

**DROUGHT CONTINGENCY
AND
EMERGENCY WATER DEMAND MANAGEMENT PLAN
FOR
MILITARY HIGHWAY WATER SUPPLY CORPORATION**

1. Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Military Highway Water Supply Corporation hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Drought Contingency Plan are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the violator(s) to the remedies and penalties as defined in Section 12 of this Plan.

2. Public Involvement

Military Highway Water Supply Corporation provided opportunity to its members to provide input into the preparation of the Plan by means of its annual membership meeting and allows public comments on any regulation during the monthly Board of Directors meetings.

3. Public Education

Military Highway WSC will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of individual notice mailed to each customer receiving water service.

4. Coordination with Regional Water Planning Group

The service area of the Military Highway WSC is located within the Lower Rio Grande Development Council area. MHWSC has provided a copy of this Plan to the LRGDC as part of the Regional Drought Contingency Master Plan.

5. Authorization

The General Manager, or his/her designee, is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The General Manager, or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan. The General Manager will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

6. Application

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

7. Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by Military Highway WSC.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

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

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

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

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

8. Triggering Criteria for Initiation and Termination of Drought Response Stages

The General Manager, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan. Public notification of the initiation or termination of drought response stages shall be by means of publication in a newspaper of general

circulation and direct mail to each customer.

The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

1. Mild Water Shortage Conditions - Stage 1

Requirement for initiation - Stage 1 water allocation measures may be implemented and customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses, defined in Section 7 - Definition, annually from May 1 through October 31 of each year.

Requirement for termination - Stage 1 of the Plan will be rescinded October 1 of each year.

2. Moderate Water Shortage Conditions - Stage 2

Requirements for initiation - Stage 2 water allocation measures may be implemented and customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Stage 2 of Section 10 of this plan when one or more of the following conditions exist:

- a. Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
- b. Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
- c. There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

Requirements for Termination - Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 30 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

3. Severe Water Shortage Conditions - Stage 3

Requirements for Initiation - Stage 3 water allocation measures may be implemented and customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Stage 3 of Section 10 of this plan when one of the following conditions exist:

- a) Water consumption has reached 90 percent of the amount available for three consecutive days.

- b) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days.

Requirements for Termination - Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 30 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

4. **Critical Water Shortage Conditions - Stage 4**

Requirements for Initiation - Stage 4 water allocation measures may be implemented and customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Stage 4 of Section 10 of this plan when one of the following conditions exist:

- a) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer
- b) Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
- c) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
- d) Natural or man-made contamination of the water supply source(s).
- e) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
- f) Reduction of wholesale water supply due to drought conditions.
- g) Other unforeseen events which could cause imminent health or safety risks to the public.

Requirements for Termination - Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 30 consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

5. **Emergency Water Shortage Conditions - Stage 5**

Requirements for Initiation - Stage 5 water allocation measures may be implemented and customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Stage 5 of Section 10 of this plan when one of the following five conditions exist:

- a) Major water line breaks, or pump or system failures occur, which causes unprecedented loss of capability to provide water service.

- b) Natural or man-made contamination of the water supply source(s).

Requirements for Termination - Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

6. **Water Rationing**

Requirements for Initiation - Water Rationing measures may be implemented and customers shall be required to comply with the water allocation plan prescribed in Section 11 of this Plan and comply with requirements and restrictions on certain non-essential water uses provided in Stage 5 of Section 10 of this plan when the goal of Stage 5 or the Emergency Water Shortage Condition is not met.

Requirements for Termination - Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

9. **Initiation and Termination Procedures**

Once a trigger condition occurs, the General Manager, or his/her designee, shall decide if the appropriate state of ration shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to each customer shall be given.

Written notice of the proposed water allocation measure shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon initiation of stage 3 or 4, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

1. the date the water allocation shall begin
2. the expected duration
3. the stage (level) of water allocation to be employed
4. penalty for violations of the water allocation program
6. affected area or areas

If the water allocation program extends 30 days then the manager shall present the reasons for the allocations at the next scheduled Board meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists, then the responsible General Manager, or his/her designee, may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of the allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

10. Drought Response Stages

The General Manager, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section 8 of the Plan, shall determine that a mild, moderate, severe, critical, or emergency condition exists and shall implement the following actions upon publication of notice in a newspaper of general circulation:

Stage 1 - Mild Water Shortage Condition

Goal: Achieve a voluntary 10 percent reduction in daily water use.

Supply Management Measures:

Military Highway WSC in order to manage limited water supplies and/or reduce water demand will reduce or discontinue flushing of water mains and activate use of alternative supply source(s).

Voluntary Water Use Restrictions:

1. Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of midnight and 10:00 a.m. and 8:00 p.m to midnight on designated watering days.
2. All operations of Military Highway WSC shall adhere to water use restrictions prescribed for Stage 2 of the Plan.
3. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Stage 2 - Moderate Water Shortage Conditions

Goal: Achieve 25 percent reduction in total water use and daily water demand.

Supply Management Measures:

Military Highway WSC, in order to manage limited water supplies and/or reduce water demand, will discontinue flushing of water mains and irrigation of landscaped areas.

Water Use Restrictions:

Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8p.m. and 12:00 midnight.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from Military Highway WSC.
6. Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 10:00a.m. and between 8 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the Military Highway WSC, the facility shall not be subject to these regulations.
7. All restaurants are prohibited from serving water to its patrons except when requested.

The following uses of water are defined as non-essential and are prohibited:

1. Wash down of any sidewalks, walkways, driveways, parking lots, tennis courts,

or other hard-surfaced areas;

2. Use of water to wash down buildings or structures for purposes other than immediate fire protection.
3. use of water for dust control;
4. flushing gutters or permitting water to run or accumulate in any gutter or street;
5. and failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Stage 3 - Severe Water Shortage Conditions

Goal: Achieve a 30 percent reduction in total water use and daily water demand

Supply Management Measures:

Military Highway WSC, in order to manage limited water supplies and/or reduce water demand, will discontinue flushing of water mains and irrigation of landscaped areas.

Water Use Restrictions:

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

1. Irrigation of landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
2. The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by MHWSC.
3. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

Stage 4 - Critical Water Shortage Conditions

Goal: Achieve a percent reduction in 40 percent of total water use and daily water demand.

Supply Management Measures:

Military Highway WSC, in order to manage limited water supplies and/or reduce water demand, will discontinue flushing of water mains and irrigation of landscaped areas.

Water Use Restrictions:

All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except:

1. Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 6:00 a.m. and 10:00 a.m. and between 6:00 p.m. and 10 p.m.
3. The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. No applications for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be allowed or approved.

Stage 5 - Emergency Water Shortage Condition

Goal: Achieve a 50 percent reduction in total water use and daily water demand

Supply Management Measures:

Use of an alternative supply source(s)

Water Use Restrictions:

All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

1. irrigation of landscaped areas is absolutely prohibited.

2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

11. Water Rationing

In the event that water shortage conditions threaten public health, safety, and welfare, the General Manager is hereby authorized to ration water according to the following water allocation plan:

Single-Family Residential Customers

The allocation to residential water customers residing in a single-family dwelling shall be as follows:

| Persons per Household | Gallons per Month |
|------------------------------|--------------------------|
| 1 or 2 | 6,000 |
| 3 or 4 | 7,000 |
| 5 or 6 | 8,000 |
| 7 or 8 | 9,000 |
| 9 or 10 | 10,000 |
| 11 or more | 12,000 |

“Household” means the residential premises served by the customer’s meter. “Persons per household” includes only those persons currently physically residing at the premises and expected to reside there for the entire billing period. It shall be assumed that a particular customer’s household is comprised of two (2) persons unless the customer notifies Military Highway WSC of a greater number of persons per household on a form prescribed by the corporation. The General Manager shall give his/her best effort to see that such forms are mailed, otherwise provided, or made available to every residential customer. If, however, a customer does not receive such a form, it shall be the customer’s responsibility to go to the corporation office to complete and sign the form claiming more than two (2) persons per household. New customers may claim more persons per household at the time of applying for water service on the form prescribed by the corporation. When the number of persons per household increases so as to place the customer in a different allocation category, the customer may notify the corporation on such form and the change will be implemented in the next practicable billing period. If the number of persons in a household is reduced, the customer shall notify the corporation in writing within two (2) days. In prescribing the method for claiming more than two (2) persons per household, the General Manager shall adopt methods to insure the accuracy of the claim. Any person who knowingly, recklessly, or with criminal negligence falsely reports the number of persons in a household or fails to timely notify the corporation of a reduction in the number of person in a household shall

be subject to the penalties for violators set forth in Section 7.11 of this Plan, including possible termination of water service.

Residential water customers shall pay the following surcharges:

- \$4.00 for the first 1,000 gallons over allocation.
- \$4.25 for the second 1,000 gallons over allocation.
- \$4.50 for the third 1,000 gallons over allocation.
- \$5.00 for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

Master-Metered Multi-Family Residential Customers

The allocation to a customer billed from a master meter which jointly measures water to multiple permanent residential dwelling units (e.g., apartments, mobile homes) shall be allocated 6,000 gallons per month for each dwelling unit. It shall be assumed that such a customer's meter serves two dwelling units unless the customer notifies the corporation of a greater number on a form prescribed by the corporation. The General Manager shall give his/her best effort to see that such forms are mailed, otherwise provided, or made available to every such customer.

If, however, a customer does not receive such a form, it shall be the customer's responsibility to go to the corporation office to complete and sign the form claiming more than two (2) dwellings. A dwelling unit may be claimed under this provision whether it is occupied or not. New customers may claim more dwelling units at the time of applying for water service on the form prescribed by the corporation. If the number of dwelling units served by a master meter is reduced, the customer shall notify the corporation in writing within two (2) days. In prescribing the method for claiming more than two (2) dwelling units, the General Manager shall adopt methods to insure the accuracy of the claim. Any person who knowingly, recklessly, or with criminal negligence falsely reports the number of dwelling units served by a master meter or fails to timely notify the corporation of a reduction in the number of persons in a household shall be subject to a special assessment equivalent to a reconnect fee for each such dwelling unit for which a reduction was not properly reported.

Customers billed from a master meter under this provision shall pay the following monthly surcharges:

- \$5.00 for 1,000 gallons over allocation up through 1,000 gallons for each dwelling unit.
- \$5.25, thereafter, for each additional 1,000 gallons over allocation up through a second 1,000 gallons for each dwelling unit.
- \$5.50, thereafter, for each additional 1,000 gallons over allocation up through a

third 1,000 gallons for each dwelling unit.

\$6.00, thereafter, for each additional 1,000 gallons over 3,000 gallons over allocation for each dwelling unit.

Surcharges shall be cumulative.

Commercial Customers

A monthly water usage allocation shall be established by the General Manager, or his/her designee, for each nonresidential commercial customer other than an industrial customer who uses water for processing purposes. The non-residential customer's allocation shall be approximately 75 percent of the customer's usage for corresponding month's billing period for the previous 12 months. If the customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no history exists. Provided, however, a customer, 100 percent of whose monthly usage is less than 3,000 gallons, shall be allocated 3,000 gallons. The General Manager shall give his/her best effort to see that notice of each non-residential customer's allocation is mailed to such customer. If, however, a customer does not receive such notice, it shall be the customer's responsibility to contact the corporation to determine the allocation. Upon request of the customer or at the initiative of the corporation, the allocation may be reduced or increased if, (1) the designated period does not accurately reflect the customer's normal water usage, (2) one nonresidential customer agrees to transfer part of its allocation to another nonresidential customer, or (3) other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the Board of Directors. Nonresidential commercial customers shall pay the following surcharges:

Customers whose allocation is 3,000 gallons through 9,000 gallons per month:

\$5.00 per thousand gallons for the first 1,000 gallons over allocation.

\$5.25 per thousand gallons for the second 1,000 gallons over allocation.

\$5.50 per thousand gallons for the third 1,000 gallons over allocation.

\$6.00 per thousand gallons each additional 1,000 gallons over allocation.

Customers whose allocation is 10,000 gallons per month or more:

1.05 times the block rate for each 1,000 gallons in excess of the allocation up through 5 percent above allocation.

1.10 times the block rate for each 1,000 gallons from 5 percent through 10 percent above allocation.

1.20 times the block rate for each 1,000 gallons from 10 percent through 15 percent above allocation.

1.25 times the block rate for each 1,000 gallons more than 15 percent above allocation.

The surcharges shall be cumulative. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

Industrial Customers

A monthly water usage allocation shall be established by the General Manager, or his/her designee, for each industrial customer, which uses water for processing purposes. The industrial customer's allocation shall be approximately 90 percent of the customer's water usage baseline. Ninety (90) days after the initial imposition of the allocation for industrial customers, the industrial customer's allocation shall be further reduced to 85 percent of the customer's water usage baseline. The industrial customer's water usage baseline will be computed on the average water usage for the 12 month period ending prior to the date of implementation of Stage 2 of the Plan. If the industrial water customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no billing history exists. The General Manager shall give his/her best effort to see that notice of each industrial customers allocation is mailed to such customer. If, however, a customer does not receive such notice, it shall be the customer's responsibility to contact the corporation determine the allocation, and the allocation shall be fully effective notwithstanding the lack of receipt of written notice. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased, if (1) the designated period does not accurately reflect the customer's normal water usage because the customer had shutdown a major processing unit for repair or overhaul during the period, (2) the customer has added or is in the process of adding significant additional processing capacity, (3) the customer has shutdown or significantly reduced the production of a major processing unit, (4) the customer has previously implemented significant permanent water conservation measures such that the ability to further reduce usage is limited, (5) the customer agrees to transfer part of its allocation to another industrial customer, or (6) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the Board of Directors. Industrial customers shall pay the following surcharges:

Customers whose allocation is 3,000 gallons through 9,000 gallons per month:

- \$5.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$5.25 per thousand gallons for the second 1,000 gallons over allocation.
- \$5.50 per thousand gallons for the third 1,000 gallons over allocation.
- \$6.00 per thousand gallons each additional 1,000 gallons over allocation.

Customers whose allocation is 10,000 gallons per month or more:

1.05 times the block rate for each 1,000 gallons in excess of the allocation up through 5 percent above allocation.

1.10 times the block rate for each 1,000 gallons from 5 percent through 10 percent above allocation.

1.20 times the block rate for each 1,000 gallons from 10 percent through 15 percent above allocation.

1.25 times the block rate for each 1,000 gallons more than 15 percent above allocation.

The surcharges shall be cumulative. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

12. Enforcement and Penalties for Violations

No person shall knowingly or intentionally allow the use of water from Military Highway WSC for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the General Manager, or his/her designee, in accordance with provisions of this Plan.

1. First violation will result in the customer being notified by written notice of their specific violation and consequences of continued violation.
2. Second Violation of the Plan may result in the corporation installing a flow restrictor in the line which will limit the amount of water which will pass through the meter in a 24 hour period. The cost to be charged to the customer's account shall be the actual installed cost to the corporation, not to exceed \$50.00.
3. Subsequent Violations of the Plan may result in the corporation terminating service for a period of seven days, or until the end of the calendar month whichever is LESS. The normal reconnect fee of the corporation shall apply for restoration of service.

13. Exemptions and Variances

The General Manager, or his/her designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

1. 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.
2. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the General Manager, or his/her designee, and shall include the following:

1. Name and address of the petitioner(s)
2. Purpose of water use
3. Specific provision(s) of the Plan from which the petitioner is requesting relief
4. 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
5. Description of the relief requested
6. Period of time for which the variance is sought
7. 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
8. Other pertinent information

Variances granted by Military Highway WSC shall be subject to the following conditions, unless waived or modified by the General Manager or his/her designee:

1. Variances granted shall include a timetable for compliance.
2. Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance is allowed for a condition requiring that water allocation
3. Any variance for a subsequent water allocation must be petitioned. The fact that a variance has been granted in response to a petition will have no relevance to the corporation's decision on any subsequent petition.
4. No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

14. Severability

It is hereby declared to be the intention of the Board of Directors of Military Highway WSC that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board of Directors of Military Highway WSC without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.