHASER agrees to comply with and shall comply with any applicable local, state, and federal rules and regulations pertaining to water quality protection. PURCHASER further agrees to distribute to its customers in its service area water quality protection educational materials that LCRA provides to PURCHASER.

B. SEWAGE REGULATIONS.

PURCHASER agrees to obtain, or cause to be obtained, all approvals required by all applicable local, state or federal agencies for any sanitary sewage system or systems that collect sewage derived from water diverted herein or any sanitary sewage system whose effluent is discharged within the boundaries of LCRA's statutory district. Failure of PURCHASER to meet any standards imposed by such agencies for sanitary sewage systems, including on-site systems, shall subject PURCHASER under this Contract to all remedies allowed by law including, without limitation, termination or suspension of this Contract by LCRA. PURCHASER further agrees that if a sewage treatment plant is located within the Service Area, LCRA shall have reasonable access to such plant for the purpose of taking samples of sewage effluent from such plant for testing by LCRA to determine whether PURCHASER is in compliance with regulatory standards imposed by such agencies.

C. DOCUMENTATION OF COMPLIANCE; RIGHT OF ENTRY.

1. In addition to notices required by Section I.Q of this Contract, PURCHASER shall provide LCRA copies of any approvals that PURCHASER has received from federal, state, or local agencies that relate to water reserved or purchased pursuant to PURCHASER's Contract or to facilities intended to impound, divert, transport, or use water provided under PURCHASER's Contract within a reasonable amount of time, not to exceed fifteen (15) business days, following a written request by LCRA staff.
2. PURCHASER agrees that LCRA employees and agents shall be entitled to enter any property where facilities impound or deliver water to the service area of PURCHASER at any reasonable time following a reasonable attempt at prior notification for the purpose of inspecting and investigating conditions relating to the quality of water; the compliance by PURCHASER with any rule, regulation, permit or other order of the state, its agencies, local regulatory authorities or LCRA; compliance by PURCHASER with the requirements of this Contract; or, inspection of any of PURCHASER's facilities related to the use, diversion or impoundment of water under this Contract. LCRA employees or agents acting under this Contract who enter PURCHASER's property shall observe rules and regulations concerning safety, internal security, and fire protection, and shall notify any occupant or management of their presence and shall exhibit proper credentials.

D. ANNUAL REPORTS OF DUE DILIGENCE; AS-BUILT PLANS.

1. PURCHASER shall report to LCRA, on a yearly basis, progress made toward obtaining any and all necessary authorizations (e.g. TCEQ permits, Army Corps of Engineers permits, etc.) as well as progress towards commencing and completing construction of facilities which will be used to divert, impound, and/or convey water under PURCHASER's Contract.
2. PURCHASER shall provide to LCRA "as-built" drawings and plans (including GPS coordinates of any intakes or impoundments) for facilities which will be used to divert, impound, and/or convey water under PURCHASER's Contract were actually built within thirty (30) days of completion of construction.

IV. GENERAL PROVISIONS

A. EFFECTIVE DATE.

"Effective Date" means the last date of execution of this Contract by the Parties; provided all of the Parties must execute this Contract for it to be effective.

B. PREVIOUS CONTRACT.

In the event of a previous contract between the Parties related to the Service Area of this Contract prior to the Effective Date, this Contract replaces such prior contract unless specified otherwise hereunder.

C. INDEMNIFICATION.

PURCHASER will indemnify and hold LCRA harmless from any and all claims and demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from any and all actions and activities (or failure to act) of PURCHASER under this Contract except to the extent caused by LCRA's gross negligence or willful misconduct. PURCHASER's pumping and related facilities shall be installed, operated and maintained by PURCHASER at PURCHASER's sole risk. Nothing in this Contract shall be construed as authorizing PURCHASER, or recognizing that PURCHASER has any right, to install any equipment or improvements on property owned by LCRA or third parties.

LCRA will hold PURCHASER harmless from any and all claims or demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from or in any way connected with any and all actions and activities (or failure to act) of LCRA under this Contract.

D. FORCE MAJEURE.

The term "Force Majeure" as used herein, shall mean those situations or conditions that are beyond the control of LCRA or PURCHASER and that, after the exercise of due diligence to remedy such situation or condition, render LCRA or PURCHASER unable, wholly or in part, to carry out the covenants contained herein. Such force majeure includes, but is not limited to acts of God, strikes, lockouts, acts of the public enemy, orders of any kind of the government or agencies of the United States or of the State of Texas, excluding LCRA, or any civil or military authority, insurrections, riots epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, civil disturbances, explosions, breakage or accidents to machinery, pipelines, canals, or dams, partial or entire failure of water supply insofar as each of the foregoing are beyond the reasonable control of the party in question. LCRA shall not be held liable or responsible for any damage that may be caused by its inability, after the exercise of due diligence, to make the supply of water available to PURCHASER due to any force majeure. LCRA shall use reasonable and timely diligence to repair or recondition LCRA's machinery, canals, or dams in the event such machinery, canals or dams are damaged or made unserviceable from any force majeure.

E. NO THIRD-PARTY BENEFICIARY.

The Parties hereto are entering into this Contract solely for the benefit of themselves and agree that nothing herein shall be construed to confer any right, privilege or benefit on any person or entity other than the Parties hereto.

F. NO RIGHTS OR TITLE ACQUIRED.

PURCHASER agrees and acknowledges that it acquires by this Contract no rights or title to the water that is the subject of this Contract other than those rights explicitly set forth herein.

G. REPRESENTATIONS AND WARRANTIES.

Each of LCRA and PURCHASER represents and warrants to the other that this Contract has been duly executed by an authorized officer and constitutes a valid and binding Contract, enforceable against it in accordance with its terms (except as such enforceability may be limited by bankruptcy laws or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles).

H. DISPUTE RESOLUTION.

1. Settlement by Mutual Agreement.

In the event any dispute, controversy or claim between or among the Parties arises under this Contract or is connected with or related in any way to this Contract or any right, duty or obligation arising hereunder or the relationship of the Parties hereunder (a "Dispute or Controversy"), including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation, or enforcement of this Contract, the Parties shall first attempt in good faith to settle and resolve such Dispute or Controversy by mutual agreement in accordance with the terms of this subsection (1). In the event a Dispute or Controversy arises, any party shall have the right to notify the other party to such Dispute or Controversy that it has elected to implement the procedures set forth in this subsection (1). Within thirty (30) days after delivery of any such notice by one party to the other regarding a Dispute or Controversy, the designated representatives of the Parties shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should a mutual resolution and settlement not be obtained at the meeting of the Parties' designated representatives for such purpose or should no such meeting take place within such thirty (30) day period, then any party may by notice to the other party, as the case may be, refer the Dispute or Controversy to senior management of the Parties for resolution. Within thirty (30) days after delivery of any such notice by one party to the other referring such Dispute or Controversy to senior management of the Parties for resolution, representatives of senior management of each of the Parties shall meet at a mutually agreed upon time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should mutual resolution and settlement not be obtained at the meeting of representatives of senior management of each of the Parties for such purposes or should no such meeting take place within such thirty (30) day period (unless extended by mutual agreement), then any party may by notice to the other party, as the case may be, submit the Dispute or Controversy to binding arbitration in accordance with the provisions of subsection (2) and Exhibit H. Upon the receipt of notice of referral to arbitration hereunder, and except as otherwise expressly provided by this Contract, the Parties shall be compelled to arbitrate the Dispute or Controversy in accordance with the terms of this Section IV.H and Exhibit H without regard to the justiciable character or executory nature of such Dispute or Controversy.

2. Arbitration.

Except as otherwise expressly provided by this Contract, each party hereby agrees that any Dispute or Controversy that is not resolved pursuant to the provisions of subsection (1) may be submitted to binding arbitration hereunder and, if submitted timely according to this Contract, shall be resolved exclusively and finally through such binding arbitration. Except as otherwise expressly provided by this Contract, this Section IV.H and Exhibit H constitute a written agreement by the Parties to submit to arbitration any Dispute or Controversy arising under or in connection with this Contract within the meaning of Section 171.001 of the Texas Civil Practice and Remedies Code.

3. Emergency Relief.

Notwithstanding the Parties' agreement to arbitrate Dispute and Controversies, either party may seek injunctive relief or other form of emergency relief at any time from any state court of competent jurisdiction in Austin, Texas, the federal court for such district, or any state or federal regulatory agency of competent jurisdiction.

4. Survival.

The provisions of this Section IV.H shall survive expiration or earlier termination of this Contract.

I. ACTUAL DAMAGES.

NEITHER PARTY SHALL BE LIABLE OR HAVE ANY RESPONSIBILITY TO THE OTHER FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR DELAY-RELATED OR PERFORMANCE-RELATED DAMAGES INCLUDING, WITHOUT LIMITATION, LOST EARNINGS OR PROFITS. SUCH LIMITATION ON LIABILITY SHALL APPLY TO ANY CLAIM OR ACTION, WHETHER IT IS BASED IN WHOLE OR IN PART ON CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, STATUTE OR ANY OTHER THEORY OF LIABILITY. THE PROVISIONS OF THIS SECTION IV.I SHALL HAVE NO EFFECT ON THE PARTY'S INDEMNITY OBLIGATIONS UNDER SECTION IV.C.

J. AMENDMENT.

This Contract may not be modified or amended except by an instrument in writing signed by authorized representatives of the Parties.

K. BINDING EFFECT.

The terms of this Contract shall be binding upon, and inure to the benefit of, the Parties and their permitted successors and assigns.

L. COMPLETE CONTRACT.

This Contract, together with all Exhibits attached hereto, constitutes the entire agreement of the Parties relating to the subject matter of this Contract and supersedes all prior contracts, agreements or understandings with respect to the subject matter hereof, both oral or written.

Each party agrees that the other party (and its agents and representatives) has not made, and has not relied upon, any representation, warranty, covenant or agreement relating to the transactions contemplated hereunder other than those expressly set forth herein.

M. COUNTERPARTS.

This Contract may be executed by the Parties in any number of separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same agreement. All signatures need not be on the same counterpart.

N. FURTHER ASSURANCES.

Each party agrees to do all acts and things and to execute and deliver such further written instruments, as may be from time to time reasonably required to carry out the terms and provisions of this Contract.

O. GOVERNING LAW.

This Contract and the rights and duties of the Parties arising out of this Contract shall be governed by, and construed in accordance with, the laws of the State of Texas, without reference to the conflict of laws rules thereof.

P. HEADINGS; TABLE OF CONTENTS.

The headings of the Articles and Sections of this Contract and the Table of Contents are included for convenience only and shall not be deemed to constitute a part of this Contract.

Q. INCORPORATION OF WATER CONTRACT RULES.

PURCHASER acknowledges receipt of LCRA's Water Contract Rules ("Rules"), and further acknowledges that, unless expressly stated otherwise in this Contract, such Rules, as may be amended by LCRA's Board of Directors from time to time, are incorporated herein by reference in their entirety and made a part hereof for all purposes.

R. INTERPRETATION AND RELIANCE.

No presumption will apply in favor of any party in the interpretation of this Contract or in the resolution of any ambiguity of any provisions thereof.

S. RELATIONSHIP OF PARTIES.

This Contract and the transactions contemplated hereunder are based upon the active participation of all Parties.

Neither the execution nor delivery of this Contract, nor the consummation of the transactions contemplated hereunder, shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement between the Parties, except for the contractual arrangements specifically set forth in this Contract. Except as is expressly agreed to in writing in this Contract, no party (or any of its agents, officers or employees) shall be an agent or employee of the other party, nor shall a party (or any of its agents, officers or employees) have any power to assume or create any obligation on behalf of the other party. Nothing contained in this Contract shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement among LCRA on the one hand and the PURCHASER on the other hand, except for the contractual arrangements specifically set forth herein.

T. SEVERABILITY.

In the event that any provision of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, the Parties shall negotiate an equitable adjustment to the provisions of this Contract with the view to effecting, to the extent possible, the original purpose and intent of this Contract, and the validity and enforceability of the remaining provisions shall not be affected thereby.

U. NO ADDITIONAL WAIVER IMPLIED.

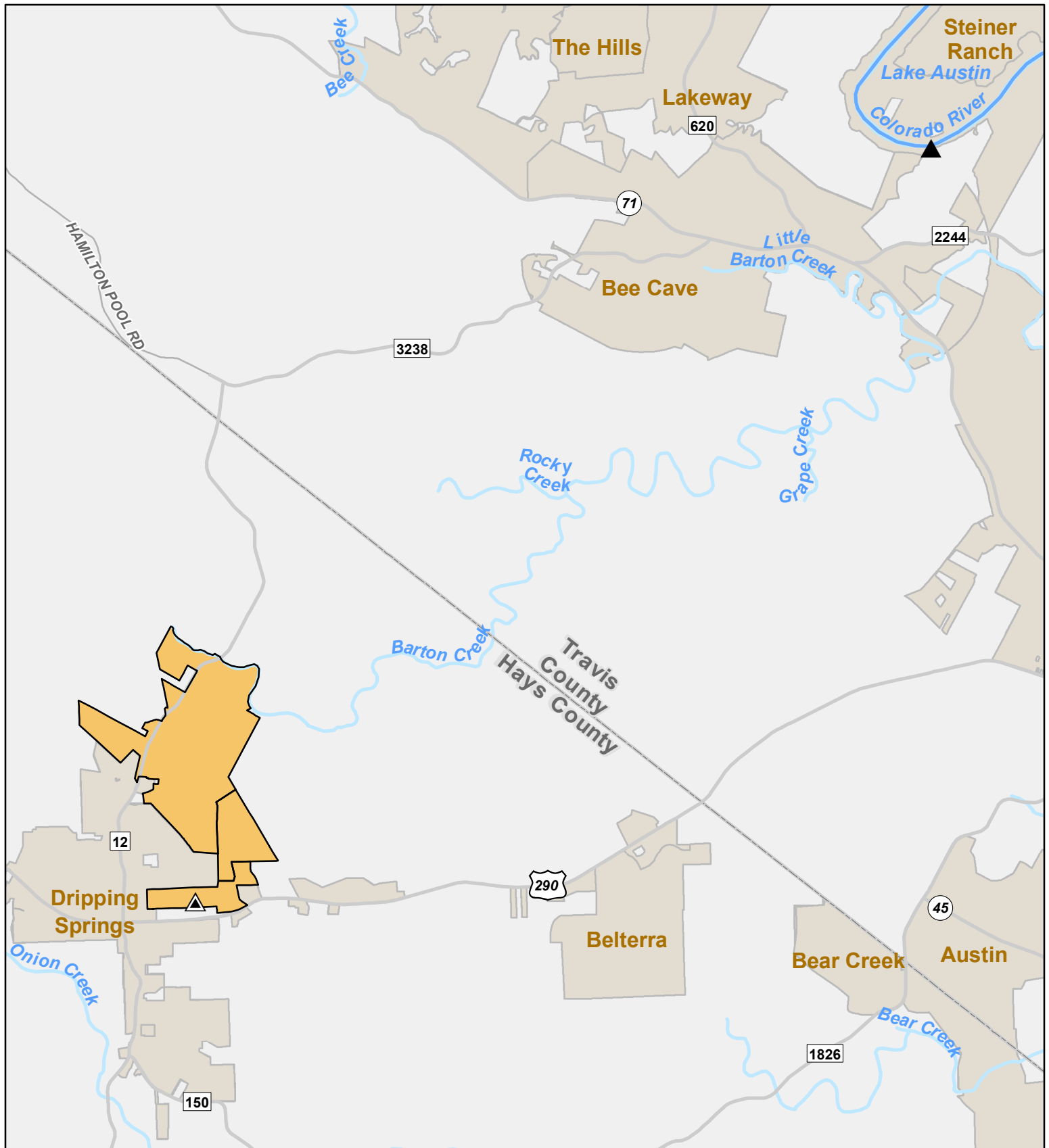
No waiver or waivers of any breach or default (or any breaches or defaults) of any term, covenant, condition or liability under this Contract, or of performance by the other party of any duty or obligation under this Contract, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstances.

V. SHORT TERM SALES OF FIRM WATER TO THIRD PARTIES.

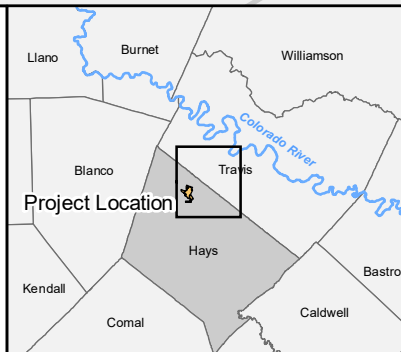
In accordance with LCRA Board Policy 501, Water Resources Management, LCRA and PURCHASER agree that LCRA may market and re-sell any portion of PURCHASER's Reserved Water to third parties on a limited term basis for a management fee and under terms mutually acceptable to LCRA and PURCHASER and in accordance with LCRA Board Policies.

Exhibit B

Description of Point(s) of Availability



- ▲ Proposed Interconnect
- ▲ WTCPUA Diversion Point
- Service Area



City of Dripping Springs
Cannon Ranch
Wildridge
Anarene

Water Contract
 Project Location

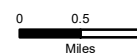
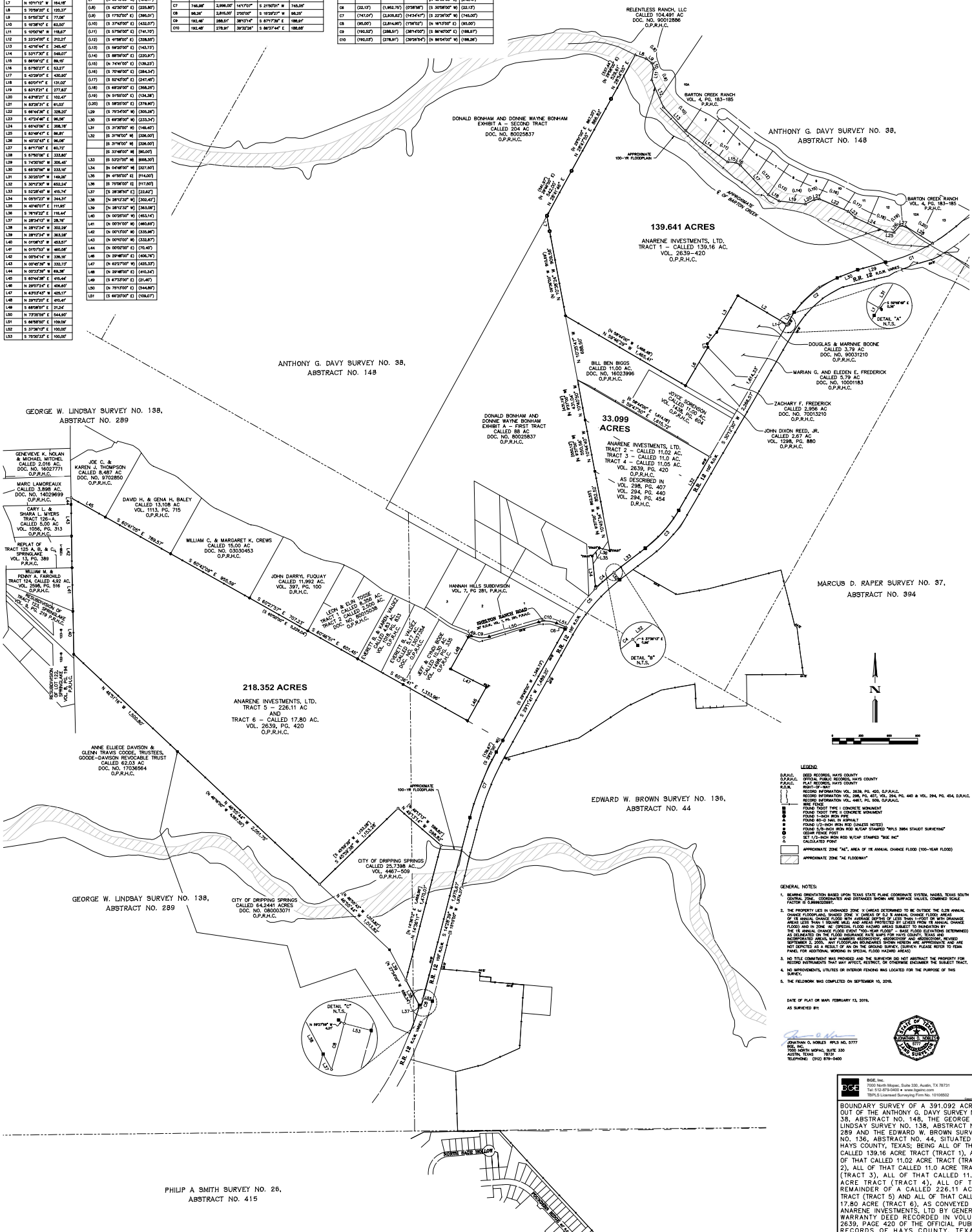


Exhibit C


Description of Service Area

ANARENE

RECORD CURVE TABLE						
NUMBER	ARC LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE	
C1	(3356.87)	(14293.86)	(24°30'58")	(S 69°10'00" E)	(3283.87)	
C2	(364.72)	(1,355.48)	(28°14'00")	(S 92°30'00" E)	(979.48)	
				(S 33°48'00" E)	(358.70)	
				(S 38°12'00" E)	(399.20)	
				(S 42°45'00" E)	(501.30)	
				(S 49°00'00" E)	(612.10)	
C8	(22.13)	(1,952.79)	(9°38'58")	(S 30°08'00" W)	(22.13)	
C7	(747.05)	(2,635.62)	(1°43'47")	(S 22°36'00" W)	(745.00)	
C8	(95.05)	(2,814.90)	(1°16'02")	(S 16°37'00" E)	(95.00)	
C9	(192.52)	(288.51)	(38°14'00")	(S 86°40'00" E)	(188.07)	
C10	(192.03)	(278.91)	(38°28'14")	(S 86°50'00" W)	(188.28)	

[illegible]

DATE OF PLAT OR MAP: FEBRUARY 13, 2011
AS SURVEYED BY:


JONATHAN O. NOBLES RPLS NO. 5777
BOE, INC.
7000 NORTH MOPAC, SUITE 330
AUSTIN, TEXAS 78731
TELEPHONE: (512) 879-0400



BGE, Inc.
7000 North Mopac, Suite 330, Austin, TX 78731
Tel: 512-879-0400 • www.bgeinc.com
TREN 8-1 Licensed Subcontract Firm No. 10106600

BOUNDARY SURVEY OF A 391.092 ACRES OUT OF THE ANTHONY G. DAVIS SURVEY NO. 38, ABSTRACT NO. 148, THE GEORGE W. LINDSAY SURVEY NO. 138, ABSTRACT NO. 289 AND THE EDWARD W. BROWN SURVEY NO. 138, ABSTRACT NO. 289, HAYS COUNTY, TEXAS; BEING ALL OF THAT CALLED 139.6 ACRES TRACT (TRACT 1), ALL OF THAT CALLED 11.02 ACRE TRACT (TRACT 2), ALL OF THAT CALLED 11.0 ACRES TRACT (TRACT 3), ALL OF THAT CALLED 11.05 ACRES TRACT (TRACT 4), ALL OF THE REMAINDER OF A CALLED 226.11 ACRES TRACT (TRACT 5) AND ALL OF THAT CALLED 17.80 ACRES (TRACT 6), AS CONVEYED TO THE STATE OF TEXAS BY DEED NO. 1688, WARRANTY DEED RECORDED IN VOLUME 2639, PAGE 420 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS.

PARTY CREDIT:	U2, JLN	ISSUE:	UW10	DATE:	02/12/2018	SHEET	1
TECHNICIAN:	MC, M.M	SCALE:	1" = 300'			OF	1
R.P.L.S.:	J.N.	JOB NUMBER:	2855-00				
BASE FILE:	G:\100 Projects\Survey Projects\2855-00\34 Final Worksheet\2855-00_34\34.dwg As REV 001.dwg						

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CANNON

EXHIBIT "A"



7401B Highway 71 West, Suite 160
Austin, TX 78735
Office: 512.583.2600
Fax: 512.583.2601

Doucetengineers.com

Cannon Ranch
Hays County, Texas

D&A Job No. 1298-003
June 25, 2021

BEING A 100.58 ACRE TRACT OF LAND OUT OF THE PHILIP A. SMITH SURVEY NUMBER 26, ABSTRACT NUMBER 415, AND THE C.H. MALOTT SURVEY, ABSTRACT NUMBER 693, HAYS COUNTY, TEXAS, SAID TRACT BEING OUT OF THAT CALLED 209.697 ACRE TRACT CONVEYED IN A DEED TO CANNON FAMILY, LTD., AS RECORDED IN VOLUME 1619, PAGE 313 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS [O.P.R.H.C.T.], ALSO BEING OUT OF A CALLED 58.000 ACRE TRACT DESCRIBED IN A DEED TO ORYX CANNON 58 LLC., RECORDED IN DOCUMENT NUMBER 20023358 [O.P.R.H.C.T.], SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with cap stamped "DOUCET" on the north line of the said 209.697 acre tract, same being the southwest corner of a called 200.4 acre tract, recorded in Document Number 18036374 [O.P.R.H.C.T.], being further described as a called 200 acre tract, recorded in Volume 171, Page 279, of the Deed Records of Hays County, Texas [D.R.H.C.T.], and same being at the southeast corner of a called 1.978 acre tract, recorded in Volume 1714, Page 289 [O.P.R.H.C.T.];

THENCE with a common line between the said 209.697-acre tract and the said 200.4-acre tract, the following two (2) courses and distances:

- 1) N88°34'55"E, a distance of 3,774.04 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an interior ell corner of the said 209.697 acre tract, same being at the southeast corner of said 200 acre tract, and
- 2) N00°50'48"W, a distance of 365.62 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at the northern northwest corner of said 209.697 acre tract, same being in the south line of a called 13.585 acre tract, recorded in Document Number 20027264 [O.P.R.H.C.T.], and b;

THENCE N89°00'33"E, with the north line of said 209.697 acre tract, and also being the south line of the said 13.585-acre tract, and with the south line of a called 291-1/3 acre tract described in Volume 258, Page 123 [D.R.H.C.T.], a distance of 424.27 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at the northeast corner of the tract described herein;

CONTINUED ON NEXT PAGE

THENCE over and across the said 209.697-acre tract, the following twenty-one (21) courses and distances:

COMMITMENT YOU EXPECT.
EXPERIENCE YOU NEED.
PEOPLE YOU TRUST.

CODS/LCRA0013



- 1) S01°05'40"E, a distance of 69.82 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 2) S10°05'59"W, a distance of 106.90 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 3) S22°51'12"W, a distance of 151.89 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 4) S42°50'39"W, a distance of 368.76 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 5) S56°32'56"W, a distance of 68.53 feet to a 1/2-inch iron rod with cap stamped "DOUCET" set found at an angle point,
- 6) S31°27'14"W, a distance of 77.76 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 7) S41°42'08"W, a distance of 288.31 feet to a Mag Nail with "DOUCET" found at an angle point,
- 8) S33°10'59"W, a distance of 82.38 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 9) S22°35'14"W, a distance of 106.02 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point,
- 10) S02°33'22"W, a distance of 379.88 feet passing a 1/2-inch iron rod with cap stamped "DOUCET" found on the north line of the said 58.000-acre tract, from which a spindle found at the northeast corner of the said 58.000-acre tract bears S68°04'00"E, a distance of 78.35 feet, and continuing over and across said 58.000-acre tract a total distance of 435.19 feet to a calculated point of curvature and for the southeast corner of the tract described herein and being within the said 58.000-acre tract,

THENCE continuing over and across said 58.000-acre tract the following eight (8) courses and distances:

- 1) With a curve to the right, having an arc length of 228.89 feet, a radius of 515.00 feet, a delta angle of 25°27'54", and a chord which bears N77°34'10"W, a distance of 227.01 feet to a calculated point of tangency,

CONTINUED ON THE NEXT PAGE



- 2) N64°50'13"W, a distance of 277.81 feet to calculated point of curvature,
- 3) With a curve to the left, having an arc length of 784.34 feet, a radius of 960.00 feet, a delta angle of 46°48'43", and a chord which bears N88°14'34"W, a distance of 762.71 feet to a calculated point of tangency,
- 4) S68°21'05"W, a distance of 330.60 feet to a calculated point of curvature,
- 5) With a curve to the right, having an arc length of 322.95 feet, a radius of 640.00 feet, a delta angle of 28°54'42", and a chord which bears S82°48'26"W, a distance of 319.53 feet to a calculated point of tangency,
- 6) N82°44'13"W, a distance of 352.20 feet for a calculated point of curvature,
- 7) With a curve to the left, having an arc length of 345.54 feet, a radius of 910.00 feet, a delta angle of 21°45'21", and a chord which bears S86°23'06"W, a distance of 343.47 feet to a calculated point,
- 8) S75°30'26"W, a distance of 81.96 feet to a calculated point on the east line of said 58.000-acre tract, same being a line common to the said 209.697-acre tract and the said 58.000-acre tract, from which a spindle found for the northwest corner of the said 58.000-acre tract bears N06°07'42"E, a distance of 52.15 feet,

THENCE S06°06'37"W with the common line of the said 58.000-acre tract and the said 209.697-acre tract, a distance of 33.36 feet to a calculated point of curvature,

THENCE over and across the said 209.697-acre tract, with a curve to the left, having an arc length of 29.31 feet, a radius of 25.00 feet, a delta angle of 67°10'08", and a chord which bears S23°55'04"W, a distance of 27.66 feet to a calculated point of reverse curvature within the said 209.697-acre tract,

THENCE over and across the said 209.697-acre tract, with a curve to the right, having an arc length of 33.59 feet, passing a calculated point at the line common to the said 209.697-acre tract and the said 58.000-acre tract, departing said common line and continuing over and across said 58.000-acre tract, a total arc length of 263.58 feet, a radius of 807.00 feet, a delta angle of 18°42'48", and a chord which bears S00°18'36"E, a distance of 262.41 feet to a calculated point within said 58.000-acre tract,

THENCE S09°02'49"W, a distance of 24.83 feet passing a calculated point on the line common to the said 58.000-acre tract and the said 209.697-acre tract, a total distance of 212.01 feet to a calculated point of curvature within the said 209.697-acre tract,

CONTINUED ON THE NEXT PAGE



THENCE continuing over and across the said 209.697-acre tract, with a curve to the left, having an arc length of 171.69 feet, a radius of 746.64 feet, a delta angle of $13^{\circ}10'32''$, and a chord which bears $S04^{\circ}35'52''W$, a distance of 171.32 feet calculated point of tangency,

THENCE $S02^{\circ}11'31''E$, continuing across the said 209.697-acre tract, a distance of 260.58 feet to a mag nail with shiner stamped "EECL RPLS" found at the southwest corner of the said 58.000-acre tract, and on the existing north Right-of-Way line of U.S. Highway 290 (Variable Width Right-of-Way, Deed of Record not found),

THENCE $S87^{\circ}48'29''W$ with the existing north Right-of-Way line of the said Highway 290, a distance of 114.00 feet to a calculated point on the south line of the said 209.697-acre tract,

THENCE over and across the said 209.697-acre tract the following seven (7) courses and distances:

- 1) $N01^{\circ}11'31''W$, a distance of 260.58 feet to a calculated point for a point of curvature,
- 2) With a curve to the right, having an arc length of 194.05 feet, a radius of 856.12 feet, a delta angle of $12^{\circ}59'13''$, and a chord which bears $N04^{\circ}27'47''E$, a distance of 193.64 feet to a calculated point of tangency,
- 3) $N09^{\circ}02'49''E$, a distance of 212.01 feet to a calculated point of curvature,
- 4) With a curve to the left, having an arc length of 284.72 feet, a radius of 693.00 feet, a delta angle of $23^{\circ}32'23''$, and a chord which bears $N02^{\circ}43'23''E$, a distance of 282.72 feet to a calculated point of a compound curve,
- 5) With a curve to the left, having an arc length of 245.55 feet, a radius of 693.00 feet, a delta angle of $20^{\circ}18'06''$, and a chord which bears $N24^{\circ}38'37''W$, a distance of 244.27 feet to a calculated point of non-tangency,
- 6) $S70^{\circ}59'50''W$, a distance of 295.38 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle point, and
- 7) $S89^{\circ}21'11''W$, a distance of 715.61 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found on the west line of said 209.697 acre tract, same point being on the east line of a called 4.078 acre tract, described as Tract 2, conveyed to City of Dripping Springs, recorded in Volume 5200, Page 886 [O.P.R.H.C.T.], and for an angle point of the tract described herein;

THENCE with the common line of the said 209.697-acre tract and the said 4.078-acre tract, the following four (4) courses and distances:

- 1) $N00^{\circ}51'53''W$, a distance of 161.19 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle corner,

CONTINUED ON THE NEXT PAGE



- 2) S88°22'44"W, a distance of 299.63 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle corner,
- 3) N00°50'55"W, a distance of 517.61 feet to a 1/2-inch iron rod with cap stamped "CAPITOL", found at a point of curvature, and
- 4) With a curve to the left, having an arc length of 210.34 feet, a radius of 355.63 feet, a delta angle of 33°53'17" and a chord which bears N17°49'24"W, a distance of 207.29 feet to a 1/2-inch iron rod with cap stamped "DOUCET", found at the northwest corner of said 209.697 acre tract, same being in the south line of a called 11.61 acre tract, recorded in Volume 733, Page 101 of the Real Property Records of Hays County, Texas [R.P.R.H.C.T.], and for the northwest corner of the tract described herein;

THENCE with the lines common to said 209.697 acre tract and said 11.61 acre tract, the following three (3) courses and distances:

- 1) N84°18'45"E, a distance of 142.18 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle corner,
- 2) N79°26'34"E, a distance of 100.24 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle corner and
- 3) N88°45'18"E, a distance of 33.52 feet to a 1/2-inch iron rod with cap stamped "DOUCET" found at an angle corner of the tract described herein and at the southwest corner of said 1.978 acre tract;

THENCE with the common line of said 209.697 acre tract and said 1.978 acre tract, the following two (2) courses and distances:

- 1) N87°41'40"E, a distance of 226.58 feet to a 1/2-inch iron rod with cap stamped "DOUCET" set for an angle point of the tract described herein, and

CONTINUED ON THE NEXT PAGE



- 2) N89°32'34"E, a distance of 270.93 feet to the **POINT OF BEGINNING** of the tract described herein, and containing 100.58 Acres.

Basis of bearings is the Texas Coordinate System, South Central Zone [4204], NAD83 (2011), Epoch 2010. All distances are surface values and may be converted to grid by using the surface adjustment factor of 1.000077936. Units: U.S. Survey Feet.

This survey was performed without the benefit of a title commitment. Easements or other matters of record may exist where none are shown.

I, John Barnard, Registered Professional Land Surveyor, hereby certify that this property description and accompanying plat of even date represent an actual survey performed on the ground under my supervision.

A handwritten signature in black ink, appearing to read 'John Barnard', is written over a horizontal line.

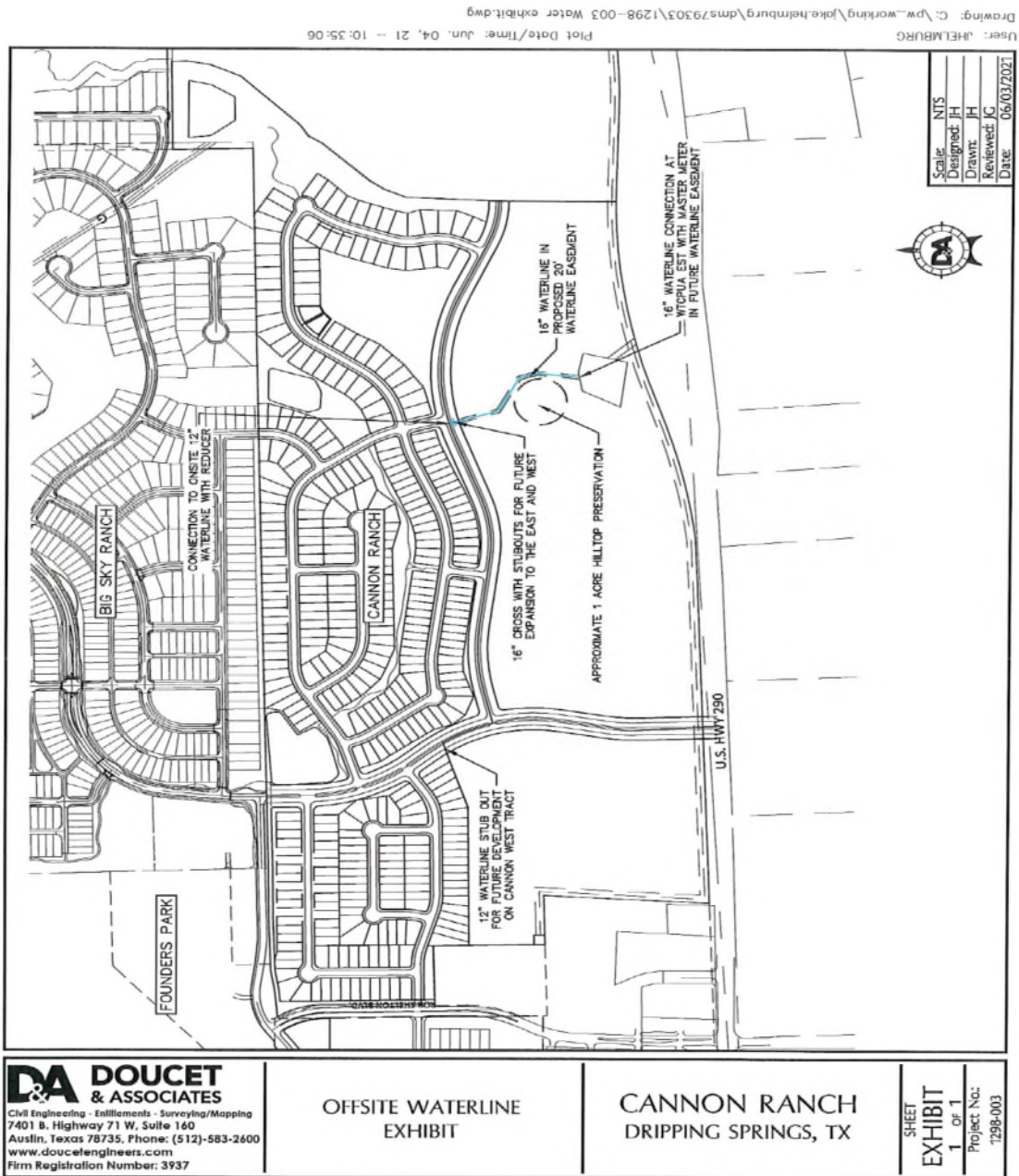
06/25/2021

John Barnard
Registered Professional Land Surveyor
Texas Registration No. 5749
Doucet & Associates
JBarnard@DoucetEngineers.com
TBPELS Firm Registration No. 10105800

Date



Exhibit B Point of Delivery



CYNOSURE



Exhibit "A"

7401B Highway 71 West, Suite 160
Austin, TX 78735
Office: 512.583.2600
Fax: 512.583.2601

Doucetengineers.com

Cynosure
Hays County, Texas

D&A Job No. 1691-004
August 18, 2020

METES & BOUNDS DESCRIPTION

BEING A 283.42 ACRE TRACT OF LAND OUT OF THE I.V. DAVIS, JR. PREEMPTION SURVEY, ABSTRACT NUMBER 673, AND THE EDWARD W. BROWN SURVEY NUMBER 136, ABSTRACT NUMBER 44, HAYS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 291-1/3 ACRE TRACT, DESCRIBED TO CYNOSURE CORPORATION, AS RECORDED IN VOLUME 258, PAGE 123 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS [D.R.H.C.T.], SAID 291-1/3 ACRE TRACT BEING OUT OF A CALLED 599 ACRE TRACT DESCRIBED IN VOLUME 106, PAGE 31 [D.R.H.C.T.]; SAID 283.42 ACRETRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON PIPE IN THE REMAINS OF A ROCK MOUND, FOUND FOR THE NORTHEAST CORNER OF THE PHILIP A. SMITH SURVEY, NUMBER 26, ABSTRACT NUMBER 415, AND A CALLED 206.2 ACRE TRACT, DESCRIBED IN VOLUME 2639, PAGE 403 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS [O.P.R.H.C.T.], SAME BEING AN INTERNAL CORNER OF SAID ABSTRACT NUMBER 44, SAME BEING THE SOUTH CORNER OF A CALLED 29.78 ACRE TRACT DESCRIBED IN VOLUME 2486, PAGE 541 [O.P.R.H.C.T.], AND SAME BEING THE NORTHWEST CORNER OF SAID 291-1/3 ACRE TRACT;

THENCE N60°08'25"E, WITH THE SOUTHEAST LINE OF SAID 29.78 ACRE TRACT, A DISTANCE OF 1,550.74 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST CORNER OF SAID 29.78 ACRE TRACT, SAME BEING ON THE SOUTHWEST LINE OF THE REMAINDER OF A CALLED 1,364.31 ACRE TRACT RECORDED IN DOCUMENT NUMBER 04015659 [O.P.R.H.C.T.], AND BEING THE NORTH CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S30°08'26"E, WITH THE SOUTHWEST LINE OF SAID REMAINDER TRACT AND THE SOUTHWEST LINE OF A CALLED 1,034.73 ACRE TRACT, DESCRIBED IN VOLUME 4832, PAGE 118 [O.P.R.H.C.T.], PASSING AT A DISTANCE OF 1,756.96 FEET A 1/2-INCH IRON ROD WITH A "DELTA" CAP FOUND AT THE SOUTH CORNER OF SAID REMAINDER TRACT, SAME BEING THE WEST CORNER OF SAID 1,034.73 ACRE TRACT, AND CONTINUING IN TOTAL 2,168.63 FEET TO A STONE MOUND WITH 60D NAIL FOUND FOR THE COMMON CORNERS OF SAID ABSTRACT NUMBER 44, THE W.R. WOOD SURVEY, ABSTRACT NUMBER 567, AND THE J.F. GILBERT SURVEY, ABSTRACT NUMBER 811, ALL IN HAYS COUNTY, TEXAS;

THENCE CONTINUING S30°08'26"E, WITH THE SOUTHEAST LINE OF SAID 599 ACRE TRACT, THE SOUTHWEST LINE OF SAID 1,034.73 ACRE TRACT, SAME BEING THE SOUTHWEST LINE OF SAID ABSTRACT NUMBER 811 AND THE SOUTHWEST LINE OF THE LEVI LEWIS SURVEY NUMBER 154, ABSTRACT NUMBER 639, HAYS COUNTY, TEXAS, PASSING AT A DISTANCE OF 1,854.96 FEET A 1/2-INCH IRON ROD WITH A "DELTA" CAP FOUND FOR REFERENCE, PASSING AT A DISTANCE OF



1,925.27 FEET A 1/2-INCH IRON ROD WITH A "DELTA" CAP FOUND FOR REFERENCE, AND CONTINUING IN TOTAL 3,113.19 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET AT THE EAST CORNER OF SAID 291-1/3 ACRE TRACT, SAME BEING THE NORTHEAST CORNER OF A CALLED 135.92 ACRE TRACT, RECORDED IN VOLUME 3553, PAGE 378 [O.P.R.H.C.T.] AND BEING DESCRIBED AS "SHARE NUMBER ONE" IN VOLUME 198, PAGE 151 IN THE DEED RECORDS OF HAYS COUNTY, TEXAS [D.R.H.C.T.], FOR THE EAST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A STONE MOUND WITH A 60D NAIL FOUND ON THE NORTH LINE OF THE WILLIAM WALKER SURVEY NUMBER 130, ABSTRACT NUMBER 475, HAYS COUNTY, TEXAS, SAME BEING AT THE SOUTHEAST CORNER OF SAID ABSTRACT NUMBER 44, AND ALSO BEING AT THE SOUTHWEST CORNER OF SAID ABSTRACT NUMBER 639, BEARS S30°08'26"E, A DISTANCE OF 1,380.12 FEET;

THENCE S89°15'51"W, WITH A SOUTH LINE OF SAID 291-1/3 ACRE TRACT, SAME BEING THE NORTH LINE OF SAID 135.92 ACRE TRACT AND THE NORTH LINE OF A CALLED 277.23 ACRE TRACT, SHARE NUMBER TWO, DESCRIBED IN SAID VOLUME 198, PAGE 151 [D.R.H.C.T.], PASSING AT A DISTANCE OF 1,670.47 FEET A 1/2-INCH IRON PIPE FOUND FOR REFERENCE, AND CONTINUING IN TOTAL 3,043.33 FEET TO A 60D NAIL FOUND IN A 1/2-INCH IRON PIPE FOUND FOR AN INTERIOR ELL CORNER OF SAID 291-1/3 ACRE TRACT, SAME BEING THE NORTHWEST CORNER OF SAID 277.23 ACRE TRACT, FOR AN INTERIOR ELL CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE WITH AN EAST LINE OF SAID 599 ACRE TRACT, AND THE EAST LINE OF SAID 291-1/3 ACRE TRACT, AND AN OLD WIRE FENCE FOUND FOR THE WEST LINE OF A CALLED 100 ACRE TRACT DESCRIBED IN VOLUME 46, PAGE 53 [D.R.H.C.T.], SAME BEING A WEST LINE OF SAID SHARE NUMBER TWO, THE FOLLOWING SIX (6) COURSES AND DISTANCES:

1. S11°59'53"E, A DISTANCE OF 327.25 FEET TO A 1/2-INCH IRON PIPE FOUND FOR AN ANGLE POINT;
2. S14°46'26"E, A DISTANCE OF 324.06 FEET TO A FENCE POST FOUND FOR AN ANGLE POINT;
3. S20°28'59"E, A DISTANCE OF 204.36 FEET TO A FENCE POST FOUND FOR AN ANGLE POINT;
4. S09°17'53"W, A DISTANCE OF 327.10 FEET TO A FENCE POST FOUND FOR AN ANGLE POINT;
5. S21°13'11"W, A DISTANCE OF 64.75 FEET TO FENCE POST FOUND FOR AN ANGLE POINT;
6. S50°38'14"W, A DISTANCE OF 53.17 FEET TO A 1/2-INCH IRON PIPE FOUND FOR THE MOST SOUTHERLY SOUTHEAST CORNER OF SAID 291-1/3 ACRE TRACT, SAME BEING AN INTERIOR ELL CORNER OF SAID SHARE NUMBER TWO, ALSO BEING ON THE SOUTH LINE OF SAID ABSTRACT NUMBER 673, SAME BEING THE NORTH LINE OF THE C.H. MALOTT SURVEY, ABSTRACT NUMBER 693, HAYS COUNTY, TEXAS, FOR THE MOST SOUTHERLY SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;



THENCE S89°00'33"W, WITH THE MOST SOUTHERLY LINE OF SAID 291-1/3 ACRE TRACT, SAME BEING A NORTHERLY LINE OF SAID SHARE NUMBER TWO, ALSO BEING THE SOUTH LINE OF SAID ABSTRACT NUMBER 673, SAME BEING THE NORTH LINE OF SAID ABSTRACT NUMBER 693, PASSING AT A DISTANCE OF 446.98 FEET A 1/2-INCH IRON PIPE FOUND FOR REFERENCE, AND CONTINUING FOR A TOTAL DISTANCE OF 566.43 FEET TO A 1/2-INCH IRON ROD WITH A "DOUCET" CAP SET AT THE SOUTHEAST CORNER OF A PROPOSED 13.585 ACRE TRACT, FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE OVER AND ACROSS SAID ABSTRACT NUMBER 673 AND SAID 291-1/3 ACRE TRACT, PARALLEL TO AND OFFSET WEST FROM THE CENTERLINE OF A DRY CREEK BED, THE FOLLOWING TWENTY-SIX (26) COURSES AND DISTANCES:

1. N02°04'33"W, PASSING AT A DISTANCE OF 18.92 FEET A 1/2-INCH IRON PIPE FOUND FOR REFERENCE, AND CONTINUING FOR A TOTAL DISTANCE OF 94.44 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
2. N30°08'52"W, A DISTANCE OF 18.63 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
3. N04°12'41"E, A DISTANCE OF 29.46 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
4. N37°58'31"W, A DISTANCE OF 81.75 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
5. N03°03'30"E, A DISTANCE OF 77.47 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
6. N32°35'23"E, A DISTANCE OF 70.59 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
7. N45°11'02"W, A DISTANCE OF 97.26 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
8. N33°29'02"W, A DISTANCE OF 58.75 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
9. N21°39'42"E, A DISTANCE OF 31.90 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
10. N06°13'51"W, A DISTANCE OF 139.51 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
11. N00°23'49"E, A DISTANCE OF 75.11 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;



12. N17°52'08"W, A DISTANCE OF 67.64 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
13. N11°19'38"E, A DISTANCE OF 104.20 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
14. N17°34'19"W, A DISTANCE OF 110.33 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
15. N07°27'07"W, A DISTANCE OF 254.36 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
16. N05°34'05"E, A DISTANCE OF 96.36 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
17. N14°14'54"E, A DISTANCE OF 114.91 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
18. N10°23'00"W, A DISTANCE OF 154.36 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
19. N19°22'37"W, A DISTANCE OF 148.90 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
20. N17°43'46"W, A DISTANCE OF 120.76 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
21. N14°17'07"W, A DISTANCE OF 131.27 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
22. N03°58'38"E, A DISTANCE OF 43.46 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
23. N41°27'27"W, A DISTANCE OF 51.28 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
24. N35°39'02"W, A DISTANCE OF 159.05 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
25. N11°24'17"W, A DISTANCE OF 103.63 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET FOR AN ANGLE POINT;
26. N17°06'33"W, A DISTANCE OF 30.00 FEET TO A 1/2-INCH IRON ROD WITH "DOUCET" CAP SET ON THE EAST LINE OF SAID 206.2 ACRE TRACT, SAME BEING THE EAST LINE OF SAID



ABSTRACT NUMBER 415, ALSO BEING THE WEST LINE OF SAID ABSTRACT NUMBER 673 AND SAID 599 ACRE TRACT, AND ALSO BEING THE NORTH CORNER OF SAID PROPOSED 13.585 ACRE TRACT, FROM WHICH A 1-INCH IRON PIPE FOUND FOR THE NORTHEAST CORNER OF A CALLED 200 ACRE TRACT RECORDED IN VOLUME 171, PAGE 229 [D.R.H.C.T.], SAME BEING THE SOUTHEAST CORNER OF SAID 206.2 ACRE TRACT, ALSO BEING ON THE NORTH LINE OF A CALLED 200.4 ACRE TRACT, RECORDED IN DOCUMENT NUMBER 18036374 [O.P.R.H.C.T.], BEARS S00°50'48"E, A DISTANCE OF 485.11 FEET;

THENCE N00°50'48"W, WITH THE EAST LINE OF SAID ABSTRACT NUMBER 415 AND SAID 206.2 ACRE TRACT, SAME BEING THE WEST LINE OF SAID ABSTRACT NUMBER 673, SAID 291-1/3 ACRE TRACT, AND SAID 599 ACRE TRACT, PASSING AT A DISTANCE OF 1,566.62 FEET, A POINT FROM WHICH A STONE MOUND, FOUND FOR THE NORTHEAST CORNER OF SAID ABSTRACT NUMBER 673, BEARS N89°09'19"E, A DISTANCE OF 1,423.11 FEET, AND CONTINUING FOR A TOTAL DISTANCE OF 2,777.38 FEET, BACK TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT, CONTAINING 283.42 ACRES.

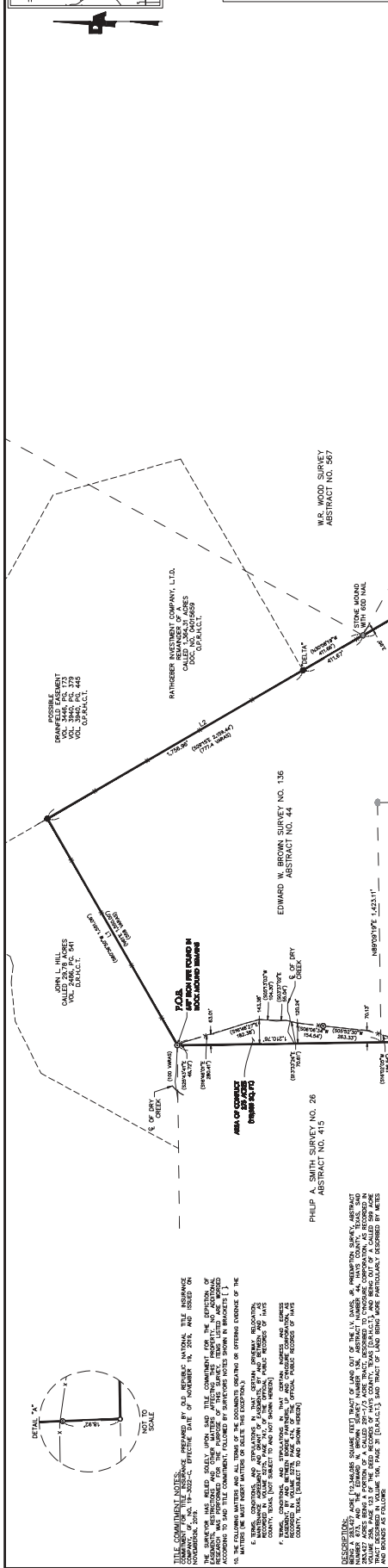
I, Garrett Cavauiolo, Registered Professional Land Surveyor, hereby certify that this property description represents an actual survey performed on the ground under my supervision.



Garrett Cavauiolo
Registered Professional Land Surveyor
Texas Registration No. 6714
Doucet & Associates
GCavauiolo@DoucetEngineers.com
TBPELS Firm Registration No. 10105800

8/18/2020
Date





LINE NUMBER			REMARKS	DISTANCE
LINE	1	2	3	4
1	2	3	4	5
6	7	8	9	10
11	12	13	14	15
16	17	18	19	20
21	22	23	24	25
26	27	28	29	30
31	32	33	34	35
36	37	38	39	40
41	42	43	44	45
46	47	48	49	50
51	52	53	54	55
56	57	58	59	60
61	62	63	64	65
66	67	68	69	70
71	72	73	74	75
76	77	78	79	80
81	82	83	84	85
86	87	88	89	90
91	92	93	94	95
96	97	98	99	100



The seal of the Garrett County Sheriff's Office is an octagonal emblem. It features a central five-pointed star. Around the star, the words "GARRETT COUNTY" are written in a circular path. Below the star, the year "1874" is inscribed. The outer border of the seal contains the text "SHERIFF'S OFFICE" at the top and "GARRETT COUNTY, MARYLAND" at the bottom.



CANNON FAMILY, LTD.
"SHARE NUMBER TWO"
CALLED 277.23 ACRES
VOL. 186, PG. 151
D.R.H.C.T.

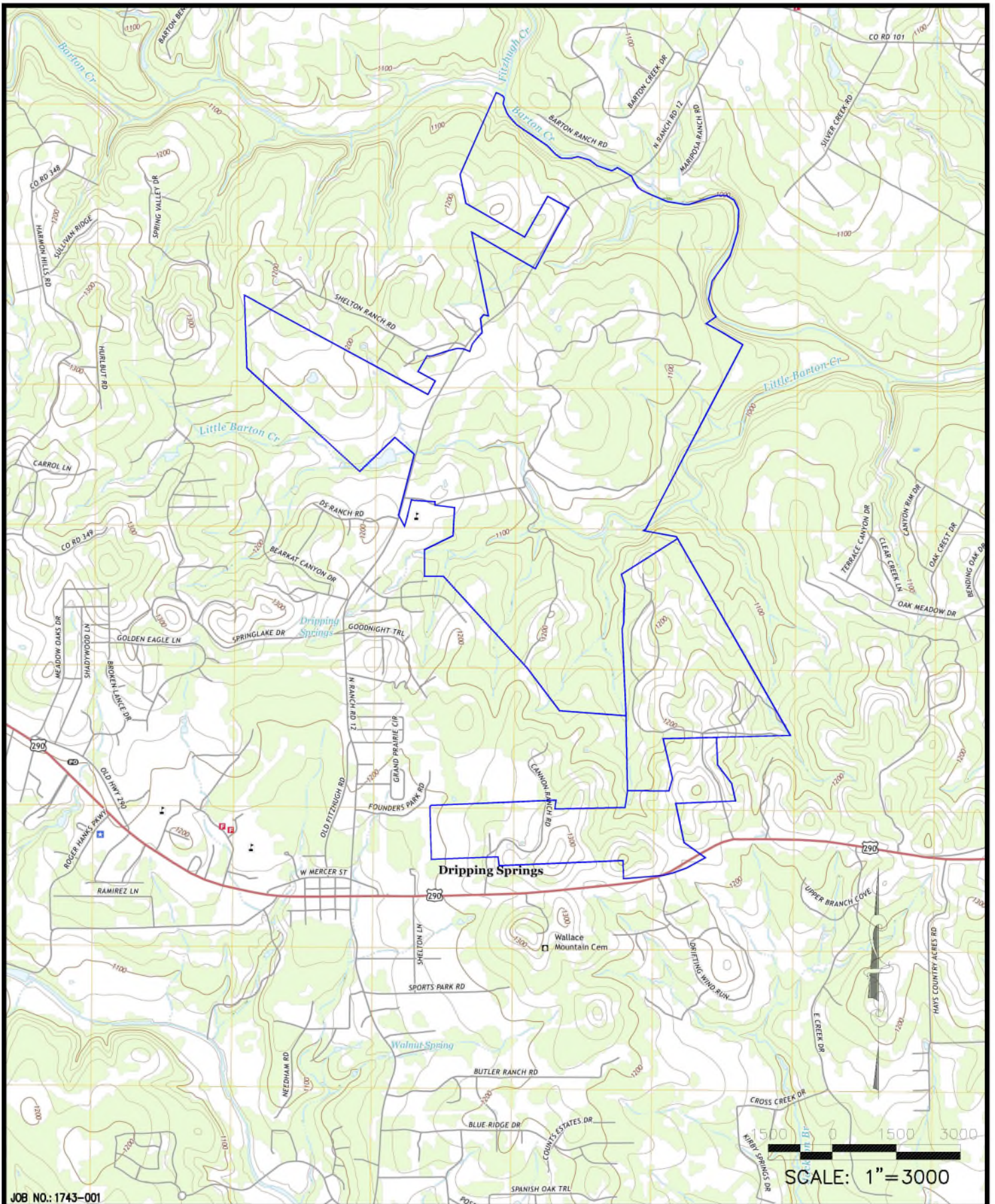
C.H. MALOTT SURVEY
ABSTRACT NO. 693

2-1/2" HIGH IRON ROD WITH "DOUGLIT" CAP SET ON THE EAST LINE OF SAO 2002 ACRE TRACT, BEING THE NORTH CORNER OF SAO 2002 ACRE TRACT, A POINT OF BEGINNING OF SAO ABSTRACT NUMBER 415, ALSO BEING THE WEST LINE OF SAO 2002 ACRE TRACT, PASSING AT A DISTANCE OF 1,966.82 FEET, A POINT OF BEGINNING OF SAO ABSTRACT NUMBER 413, BEING APPROXIMATELY A DISTANCE OF 2,777.58 FEET, BACK TO THE POINT OF BEGINNING OF THE HURON DESCRIBED AND CROSSED IN DOCUMENT NUMBER 160,343.4 (OP-P.A.C.T.1). BEARS 509°50'48"E.

CODES/LCRA0026

Exhibit D

Depiction of Service Area



JOB NO.: 1743-001

BURGESS & NIPLE, INC.
 235 LEDGE STONE DRIVE
 AUSTIN, TEXAS 78737
 (512) 432-1000 Fax: (512) 432-1015

SERVICE AREA MAP

**EXHIBIT
D**



U.S. DEPARTMENT OF THE INTERIOR
U.S. GEOLOGICAL SURVEY



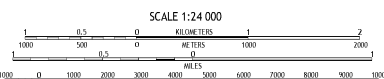
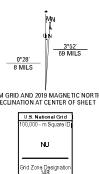
DRIPPING SPRINGS QUADRANGLE
TEXAS
7.5-MINUTE SERIES



Produced by the United States Geological Survey

North American Datum of 1983 (NAD83)
World Geodetic System of 1984 (WGS84) Projection and
1 000 meter geotiff format Transverse Mercator, Zone 14R
This map is not a legal document. Boundaries may be
generalized for this map scale. Private lands with government
reservations may not be shown. Obtain permission before
entering private lands.

Map, September 2016, November 2016
U.S. Census Bureau, 2015
Hydrography, National Hydrography Dataset, 2002
Contours, National Elevation Dataset, 2002
Boundaries, Multiple sources; see metadata file 2016 - 2017
Wetlands, FWS National Wetlands Inventory 1982 - 1983



SCALE 1:24 000
NORTH AMERICAN VERTICAL DATUM OF 1983
This map was produced to conform with the
National Geospatial Program U.S. Topographic Standard, 2011.
A metadata file associated with this product is draft version 0.6.18



1 Hammetts Crossing
2 Single Hills
3 Stone Cove
4 Henly
5 Signal Hill
6 Rough Hollow
7 Fort Worth
8 Mountain City

ROAD CLASSIFICATION
Expressway
Secondary Hwy
Interstate Route
Local Connector
Local Road
4000
US Route
State Route

DRIPPING SPRINGS, TX
2019

CODS/LCRA0030

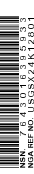


Exhibit E

Water Conservation Plan

The City of Dripping Springs Water Conservation Plan

Prepared by
The AL Law Group, PLLC
12400 West Hwy. 71
Suite 350-150
Bee Cave, TX 78738

March 2022

CODS/LCRA0303

1. Introduction

The City of Dripping Springs' ("City") water conservation plan has been developed to meet the LCRA Water conservation rules in accordance with the LCRA Firm Water contract administrative rules. This Plan recognizes that conservation is a valuable tool in managing water utility systems. Benefits of water conservation include: extending available water supplies; reducing the risk of shortage during periods of extreme drought; reducing water utility operating cost; improving the reliability and quality of water utility service; reducing customer cost for water service; and enhancing water quality and the environment.

This Plan applies to all of City's retail water customers located with its water service area, as defined in its Water Supply Contract with LCRA.

2. Utility Profile Information

As of March 2022, there were no permanent connections in the City's water service area. The projected population at full build out is estimated to be approximately 16,933 persons, or 4838 additional connections.

The City has not yet begun providing retail water service as of March 2022. Therefore, it does not yet have 5 years of water use data. In 2027, this WCP will be revised to evaluate the 5 year average daily water use, the five year average water loss, the five year peak to average day water use, and per capita water use.

3. Water Conservation Goals

Water conservation five and ten year goals are required for overall water use, residential water use and water loss. The goals proposed by the City are as follows:

	5-year goals	10-year goals
Gallons per person per day (GPCD)	150	125
Residential gallons per person per day (rGPCD)	150	125
Water loss	5%	5%

4. Water Conservation Strategies

4.1 Water Loss

4.1.1 Universal Metering and Meter Replacement and Repair

The City requires all water meters to be accurate within plus or minus 5 percent of the indicated flow over the possible flow range. All utility customers will be metered. Water will be metered at all wholesale connections. A regularly scheduled maintenance program of meter repair, replacement and calibration will be performed in accordance

with recommended meter manufacturer guidelines following the minimum schedule by meter size:

Production (master) meters:	Test once a year
Meters larger than 1”:	Test per manufacturer’s recommendations
Meters 1” or smaller:	Test per manufacturer’s recommendations

Zero consumption accounts will be checked to see if water is actually being used or not recorded. In addition, the meters will be checked for proper sizing.

4.1.2 Distribution System Leak Detection and Repair

The City will conduct leak detection and water audits, making appropriate repairs, in order to meet the utility water loss goal. Water loss audits will be performed in accordance with Texas Water Development Board rules.

Measures to proactively reduce water loss will be considered as feasible, including strategies to reduce line flushing and identify/repair water line leaks quickly.

4.1.3 Additional Water Loss Best Management Practices (all that apply are checked):

☒ Automated meter reading (AMR) or Automated meter infrastructure (AMI). All meters will be compatible with automatic reading capabilities AMR or AMI technology will be considered for new meters as meters are replaced and it becomes feasible to implement this technology.

☒ Customer portal which allows end users to check their water use online

☐ Dedicated irrigation meters will be required for all new commercial and industrial customers.

☒ Strategies to minimize water loss on long dead-end main lines will be considered. Examples include adding meters along various line routes to collect more accurate data on water flowing through those routes and creating loops in the water distribution lines.

☐ As feasible, chlorine injection stations will be placed strategically throughout the development to avoid the need for excessive flushing to keep chlorine residuals in compliance.

☒ As feasible, a protective leak detection program will be developed to decrease water loss in the water distribution system.

☐ As feasible, recycle backwash water used to keep sedimentation out of water treatment plant filters.

4.2 Water Rates and Records Management - required

Increasing Block Rates

The City’s retail rate is currently tied to the West Travis County’s wholesale rate. The West Travis County Regional Water System has a multi-tiered, increasing block water

rate that reflects the cost drivers for the water systems and sends a water conservation price signal to customers. The City's rate, therefore, will reflect that same multi-tiered, increasing block water rate that reflects the cost drivers for the water systems and sends a water conservation price signal to customers.

Water Monitoring and Records Management

The City's staff maintain records of water distribution and sales through a common monitoring and billing system to provide a central location for water billing information and a way to compile, present, and view water-use and billing information.

4.3 Water Reuse

The City operates a wastewater treatment plant.

Wastewater can be reused to supplement water supply needs for rights-of-ways and medians. The City has contracts and plans to expand its reuse capabilities for the water supply needs of Sports Rec Park (13.63 acres), Founders Park (2.64 acres), Driftwood Golf Course (130 acres), and Howard Ranch (100 acres).

4.4 Education and Outreach

4.4.1 Required measures

Throughout the year, water conservation literature will be made available to users regarding water conservation, native landscaping, and other related topics to garden clubs, homeowner associations, and various others interested groups. The City staff may attend such events or request a presentation from LCRA staff to promote water conservation.

4.4.2 Additional Best Management Practices (all that apply are checked).

☐ Irrigation system evaluations will be offered to customers with large landscape irrigation needs (20,000 gal/month or over) in the utility service area. Irrigation evaluations consist of evaluating the irrigation system, checking for leaks and other performance problems, and customizing an irrigation schedule.

☒ Financial rebates. Customers will be offered irrigation technology and other rebates from the LCRA. The City will assist LCRA with promoting water conservation programs to its customers.

☒ Hotels will be strongly encouraged to adopt a hotel linen reuse option policy where linens are only changed out upon request during multi-night short stays.

4.5 Other Best Management Practices (all that apply are checked).

_____ Permanent landscape watering schedule for spray irrigation. This schedule limits outdoor spray irrigation for landscapes to the following days and times:

Residential addresses ending in odd numbers: Wednesdays and Saturdays

Residential addresses ending with even numbers: Thursdays and Sundays

Commercial customers: Tuesdays and Fridays

Watering times: Midnight to 10 a.m. and 7 p.m. to midnight

_____ Temporary landscape watering schedule variance for new landscapes. New landscapes can be watered according to the following schedule for the first 30 days after installation.

Days 1 through 10: spray irrigation allowed every day.

Days 11 through 20: spray irrigation allowed every other day.

Days 21 through 30: spray irrigation allowed every three days.

Watering times: Midnight to 10 a.m. and 7 p.m. to midnight.

5. Wholesale Water Conservation Plans - required

Wholesale treated water customers will be required to develop a drought contingency and a water conservation plan in accordance with LCRA Water Contract Rules. The plans must include a governing board resolution, ordinance, or other official document noting that the plan has been formally adopted by the utility. Wholesale treated water customers must include in their wholesale water supply contracts the requirement that each successive wholesale customer develop and implement a water conservation and drought contingency plan.

6. Coordination with Regional Water Planning Group - required

The service area of The City is located within the Lower Colorado River Water Planning Area (Region K) of the State of Texas and the District has provided or will provide a copy of this water conservation plan to the regional water planning group. The plan can be sent to the LCRA, c/o Water Contracts and Conservation, P.O. Box 220, Austin, Texas 78703.

7. Authorization and Implementation

The Deputy City Administrator, or his/her designee, of the City is hereby authorized and directed to implement the applicable provisions of the Plan. The Deputy City Administrator, or his/her designee, will act as Administrator of the Water Conservation Program. He/she will oversee the execution and implementation of the program and will be responsible for keeping adequate records for program verification. A signed and

dated copy of this plan by the Deputy City Administrator or his/her designee will be sufficient to meet this requirement.

7.1 Plan Implementation

The Deputy City Administrator has designated a water conservation coordinator, who will be responsible for the implementation of this water conservation plan. The current water conservation coordinator is Aaron Reed. The Deputy City Administrator, or his/her designee may re-appoint this position. At that time, the City will inform LCRA about this personnel change.

Approved by: Ginger Faught, Deputy City Administrator

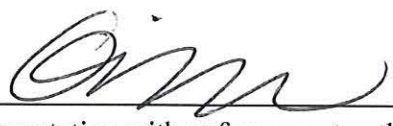
Signature:  Date: 3/15/22
(Customer representative with enforcement authority)

Exhibit F

Drought Contingency Plan

**Drought Contingency Plan
For Municipal Water Use
For
The City of Dripping Springs, Texas**

**Prepared By: The AL Law Group, PLLC
February 2022**

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The City of Dripping Springs, Texas

DROUGHT CONTINGENCY PLAN FOR MUNICIPAL WATER USE

1.0 Declaration of Policy, Purpose, and Intent

The Lower Colorado River Authority (LCRA) provides contracts to customers for water supply. In cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure, LCRA may require water customers to institute temporary restrictions to limit non-essential water usage. This Drought Contingency Plan (Plan) is designed to protect the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation and fire protection during the periods or other water supply emergencies.

Water uses regulated or prohibited under this 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.

2.0 Authorization

The designated manager or official of the City of Dripping Springs 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 designated manager or official of the City of Dripping Springs shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan. This authorization was designated as part of the plan's approval by the City Council of the City of Dripping Springs (*See Appendix G*).

3.0 Public Education

The designated manager or official of the City of Dripping Springs will periodically provide its employees, members, and the general public with information about this Plan, including the importance of the Plan, information about the conditions under which each stage of the Plan is to be initiated, processes used to reduce water use, and impending or current drought conditions.

4.0 Coordination with Regional Planning Groups

The City of Dripping Springs has provided a copy of this Plan to the Lower Colorado Regional Planning Group (Region K).

5.0 Notice Requirements

The City of Dripping Springs shall notify the executive director of the Texas Commission on Environmental Quality and LCRA General Manager in writing within five (5) business days of the implementation of any mandatory provisions of the Drought Contingency Plan.

6.0 Permanent Water Use Restrictions

The following restrictions apply to all the City of Dripping Springs water utility system(s) on a year-round basis, regardless of water supply or water treatment plant production conditions. According to the restrictions, a water user must not:

- 1) Fail to repair a controllable leak, including a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet;
- 2) Operate an irrigation system:
 - with a broken head;
 - with a head that is out of adjustment and the arc of the spray head is over a street or parking area; or
 - with a head that is fogging or misting because of excessive water pressure.
 - Between the hours of 10 a.m. and 7 p.m.
- 3) During irrigation, allow water:
 - to run off a property and form a stream of water in a street for a distance of 50 feet or greater; or
 - to pool in a street or parking lot to a depth greater than one-quarter of an inch.
- 4) Irrigate outdoors using an in-ground irrigation system or hose-end sprinkler more than twice per week or outside scheduled days and times as indicated in Appendix A.

7.0 Initiation and Termination of Response Stages

The City of Dripping Springs' designated manager or official shall monitor water supply and demand conditions on a regular basis and shall determine when conditions warrant initiation and termination of each stage of this Plan in accordance with LCRA's Water Management Plan. Water supply conditions will be determined by the source of supply, system capacity, and weather conditions. Water demand will be measured by the peak daily demands on the system.

Public notification of the initiation or termination of drought response stages shall be by a variety of ways, examples include: bill inserts, e-mail and automated telephone calls, signs posted at entry points to the service area or a combination of these methods.

The following triggering criteria shall apply to the City of Dripping Springs' water utility system(s) and customer service area:

7.1 Triggering Criteria for Initiation and Termination of Drought Response Stages

- **STAGE 1 - Mild Water Shortage Conditions (Voluntary Measures)**

A. **Requirements for initiation** - Customers shall be requested to adhere to the Stage 1 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 80 percent of the total operating system treatment capacity for three consecutive days, or 85 percent on a single day; or
- For groundwater systems, when maximum daily usage equals or exceeds 70 percent of the pump's withdrawal capacity for three consecutive days.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 1.4 million acre-feet in accordance with the LCRA Drought Contingency Plan for Firm Water Customers (DCP).

B. **Requirements for termination** - Stage 1 of the plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 1 has ceased to exist for five consecutive days; or
- The groundwater pumpage amounts have fallen below the 70 percent threshold, and remained below that level for five consecutive days.

2. Water Supply:

- LCRA announces that voluntary restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.

(2) STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 2 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 93 percent of the total operating system treatment capacity for three consecutive days, or 95 percent on a single day; or
- For groundwater systems, when maximum daily usage equals or exceeds 85 percent of the pump's withdrawal capacity for three consecutive days.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 900,000 acre-feet in accordance with the LCRA DCP.

B. Requirements for termination - Stage 2 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 2 has ceased to exist for five consecutive days; or
- The groundwater pumpage amounts have fallen below the 85 percent threshold, and remained below that level for five consecutive days.

2. Water Supply:

- LCRA announces that voluntary compliance to implement a utility's mandatory water restrictions are no longer needed in accordance with the LCRA DCP.

Upon termination of Stage 2, Stage 1 becomes operative.

(3) STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)

A. Requirements for initiation - Customers shall be required to adhere to the Stage 3 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 95 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day; or
- For groundwater systems, when maximum daily usage equals or exceeds 95 percent of the pump's withdrawal capacity for three consecutive days.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 600,000 acre-feet, in accordance with the LCRA DCP, or
- The LCRA Board declares a drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies.

B. Requirements for termination - Stage 3 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 3 has ceased to exist for five consecutive days; or
- The groundwater pumpage levels have fallen below the 95 percent threshold and remained below that level for five consecutive days.

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 3, Stage 2 becomes operative.

(4) STAGE 4- Critical Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 4 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:
 - Major water line breaks, loss of distribution pressure, or pump system failures that cause substantial loss in its ability to provide water service.
2. Water Supply:
 - The LCRA Board declares a prolonged drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies at a level more severe than in Stage 3.

B. **Requirements for termination** - Stage 4 of the Plan may be rescinded when:

1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 4 has ceased to exist for five consecutive days; or
2. Water Supply:
 - LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 4, Stage 3 becomes operative.

(5) STAGE 5- Emergency Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 5 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:
 - Major water line breaks, loss of distribution pressure, or pump system failures that cause substantial loss in its ability to provide water service.
2. Water Supply:
 - Natural or man-made contamination of the water supply source; or
 - Any other emergency water supply or demand conditions that the LCRA general manager or the LCRA Board determines that either constitutes a water supply emergency or is associated with a prolonged drought worse than the Drought of Record requiring the mandatory curtailment of firm water supplies at a level more severe than in Stage 4.

B. **Requirements for termination** - Stage 5 of the Plan may be rescinded when:

1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 5 has ceased to exist for five consecutive days; or

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 5, Stage 4 becomes operative.

8.0 Drought Response Measures

8.1 Targets for Water-Use Reductions

(1) **STAGE 1 - Mild Water Shortage Conditions (Voluntary Measures)**

System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.

Water Supply Reduction Target: Achieve a 5% reduction in water use.

(2) **STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)**

System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.

Water Supply Reduction Target: Achieve a 10-20% reduction in water use.

(3) **STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)**

System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.

Water Supply Reduction Target: Achieve a minimum 20% reduction in water use.

(4) **STAGE 4 - Critical Water Shortage Conditions (Mandatory Measures)**

System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.

Water Supply Reduction Target: As determined by the LCRA Board.

(5) **STAGE 5 - Emergency Water Shortage Conditions (Mandatory Measures)**

System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.

Water Supply Reduction Target: As determined by the LCRA Board.

8.2 Retail Customers Measures

(1) **STAGE 1 - Mild Water Shortage Conditions (Voluntary Measures)**

- A. Supply Management Measures: The City of Dripping Springs will review system operations and identify ways to improve system efficiency and accountability.

B. Demand Management Measures:

1. Ask customers to voluntarily comply with the water-use restrictions outlined in Stage 2 of this plan;
2. Actively promote drought related issues and the need to conserve;
3. If appropriate for the utility system, explore ways to implement permanent water efficiency ordinances relating to uses such as vehicle washing facilities, pressure washing equipment, drought tolerant landscaping for all new landscapes, irrigation evaluations for large properties.

(2) **STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)**

A. Supply Management Measures:

1. Apply all water-use restrictions prescribed for Stage 2 of the plan for the City of Dripping Springs' utility owned facilities and properties;
2. Explore ways to reduce system water loss by measures such as fixing leaks, replacing old meters, and recycling line flush water, as appropriate for the utility system.
3. Explore ways to increase use of recycled wastewater to reduce irrigation of public parks with potable water, as appropriate for the utility system.
4. The City of Dripping Springs will actively communicate drought-related issues, including the current and projected water supply conditions, water supply restrictions and the need to conserve to its retail customers.

B. Demand Management Measures:

Under threat of penalty, the following water-use restrictions shall apply to all retail water customers:

1. Irrigation of Landscaped Areas:
 - a. **If the combined water storage of lakes Buchanan and Travis are less than 900,000 AF but greater than 750,000 AF** - Irrigation of landscaped areas with hose-end sprinklers or in-ground irrigation systems shall be limited to a no more than a TWICE weekly watering schedule determined by The City of Dripping Springs. Irrigation of commercial landscapes and recreational areas may apply for a variance but must still develop a schedule where no part of the landscape is watered more than twice per week. *See Appendix A - The City of Dripping Springs Water System - Recommended Watering Schedule.*
 - b. **If the combined water storage of lakes Buchanan and Travis are less than or equal to 750,000 AF** - Irrigation of landscaped areas with hose-end sprinklers or in-ground irrigation systems shall be limited to a no more than a ONCE weekly watering schedule with a maximum **15 hour** irrigation window as determined by The City of Dripping Springs. Irrigation of commercial landscapes and recreational areas may apply for a variance but must still develop a schedule where no part of the landscape is watered more than once per week.

- c. Outdoor watering hours will be limited to between midnight and 10 a.m. and between 7 p.m. and midnight on designated days. This prohibition does not apply to irrigation of landscaped areas if it is by means of:
 - i. a hand-held hose with a positive shut off device; or
 - ii. a faucet-filled bucket or watering can of five gallons or less
 - iii. Drip irrigation
- d. New landscapes may be installed and re-vegetation seeding performed under these specific criteria:
 - i. A completed variance form for new landscapes has been submitted to the The City of Dripping Springs and has been approved prior to the installation of the landscape, or re-vegetation seed application
 - ii. Irrigation of the new landscape follows the schedule identified in the new landscape variance. The schedule will be developed to minimize water waste.
 - iii. Areas being re-vegetated for soil stabilization must also comply with the (i) and (ii) specific criteria above. Alternative options to re-vegetation such as mulch may be available in times of low water supply. Specific information regarding options is available in the LCRA Highland Lakes Watershed Ordinance Technical Manual.
 - iv. Variances for new landscapes may be issued for a period of no more than 30 days from the day of issuance. A variance is not an exemption from compliance with the permanent water use restrictions under Section 9.2 of this plan. Variances will not be granted for seasonal “color bed” or temporary grass installation (overseeding).

2. Vehicle Washing:

Use of water to wash any motor vehicle, such as a motorbike, boat, trailer, or airplane is prohibited except on designated watering days between the hours of midnight and 10 a.m. and between 7 p.m. and midnight. Such activity, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle. A vehicle may be washed any time at a commercial car wash facility or commercial service station. Further, this activity is exempt from these regulations if the health, safety, and welfare of the public are served by washing the vehicle, such as a truck used to collect garbage or used to transport food and perishables.

3. Pools:

- a. Draining and re-filling is permitted only onto pervious surfaces or onto a surface where water will be transmitted directly to a pervious surface, and only if:
 - i. Draining excess water from pool due to rain in order to lower water to maintenance level;
 - ii. Repairing, maintaining or replacing pool components that have become hazardous; or
 - iii. Repair of a pool leak.

- b. Public/community swimming pools are allowed to fill or replenish water in order to maintain safe levels of water quality for human contact and for maintenance as outlined above.

4. Outside Water Features:

- a) Operation of outside water features except for, ornamental fountains with a 4 inch emission or fall of water¹ that are recirculating, is prohibited, except where such features are used for aeration necessary to sustain aquatic life or maintain water quality. (This provision includes recirculating fountains associated with aesthetic ponds and swimming pools unless required for filtration).
- b) Operation of outdoor misting systems at a commercial facility is prohibited, except between the hours of 4 p.m. and midnight,
- c) Splash pad type fountains must be recirculating and should have an automatic timer shut-off feature when not in use unless public health and safety is compromised by installing a shut-off feature.

5. Ponds:

Ponds used for aesthetic, amenity, and/or storm water purposes may maintain water levels only necessary to preserve the integrity of the liner and operating system. The City of Dripping Springs may request specific design documentation regarding a pond and the intended purpose.

6. Golf Courses:

Golf courses receiving any amount of treated water from a City of Dripping Springs utility must either develop a drought contingency plan that meets the minimum water reduction target set for Stage 2 or adopt the LCRA sample golf course drought contingency plan.

7. Events:

Events involving the use of water such as: car washes, festivals, parties, water slides, and other activities involving the use of water are permitted, if the water being used drains to a recirculating device, or onto a pervious surface to prevent water waste.

- a) A charity car wash may not be conducted unless it occurs at a commercial vehicle washing facility.

8. Restaurants:

Restaurants, bars, and other commercial food or beverage establishments are encouraged not to provide drinking water to customers unless a specific request is made by the customer for drinking water.

9. Hotels/motels:

¹ Adopted from the City of Austin's 2012 Drought Contingency Plan update, which went through an extensive public input process. This measure was proposed by the fountain industry through that process.

The owner or operator of a hotel, motel short term rental or other establishment that offers or provides lodging or rental accommodations for compensation are encouraged to offer a towel and linen reuse water conservation option to its lodgers, renters, or customers and maintain in each applicable guest room, suite, or property informational signage to communicate information relating to this requirement and to offer the opportunity for guest participation

10. Fire Hydrants:

Use of water from fire hydrants shall be prohibited for landscape irrigation, filling pools, operating fountains, car washing. Water should be transported only for the purposes of firefighting or providing minimal water needed for indoor use where auxiliary sources are inadequate and activities necessary to maintain public health, safety and welfare, or for construction use. Transport of water other than for firefighting requires a variance and a meter.

11. Recreational areas (includes public parks):

Watering must follow a no more than twice per week schedule for each irrigated area. A variance can be obtained if watering cannot be completed on the designated two day schedule

12. Athletic fields

Watering should follow a no more than twice per week schedule per irrigated area unless the athletic fields are used for organized sports practice, competition, or exhibition events when irrigation outside of the standard weekly schedule is necessary to protect the health and safety of the players, staff, or officials present for the athletic event.

- a) All ornamental landscape areas around facilities with athletic fields shall follow general landscape irrigation restrictions.

13. Water Waste

The following non-essential uses of water are prohibited at all times during periods in which restrictions have gone into effect:

- a. Washing sidewalks, walkways, driveways, parking lots, street, tennis courts, and other impervious surfaces is prohibited except for immediate health and safety;
- b. Use of water to wash buildings, houses or structures with a pressure washer is restricted to equipment that is fitted with a water recycling unit and a spray nozzle using no more than 3.5 gallons of water per minute and employing a working trigger shut-off with a protective weep mechanism. Use of water to wash buildings with a hand-held hose with a positive shut-off nozzle is allowed;

- c. Use of water to control dust is prohibited, unless there is a demonstrated need to do so for reasons of public health and safety, or as part of an approved construction plan.

(3) STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)

A. Supply Management Measures:

1. The City of Dripping Springs will aggressively reduce system water loss by measures such as fixing leaks, replacing old meters, and recycling line flush water, as appropriate for the utility system.
2. The City of Dripping Springs will actively communicate drought-related issues, including the current and projected water supply conditions, water supply restrictions and the need to conserve to its retail customers.
3. In addition to measures implemented in the preceding stages of the plan, The City of Dripping Springs will explore additional emergency water supply options.

B. Demand Management Measures: Under threat of penalty, all retail customers are required to further reduce non-essential water uses as follows. All requirements of Stage 2 shall remain in effect during Stage 3, with the following modifications and additions.

1. Irrigation of Landscaped Areas:

Irrigation of ornamental landscaped areas is limited to the following restrictions:

- a. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems, except for drip irrigation, shall be limited to a no more than a ONCE weekly watering schedule as determined by the City of Dripping Springs.
- b. Outdoor watering hours for spray irrigation will be limited to **six hours** a day, before 10 a.m and after 7 p.m. on designated days as determined by the City of Dripping Springs (see recommended schedule in Appendix A). This prohibition does not apply to irrigation of landscaped areas if it is by means of:
 - i. a hand-held hose with a positive shut-off device ; or
 - ii. a faucet-filled bucket or watering can of five gallons or less.
- c. New Landscapes may only be installed if
 - i. a 30 day watering schedule variance has been applied for and accepted
 - ii. no more than 50% of the irrigated landscaped area is water conserving natural turf
 - iii. only drought tolerant or native plants are installed
 - iv. drip irrigation with an automatic timer is installed in all beds
- d. Revegetation of disturbed areas due to construction is allowed, if required by local, state or federal regulations. A temporary watering variance must be granted by the City of Dripping Springs.

2. Vehicle Washing:

Use of water to wash any motor vehicle, such as a motorbike, boat, trailer, or airplane is prohibited except on designated watering days between the hours of 7 a.m. and 10 a.m. and between 7 p.m. and 10 p.m. Such activity, when allowed,

shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle. A vehicle can be washed at any time at a commercial car wash facility or commercial service station that recycles its water. Further, this activity is exempt from these regulations if the health, safety, and welfare of the public are served by washing the vehicle, such as a truck used to collect garbage or used to transport food and perishables.

3. Pools:

Installation of swimming pools is prohibited except when equipped with an automatic pool cover. Public/community swimming pools may be exempt from this prohibition to maintain safe levels of water quality for human contact.

4. Outside Water Features:

- a) Operation of outside water features except for ornamental fountains with a 4 inch emission or fall of water² that are recirculating, is prohibited, except where such features are used for aeration necessary to sustain aquatic life or maintain water quality. (This provision includes fountains associated with aesthetic ponds and swimming pools).
- b) Operation of residential aesthetic or recreational devices, such as water slides, is prohibited.
- c) Operation of outdoor misting systems at a commercial facility is prohibited except between 4 p.m. and 8 p.m.

5. Ponds:

Ponds used for aesthetic, amenity, and/or storm water purposes may maintain water levels only necessary to preserve the integrity of the liner and operating system and meet the LCRA Highland Lakes Ordinance or other applicable non-point source pollution regulation. The City of Dripping Springs may request specific design documentation regarding a pond and the intended purpose.

6. Golf Course:

Golf courses receiving any amount of treated water from a City of Dripping Springs utility must either develop a drought contingency plan in accordance with the City of Dripping Springs Drought Contingency Plan and will implement its Stage 3 mandatory restrictions in conjunction with the water provider or adopt the LCRA sample golf course drought contingency plan.

7. Events:

Events involving the use of water such as: car washes; festivals; parties; water slides; and other activities involving the use of water are prohibited.

8. Recreational areas (includes municipal parks and common areas):

² Adopted from the City of Austin's 2012 Drought Contingency Plan update, which went through an extensive public input process. This measure was proposed by the fountain industry through that process.

Irrigation of recreational areas with potable water must follow the 6 hour weekly irrigation schedule outlined in section B1 and watering of recreational areas should be prioritized by frequency of use. Unnecessary foot traffic should be discouraged. Watering using an auxiliary source such as recycled water is exempt from these restrictions.

9. Athletic fields

The City of Dripping Springs must require a variance for irrigation of athletic fields if irrigation falls outside of the normal watering schedule. Fields should only be irrigated that are being actively used for organized sports practice, competition, or exhibition events when the irrigation is necessary to protect the health and safety of the players, staff, or officials present for the athletic event.

- a) All ornamental landscape areas around facilities with athletic fields shall follow general landscape irrigation restrictions.

10. Water Waste

The following additional non-essential uses of water are prohibited at all times during periods in which restrictions have gone into effect

- a) Pressure washing is prohibited but variances may be granted by the City of Dripping Springs on the designated watering day for health and safety purposes only. Pressure washing equipment must be fitted with a spray nozzle that does not use more than 3.5 gallons of water per minute and has a trigger shut-off.

(4) STAGE 4 – Critical Water Shortage Conditions

Under threat of penalty for violation, all retail customers are required to reduce nonessential water uses during an emergency. All requirements of Stages 1 through 3 are also in effect during stage 4, with the following modifications and additions:

1. Irrigation of ornamental landscaped areas with hose end sprinklers and automatic irrigation, except drip irrigation, is prohibited.
2. Irrigation is allowed with a hand-held hose with a working on/off nozzle, bucket, or drip irrigation only between the hours of 7 a.m. and 10 a.m. or 7 p.m. and 10 p.m. one day per week on the designated outdoor water use day as determined by the City of Dripping Springs.
3. New landscapes irrigated with spray irrigation are prohibited. New irrigated turf grass is prohibited. The City of Dripping Springs may issue new landscape variances for planting beds installed with drought tolerant or native plants specified in the Grown Green Plant Guide as having low or very low water needs (<http://austintexas.gov/departments/grow-green/plant-guide>) and irrigated with point source drip irrigation or hand-held hose.
4. Use of water to operate outside water features, including fountains, outdoor misting

systems, and splash pads is prohibited.

5. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle is prohibited, except as required for public health and safety purposes. Commercial car washing facilities may operate for health and safety purposes only except facilities which recycle water.
6. Golf courses receiving any amount of treated water from a City of Dripping Springs utility must either develop a drought contingency plan in accordance with the City of Dripping Springs Drought Contingency Plan and will implement its Stage 4 mandatory restrictions in conjunction with the water provider or adopt the LCRA sample golf course drought contingency plan.
7. The filling or replenishing of water to single-family residential swimming pools is only allowed if the pool is covered with a pool cover when not in use.
8. Public/community swimming pools are allowed to fill or replenish water in order to maintain safe levels of water quality for human contact.

Upon declaration of Stage 4 - Emergency Water Conditions, water use restrictions outlined in Stage 3 Critical Response Measures shall immediately apply.

(5) STAGE 5 – Emergency Water Shortage Conditions

Under threat of penalty for violation, all retail customers are required to reduce nonessential water uses during an emergency. All requirements of Stages 1 through 4 are also in effect during Stage 5, with the following modifications and additions:

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. This activity is only exempt from these regulations if the health, safety, and welfare of the public are served by washing the vehicle, such as a truck used to collect garbage or used to transport food and perishables.
3. Use of water from fire hydrants shall be limited to firefighting and activities necessary to maintain public health, safety, and welfare only.
4. No applications for new, additional, expanded, or larger water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be allowed or approved.

Upon declaration of Stage 4 - Emergency Water Conditions, water use restrictions outlined in Stage 4 Emergency Response Measures shall immediately apply.

8.3 Wholesale Treated Customers

All the City of Dripping Springs wholesale treated water customers are required to develop and formally adopt drought contingency plans for their own systems in accordance with Title 30 Texas Administrative Code Sections 288.20 and 288.22. The water supply triggers and target reduction goals must be consistent with the LCRA DCP. In addition, the measures of this plan must be at least as stringent as the drought response measures required by the City of Dripping Springs for its retail customers. Wholesale treated water customers must include in their wholesale water supply contracts the requirement that each successive wholesale customer develop and formally adopt a drought contingency plan, consistent with the LCRA DCP.

(1) STAGE 1 - Mild Water Shortage Conditions (Voluntary Measures)

The City of Dripping Springs will contact wholesale treated water customers to discuss supply and demand conditions. The City of Dripping Springs will provide a limited supply of consumer information and materials on water conservation measures and practices to wholesale customers.

(2) STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)

The City of Dripping Springs will keep wholesale treated water customers informed about demand and current and projected water supply conditions. The City of Dripping Springs will initiate discussions with wholesale treated water customers about potential curtailment and the implementation of mandatory measures to reduce all non-essential water uses.

(3) STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)

The City of Dripping Springs will contact its wholesale treated water customers to initiate mandatory measures to control water demand and to ensure capacity for emergency response requirements. Mandatory measures will include the curtailment of nonessential water uses in accordance with the wholesale treated water customer's own drought contingency plan.

In addition, if the Stage 3 triggering criteria is based on a water supply shortage, LCRA will initiate the curtailment of water provided to wholesale treated water customers on a pro rata basis. The wholesale treated water customer's monthly allocation of water shall be based on a percentage of the customer's baseline water use. The percentage will be determined by the LCRA Chief Operations Officer and may be adjusted as conditions warrant.

(4) STAGE 4 - Emergency Water Conditions

All requirements of Stage 3 shall remain in effect during Stage 4. Additional measures may be added as needed.

9.0 Enforcement

9.1 Enforcement Provisions

The following enforcement provisions shall apply to all the City of Dripping Springs water customers:

- [X] *Appendix B – Enforcement Provisions for Municipalities*
- [] *Appendix C – Enforcement Provisions for Water Districts*
- [] *Appendix D – Enforcement Provisions for Water Supply Corporations and Investor-Owned Utilities*

9.2 Variances

- (1) The City of Dripping Springs staff may grant variances:
 - A. Temporary watering schedule variances are allowed for new landscapes that use drought resistant landscaping or water conserving natural turf. Temporary watering schedule variances are also allowed for revegetation of disturbed areas due to construction, or if required by local, state or federal regulations. Temporary watering schedule variances shall include the following limitations:
 - A 30 day temporary watering schedule must be applied for and issued before the irrigation may begin
 - Days 1 thru 10 automatic irrigation or hose end sprinklers are allowed every day except between the hours of 10 a.m. and 7 p.m.
 - Days 11-20 automatic irrigation or hose end sprinklers are allowed every other day except between the hours of 10 a.m. and 7 p.m.
 - Days 21-30 automatic irrigation or hose end sprinklers are allowed every third day except between the hours of 10 a.m. and 7 p.m.
 - Day 31 must return back to the watering schedule as defined in Appendix A
 - Hand watering is allowed anytime with a hose equipped with a positive shut off nozzle
 - B. From specific applications of the outdoor water schedule, providing that the variances do not increase the time allowed for watering but rather alter the schedule for watering; and
 - C. Allowing the use of alternative water sources (i.e., ground water, reclaimed wastewater) that do not increase demand on potable water sources for outdoor use. Variance requests may be submitted to staff and need not meet the requirements of subsection below.
- (2) The general manager, or his designee, may grant in writing temporary variances for existing water uses otherwise prohibited under this plan if it is determined that failure to do so would cause an emergency adversely affecting the public health, sanitation, or fire protection, and if one or more of the following conditions are met:
 - A. Compliance with this plan cannot be accomplished during the duration of the time the plan is in effect; or

- B. Alternative methods can be implemented that will achieve the same level of reduction in water use.
- (3) Persons requesting a variance from the provisions of this plan shall file a petition for variance with the City of Dripping Springs water utility system any time the plan or a particular drought response stage is in effect. The general manager or his designee will review petitions for variances. The petitions shall include the following:
- Name and address of the petitioner
 - Purpose of water use
 - Specific provision 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 the petitioner or others will sustain if petitioner complies with this plan
 - 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
- (4) Variances granted by a City of Dripping Springs water utility system shall be subject to the following conditions, unless waived or modified by the general manager, or his designee:
- A. Variances granted shall include a timetable for compliance.
- B. Variances granted shall expire when the plan, or its requirements, is no longer in effect, unless the petitioner has failed to meet specified requirements.
- (5) No variance shall be retroactive or otherwise excuse any violation occurring before the variance was issued.

9.3 Plan Updates

The plan will be reviewed and updated as needed to meet both TCEQ and LCRA drought contingency plan rules.

10 Appendices

Appendix A – Mandatory Watering Schedules

Permanent mandatory watering schedule

The City of Dripping Springs Water System

Irrigate outdoors using an in-ground irrigation system or hose-end sprinkler no more than **TWICE per week** and only during scheduled days and times as indicated below:

Residential

Odd number addresses: Wednesdays and Saturdays

Even number addresses: Thursdays and Sundays

Commercial (including large landscapes such as HOA common areas)

Tuesdays and Fridays

Watering Hours:

Midnight to 10 a.m. and 7 p.m. to midnight

2nd mandatory watering schedule (750,000 AF combined storage)

The City of Dripping Springs Water System

Irrigate outdoors using an in-ground irrigation system or hose-end sprinkler no more than **ONCE per week** for **15 hours** only during scheduled days and times as indicated below:

Residential- automatic irrigation systems

Odd number addresses: Wednesdays

Even number addresses: Thursdays

Residential- hose end irrigation systems

Odd number addresses: Saturdays

Even number addresses: Sundays

Commercial (including large landscapes such as HOA common areas)

Even number addresses: Tuesdays

Odd number addresses: Fridays

Public Schools- Mondays

Watering Hours:

Hose end irrigation systems: Midnight to 10 a.m. and 7 p.m. to midnight

Automatic irrigation systems: Midnight to 10 a.m. and 7 p.m. to midnight

3rd mandatory watering schedule (600,000 AF combined storage)

The City of Dripping Springs Water System

Irrigate outdoors using an in-ground irrigation system or hose-end sprinkler no more than **ONCE per week** for **6 hours** only during scheduled days and times as indicated below:

Residential- automatic irrigation systems

Odd number addresses: Wednesdays

Even number addresses: Thursdays

Residential- hose end irrigation systems

Odd number addresses: Saturdays

Even number addresses: Sundays

Commercial (including large landscapes such as HOA common areas)

Even number addresses: Tuesdays

Odd number addresses: Fridays

Public Schools- Mondays

Watering Hours:

Hose end irrigation systems: 7 a.m. to 10 a.m. and 7 p.m. to 10 p.m.

Automatic irrigation systems: Midnight to 6 a.m.

Appendix B – Enforcement Provisions for Municipalities

Enforcement for Retail Customers

The following enforcement provisions shall apply to all the City of Dripping Springs retail water customers:

- (1) No person shall knowingly or intentionally use or allow the use of water from a City of Dripping Springs water utility system 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.
- (2) Any person who violates this plan shall be subject to the following fines, penalties and/or conditions of service:
 - A. Following the first documented violation, the violator shall be given a notice specifying the type of violation and the date and time it was observed. Fines and restrictions on service that may result from additional violations;
 - B. Following the second documented violation, the violator shall:
 1. Be criminally responsible for the violation of this Plan, punishable by a fine of \$250; and
 2. Be subject to a civil penalty of \$500.
 - C. Following the third documented violation, the violator shall:
 1. Be criminally responsible for the violation of this Plan, punishable by a fine of \$500; and
 2. Be subject to a civil penalty of \$1000.
 - D. Following the fourth documented violation, the City of Dripping Springs shall, upon due notice to the customer, discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a reconnection charge, hereby established at \$100, and any outstanding charges including late payment fees or penalties. In addition, suitable assurance in the amount of a deposit of \$500 must be given to the City of Dripping Springs so that the same action shall not be repeated while the plan is in effect. The City of Dripping Springs may apply the deposit to any surcharges or penalties subsequently assessed under this plan against a customer. The deposit, if any, shall be returned to the customer at the time of the customer's voluntary disconnection from the utility system.
- (3) Each day that one or more of the provisions in this plan is violated shall constitute a separate violation. Any person, including one classified as a water customer of the City of Dripping Springs, in apparent control of the property where a violation occurs or originates, shall be presumed to be the violator. Any such person, however, shall have the right to show that he did not commit the violation. See enforcement process diagram in *Appendix E - Drought Response Retail Enforcement Process for Municipalities*.

- (4) The designated manager or official of the City of Dripping Springs shall have the power to enforce the provisions of this Plan.
- (5) The municipal court shall have the power to issue to the designated manager or official of the City of Dripping Springs administrative search warrants, or other process allowed by law, where necessary to aid in enforcing this Plan.
- (6) Judicial enforcement of fines and penalties issued pursuant to this Plan may be sought through a municipal court, district court or small claims court having jurisdiction over the matter.
- (7) Compliance with this Plan also may be sought through injunctive relief in state district court.

Enforcement for Wholesale Customers

Wholesale treated water customers shall provide the City of Dripping Springs with an order, ordinance, or resolution to demonstrate adequate enforcement provisions for the wholesale customer's own drought contingency plan.

In addition, wholesale treated water customers who fail to comply with the drought contingency measures in the plan may be subject to the following civil penalties, in addition to any other remedies available to the City of Dripping Springs by law or under the terms of the wholesale water contracts:

Penalties for wholesale treated water customers:

First documented violation:	<u>Written notice of violation</u>
Second documented violation:	Penalty fee up to \$5,000
Third documented violation:	Penalty fee up to \$10,000

Legal Authority applicable to Municipalities in Regard to Drought Contingency Plan Enforcement

Texas Local Government Code sec. 552.001
Texas Local Government Code sec. 54.00 1
Texas Local Government Code sec. 54.005
Texas Local Government Code sec. 54.012 - 54.017
Texas Government Code sec. 29.003

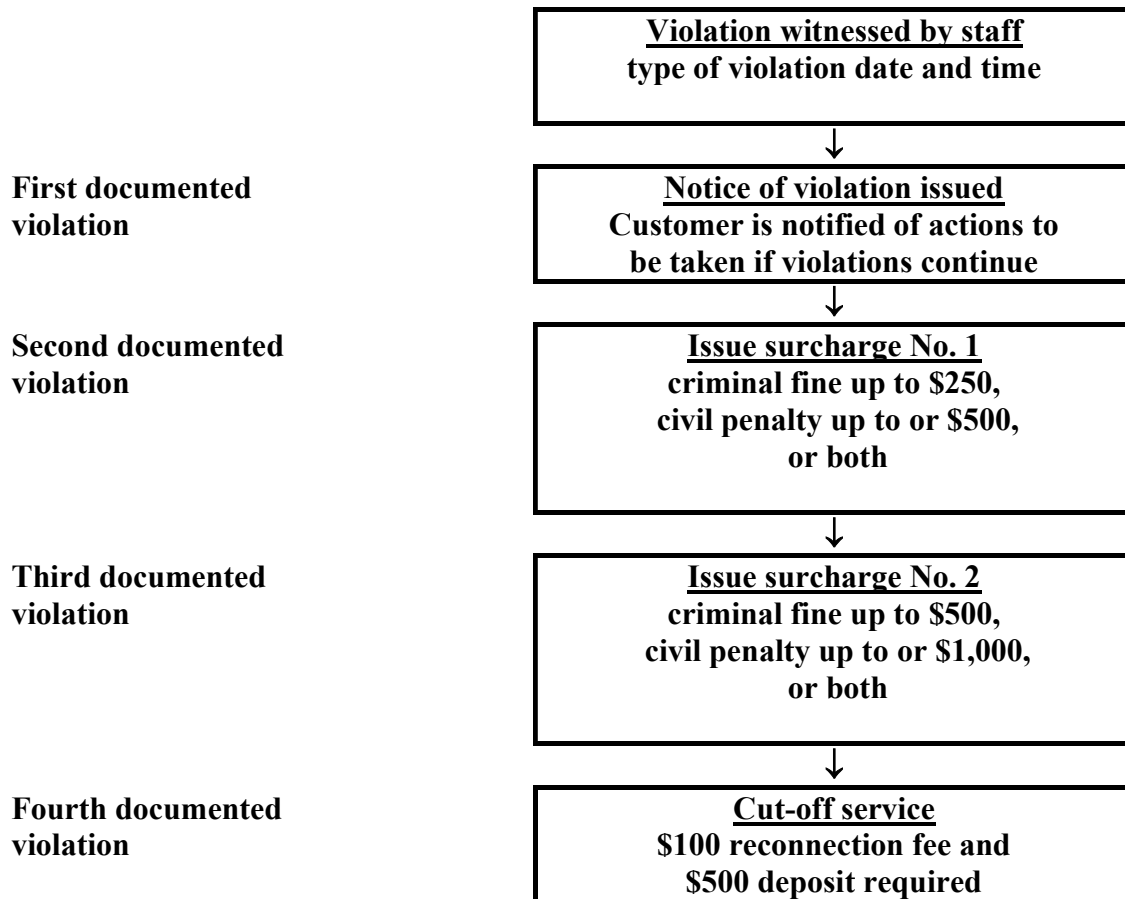
Appendix C – Enforcement Provisions for Water Districts

N/A

Appendix D – Enforcement Provisions for Water Supply Corporations and Investor-Owned Utilities

N/A

Appendix E – Drought Response Retail Enforcement Process for Municipalities



Appendix F – Drought Response Retail Enforcement Process for Water Districts and Investor-Owned Utilities

N/A

Appendix G – Example Authorization to Implement and Approve Drought Contingency Plans

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

I, John W. Rubottom, hereby certify that I am the General Counsel and Assistant Secretary of the Board of Directors (Board) of the Lower Colorado River Authority (LCRA), a conservation and reclamation district, duly organized and existing under and by virtue of the public laws of the State of Texas.

I further certify that the Board of Directors of LCRA, on March 25, 2009, in a meeting posted properly in accordance with the Texas Open Meetings Act and with a quorum present and voting, unanimously authorized the general manager and his staff to prepare and submit water conservation and drought contingency plans to the Texas Commission on Environmental Quality that are consistent with direction provided by the Board, as described in LCRA Board Agenda Item 8, a true and correct copy of which is attached hereto.

TO CERTIFY WHICH, witness my hand and official seal this the 7th day of April, 2009.





John W. Rubottom, General Counsel
and Assistant Secretary of the
LCRA Board of Directors

Exhibit G

Demand Schedule

Year	Active LUEs	Annual Water Usage*
2022	0	0.0 acre-ft
2023	873	440.0 acre-ft
2024	1941	978.4 acre-ft
2025	3008	1516.2 acre-ft
2026	4838	2438.7 acre-ft

*Calculation is based on 450 gal/day/LUE

Exhibit H

Arbitration Procedures

EXHIBIT H

ARBITRATION PROCEDURES

Section 1. Arbitration.

1.1. Binding Arbitration. Binding arbitration shall be conducted in accordance with the following procedures:

- (a) The party seeking arbitration hereunder shall request such arbitration in writing, which writing shall be delivered to the opposing party or parties and include a clear statement of the matter(s) in dispute. If a legal proceeding relating to the matter(s) in dispute has previously been filed in a court of competent jurisdiction (other than a proceeding for injunctive or ancillary relief) then such notice of election under this section shall be delivered within ninety (90) days of the date the electing party receives service of process in such legal proceeding. Otherwise, the legal proceeding shall be allowed to continue and binding arbitration shall not apply to the matter(s) in dispute in that legal proceeding.
- (b) Except to the extent provided in this Exhibit, the arbitration shall be conducted in accordance with the commercial rules of the American Arbitration Association by a single arbitrator to be appointed as follows: (i) upon the issuance and receipt of a request for arbitration, the requesting and receiving party each shall designate a representative for the sole purpose of selecting, by mutual agreement with the other party's designee, the individual who shall arbitrate the Dispute or Controversy referred to arbitration hereunder; (ii) within twenty (20) days of their appointment, the two representatives shall designate a third individual who shall be the arbitrator to conduct the arbitration of the Dispute or Controversy; (iii) said individual shall be qualified to arbitrate the Dispute or Controversy referred to arbitration hereunder and have a schedule that permits him or her to serve as arbitrator within the time periods set forth herein. In order to facilitate any such appointment, the party seeking arbitration shall submit a brief description (no longer than two (2) pages) of the Dispute or Controversy to the opposing party. In the event the parties' two representatives are unable to agree on a single arbitrator of the Dispute or Controversy within the twenty (20) day period, then the arbitrator shall be appointed by the then-serving chief administrative district judge of Travis County, Texas, or any successor thereto within the next ten (10) day period. The party seeking arbitration shall make the parties' request for appointment of an arbitrator and furnish a copy of the aforesaid description of the Dispute or Controversy to said judge. Each party may, but shall not be required to, submit to said judge a list of up to three (3) qualified individuals as candidates for appointment as the arbitrator whose schedules permit their service as arbitrator within the time periods set forth herein. The arbitrator appointed by the judge need not be from such lists.
- (c) Within thirty (30) days of the date the arbitrator is appointed, the arbitrator shall notify the parties in writing of the date of the arbitration hearing, which hearing date shall be not less than one-hundred twenty (120) days from the date of the arbitrator's appointment. The arbitration hearing shall be held in Austin, Texas. Except as otherwise provided

herein, the proceedings shall be conducted in accordance with the procedures of the Texas General Arbitration Act, Tex. Civ. Prac. & Remedies Code § 171.001 et seq. (the "Texas General Arbitration Act"). Depositions may be taken and other discovery may be made in accordance with the Texas Rules of Civil Procedure, provided that (i) depositions and other discovery shall be completed within ninety (90) days of the appointment of the arbitrator, (ii) there shall be no evidence by affidavit allowed, and (iii) each party shall disclose a list of all documentary evidence to be used and a list of all witnesses and experts to be called by the party in the arbitration hearing at least twenty (20) days prior to the arbitration hearing. The arbitrator shall issue a final ruling within thirty (30) days after the arbitration hearing. Any decision of the arbitrator shall state the basis of the award and shall include both findings of fact and conclusions of law. Any award rendered pursuant to the foregoing, which may include an award or decree of specific performance hereunder, shall be final and binding on, and not appealable by, the parties, and judgment thereon may be entered or enforcement thereof sought by either party in a court of competent jurisdiction. The foregoing deadlines shall be tolled during the period that no arbitrator is serving until a replacement is appointed in accordance with this Exhibit.

- (d) Notwithstanding the foregoing, nothing contained herein shall be deemed to give the arbitrator appointed hereunder any authority, power or right to alter, change, amend, modify, waive, add to or delete from any of the provisions of the contract.

Section 2. Further Qualifications of Arbitrators; Conduct. All arbitrators shall be and remain at all times wholly impartial and, upon written request by any party, shall provide the parties with a statement that they can and shall decide any Dispute or Controversy referred to them impartially. No arbitrator shall be employed by any party, the State of Texas, or have any material financial dependence upon a party, the State of Texas, nor shall any arbitrator have any material financial interest in the Dispute or Controversy.

Section 3. Applicable Law and Arbitration Act. The agreement to arbitrate set forth in this Exhibit shall be enforceable in either federal or state court. The enforcement of such agreement and all procedural aspects thereof, including the construction and interpretation of this agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability and the rules (except as otherwise expressly provided herein) governing the conduct of the arbitration, shall be governed by and construed pursuant to the Texas General Arbitration Act. In deciding the substance of any such Dispute or Controversy, the arbitrator shall apply the substantive laws of the State of Texas. The arbitrator shall have authority, power and right to award damages and provide for other remedies as are available at law or in equity in accordance with the laws of the State of Texas, except that the arbitrator shall have no authority to award incidental or punitive damages under any circumstances (whether they be exemplary damages, treble damages or any other penalty or punitive type of damages) regardless of whether such damages may be available under the laws of the State of Texas. The parties hereby waive their right, if any, to recover punitive damages in connection with any arbitrated Dispute or Controversy.

Section 4. Consolidation. If the parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then the parties hereby agree that all such proceedings may be consolidated into a single arbitration proceeding.

Section 5. Pendency of Dispute; Interim Measures. The existence of any Dispute or Controversy eligible for referral or referred to arbitration hereunder, or the pendency of the dispute settlement or resolution procedures set forth herein, shall not in and of themselves relieve or excuse either party from its ongoing duties and obligations under the contract or any right, duty or obligation arising therefrom; provided, however, that during the pendency of arbitration proceedings and prior to a final award, upon written request by a party, the arbitrator may issue interim measures for preservation or protection of the status quo.

Section 6. Complete Defense. The parties agree that compliance by a party with the provisions of this Exhibit shall be a complete defense to any Action or Proceeding instituted in any federal or state court, or before any administrative tribunal by any other party with respect to any Dispute or Controversy that is subject to arbitration as set forth herein, other than a suit or action alleging non-compliance with a final and binding arbitration award rendered hereunder.

Section 7. Costs. Each party shall bear the costs of its appointed representative to select the arbitrator of the Dispute or Controversy and its own attorneys' fees, while the costs of the arbitrator of the Dispute or Controversy incurred in accordance with the foregoing shall be shared equally by the parties. Additional incidental costs of arbitration shall be paid for by the nonprevailing party in the arbitration; provided, however, that where the final decision of the arbitrator is not clearly in favor of either party, such incidental costs shall be shared equally by the parties.