

FIRM WATER CONTRACT

By and Between

LOWER COLORADO RIVER AUTHORITY

And

CITY OF ROLLINGWOOD

FIRM WATER CONTRACT

This Contract is entered by and between the LOWER COLORADO RIVER AUTHORITY (hereinafter, together with its successors and assigns, "LCRA") and CITY OF ROLLINGWOOD, (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 499 acre-feet per year from the Effective Date. Of this amount, no more than 493 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 1.23% 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 is 1.55 cubic feet per second when diverted at an intake solely used by PURCHASER. In the event PURCHASER’s diversions are at an intake serving additional customer(s) of LCRA, PURCHASER shall notify LCRA of the maximum diversion rate prior to the initiation of diversions from such intake.

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 Travis County as described in Exhibit C and depicted in Exhibit D, together hereinafter called the “Service Area.”

2.8 Term of Contract.

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

2.9 Previous Contract.

There is no contractual relationship between parties prior to the Effective Date.

2.10 Notice.

All notices and invoices to PURCHASER shall be addressed to:

City of Rollingwood
403 Nixon Dr.
Rollingwood, Texas 78746

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
firmwater@lcra.org for email transmission

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

2.11 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), Army Corps of Engineers (USACE), U.S. Fish and Wildlife Service ("USFWS"), Texas

Parks and Wildlife Department ("TPWD"), or any other local, state, or federal regulatory authority, obtains and maintains any water rights permit, wastewater discharge permit, dredge and fill permits, any required approval related to threatened or endangered freshwater mussels that may occur in the vicinity of the PURCHASER's diversion facilities, 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.

SIGNED BY:

Lower Colorado River Authority

City of Rollingwood

By: _____

By: _____

Monica Masters, P.E.
Senior Vice President, Water Resources

Name: _____

Title: _____

Date: _____

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
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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.

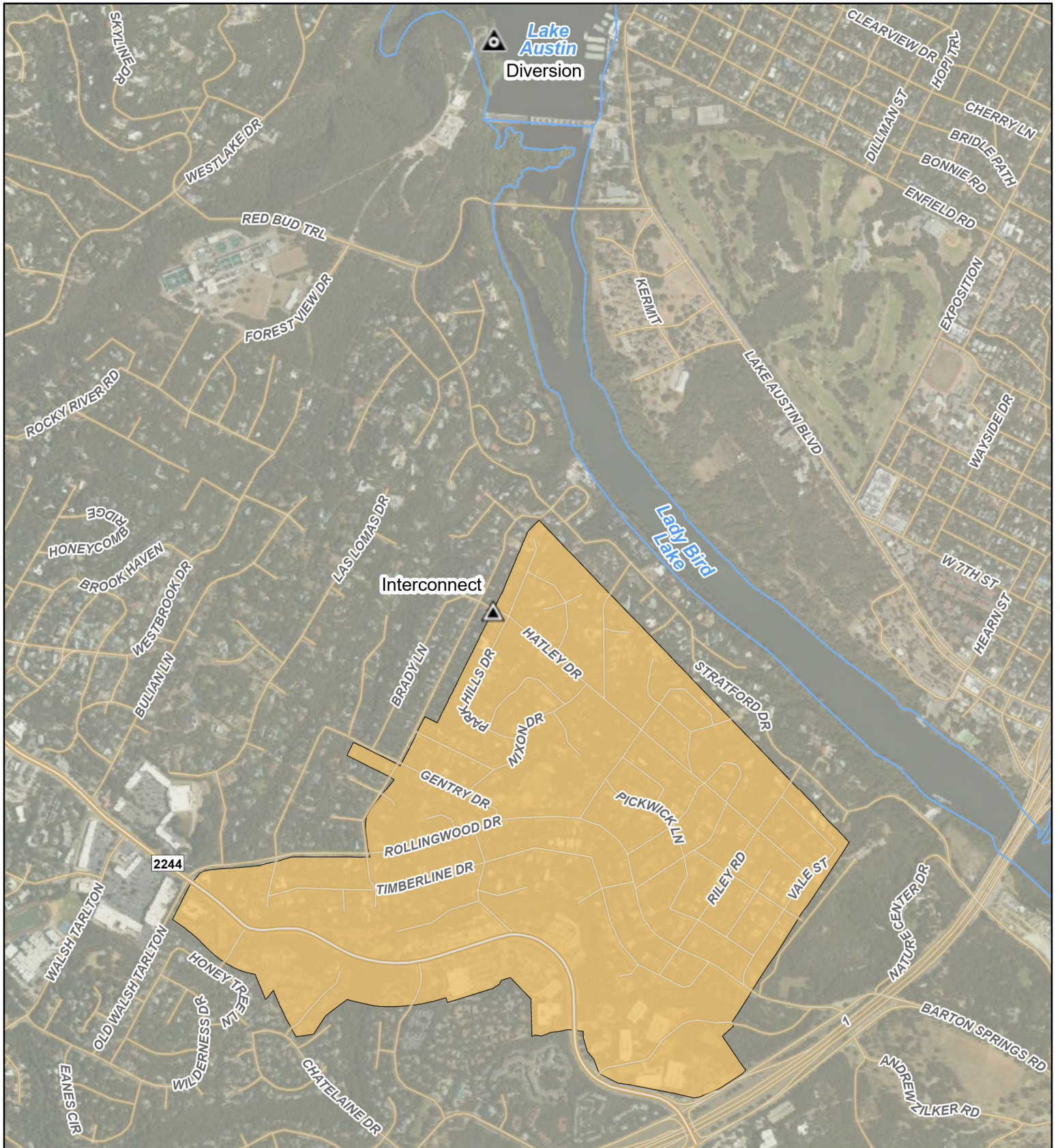
V. SHORT TERM SALES OF FIRM WATER TO THIRD PARTIES.




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 & D

Description of Point(s) of Availability

Depiction of Service Area



-  Diversion Point
-  Interconnect
-  City of Rollingwood Service Area



**City of
Rollingwood**
Firm
Water Contract
Service Area

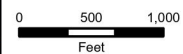
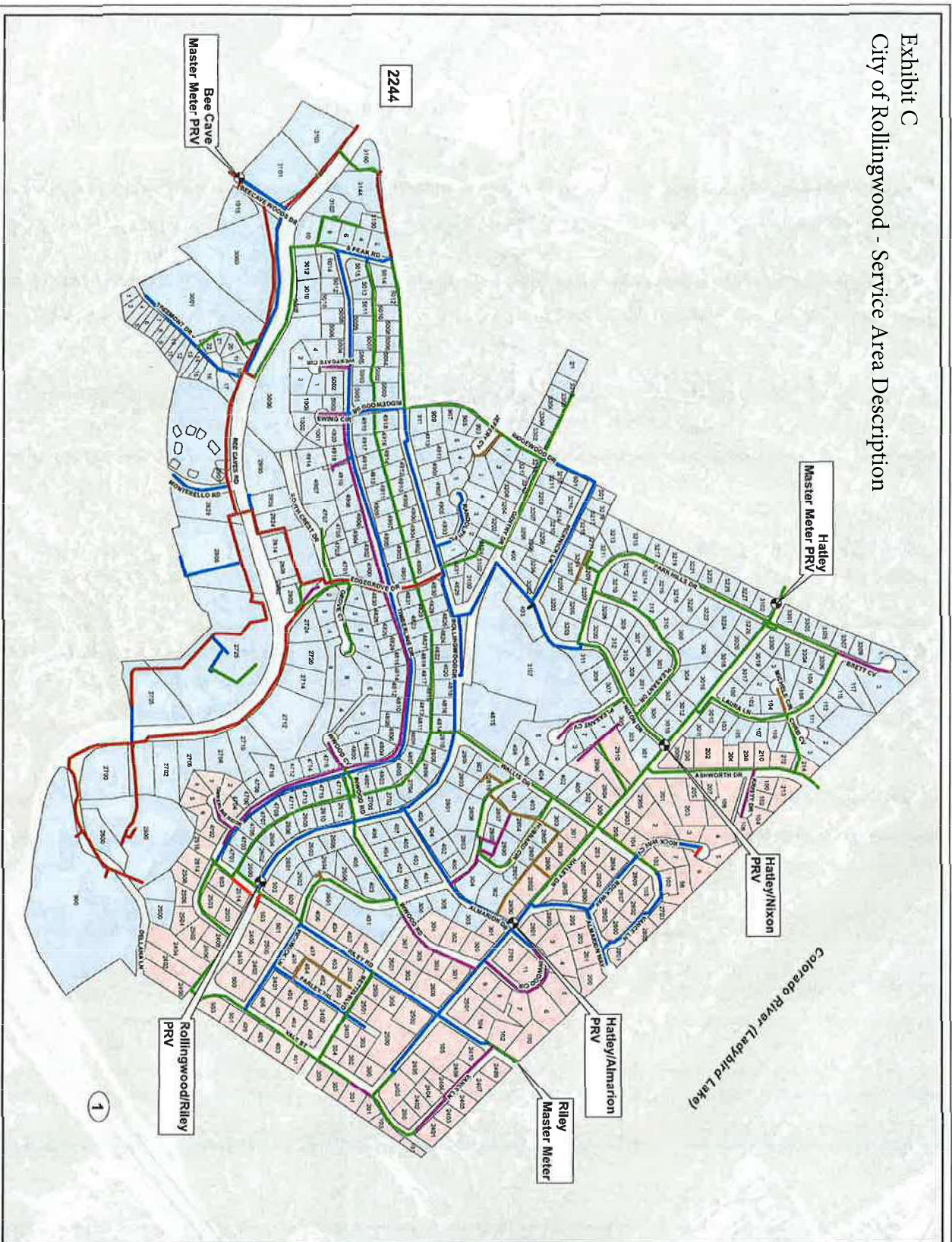


Exhibit C

Description of Service Area

Exhibit C
 City of Rollingwood - Service Area Description



City of Rollingwood
 Travis County, TX
 Existing
 Active Water System

- Waterline (Diameter)
- 1"
- 2"
- 4"
- 6"
- 8"
- 12"
- Unknown
- Pressure Release Valve
- Parcel Boundary
- Pressure Zone
- Upper (770')
- Lower (700')

Data Source:
 City of Rollingwood (2021)
 Aerial Source: Sitman (2021)

0 600 1,200 Feet

Date: 5/10/2022

ROLLINGWOOD
 TEXAS

K.FRIESE
 + ASSOCIATES
 PUBLIC PROJECT ENGINEERING
 PRRM NO. 6535

Exhibit E

Water Conservation Plan

EXHIBIT "A" TO ORDINANCE NO. 2026-03-25-06

City of Rollingwood Water Conservation Plan

Prepared by: HW Lochner Inc

March 2026

1. Introduction

The City of Rollingwood water conservation plan has been developed to meet the LCRA Water Conservation Plan Rules for Water Sale Contracts in accordance with the LCRA Water Contract 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 the City of Rollingwood's retail water customers located within its water service area, as defined in its Water Supply Contract with LCRA.

2. Utility Profile Information

As of April 2025, there were approximately 625 connections in the City of Rollingwood's water service area. There were 539 residential connections and an estimated population of 1,447. The City of Rollingwood is fully built out. The City of Austin currently provides all potable water and treats all wastewater from the City of Rollingwood. The City of Rollingwood does not operate a wastewater treatment plant.

Table 1 in Appendix A provides tables on water use data for the past five years. The City of Rollingwood experienced main breaks in January 2022 and February 2023 due to pressure plane regulation issues from a faulty PRV causing the increased water usage shown in those months. A recent CIP project addressed this issue. The five-year average daily water use, substituting those two months with 2025's usage, was 372,657 gallons. The five-year average annual water loss, substituting 2022 and 2023's losses with 2018 and 2019's losses, was 23,782,899 gallons. The five-year average per capita water use is 258 total gallons per person per day (GPCD) and 184 residential GPCD.

3. Water Conservation Goals

Water conservation 5- and 10-year goals are required for overall water use, residential water use, and water loss. The goals proposed by the City of Rollingwood are as follows:

| | 5-year goals | 10-year goals |
|--|--------------|---------------|
| Gallons per person per day (GPCD) | 233 | 210 |
| Residential gallons per person per day (rGPCD) | 166 | 150 |
| Water loss (in GPCD) | 41 | 37 |

4. Water Conservation Strategies

4.1 Water Loss

4.1.1 Universal Metering and Meter Replacement and Repair - Required

The City of Rollingwood requires all water meters to be accurate within plus or minus 5% of the indicated flow over the possible flow range. All utility customers will be metered. 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 inch: | Test once a year |
| Meters 1 inch or smaller: | Test per manufacturer's recommendations |

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

4.1.2 Distribution System Leak Detection and Repair- Required

The City of Rollingwood 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 and the City of Rollingwood will review [TWDB Municipal BMP 4.2 Utility Water Audit & Water Loss](#) prior to conducting a water loss audit. LCRA water customers may qualify for [financial assistance](#) for conducting comprehensive water audits.

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 (BMPs)

(Not required by LCRA, but highly encouraged. Please check all that apply.)

- All meters are compatible with automatic reading capabilities. The City of Rollingwood has implemented automated meter reading (AMR) and receives monthly water use data by driving the service area.
- The City of Rollingwood converted to automated meter infrastructure (AMI), which was completed in September 2024.
- All meters are read automatically using automated meter infrastructure (AMI) and the City of Rollingwood receives real-time water use data.

- The AMI system automatically alerts customers who have opted in for leak alerts. The City of Rollingwood staff also send leak alerts to customers using AMI data reports.
- A customer portal allows end users to check their water use online.
- Adoption of TWDB Municipal BMP 9.1 Prohibition on Wasting Water.
- A requirement for submeters for irrigation for all new commercial and industrial customers.
- A requirement for submeters for irrigation for all new residential properties.
- 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 will be used to keep sedimentation out of water treatment plant filters.

4.2 Water Rates and Records Management - Required

4.2.1 Increasing Block Rates

The City of Rollingwood currently uses an increasing block rate structure to reflect the cost drivers for the water systems and sends a conservation price signal to customers. The City of Rollingwood will periodically evaluate its rate structure to promote conservation to the maximum extent possible. Updated rate schedules and tiers for these systems shall be submitted to LCRA within 30 days of approval. The current rate structure will be submitted with this plan to LCRA and will be located on the utility web site.

4.2.2 Water Monitoring and Records Management

The City of Rollingwood'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.

The billing system is capable of separating water use per customer type into the following categories: single-family residential, commercial, and institutional. Any new billing system purchased will be capable of reporting detailed water use data by the sectors listed.

4.2.3 Additional Water Monitoring, Records Management and Planning Best Management Practices (BMPs)

(Not required by LCRA, but highly encouraged. Please check all that apply.)

Conservation related planning efforts that take into consideration the customer characteristics of each utility are an important part of a comprehensive and successful water conservation program.

Consideration of [TWDB Municipal BMP 2.4 Customer Characterization: Analysis to Prioritize BMP selection](#).

Consideration of [TWDB Municipal BMP 2.3 Water Survey for Single-Family and Multi-Family Customers](#), as applicable.

Adoption of a method for monitoring and evaluating the effectiveness of conservation measures by installing electronic meters with advanced metering infrastructure (AMI) that monitors water usage in real time.

4.3 Permanent Watering Schedule - Required

During the months of October through April, residential and commercial customers are required to limit irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems to twice a week between the hours of midnight to 10:00 a.m. and 7:00 p.m. to midnight according to the following schedule:

- Even-numbered addresses are allowed lawn watering two days per week, on Tuesday and Friday.
- Odd-numbered addresses are allowed lawn watering two days per week, on Monday and Thursday.
- The watering of nonestablished trees, shrubs and bushes will be accomplished on the same days.
- If there is no street address associated with the property, such as a parkway, or if there is more than one street address associated with a single contiguous property, the irrigation days are Wednesday and Saturday.

During the months of May through September, residential and commercial customers are required to limit irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems to once a week between the hours of midnight to 10:00 a.m. and 7:00 p.m. to midnight according to the following schedule:

- If the last digit of the address ends in zero or nine, the irrigation day is Monday.
- If the last digit of the address ends in one or eight, the irrigation day is Tuesday.
- If the last digit of the address ends in two or seven, the irrigation day is Wednesday.
- If the last digit of the address ends in three or six, the irrigation day is Thursday.
- If the last digit of the address ends in four or five, the irrigation day is Friday.

4.4 Water Reuse – Required to address applicability, if relevant

Alternative water supplies such as reuse, greywater, or rainwater harvesting were considered during the preparation of this plan. Due to the City's lack of wastewater treatment infrastructure and land use characteristics, these alternatives are not applicable at this time.

For utilities operating a wastewater treatment plant:

If wastewater treatment is required on-site, a development design plan should include a reuse system designed to deliver wastewater for the following types of water uses once the wastewater volume is adequate:

- _____ Irrigation of right-of-ways and medians
- _____ Irrigation of athletic fields (list names and acreage _____)
- _____ Irrigation of parks (list names and acreage _____)
- _____ Irrigation of golf courses (list names and acreage _____)
- _____ Other (please list _____)

The treated wastewater effluent, as treated by the City of Austin on behalf of the City of Rollingwood, currently produced is 519,066 gallons per day and 0% of that effluent is used for the irrigation uses listed above.

The City of Austin treats all of the City of Rollingwood's wastewater. In order for the City of Rollingwood to have reuse infrastructure, it would have to contract with the City of Austin to build the delivery infrastructure and also to receive the reuse. At this time, the City of Rollingwood does not think a reuse alternative supply is an appropriate water supply option.

4.5 Education and Outreach

4.5.1 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 other interested groups. The City of Rollingwood's staff may attend such events or request a presentation from LCRA staff to promote water conservation.

4.5.2 Additional Education and Outreach Best Management Practices (BMPs)

(Not required by LCRA, but highly encouraged. Please check all that apply.)

- The City of Rollingwood will do its best to educate its customers of and enforce the Permanent Watering Schedule using available AMI data.
- Irrigation system evaluations will be offered to customers with large landscape irrigation needs in the utility service area following [TWDB Municipal BMP 5.5 Residential Landscape Irrigation Evaluations](#) and offered and actively marketed individually to all customers using over 25,000 gallons per month during peak irrigation months. Irrigation evaluations consist of evaluating the irrigation system, checking for leaks and other performance problems, and customizing an irrigation schedule.
- Customers will be offered [rebates](#) for irrigation system equipment, irrigation system evaluations, pools, landscapes and soil testing from LCRA, as listed on LCRA's website. The City of Rollingwood will assist LCRA with promoting water conservation programs to its customers.
- Consideration of [TWDB Municipal BMP 5.3 Landscape Irrigation Conservation and Incentives](#), as applicable.
- Consideration of [TWDB Municipal BMP 9.2 Conservation Ordinance Planning and Development](#).
- 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.

4.6 Other Best Management Practices for New Development

(Not required by LCRA, but highly encouraged. Please check all that apply.)

- Temporary landscape watering schedule variance for new landscapes. New landscapes must 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.
- Landscape conservation standards for new development. The City of Rollingwood will incorporate standards included in Appendix B of this plan into its adopted rules and regulations, and will follow the ordinance approach described in [TWDB Municipal BMP 7.5 Water Wise Landscape Design and Conversion Programs](#).
- The City of Rollingwood will adopt [TWDB Municipal BMP 9.3, Enforcement of Texas Irrigation Standards](#).
- Swimming pool conservation standards for new development. The City of Rollingwood will incorporate standards included in Appendix C of this plan into its adopted rules and regulations.
- A requirement for submeters at every residential property for new development.

5. Wholesale Water Conservation Plans - Required

Wholesale treated water customers must 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 of Rollingwood 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

This Water Conservation Plan has been formally adopted by the City of Rollingwood City Council via Ordinance No. 2026-03-25-06 on March 25th, 2026, in accordance with City Code §103-50.

The city administrator, or his/her designee, of the City of Rollingwood is hereby authorized and directed to implement the applicable provisions of the plan. The 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 copy of this plan signed and dated by the city administrator, or his/her designee, will be sufficient to meet this requirement.

7.1 Plan Implementation

The City will evaluate the effectiveness of this plan annually by tracking changes in GPCD, customer leak notifications, participation in conservation programs, and annual water loss audit results. Metrics will be used to adjust strategies as needed.

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

Approved by: Gavin Massingill, Mayor (print name)

8. LCRA Progress Reporting and Plan Updates

The City of Rollingwood agrees to comply with LCRA Water Conservation Plan Rules, Section 8.2, by submitting an annual progress report using forms provided by LCRA. These reports will assess the implementation status and performance of the conservation measures outlined in this plan. Reports will be submitted within 30 days of request, and the plan will be reviewed and updated at least once every five years or sooner if required by LCRA or upon material changes to water use patterns.

Signature:  Date: 3/25/26

(Customer representative with enforcement authority)

Appendix A – Historical Water Use Data – Table 1

Table 1: Monthly Water Use

| Month | 2020 (Gallons) | 2021 (Gallons) | 2022 (Gallons) | 2023 (Gallons) | 2024 (Gallons) | Average (Gallons) |
|--------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------------------------------|
| January | 8,118,200 | 5,704,400 | 68,024,000 ¹ | 7,520,300 | 7,572,400 | 19,387,860 |
| February | 6,136,800 | 5,572,400 | 6,897,000 | 111,207,165 ² | 8,057,600 | 27,574,193 |
| March | 6,665,600 | 7,558,000 | 9,991,000 | 10,023,400 | 9,973,600 | 8,842,320 |
| April | 7,718,400 | 5,927,700 | 12,433,200 | 5,265,100 | 10,418,300 | 8,352,540 |
| May | 11,111,700 | 6,643,700 | 14,866,000 | 6,428,700 | 11,149,000 | 10,039,820 |
| June | 13,573,600 | 9,222,400 | 19,343,000 | 9,717,500 | 14,681,000 | 13,307,500 |
| July | 18,055,000 | 11,299,600 | 21,209,000 | 13,385,700 | 16,510,600 | 16,091,980 |
| August | 17,840,000 | 13,433,700 | 19,127,000 | 15,995,300 | 19,547,400 | 17,188,680 |
| September | 13,129,900 | 11,957,400 | 17,746,900 | 13,097,300 | 18,532,300 | 14,892,760 |
| October | 15,212,000 | 10,753,500 | 15,018,500 | 8,955,600 | 19,495,800 | 13,887,080 |
| November | 11,797,300 | 8,512,000 | 9,861,400 | 10,046,500 | 12,474,600 | 10,538,360 |
| December | 8,949,200 | 7,098,700 | 8,701,100 | 9,853,600 | 8,928,000 | 8,706,120 |
| Total | 138,307,700 | 103,683,500 | 223,218,100 | 221,496,165 | 157,340,600 | 168,809,213 |

¹ January 2022's water usage was substituted with January 2025's water usage of 6,072,000 gallons in the calculations for this plan's water conservation goals.

² February 2023's water usage was substituted with February 2025's water usage of 9,213,000 gallons in the calculations for this plan's water conservation goals.

Appendix B – LCRA Recommended Landscape Conservation Standards

The City of Rollingwood will provide these standards to customers applying for development permits.

These standards are similar to the Greater Austin Homebuilder "Sensible Landscaping for Central Texas" guidelines developed with significant input from the LCRA. The standards are meant to provide builders and homeowners with a well-designed, water-efficient landscape. The standards can be adopted through ordinance, deed restriction or covenant where economically feasible and allowed by federal, state and local law.

Design

- A. No more than 50% or up to 7,000 square feet of the landscape shall be planted in turf. Longer leafed native grasses and wildflowers that use low amounts of water are not considered turf grass when determining how much turf grass is allowed.
- B. Automatic spray irrigation for each home/business shall be limited to 2.5 times the foundation footprint, with a 12,000-square-foot maximum. The footprint may include both the house and the garage, but not the driveway or patio.

Soil

- A. There shall be no less than **6 inches** of high-quality topsoil in planted areas.
- B. Topsoil shall be native soil from the site, or fertile, friable, blended soil/compost blend. Topsoil shall not be of any admixture of subsoil or slag and shall be free of stones over 1½ inches in diameter, lumps, refuse, plants or their roots, sticks, noxious weeds, salts, soil sterilants or other material that is detrimental to plant growth. If topsoil is delivered, it shall be obtained from a well-drained site that is free of flooding. Topsoil shall not be delivered or spread while in a muddy condition.
- C. Non-native topsoil shall contain not less than 25 percent organic matter (compost) that is blended through the soil.
- D. Topsoil that is added to the site shall be incorporated into the existing surface in a two- to three-inch scarified transition layer to enable water to drain adequately through the different types of soil. Do not scarify within the drip line of existing trees that are to be retained.

Irrigation

- A. Automated irrigation systems shall not be required in any new landscape. However, if irrigation is installed it shall meet the guidelines outlined in this section.

- B. All irrigation systems shall be installed in accordance with state law, Title 2 Texas Water Code, Chapter 34, and Title 30 Texas Administrative Code, Chapter 344 rules, as regulated and enforced by TCEQ. Irrigation contractors who install the irrigation systems must be TCEQ-licensed irrigators.
- C. Drip irrigation shall be used for all irrigated landscaped areas, excluding turf. Turf can be irrigated with drip, but drip irrigation is not required.
- D. Areas planted with turf shall be on separate zones from areas planted with shrubs, trees or perennials.
- E. Hydrozoning of all areas that are irrigated automatically will be scheduled with plants with similar watering needs.
- F. All automatic irrigation systems are required to have a rain sensor, a soil moisture sensor and/or a weather sensor connected to an irrigation controller to stop the irrigation cycle during and after a rainfall event. Rain sensors are to be installed in a location where rainfall is unobstructed. Rain sensors should be adjusted at the ¼-inch setting.
- G. Sprinkler irrigation is prohibited in median strips, parking islands and all landscape areas less than 10 feet from curb to curb or 10 feet in width. Areas less than 10 feet curb-to-curb or 10 feet in width can be irrigated with low-volume irrigation. Low-volume irrigation (subsurface drip irrigation or drip irrigation) shall be installed in long landscape strips less than 10 feet in width to avoid runoff and overspray onto the hardscape.
- H. All new residential irrigation systems are required to have pressure regulation where static operating pressure exceeds the sprinkler manufacturer's recommended operating range to eliminate extensive misting. These may include in-line pressure regulators, flow control valves, or sprinkler devices equipped with pressure regulation stems or nozzles.
- I. Irrigation systems are to have a controller that features multiple start times, rain sensor capability, a water budget feature, and a non-volatile memory in case of power outage.
- J. Scheduling recommendations shall be posted inside or immediately near the controller enclosure box for easy reference.
- K. Homeowners shall be provided with a complete irrigation plan (or as-built drawing) that describes the location of each irrigation zone, control valves, and sprinkler devices.
- L. Sprinkler systems shall be designed with no overspray onto the hardscape.
- M. Sprinkler zones located at the bottom of sloped terrain along curbs, sidewalks, driveways, and other hardscapes should be equipped with devices that prevent low-head drainage after the sprinkler zone is turned off. In-line check valves and sprinkler heads with check valves already installed will help prevent low-head drainage.

Plant Choice

- A. Plants used must be native and drought tolerant.
- B. Turf grasses should be limited to low water use turfs. St. Augustine grasses should not be planted.
- C. Invasive plants shall not be used.

Plant Prepping

- A. A hole dug for the plant or tree should be two to three times wider than the container or root ball in which the plant is being stored, ensuring water is able to be absorbed by the plant's roots.
- B. The existing soil should be blended with compost before the sodding or seeding with the recommended turfgrass.

Plant Placement and Spacing

Proper plant placement and spacing is critical to plant health and long-term landscape quality. Placing plants too close to buildings can cause problems with plant disease, as well as insect and structural problems. Proper plant spacing helps ensure good air flow and room for plants to mature without crowding. Consider the mature height and width of plants before planting them.

Mulch

- A. All areas planted with trees, perennials and shrubs shall be finished with a **2- to 4-inch-deep** layer of high-quality 50/50 blend of organic mulch and compost blend.
- B. Wood chip mulch shall be clean wood chips free of man-made debris, shredded into coarse pieces ranging from 1 to 3 inches.
- C. Rock mulch shall be used in planting beds only as temporary mulch until full plant coverage is achieved, or as permanent mulch in areas with native shrubs and perennials.

Maintenance

- A. Replenish mulch/compost blend in non-turf areas every two years at a minimum. Doing so during the fall and spring is recommended.
- B. Aerate turfgrass within the first year of construction and twice a year after that (about Oct. 1 and March 1).

- C. Topdress turfgrass areas with quality compost twice a year (about Oct. 1 and March 1) at a depth of $\frac{1}{4}$ to $\frac{1}{2}$ inch following the aeration and drag or rake it into the canopy and aeration holes.
- D. Set the automatic irrigation system back to a normal schedule after the establishment period.

Appendix C – LCRA Recommended New Pool Construction Standards

The City of Rollingwood will provide these standards to customers applying for development permits.

- A. Private residential swimming pools shall not be installed with sand media filters.
- B. Pool water features installed with public swimming pools or private residential swimming pools must be designed so the water feature can be turned off without affecting the filtering capabilities of the pool. Automatic pool fill features must be designed so they can be turned off in both public and private residential swimming pools.
- C. Pools with shared water between the pool and spa shall be designed so water can be shared without the necessity of an above-ground water feature that cannot be turned off. If a water feature between the spa and the pool exists, the default setting will be for it to be turned off.
- D. Automatic pool fill features must include an automatic pool shut-off feature.
- E. Vanishing or negative edge pools must be designed with catch basins large enough to prevent splashing that leads to increased water use.
- F. Backwash systems must be designed so they may be turned off.
- G. Pool skimmers should be managed in such a way as to minimize water consumption. The range of allowable water within the skimmer fill range should allow for several inches of evaporative loss prior to filling.
- H. All residential swimming pools shall have a hose end timer installed at the nearest hose bib location. In addition, a hose bib back-flow prevention device must be connected to the hose bib fixtures nearest to the pool.
- I. All residential swimming pools shall be installed with a permanent automatic pool cover to minimize evaporative loss when not in use.

Appendix D – City of Rollingwood Current Water Rate Structure



CITY OF ROLLINGWOOD
 403 NIXON DRIVE
 ROLLINGWOOD, TEXAS 78746
 (512) 327-1838 Fax (512) 327-1869
www.cityofrollingwood.com

March 9, 2018

Dear Rollingwood Water Customers,

On February 21, 2018, the City Council adopted a water rate schedule that incorporates a new element—rather than a fixed Water Demand Charge for all customers, the new Water Demand Charge is based on meter size. There is still a separate Use Charge, which also has been changed. The current and new water rates are set forth below side by side for comparison.

| <u>Current Water Rates</u> | |
|------------------------------------|----------|
| <u>Water Demand Charge</u> | \$ 18.29 |
| <u>Use Charge (per 1,000 gal.)</u> | |
| <i>Residential</i> | |
| 0-2000 | \$ - |
| 2,001-10,000 | \$ 5.67 |
| 10,001-20,000 | \$ 5.85 |
| 20,001-35,000 | \$ 6.94 |
| 35,001-50,000 | \$ 10.23 |
| 50,001-75,000 | \$ 14.49 |
| 75,001-100,000 | \$ 21.42 |
| >100,000 | \$ 28.98 |
| <i>Commercial</i> | |
| 0-2,000 | \$ - |
| >2,000 | \$ 6.94 |
| <i>Irrigation</i> | |
| 0-35,000 | \$ 6.94 |
| 35,001-50,000 | \$ 10.23 |
| >50,000 | \$ 14.49 |

| <u>New Water Rates</u> | |
|------------------------------------|-------------|
| <u>Water Demand Charge</u> | |
| 5/8" or 3/4" Meter | \$ 20.00 |
| 1" Meter | \$ 30.00 |
| 1.5" Meter | \$ 80.00 |
| 2" Meter | \$ 128.00 |
| 3" Meter | \$ 240.00 |
| 4" Meter | \$ 400.00 |
| 6" Meter | \$ 800.00 |
| 8" Meter | \$ 1,280.00 |
| <u>Use Charge (per 1,000 gal.)</u> | |
| <i>Residential</i> | |
| 0-2000 | \$ 2.00 |
| 2,001-8,000 | \$ 5.00 |
| 8,001-13,000 | \$ 7.00 |
| 13,001-25,000 | \$ 10.00 |
| 25,001-35,000 | \$ 15.00 |
| 35,001-50,000 | \$ 21.00 |
| >50,000 | \$ 28.00 |
| <i>Commercial</i> | |
| All Gallons | \$ 6.25 |
| <i>Irrigation</i> | |
| 0-35,000 | \$ 7.25 |
| 35,001-50,000 | \$ 10.75 |
| >50,000 | \$ 15.25 |

Based on the new structure of the Water Demand Charge, the size of meter the customer has will determine the monthly base rate. For instance, if a residential customer has a 5/8" meter, the monthly Water Demand Charge will be \$20.00. If the customer has a 1" meter, then the monthly Water Demand Charge will be \$30.00. After determining the Water Demand Charge for the month, then the Use Charge will be added to it for a final bill.

A change has been made to how the Use Charge is calculated. In the past, there was no charge for the first 2,000 gallons of use. Now there will be a charge for all water used, including for the first 2,000 gallons. The rate for each 1,000 gallons used is charged based on the amount of water the customer uses within each rate usage block. For example, if a residential customer uses a total of 15,000 gallons of water in a month, then the Use Charge would be \$89.00. The \$89.00 Use Charge is calculated by adding \$4.00 (\$2.00 per thousand for the first 2,000 gallons), \$30.00 (\$5.00 per thousand for the next 6,000 gallons), \$35.00 (\$7.00 per thousand for the next 5,000 gallons), and \$20.00 (\$10.00 per thousand for the next 2,000 gallons).

Under the new water rate schedule, a resident with a 5/8" meter who used 15,000 gallons of water in a month would be charged \$20.00 as a Water Demand Charge plus \$89.00 as a Use Charge for a total of \$109.00. A customer with a 1" meter using 15,000 gallons would be charged \$30.00 as a Water Demand Charge and \$89.00 as a Use Charge for a total of \$119.00. This new rate schedule will apply beginning April 1, 2018.

Process Of Creating The Rate Structure

The City Council action to raise the rates was taken following a long period of careful analysis and deliberation. Faced with a deficit of approximately \$400,000 in the City's Water Fund, the City Council voted to budget funding for a rate study of the water utility. On October 3, 2017, the Utility Commission met to discuss recommending a new water rate structure that accomplished the following objectives:

- Raising the revenue necessary to satisfy the water fund budget and build an adequate reserve to meet current and future operating and capital expenditures;
- Providing a more stable revenue stream from year to year;
- Collecting more revenue from demand charges to cover fixed expenses;
- Incorporating the latest wholesale water rate charged by the City of Austin; and,
- Maintaining a water conservation-oriented rate structure.

How Did The Water Fund Arrive At Such A Deficit?

The Water Fund has been operating in a deficit since 2013. A capital improvements project to move water lines from backyards to front yards of residents was not sufficiently funded with bond financing and reserves were tapped to cover the expenditures. Additionally, central Texas experienced a couple of years of historical drought conditions that imposed water restrictions and encouraged customers to use less water in their households and when watering lawns, which led to a significant reduction in water sales. Finally, according to the rate analyst hired by the City, current rates are underfunding the Water Fund by 30%.

Analysis Of The New Water Rate Schedule

The rate structure is expected to be financially viable for the 2017-2018 budget year and into the future. It adjusts the current tiers of water usage to better match current usage patterns and scales the Water Demand Charge based on meter size.

The rate structure embodies the concept of placing the City's highest priority on providing essential water to both residential and commercial customers at a reasonable cost, while sending a price signal that all irrigation water is considered a lower priority use.

The City's Wholesale Water Contract

The City of Rollingwood purchases its water from the city of Austin pursuant to a long-term wholesale contract and this is the largest expenditure of the Water Fund. The contract obligates Austin to deliver to the city up to 1,000,000 gallons per day, subject to reductions in that amount under certain circumstances. The most recent month of peak usage was August 2017, in which the amount of water purchased was 16,081,000 gallons.

The wholesale price of water is determined annually by Austin using a cost of service model. One of the principal components of the model is the degree to which the city of Rollingwood minimizes its peak water usage during a month in relative comparison with the other wholesale purchasers of Austin water. The current wholesale water price for Rollingwood is \$4.65 per 1,000 gallons.

Water Conservation Rate Structure

Reasons why the City Council decided to adopt a water rate structure that encourages water conservation include, but are not limited to, the following:

- Price increases are an effective means of reducing discretionary irrigation water use, and
- Residential and commercial customers that use large amounts of water during the peak summer months potentially create a higher wholesale cost for Rollingwood, which would adversely impact all residential and commercial customers.

None of us want to pay a higher water bill, but all of us have a stake in making sure that our water utility is fiscally sound and all residential and commercial customers have access to essential water needs at a reasonable cost. We believe this new water rate structure will do this.

As always, I welcome input from everyone on this, and on any other subject that relates to our wonderful City.

Sincerely,



Roxanne McKee
Mayor

Appendix E – Water Conservation Plan Adoption Resolution

Exhibit F

Drought Contingency Plan

EXHIBIT "B" TO ORDINANCE NO. 2026-03-25-06

**Drought Contingency Plan
For Municipal Water Use**

For

City of Rollingwood

Prepared By: HW Lochner Inc

March 2026

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DROUGHT CONTINGENCY PLAN FOR MUNICIPAL WATER USE

INTRODUCTION

This Drought Contingency Plan (DCP) is adopted as an ordinance by the City of Rollingwood in accordance with Title 30, Texas Administrative Code, Chapter 288, and the contract requirements of the Lower Colorado River Authority (LCRA). The purpose of this plan is to conserve the available water supply and protect the integrity of water supply facilities, with particular regard to domestic water use, sanitation, and fire protection.

1.0 Declaration of Policy, Purpose and Intent

The Lower Colorado River Authority (LCRA) provides contracts to firm customers for water supply. In cases of drought, periods of abnormally high usage or 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 nonessential water usage. This Drought Contingency Plan (Plan) is designed to protect the available water supply and protect the integrity of water supply facilities, with regard for domestic water use, sanitation and fire protection during these periods or other water supply emergencies.

Water uses regulated or prohibited under this Plan are considered nonessential and continuation of such uses during times of water shortage or other emergency water supply conditions is deemed to constitute a waste of water.

2.0 Authorization

The designated manager or official of the City of Rollingwood 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 Rollingwood 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 of Rollingwood's governing board (*See Appendix D*).

3.0 Public Education

The designated manager or official of the City of Rollingwood will periodically provide its employees, members, and the 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 Wholesale Provider

The City of Rollingwood purchases treated water from the City of Austin, which receives raw water from LCRA. As a result, Rollingwood coordinates drought response actions with the City of Austin and will provide direct notification to LCRA of any implementation or termination of drought response stages within **five (5) business days**, as required by LCRA contract terms. Coordination ensures consistency in water demand management across the region and maintains compliance with LCRA's drought planning framework.

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

5.0 Notice Requirements

The City of Rollingwood 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 City of Rollingwood 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) Irrigate outdoors using an automatic or manual irrigation systems or hose-end sprinklers more than once or twice per week, depending on the month of the year, or outside scheduled days and times as indicated in Appendix A.
- 2) Fail to repair a controllable leak, including, but not limited to, a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet.
- 3) 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;
 - with a head that is fogging or misting because of excessive water pressure; or
 - between the hours of 10 a.m. and 7 p.m.
- 4) 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.

7.0 Initiation and Termination of Response Stages

The City of Rollingwood's 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 (e.g., bill inserts, email, automated telephone calls, signs posted at entry points to the service area, social media posts, website content or a combination of these methods).

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

7.1 Triggering Criteria for Initiation and Termination of Drought Response Stages

- **Drought Contingency Plan Stage 1 - Mild Water Shortage Conditions**
 - A. **Requirements for initiation** - Customers shall be requested to adhere to the Stage 1 Drought Response Measures when one or more of these criteria occur:
 - 1. Treatment Capacity:
 - For surface water systems, when total daily water demand equals or exceeds 80% of the total operating system treatment capacity for three consecutive days, or 85% on a single day.
 - 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan falls below 1.1 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.
 - 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 1.2 million acre-feet.
- (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 more of these criteria occur:
 - 1. Treatment Capacity:
 - For surface water systems, when total daily water demand equals or exceeds 93% of the total operating system treatment capacity for three consecutive days, or 95% on a single day.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan falls below 900,000 acre-feet, in accordance with the LCRA DCP; or
- On March 1 or July 1, the combined storage of Lakes Travis and Buchanan is below 1.1 million acre-feet and the prior three-months of inflows cumulative total is less than the 25th percentile of historical inflows for that three-month period, 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.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 1.1 million acre-feet.

Upon termination of Stage 2, Stage 1 becomes operative unless the criteria for terminating Stage 1 is also met.

(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 more of these criteria occur:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 95% of the total operating system treatment capacity for three consecutive days, or 97% on a single day.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan falls below 750,000 acre-feet, in accordance with the LCRA DCP.

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.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 825,000 acre-feet.

Upon termination of Stage 3, Stage 2 becomes operative unless the criteria for terminating Stage 2 is also met.

(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 more of these criteria occur:
1. Treatment Capacity:
 - Major water line breaks, loss of distribution pressure or pump system failures that cause substantial loss in the ability to provide water service.
 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 600,000 acre-feet; or
 - The LCRA Board of Directors declares a Drought Worse than Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies.
- 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 Stage 4 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 unless the criteria for terminating Stage 3 is also met.

(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 more of these criteria occur:
1. Treatment Capacity:
 - Major water line breaks, loss of distribution pressure or pump system failures that cause substantial loss in the 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 either constitutes a water supply emergency or is associated with a Drought Worse than Drought of Record declaration 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 (Mandatory Measures)

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

Water Supply Reduction Target: Achieve a 10% 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 consecutive days or 85% for one day.

Water Supply Reduction Target: Achieve a 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 consecutive days or 85% for one day.

Water Supply Reduction Target: Achieve a 25% 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 consecutive days or 85% for one day.

Water Supply Reduction Target: Achieve a 30% reduction in water use (minimum 20%).

(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 consecutive 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

A. Supply Management Measures:

1. The City of Rollingwood will review system operations and identify ways to improve system efficiency and accountability.
2. The City of Rollingwood will review this document and associated enforcement mechanisms and prepare for an increased level of enforcement.

B. Demand Management Measures:

1. Irrigation of Landscaped Areas. Irrigation of landscaped areas shall be limited to no more than ONCE weekly watering schedule from Oct. 1 to April 30. Irrigation of commercial landscapes and recreational areas (including public parks) may apply for a variance but must still develop a schedule where no part of the landscape is watered more than once per week. (See *Appendix A - City of Rollingwood Water System - Watering Schedule.*)
2. The City of Rollingwood will ask customers to comply with the remaining water-use restrictions outlined in Stage 2 of the Plan.
3. The City of Rollingwood will actively share drought-related information and the need to conserve.
4. If appropriate, the City of Rollingwood will 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 and irrigation evaluations for large properties.

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

C. Supply Management Measures:

1. Apply all water-use restrictions prescribed for Stage 2 of the Plan for the City of Rollingwood's utility-owned facilities and properties.
2. The City of Rollingwood will explore ways to reduce system water loss by measures such as fixing leaks, replacing old meters and recycling line flush water, as appropriate.
3. The City of Rollingwood will explore ways to increase use of recycled wastewater to reduce irrigation of public parks with potable water, as

appropriate.

4. City of Rollingwood will actively share drought-related information, including current and projected water supply conditions, water supply restrictions and the need to conserve to its retail customers, including publicly posting notice of entering or exiting Stage 2 on City of Rollingwood's website.
5. The City of Rollingwood will actively enforce the irrigation watering restrictions.

D. 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. Irrigation of landscaped areas with hose-end sprinklers or automatic or manual irrigation systems shall be limited to no more than ONCE weekly as determined by the City of Rollingwood. Irrigation of commercial landscapes and recreational areas (including public parks) may apply for a variance but must still develop a schedule where no part of the landscape is watered more than once per week. (*See Appendix A - City of Rollingwood Water System - Mandatory Watering Schedule.*)
- b. Outdoor watering hours will be limited to **15 hours** per day before 10 a.m. and after 7 p.m. on designated days as determined by the City of Rollingwood (see watering 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 5 gallons or less.
- c. New landscapes may be installed and revegetation seeding performed under these specific criteria:
 - i. A completed variance form for new landscapes has been submitted to the City of Rollingwood 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 revegetated for soil stabilization must also comply with the (i) and (ii) specific criteria above. Alternative options to revegetation such as mulch may be available in times of low water supply. Additional 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).
 - v. New landscapes may only be installed if no more than 50% of the new irrigated landscaped area is only water-conserving natural turf

and only drought-tolerant or native plants are installed.

2. Vehicle Washing:

Use of water to wash any motor vehicle, such as a car, truck, motorbike, boat, trailer or airplane, is prohibited except on designated watering days before 10 a.m. or after 7 p.m. Such activity, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shut-off nozzle. A vehicle may be washed anytime at a commercial car wash facility or commercial service station. 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 refilling 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 allowed only between 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 as necessary to preserve the integrity of the liner

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.

and operating system. The City of Rollingwood may request specific design documentation regarding a pond and the intended purpose.

6. 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.

7. 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.

8. Fire Hydrants:

Use of water from fire hydrants shall be prohibited for landscape irrigation, filling pools, operating fountains and car washing. Water should be transported only for the purpose 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.

9. Athletic fields

Watering should follow a no more than once-per-week schedule per irrigated area unless the athletic fields are actively 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.
- b) A variance must be filed with the City of Rollingwood for watering outside of the once per week irrigation schedule stated in Appendix A.

10. Water Waste

The following nonessential uses of water are prohibited during periods in which restrictions are in effect:

- a. Washing sidewalks, walkways, driveways, parking lots, street, sport 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 Rollingwood 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 Rollingwood will actively share drought-related information, including the current and projected water supply conditions, water supply restrictions and the need to conserve to its retail customers including publicly posting notice of entering or exiting Stage 3 on City of Rollingwood's website.
- 3. In addition to measures implemented in the preceding stages of the plan, the City of Rollingwood will explore additional emergency water supply options.

B. Demand Management Measures: Under threat of penalty, all retail customers are required to further reduce nonessential 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:

- a. Irrigation of landscaped areas with automatic or manual irrigation systems or hose-end sprinklers shall be limited to a maximum once a week watering schedule for no more than **6 hours**. Irrigation of commercial landscapes and recreational areas (including public parks) may apply for a variance but must still develop a schedule where no part of the landscape is watered more than once per week. (*See Appendix A - City of Rollingwood Water System - Mandatory Watering Schedule.*)
- b. Outdoor watering hours for hand watering will be limited to 15 hours a day, before 10 a.m. or after 7 p.m. on designated days as determined by the City of Rollingwood (*see watering schedule in Appendix A*). The allowed methods of irrigation of landscaped areas are:
 - i. a hand-held hose with a positive shut-off device;
 - ii. a faucet-filled bucket or watering can of 5 gallons or less;
 - iii. a soaker hose; or
 - iv. tree gator watering bags.

- 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 25% of the new irrigated landscaped area is natural turf. Turf must be water-conserving;
 - iii. only drought-tolerant or native plants are installed; and
 - iv. sprinkler irrigation is prohibited in planting 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 Rollingwood.

2. Vehicle Washing:

Use of water to wash any motor vehicle, such as a car, truck, motorbike, boat, trailer or airplane, is prohibited except on designated watering days between 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 shut-off nozzle. A vehicle can be washed at any time at a commercial car wash facility or commercial service station that recycles its water. 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 ornamental fountains is prohibited.
- b) Operation of outside water features, is only allowed when 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.)
- c) Operation of residential aesthetic or recreational devices such as water slides is prohibited.
- d) Operation of outdoor misting systems at a commercial facility is allowed only between 4 and 8 p.m.

5. Ponds:

Ponds used for aesthetic, amenity and/or stormwater purposes may maintain water levels only necessary to preserve the integrity of the liner and operating system and meet the LCRA Highland Lakes Watershed

Ordinance or other applicable non-point source pollution regulation. The City of Rollingwood may request specific design documentation regarding a pond and the intended purpose..

6. 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.

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

Irrigation of recreational areas with potable water must follow the six-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.

8. Athletic fields:

A variance including a map of active play areas that must be irrigated with automatic sprinkler systems for sports practice and competition must be filed with the City of Rollingwood if irrigation falls outside of the normal watering schedule listed in Appendix A. The irrigation must be necessary to protect the health and safety of the players, staff, and officials present for athletic events.

- a) All ornamental landscape areas around facilities with athletic fields shall follow general landscape irrigation restrictions.
- b) All athletic fields that are not actively used for sports practice and competition shall follow general landscape irrigation restrictions.

9. Water Waste:

The following additional nonessential 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 Rollingwood 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 non-essential 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:

- A. Irrigation of ornamental turfgrass is prohibited. The use of hose-end sprinklers

and automatic irrigation systems, including drip irrigation, are prohibited except as provided under item B below.

- B. Irrigation of foundations, trees and vegetable gardens is allowed with a hand-held hose with a working on/off nozzle, bucket, drip irrigation or soaker hoses irrigation only for **six (6) hours** 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 Rollingwood.
- C. New landscapes irrigated with spray irrigation are prohibited. New irrigated turf grass is prohibited. The City of Rollingwood 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/department/grow-green/plant-guide>) and irrigated with point source drip irrigation or hand-held hose.
- D. Use of water to operate outside water features, including fountains, outdoor misting systems and splash pads, is prohibited.
- E. Use of water to wash any motor vehicle, such as a car, truck, motorbike, boat, trailer, airplane or other vehicle is prohibited, except as required for public health and safety purposes. Commercial car washing facilities, except facilities that recycle water, may operate for health and safety purposes only.
- F. The filling or replenishing of single-family residential swimming pools is only allowed if the pool is covered with a pool cover when not in use.
- G. 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, water use restrictions outlined in Stage 3 shall immediately apply.

(5) STAGE 5 – Emergency Water Shortage Conditions

Under threat of penalty for violation, all retail customers are required to reduce non-essential 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:

- A. Irrigation of landscaped areas is prohibited.
- B. Use of water to wash any motor vehicle, such as a car, truck, 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.
- C. Use of water from fire hydrants shall be limited to firefighting and activities

necessary to maintain public health, safety and welfare.

- D. 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 5, water use restrictions outlined in Stage 4 shall immediately apply.

If Stage 4 is declared, the City of Rollingwood has identified and will initiate the following emergency interconnects and/or alternative water supply arrangements:

- N/A
Additional measures may be added as needed.

9.0 Enforcement

9.1 Enforcement Provisions

The following enforcement provisions shall apply to all City of Rollingwood water customers:

[X] *Appendix B – Enforcement Provisions for Municipalities*

9.2 Variances

- (1) Except as limited in other sections, City of Rollingwood staff may grant variances for:

- A. Temporary watering schedules for new landscapes that use drought-resistant landscaping or water-conserving natural turf. Temporary watering schedule variances also are 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.; and
- Day 31: User return 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. Exemption 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.

- C. Allowing the use of alternative water sources (i.e., groundwater, 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 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 Rollingwood 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; and
 - Other pertinent information.
 - (4) Variances granted by the City of Rollingwood 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.

Appendix A – Mandatory Watering Schedules

Permanent Mandatory Watering Schedule for Residential and Commercial Customers

City of Rollingwood

During the months of October through April:

Irrigate outdoors using automatic or manual irrigation systems or hose-end sprinklers no more than **TWICE per week** for up to **fifteen (15) hours** and only during scheduled days and times as indicated below:

Properties

Odd number addresses: Mondays and Thursdays
Even number addresses: Tuesdays and Fridays

Watering Hours

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

During the months of May through September:

Irrigate outdoors using automatic or manual irrigation systems or hose-end sprinklers no more than **ONCE per week** for up to **fifteen (15) hours** and only during scheduled days and times as indicated below:

Properties

Address digit ends in zero or nine: Monday
Address digit ends in one or eight: Tuesday
Address digit ends in two or seven: Wednesday
Address digit ends in three or six: Thursday
Address digit ends in four or five: Friday

Watering Hours

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

Stage 1 Mandatory Winter Watering Schedule

City of Rollingwood

Irrigate outdoors using automatic or manual irrigation systems or hose-end sprinklers no more than **ONCE per week** for up to **fifteen (15) hours** only during scheduled days and times as indicated below between the dates of Oct. 1 and April 30.

Properties

Address digit ends in zero or nine: Monday
Address digit ends in one or eight: Tuesday
Address digit ends in two or seven: Wednesday
Address digit ends in three or six: Thursday

Address digit ends in four or five: Friday

Watering Hours

Midnight to 5 a.m. and 7 p.m. to midnight

Stage 2 Mandatory Summer Watering Schedule

City of Rollingwood

Irrigate outdoors using automatic or manual irrigation systems or hose-end sprinklers no more than **ONCE per week** for up to **fifteen (15) hours** and only during scheduled days and times as indicated below.

Properties

Address digit ends in zero or nine: Monday
Address digit ends in one or eight: Tuesday
Address digit ends in two or seven: Wednesday
Address digit ends in three or six: Thursday
Address digit ends in four or five: Friday

Watering Hours

Midnight to 5 a.m. and 7 p.m. to midnight

Stage 3 Mandatory Watering Schedule

City of Rollingwood

Irrigate outdoors using automatic or manual irrigation systems or hose-end sprinklers no more than **ONCE per WEEK** for up to **six (6) hours** during scheduled days and times as indicated below.

Properties

Address digit ends in zero or nine: Monday
Address digit ends in one or eight: Tuesday
Address digit ends in two or seven: Wednesday
Address digit ends in three or six: Thursday
Address digit ends in four or five: Friday

Watering Hours

Automatic irrigation systems: Midnight to 6 a.m.
Hose-end irrigation: 7 a.m. to 10 a.m. and 7 p.m. to 10 p.m.
Hand-held irrigation: Before 10 a.m. and after 7 p.m.

Stage 4 Mandatory Watering Schedule

City of Rollingwood

Irrigate outdoors using only a soaker hose, point-source drip irrigation, tree gator watering bags, hand-held watering or a bucket for areas not defined as ornamental landscaping no more than **ONCE per week** for up to **six (6) hours** only during scheduled days and times as indicated

below.

Properties

Address digit ends in zero or nine: Monday

Address digit ends in one or eight: Tuesday

Address digit ends in two or seven: Wednesday

Address digit ends in three or six: Thursday

Address digit ends in four or five: Friday

Watering Hours

Soaker hose, hand-held water or bucket irrigation: 7 a.m. to 10 a.m. and 7 p.m. to 10 p.m.

Appendix B – Enforcement Provisions for Municipalities

Enforcement for Retail Customers

The following enforcement provisions shall apply to all City of Rollingwood retail water customers:

- (1) No person shall knowingly or intentionally use or allow the use of water from the City of Rollingwood for residential, commercial, 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, the date and time it was observed, and fines and restrictions on service that may result from additional violations.
 - B. Following the second documented violation, the violator shall:
 1. be subject to a civil penalty of \$500 [*not to exceed \$500*].
 - C. Following the third documented violation, the violator shall:
 1. be subject to a civil penalty of \$500 [*not to exceed \$500*].
 - D. Following the fourth documented violation, in addition to the violator being subject to a civil penalty of \$500, the City of Rollingwood 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 \$40, and any outstanding charges including late payment fees or penalties. The City of Rollingwood 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 Rollingwood, in apparent control of the property where a violation occurs or originates, shall be presumed to be the violator. Any such persons, however, shall have the right to show that they did not commit the violation. (*See enforcement process diagram in Appendix C - Drought Response Retail Enforcement Process for Municipalities.*)
- (4) The designated manager or official of the City of Rollingwood 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 Rollingwood 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.

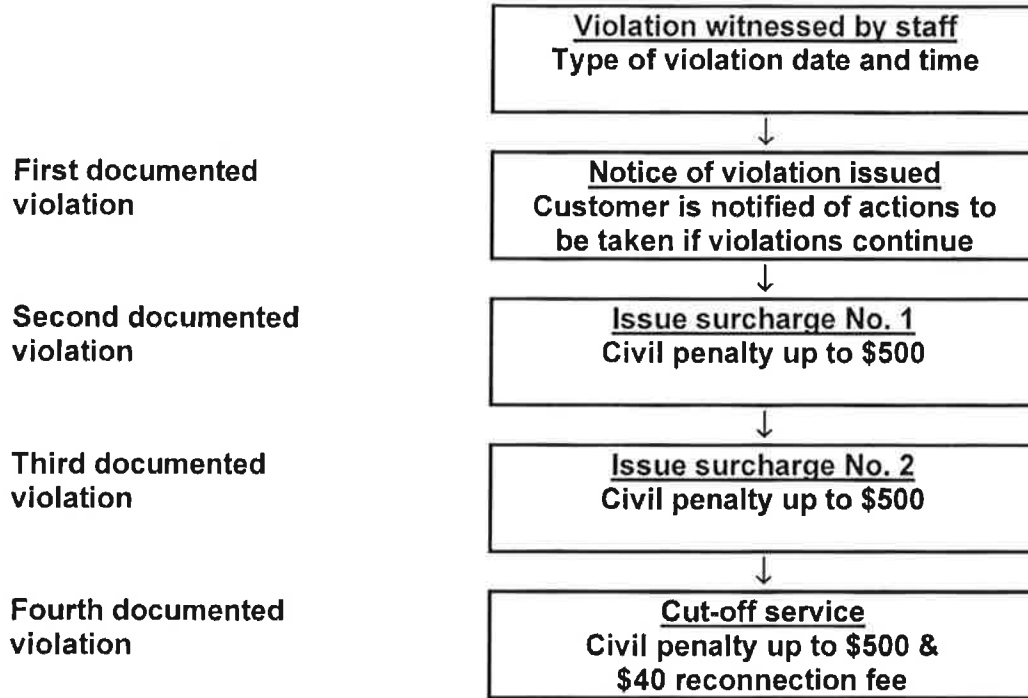
Legal Authority applicable to Municipalities in Regard to Drought Contingency Plan Enforcement

Please note that the following list is not intended to be exhaustive, and statutes listed below may not apply to all municipalities. Citations below may change following the publication date of this DCP. Each municipality is encouraged to consult with legal counsel in regard to enforcement of drought contingency plans and specific enforcement authority available to each municipality.

Texas Local Government Code sec. 552.001
Texas Local Government Code Chapter 54

Texas Government Code Chapter 29

Appendix C – Drought Response Retail Enforcement Process for Municipalities



Appendix D – Authorization to Implement and Approve Drought Contingency Plans

On March 25, 2026 the City Council of the City of Rollingwood adopted this Drought Contingency Plan by ordinance following a duly noticed public hearing in accordance with the Texas Open Meetings Act.

The City Council designates the Mayor or the Mayor's designee as the official responsible for implementing the plan, initiating or terminating drought stages, and enforcing provisions therein. This authorization includes authority to communicate with the Lower Colorado River Authority (LCRA) and all other applicable regional or state water authorities on matters related to drought response and water use restrictions.

Appendix E – Reconnection and Assurance Deposit

Upon the fourth documented violation, the City of Rollingwood shall discontinue water service to the premises. Service shall be restored only upon:

- Payment of a \$40 reconnection charge, and
- Any outstanding penalties, including applicable surcharges.

The City may require a suitable assurance deposit. Any deposit collected may be applied to future surcharges or penalties. Deposits shall be returned at the time of voluntary disconnection from the utility system.

Exhibit G

Demand Schedule

Exhibit G
City of Rollingwood - Demand Schedule

| Year | Population | LUE's | Demand (acre-foot) | GPCD |
|-------------|-------------------|--------------|---------------------------|-------------|
| 2025 | 1447 | 1759 | 483 | 298 |
| 2030 | 1447 | 1759 | 459 | 283 |
| 2035 | 1447 | 1759 | 437 | 269 |
| 2040 | 1447 | 1759 | 415 | 256 |
| 2045 | 1447 | 1759 | 395 | 244 |
| 2050 | 1447 | 1759 | 376 | 232 |
| 2055 | 1447 | 1759 | 357 | 220 |
| 2060 | 1447 | 1759 | 340 | 210 |
| 2065 | 1447 | 1759 | 323 | 199 |

Raw water for Rollingwood is diverted by City of Austin at the Ullrich Water Treatment Plant.