

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

**WHEREAS**, Southeast Texas is suffering from a severe shortage of rainfall; and

**WHEREAS**, such shortage of rainfall has resulted in decreased supplies of potable water; and

**WHEREAS**, after consideration at a public meeting at which the public had an opportunity to comment, Cypress Hill Municipal Utility District No. 1 has determined that the adoption of this Water Conservation, Drought and Emergency Contingency Plan (this "*Plan*") by Cypress Hill Municipal Utility District No. 1 is necessary to ensure that adequate supplies of water exist throughout the remainder of the summer and the year; and

**WHEREAS**, Cypress Hill Municipal Utility District No. 1 also desires to provide in the Plan for the possibility of a natural disaster or an equipment failure; and

**WHEREAS**, Cypress Hill Municipal Utility District No. 1 desires to evidence its approval of this Plan and to adopt such Plan as the official policy of the Cypress Hill Municipal Utility District No. 1; **NOW, THEREFORE**,

**BE IT ORDERED BY THE BOARD OF THE DISTRICT THAT:**

**Section 1. Approval of the Plan.**

Cypress Hill Municipal Utility District No. 1 hereby approves and adopts this Plan as set forth in the Order, and the provisions of such Plan shall be implemented immediately and enforced as a rule of Cypress Hill Municipal Utility District No. 1.

**Section 2. The Water Conservation Plan.**

A. Education and Information. Cypress Hill Municipal Utility District No. 1 hereby institutes an education program, to be implemented immediately, to promote water conservation by the general public which may include any of the following:

1. Publications of articles in a newspaper or newsletter of general circulation in Cypress Hill Municipal Utility District No. 1's service area, providing information regarding water conservation; and

2. Direct distributions to all Cypress Hill Municipal Utility District No. 1 residents and other users of water within the Cypress Hill Municipal Utility District No. 1 ("*Users*") explaining the Plan; and

3. Direct distributions to Users of education and informational material regarding water conservation;

4. Posting of water conservation information on the Cypress Hill Municipal Utility District No. 1 website; and

5. Additional educational activities consisting of (i) publishing an article or articles in a local newspaper or newsletter of general circulation in Cypress Hill Municipal Utility District No. 1's service area, providing tips or information on water saving techniques, or (ii) conducting an informational school program in a school attended by students within Cypress Hill Municipal Utility District No. 1's service area, or (iii) conducting an educational program for Users at a public place within or accessible to residents of Cypress Hill Municipal Utility District No. 1, or (iv) conducting or engaging in such other informational or educational activity designed to further water conservation, as, in the discretion of Cypress Hill Municipal Utility District No. 1, may be consistent with the purposes and policies of this Plan, or (v) any combination of the foregoing.

B. Retrofit Educational Program. Cypress Hill Municipal Utility District No. 1 shall make information regarding water conservation available to Users to use when purchasing and installing various water conservation fixtures, lawn watering equipment, and other water-using appliances.

### **Section 3. The Drought Contingency Plan.**

A. Drought Conditions. For the purpose of the Plan, Cypress Hill Municipal Utility District No. 1 hereby adopts the drought conditions (the "*Drought Conditions*") set forth below:

1. Mild Drought. This condition (herein, "*Mild Drought Conditions*") exists when the average run time of the District's well(s) reaches or exceeds 18 hours per day for 3 consecutive days, as determined by the District's operator.

2. Moderate Drought. This condition (herein, "*Moderate Drought Conditions*") exists when the average run time of the District's well(s) reaches or exceeds 20 hours per day for 3 consecutive days, as determined by the District's operator.

3. Severe Drought. This condition (herein, "*Severe Drought Conditions*") exists when the average run time of the District's well(s) reaches or exceeds 22 hours per day for 3 consecutive days, as determined by the District's operator.

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

1. Posting of notices on the Cypress Hill Municipal Utility District No. 1 website;
2. Mailing, at least 72 hours prior to the commencement of the required Drought Response Measures, a written notice to Users;
3. Posting of signs at the entrances to Cypress Hill Municipal Utility District No. 1;
4. Posting of notices at public places in Cypress Hill Municipal Utility District No. 1; and
5. Dissemination of press releases to the local news media.

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

C. Emergency Management Program. Cypress Hill Municipal Utility District No. 1 hereby establishes and adopts the following measures ("*Drought Response Measures*") for the respective Drought Conditions. The Drought Response Measures related to each Drought Condition shall automatically become effective and shall be implemented by Cypress Hill Municipal Utility District No. 1 when such Drought Condition occurs.

1. Mild Drought.

Target: Achieve a voluntary 10 percent reduction in daily water demand. This will reduce the well motor run time from 18 hours to 16 hours or less.

In the event of Mild Drought Conditions, the following Drought Response Measures shall be taken:

a. Users will be asked to voluntarily reduce water use, and will be informed of specific steps that can be taken to reduce water use.

b. All outdoor water usage, including, but not limited to, lawn and garden watering, car washing, and window washing, shall be limited as follows:

(1) Only District residents and other users of water within the District with even-numbered addresses may use water outdoors on Tuesdays and Saturdays and only District residents and other users of water within the District with odd-numbered addresses may use water outdoors on Wednesdays and Sundays. In the event no street address exists, only District residents and other

users of water within the District living on the north and west side of a street may use water outdoors on Tuesdays and Saturdays and only District residents and other users of water within the District on the south and east side of a street may use water outdoors on Wednesdays and Sundays. Those responsible for watering common areas, including, but not limited to, greenbelts, esplanades, and sports fields, may water outdoors on Mondays and Fridays.

(2) Outdoor water use shall be prohibited between the hours of 6:00 a.m. and 9:00 a.m. and between the hours of 5:00 p.m. and 10:00 p.m.

2. Moderate Drought.

Target: Achieve a 16 percent reduction in daily water demand. This would reduce the well motor run time from 20 hours to 16 hours or less.

In the event of Moderate Drought Conditions, the following Drought Response Measures shall be taken:

a. The Drought Response Measures established for Mild Drought Conditions shall be (or shall continue to be) implemented.

b. All outdoor water use, including, but not limited to, lawn and garden watering, car washing, and window washing, must be conducted with a hand-held hose with a manual on-off nozzle.

c. Cypress Hill Municipal Utility District No. 1 shall recommend that the following public water uses not essential for public health and safety be curtailed:

(1) Street washing;

(2) Fire hydrant flushing; and

(3) Filling of swimming pools.

3. Severe Drought.

Target: Achieve a 25 percent reduction in daily water demand. This will reduce the well motor run time from 22 hours to 16 hours or less.

In the event of Severe Drought Conditions, the following Drought Response Measures shall be taken:

a. The Drought Response Measures established for Mild Drought Conditions and Moderate Drought Conditions shall be (or shall continue to be) implemented.

b. All outdoor use of water, including, but not limited to lawn and garden watering, car washing, and window washing shall be prohibited.

c. Cypress Hill Municipal Utility District No. 1 may prohibit water use by certain industrial or commercial Users which uses are not essential for the health and safety of the community so that remaining water is available for essential health and safety related uses.

D. Termination of Drought Conditions Notification. When a Drought Condition occurs, Cypress Hill Municipal Utility District No. 1 shall enforce the Drought Response Measures applicable to such Drought Condition for a minimum of five (5) days after the last day the demand on Cypress Hill Municipal Utility District No. 1's water supply facilities reaches or exceeds the limits of such Drought Condition. After such five (5) day period, the Drought Response Measures prescribed may, at the discretion of Cypress Hill Municipal Utility District No. 1, be continued for an additional five (5) day period. After the expiration of ten (10) days, and assuming no other Drought Conditions have occurred, the Drought Response Measures prescribed shall terminate and Cypress Hill Municipal Utility District No. 1 shall cease implementation and enforcement of such measures. Cypress Hill Municipal Utility District No. 1 will notify Users of the termination of the particular Drought Response Measures and may utilize the same manner of notification used to inform Users of the occurrence of the Drought Condition and implementation of the Drought Response Measures.

#### **Section 4. Emergency Contingency Plan.**

In the event of a fire, flood, hurricane, lightning strike, tornado, windstorm, or any other act of God; riot, terrorist act, vandalism or any other act of civil disobedience; or any other similar occurrence which results in the inability of Cypress Hill Municipal Utility District No. 1 to provide potable water to Users (or the likelihood thereof), Cypress Hill Municipal Utility District No. 1, in its discretion, may, without prior notice, invoke all or any of the Drought Response Measures set forth in this Plan as "*Emergency Response Measures*". Cypress Hill Municipal Utility District No. 1 may establish any of the penalties set forth in Section 6 for violations of the Emergency Response Measures.

#### **Section 5. Implementation.**

Without limitation to specific actions stated in the Plan to be taken by Cypress Hill Municipal Utility District No. 1's operator, Cypress Hill Municipal Utility District No. 1's operator will administer this Plan. The operator shall keep adequate records for plan verifications. Cypress Hill Municipal Utility District No. 1's operator shall report to the Cypress Hill Municipal Utility District No. 1 Board of Directors at its meetings regarding actions taken and which need to be taken under this plan. Without limiting the foregoing, Cypress Hill

Municipal Utility District No. 1's operator shall advise the President of Cypress Hill Municipal Utility District No. 1 (or if the President is unavailable to receive notification, another member of Cypress Hill Municipal Utility District No. 1) as soon as reasonable practicable when a particular Drought Condition has been reached under this Plan and when a particular drought condition no longer exists. The peace officers employed by Cypress Hill Municipal Utility District No. 1 will be responsible for enforcement of this Plan, in conjunction with the President of the Board and the Security Liaison.

## **Section 6. Penalties.**

The following penalties shall apply to anyone violating the terms of this Plan or the Drought Response Measures of Emergency Response Measures adopted pursuant hereto:

A. First Violation. Any person or entity who violates this Plan shall receive written notification of such violation, which notice shall set forth (i) the date of the violation, (ii) the nature of the violation, (iii) the Drought Response Measures then in effect, and (iv) the penalties applicable for any further violations of this Plan; provided, however, that if such person or entity has ever previously violated this Plan, the penalties set forth in Subsection B below, may, in the discretion of Cypress Hill Municipal Utility District No. 1, be imposed.

### **B. Subsequent Violations.**

1. Monetary Penalties for Noncompliance. If any person or entity violates any provision of this Plan more than one time (which violation shall constitute an unauthorized use of Cypress Hill Municipal Utility District No. 1 services and/or facilities), then, Cypress Hill Municipal Utility District No. 1 may impose a fine of \$200 for each violation of this Plan. Each day that a breach of any provision of this Plan continues shall be considered a separate violation. This penalty shall be in addition to any other legal rights and remedies of Cypress Hill Municipal Utility District No. 1 as may be allowed by law.

2. Disconnection for Noncompliance. If any person or entity violates any provision of this Plan more than two times (which violation shall constitute an unauthorized use of Cypress Hill Municipal Utility District No. 1 services and/or facilities), then in addition to any other remedies, penalties, sanctions and enforcement procedures provided for herein, Cypress Hill Municipal Utility District No. 1 shall have the right to terminate water service to such person or entity after notice and any other procedural requirements in Cypress Hill Municipal Utility District No. 1's rate order re satisfied.

## **Section 7. Variances.**

A. Conditions for Variance. The Cypress Hill Municipal Utility District No. 1 may, in writing, grant a temporary variance to one or more of the Drought Response Measures adopted pursuant to this Plan if the Board of Directors of Cypress Hill Municipal Utility District No. 1 determines that failure to grant such variance would cause an emergency condition adversely affecting the public health, welfare, or safety

and if one or more of the following conditions are met: (i) compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect; or (ii) alternative methods can be implemented which will achieve the same level of reduction in water use.

B. Applications for Variance. Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Cypress Hill Municipal Utility District No. 1 within 5 days after the subject Drought Response Measure has been invoked. All petitions for variances shall be reviewed by the Cypress Hill Municipal Utility District No. 1 and shall include the following:

1. name and address of the petitioner(s).
2. a detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
3. description of the relief requested.
4. period of time for which the variance is sought.
5. alternative measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
6. other pertinent information.

C. Term of Variance. Variances granted by the Cypress Hill Municipal Utility District No. 1 shall be subject to the following conditions unless waived or modified by the Cypress Hill Municipal Utility District No. 1 or its designee: (i) variances granted shall include a timetable for compliance; and (ii) variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

#### **Section 8. Coordination.**

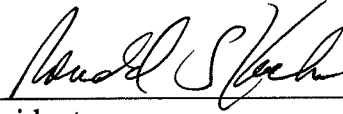
Cypress Hill Municipal Utility District No. 1 shall provide a copy of this Plan to the Region H Water Planning Group, c/o San Jacinto River Authority, P.O. Box 329, Conroe, Texas 77305.

#### **Section 9. Remedies Cumulative.**

All rights, remedies, sanctions, penalties and enforcement procedures provided for in this Order are cumulative. In addition, Cypress Hill Municipal Utility District No. 1 shall have and may exercise and enforce any and all rights and remedies provided by law or in equity.

PASSED AND APPROVED this 15<sup>th</sup> day of July, 2011.

CYPRESS HILL MUNICIPAL UTILITY  
DISTRICT NO. 1



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President,  
Cypress Hill Municipal Utility District No. 1