

RICARDO WATER SUPPLY CORPORATION

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

Office (361) 592-3952 Fax (361) 592-5965

MEMORANDUM

TO: Ricardo Water Supply Corporation Board of Directors
FROM: Baldemar Garcia, President
DATE: June 17, 2022
SUBJECT: Ricardo Water Supply Corporation Meeting Notice and Agenda

A Special Meeting of the Ricardo Water Supply Corporation Board of Directors is scheduled for:

Thursday, June 23, 2022

5:30 p.m.

South Texas Water Authority Boardroom
2302 East Sage Road, Kingsville, Texas

to consider and act upon any lawful subject which may come before it, including among others, the following:

Agenda

1. Call to order.
2. Citizen comments.
3. Accept Memorandum of Understanding between Ricardo Water Supply Corporation and Kleberg County to pursue funding for water infrastructure. (Attachment 1)
4. Discussion and action on Kleberg County Human Services Low Income Household Water Assistance Program Agreement. (Attachment 2)
5. Stage 1 Drought Restrictions and notification to customers. (Attachment 3)
6. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session, a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

BG/JM/fdl
Attachments

This meeting notice was posted on
RWSC's website, www.ricardowsc.com, and
on indoor and outdoor bulletin boards at
RWSC's administrative offices,
2302 East Sage Road, Kingsville, Texas at
10450 on from on June 29, 2022
Francis De Leon
Assistant Secretary

ATTACHMENT 1

Memorandum of Understanding – Kleberg County

Memo

To: Ricardo Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: June 17, 2022
Re: Memorandum Of Understanding with Kleberg County to Pursue Water Infrastructure Funding

Background:

Typically, the RWSC must use its own funding to cover the cost for any waterline or infrastructure improvements within the system or behalf of its membership. Recently, I invited International Consulting Engineers to tour the RWSC facilities to provide a free assessment of perspective projects and calculate the associated cost to bring modern enhancements to the corporation.

Earlier this week I was contacted by the engineering firm of a potential partnership with Kleberg County to seek out a MOU for a water improvement grant to benefit residents of the Ricardo area.

Analysis:

Usually grant funding includes some significant matching funds from the entity to be awarded as a "buy in" to received the grant award. Currently there is an opportunity for the RWSC to be awarded this grant with as little as a 1-10% matching funding of the total grant award amount. This award is near \$900,000 in value so the corporation would provide only 1-10% of that price tag to receive the endowment.

Staff Recommendation:

Enter into an agreement (MOU) with Kleberg County to further pursue funding opportunities for water infrastructure improvements for the corporation.

Board Action:

Offer a motion and agree to enter into a Memorandum of Understanding with Kleberg County to seek grant funding sources on the corporation's behalf.

Summarization:

Details are still presenting themselves as to the entire set of funding options available to the RWSC and county. Once all information is obtained backup documentation will be provided to the board prior to the board's meeting. By seeking a MOU with the county, we expand our resources and opportunity to receive a grant for water system improvements while utilizing a small portion of funding to achieve a larger award amount.

If approved by the RWSC Board, the MOU will be presented to Commissioner's Court for their approval to seek this funding.

Backup Information Pending from Kleberg County

ATTACHMENT 2

Kleberg County Human Services LIHWAP

Memo

To: Ricardo Water Supply Corporation Board of Directors
From: John Marez, Administrator
Date: June, 17, 2022
Re: Enter into Agreement for the Kleberg County LIHWAP

Background:

Kleberg County Human Resources Department is currently in an agreement with the Texas Department of Community and Housing Affairs. The TDCHA recently began an assistance program in helping low-income households receive help paying their monthly water bills, disconnection or reconnection fees.

During our April and May 2022 meetings I presented the board with information about this program. Local county representatives were not available to address the concerns of the board so this item was tabled until a time was available to allow for questions to be presented.

Analysis:

The Low-Income Housing Water Assistance Program is currently being used with the City of Kingsville. The county recently approached the RWSC to gauge their interest in participating. By approving this agreement there will be no monetary requirement of the Corporation and will only tasks RWSC staff of keeping track of customers who are utilizing this county/state service. All applications will be handled by county staff and will not need RWSC staff to address any component other than keeping a list of customers.

Staff Recommendation:

Conduct a discussion with county representatives during our board meeting to determine this programs validity for corporation customers.

Board Action:

After receiving satisfactory explanation of this program determine whether to authorize the Board President to enter into agreement with Kleberg County and the Texas Department of Community and Housing Affairs Low Income Housing Water Assistance Program.

Summary:

Issues concerning the start time of a customer entering into this agreement and the actual tracking by staff is a concern. With members of the Kleberg Human Services Department at the board meeting hopefully any hesitations will be addressed.

**LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM (LIHWAP)
"WATER PROVIDER AGREEMENT"**

PURPOSE. The purpose of the Low Income Household Water Assistance Program (LIHWAP) grant is to provide emergency assistance to low-income households, particularly those with the lowest incomes that pay a high proportion of household income for water, storm water, drinking water, wastewater/sewer, and groundwater services collectively named (Water Services).

The Water Services Provider (Water Provider or Vendor), agrees to the terms of the LIHWAP grant and to accept payment from LIHWAP agencies only for eligible LIHWAP clients to whom Water Provider continues to provide Water Services. The Water Assistance Provider (Agency), agrees to make payments only for eligible LIHWAP clients.

PARTIES. This Water Provider Agreement is by and between:

Kleberg County Human Services

Water Assistance Provider (Agency)

Ricardo Water Supply Corporation

Water Services Provider (Water Provider)

The Agency and Water Provider are each a Party to the Water Provider Agreement and collectively known as the Parties.

Water Provider and Agency agree to assist eligible LIHWAP clients in the following Texas counties:

Kleberg County, City of Kingsville

WATER SERVICES. Water Services provided and billed by Water Provider:

- Water Fees
- Stormwater Fees
- Wastewater
- Sewer Fees
- Groundwater Fees
- Other: _____

TERM. This Water Provider Agreement shall be effective from the ____ day of _____, in the year 2022, for a period not to exceed one year from the effective date, although the Parties can agree in writing to extensions for up to one additional year. Either Party may terminate this Water Provider Agreement by written notice. Such written notice of termination shall not affect any obligation by either Party incurred prior to the receipt of such notice.

NOTICE. Notice shall be sent via certified mail to the addresses below with return receipt requested.

Ricardo Water Supply Corporation

(Water Provider Name)

2302 E. Sage Rd., Kingsville, Texas 78363

(Water Provider Mailing Address)

11889

(Water Provider Certificate of Convenience and Necessity # (CCN))

Ricardo Water Supply Corporation

(Agency Name)

2303 E. Sage Rd., Kingsville, TX 78363

(Agency Mailing Address)

AGENCY REPRESENTATIONS. The Agency named above represents and warrants to Water Provider that it is an entity under contract with the Texas Department of Housing and Community Affairs (TDHCA) and as such is authorized and has received funding from the TDHCA to provide bill payment assistance service for eligible LIHWAP clients. In addition, the Agency further represents and warrants to Water Provider that it has determined eligible LIHWAP clients to be eligible under the LIHWAP guidelines. The funds will be used to cover and/or reduce arrearages, rates and fees associated with reconnection, or prevention of disconnection of service, and to pay either partially or in full an eligible LIHWAP client's current due water bill, known as "Eligible Costs" related to Water Services.

WATER PROVIDER'S REPRESENTATIONS. The Water Provider named above represents and warrants that it will apply any payments received from Agency to the eligible LIHWAP client's account related to Eligible Costs.

Both parties acknowledge that this Water Provider Agreement and the services provided by the Water Provider are governed by and subject to the federal and state laws and regulations in accordance with the LIHWAP.

AMENDMENTS. Any and all amendments to this Water Provider Agreement shall be in writing, approved by TDHCA, and agreed upon by both Parties.

WATER PROVIDER'S RESPONSIBILITIES. Water Provider will, with reference to an eligible LIHWAP client:

- Provide the Agency with at least one designated contact person who shall be available to respond by telephone and email to all reasonable inquiries regarding eligible LIHWAP clients and client accounts including but not limited to bills, payments, and services.
- Provide water services to each eligible and approved household for which payment is provided under LIHWAP.
- Extend the potential LIHWAP application for water services for up to ten calendar days while the Agency determines whether the potential LIHWAP applicant is eligible pursuant to the LIHWAP.
- Upon accepting payment from Agency for the eligible LIHWAP client, continue or restore water services to eligible LIHWAP client with no increases in charges, service charges or other charges or fees affecting the total cost of the bill, except as allowed by the stated tariff cost registered with the Public Utility Commission "PUC".
- In the event the Agency requires the eligible LIHWAP client to pay a portion of the bill prior to having a pledge made on their account on or before the disconnect date, as stated in the client's Disconnect Notice as required by PUC regulations, nothing in this agreement requires the Water Provider to delay a disconnect if the eligible LIHWAP client has not paid their required portion.
- Invoice the eligible LIHWAP client in accordance with Water Provider's normal billing practices.
- Upon verbal or written request from Agency, provide at no cost to the Agency the eligible LIHWAP client's billing and usage history for previous twelve months, or available history plus monthly estimates if less than twelve

months of billing history and usage is available. Water Provider will transmit such billing history via electronic mail or facsimile as soon as possible, but no later than forty-eight hours following the request.

- Work with Agency and eligible LIHWAP client to explore the feasibility of offering flexible payment arrangements that may include, without limitation, waiving security deposits, reconnect fees, application fees, and all other fees whenever possible.
- Not discriminate against eligible LIHWAP client in price or services, including the availability of deferred payment plans, level or average payment plans, discount, budget, advance payment or other credit plans.
- Not refuse to provide water service or otherwise discriminate in the marketing and provision of water service to any eligible LIHWAP client because of race, creed, color, national origin, ancestry, sex, marital status, age, lawful source of income, level of income, disability, financial status, location of client in an economically distressed geographic area, or qualification for low-income or water-efficiency services.
- Allow Agency forty-five days from the date of pledge for assistance payment to forward payment to the Water Provider. Water Provider agrees not to consider the portion of the eligible LIHWAP client's account to be paid by the Agency delinquent if said payment is received within the above mentioned forty-five day period, and Water Provider is provided with a verbal or signed pledge from the Agency within forty-five days of identifying an eligible LIHWAP client.
- Not interrupt service if eligible LIHWAP client is eligible under PUC regulations, or other state agency regulations (as applicable), and enters into an agreement with the Water Provider concerning how the eligible LIHWAP client will pay the balance owed Water Provider and the eligible LIHWAP client is meeting the obligation under such agreement.
- If the Agency has paid for an initial deposit or similar refundable instrument, upon the termination of service to the eligible LIHWAP client, the Water Provider shall return funds including interest (after any balance owed) to the Agency in accordance with PUC regulations or 10 Texas Administrative Code §6.312(f) (as applicable).
- Not apply LIHWAP payments to account balances that have previously been written off or paid with other funds.
- Not apply LIHWAP payments to commercial accounts. LIHWAP payments must only be applied to residential accounts.
- Clearly enter, on LIHWAP household bills, the amount of LIHWAP payment(s) received in a manner which identifies the payment as received from LIHWAP or at least the amount paid by LIHWAP shown as credited.
- Continually maintain accurate records of LIHWAP credit balances and annually reconcile accounts. After one year, credit balances must be refunded to the Agency, in compliance with LIHWAP Water Provider Refund Policies.
- Not exchange the household's credit authorization for cash or give any cash equivalent for excess credit.
- Cooperate with any Federal, State, or local investigation, audit, or program review. Understand that failure to cooperate with any Federal, State, or local investigation, audit, or program review may result in the immediate disqualification from participation in the LIHWAP.
- Water Provider's application materials should include language that authorizes the Water Provider to release the applicant's information as described below to the Agency, Texas Department of Housing and Community

Affairs, Texas State Auditor's Office, Office of the Attorney General of Texas, U.S. Department of Health and Human Services, the U.S. Department of Health and Human Services Internal Auditor, or the designee of any of these governmental agencies.

- Data related to a eligible LIHWAP client's Water Services and payments must be provided within a timeframe specified by the Agency at no cost and must be provided in the format requested by the Agency. The data must be provided to the Agency for the purposes of verification, research, evaluation, analysis, and reporting. The eligible LIHWAP client's signed LIHWAP application will authorize the Water Provider to release this information to the Agency.

AGENCY RESPONSIBILITIES. The Agency will:

- Accept written referrals for LIHWAP benefits by the Water Provider, and evaluate whether the referral is eligible as an eligible LIHWAP client.
- Obtain written permission for Agency to request and have access to eligible LIHWAP client information, including confidential or personal account information, credit and payment history, from eligible LIHWAP client's seeking Agency assistance. Social Security numbers are not required for the LIHWAP program and may not be disclosed to Agency.
- Provide to Water Provider, at Water Provider's request, eligible LIHWAP client's written permission for Agency's access to eligible LIHWAP client's information as stated above.
- Review invoice(s) submitted by the Water Provider. The Agency may request additional documentation and/or clarification of charges as needed. No payment will be made without all required documentation/clarification of charges.
- Not provide payments on behalf of an eligible LIHWAP client to Water Provider without having adequate funds to pay such payments.
- Provide payment to the Water Provider after receipt of proper invoices, and any additional required documentation or clarification, for services rendered pursuant to this Water Provider Agreement, upon full compliance by the Water Provider with the terms herein within 45 days.
- Determine if a client is LIHWAP eligible within ten calendar days of contacting Water Provider.
- Provide Water Provider a list of names, telephone numbers and e-mail addresses of Agency staff designated to make payments on behalf of the Agency and eligible LIHWAP clients, if requested from Water Provider.
- Comply with all relevant state and federal laws and regulations in its implementation of the LIHWAP. Follow all supplemental terms and conditions as set forth by the U.S. Department of Health and Human Services. The Agency shall provide notice of any changes or amendments to policies or guidelines for the LIHWAP.

CONFIDENTIALITY. The terms of any confidential transaction under this Water Provider Agreement or any other information exchanged by the Agency and Water Provider relating to any transaction shall not be disclosed to any person not employed or retained by the Agency or Water Provider, their affiliates, or brokers, except to the extent disclosure is 1) required by law; 2) necessary to disclose to the other Party in connection with a dispute between the Parties; 3) otherwise permitted by written consent of the other Party; 4) required by guarantors to be disclosed; 5) information which must be disclosed to a third Party to transmit water; 6) to meet reliability council, regulatory, administrative, judicial, governmental, or regulated commodity exchange requirements where necessary; or 7) information which was or is hereafter in the public domain (except by breach of this Water Provider Agreement).

Authorized Water Provider Signature

Date

Typed Name of Authorized Signature

Title

()

Water Provider Telephone Number

Water Provider Email Address

Authorized Agency Signature

Date

Typed Name of Authorized Signature

Title

()

Agency Telephone Number

Agency Email Address

ATTACHMENT 3

Stage 1 Drought Restrictions

Public Notice

To: Ricardo Water Supply Corporation (RWSC) Members and Customers
From: John Marez, General Manager
Date: June 17, 2022
Re: Stage 1 – Mild Water Shortage Watch

Background:

The South Texas Water Authority (STWA), the Corporation's wholesale provider, and the City of Corpus Christi (City), our region's water supplier recently enacted Stage 1 of their Drought Contingency Plans.

Analysis:

Stage 1 typically is implemented when the combined percentage of Lake Corpus Christi and Choke Canyon Reservoir falls below 40%. In a proactive step, based on National Weather Service forecast, Corpus Christi Water (City of Corpus Christi leadership) implemented Stage 1 despite the current total LCC/CCR capacity is at 42%.

These **restrictions should be implemented immediately** by the Corporation's customers:

- Irrigation systems can be used **once a week for outdoor watering** and should be limited to the hours before 10 a.m. and after 6 p.m.
- **Hand watering is allowed on any day** using a shut off nozzle. Again, this should be done before 10 a.m. and after 6 p.m. to avoid evaporation.
- **Foundations can be watered once a week** with a hose or drip irrigation.
- Customers should practice efficient use of water by:
 - **prevent water run-off** on streets and sidewalks,
 - **check for water leaks** around your home, and
 - **wash using full loads** for clothes and dish washers.

Summary:

RWSC members and/or customers are expected to follow these restrictions until conditions return to an adequate water supply for the CC Water and the STWA. The RWSC Board and staff are requesting your support to conserve water in order to have sufficient supplies for the future.

Daily Reservoir and Pass-Thru Status Report
June 17, 2022

Reservoir Supply (AcFt); Stream Flow (AcFt); Evaporation (AcFt); Elevation (Ft); Rainfall (Inches); Temperature (°F); Gage Height (Ft MSL)

| RESERVOIR STATISTICS | | | | | | | | | | | |
|--|------------------------|---------|------------|---------------------|---------|------------|------------------|------------|-------------|---------|------------|
| Effective June 24, 2017, updated total reservoir capacities for Choke Canyon Reservoir (2012 TWDB Volumetric Survey) and Lake Corpus Christi (2016 TWDB Volumetric Survey) are being reflected in the Daily Reservoir System and Pass-Thru Status Report | | | | | | | | | | | |
| | Choke Canyon Reservoir | | | Lake Corpus Christi | | | CCR/LCC Combined | | Lake Texana | | |
| Date | Elevation | Volume | % Capacity | Elevation | Volume | % Capacity | Volume | % Capacity | Elevation | Volume | % Capacity |
| FULL | 220.5 | 662,821 | 100% | 94.0 | 256,339 | 100% | 919,160 | 100% | 44.0 | 161,085 | 100% |
| 06/17/2022 | 199.4 | 247,569 | 37.4% | 87.6 | 143,682 | 56.1% | 391,251 | 42.6% | 41.2 | 136,132 | 84.5% |
| 06/16/2022 | 199.4 | 247,569 | 37.4% | 87.6 | 143,682 | 56.1% | 391,251 | 42.6% | 41.2 | 136,132 | 84.5% |
| 05/17/2022 | 200.2 | 259,206 | 39.1% | 88.5 | 157,605 | 61.5% | 416,811 | 45.3% | 42.1 | 143,911 | 89.3% |
| 06/17/2021 | 204.5 | 327,318 | 49.4% | 92.0 | 218,027 | 85.1% | 545,345 | 59.3% | 44.0 | 161,085 | 100.0% |

| LAKE TEXANA WATER SUPPLY* | | | | | | | | | |
|--|--------------|-------|-------------------|--------|-----------|---------------|-------|-----------|--|
| * The split between Non-Interruptible and Interruptible amounts are updated monthly, usually the first working day of the month, so they reflect the total and remaining amounts as of the end of the previous month | | | | | | | | | |
| Date | Daily Intake | MTD | Non-Interruptible | | | Interruptible | | | |
| | | | May | YTD | Remaining | May | YTD | Remaining | |
| 06/16/2022 | 68 | 1,054 | 2,586 | 12,344 | 19,096 | 0 | 4,500 | 7,500 | |

| COLORADO RIVER WATER SUPPLY (CRWT) | | | | | | | | |
|------------------------------------|--------------|-------|-------|------------|----------|------------|---------|-------------|
| Date | Daily Intake | MTD | YTD | Daily Flow | MTD Flow | Date | Time | Gage Height |
| 06/16/2022 | 68 | 1,080 | 3,276 | 991 | 18,593 | 06/17/2022 | 7:15 AM | 8.01 |

| WEATHER RELATED INFORMATION | | | | | | | | | |
|-----------------------------|------------------------|-------|--------|---------------------|-------|--------|------------------|--------|--------|
| | Choke Canyon Reservoir | | | Lake Corpus Christi | | | CCR/LCC Combined | | |
| | 06/16/2022 | MTD | YTD | 06/16/2022 | MTD | YTD | 06/16/2022 | MTD | YTD |
| Air Temp | 100 | | | 98 | | | | | |
| Evaporation | 424 | 6,344 | 39,346 | 344 | 4,929 | 34,361 | 768 | 11,273 | 73,707 |
| Rainfall | 0.00 | 0.01 | 3.44 | 0.00 | 0 | 4.41 | | | |

| Stream Flows | | | |
|------------------|---|------------|-------|
| Gauging Station | | 06/16/2022 | MTD |
| NTRI | Nueces River at Three Rivers, Texas | 64 | 1,022 |
| NRTI | Nueces River at Tilden, Texas | 0 | 0 |
| FRTI | Frio River at Tilden, Texas | 0 | 1 |
| SMTI | San Miguel Creek at Tilden, Texas | 0 | 0 |
| ARWT | Atascosa River at Whitsett, Texas | 0 | 13 |
| CCB | Release from Choke Canyon Reservoir | 58 | 921 |
| NRMT | Nueces River at Mathis, Texas (La Fruta Bridge) | 248 | 3,807 |
| NCAT | Nueces River at Calallen, Texas | 0 | 0 |
| RBP | Rincon Bayou Pipeline | 0 | 0 |
| Reservoir InFlow | | | |
| Computed as: | (NTRI+FRTI+SMTI)-Release from Choke Canyon | 6 | 110 |

| ESTUARY INFLOWS AND PASSTHRU REQUIREMENTS | | | | |
|---|------------------------|--------|------------------------|------------|
| Target Passthru | Monthly Target | 23,000 | | 23,000 |
| | Salinity Relief Credit | 0 | Effective | |
| Credit / -Deficit From Previous Month | | | Date Deficit Satisfied | 06/01/2022 |
| Return Flow Credit | | | Effective | 500 |
| Required Passthru | Monthly Target | 23,000 | | 110 |
| | Reservoir Inflow | 110 | | |
| Estuary Inflows (NCAT + RBP) | | | | 0 |
| Passthru Surplus / -Deficit | | | | 0 |

RICARDO WATER SUPPLY CORPORATION
WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN, 2018
Amended and Adopted June 18, 2018

Introduction

The Ricardo Water Supply Corporation provides service to approximately 3,000 residents located in central Kleberg County. The Corporation was created in 1964. In the last fifty years, the rural system has gone through three (3) expansions. During that time, the distribution system has been extended by approximately 50 miles and the customer base has increased more than three-fold.

The Corporation supplies water for municipal, commercial and industrial use in the rural area south of Kingsville, Texas in the unincorporated community of Ricardo. Treated water is purchased on a wholesale basis from the South Texas Water Authority (STWA). STWA purchases its water from the City of Corpus Christi whose supply is from Lake Corpus Christi, Choke Canyon Reservoir System, Lake Texana and Lower Colorado River. Water from those sources is treated at the O.N. Stevens Water Treatment Plant before entering STWA's Regional Transmission System.

The Corporation recently installed a 12" line extending from the north side of Kingsville which connects to the line previously owned by STWA which begins at the intersection of FM 772 and CR 1030. The Corporation accepted title to this transmission line which delivers a 100% surface water supply to the Corporation's three (3) pump station facilities. The construction of the 12" waterline eliminated the previous "pass through" arrangement with the City of Kingsville. Although, should an emergency arise, the Corporation would be able to receive service from the City of Kingsville.

In addition, in past years the Corporation had maintained and operated a groundwater well, located on County Road 2170, that supplied between 15% and 20% of its needs. However, in 2008 this well was taken out of service for mechanical reasons. That groundwater well has now been plugged at the urging of the Texas Commission on Environmental Quality (TCEQ).

Surface supplies available to the Corporation by virtue of its contract with STWA and its contract with the City of Corpus Christi includes the following: Lake Corpus Christi stores 242,241 acre-feet of water, Choke Canyon Reservoir stores 695,271 acre-feet of water, and the 101-mile-long Mary Rhodes Pipeline delivers water through a 64-inch pipeline from Lake Texana near Edna, Texas. In 1993, the City of Corpus Christi entered into a contract with the Lavaca-Navidad River Authority to purchase 41,840 acre-feet of water per year. Approximately 40 percent (40%) of the water treated by the City of Corpus Christi is from Lake Texana. In addition, in order to meet the demand of a growing Coastal Bend Region, the City purchased senior water rights to 35,000 acre-feet of water per year from the Garwood Irrigation Company which is part of the Lower Colorado River supply. Construction of Phase 2 of the Mary Rhodes Pipeline to access that water supply is now complete.

According to the City of Corpus Christi's Water Conservation Plan, the City diverts raw water from the Nueces River and Lake Texana into the O.N. Stevens Water Treatment Plant where it passes through screens to remove large floating objects such as leaves, branches, and fish. From there, the water is treated to remove suspended particles and disinfected for human consumption. The O.N. Stevens Water Treatment Plant has a rated capacity of 167 million gallons per day, well above the peak summer demand of 110 million gallons per day.

According to the City of Corpus Christi's Water Conservation Plan and annual Consumer Confidence Reports, the City's Water Department operates in full compliance with all state and federal requirements. The City's Water Department also maintains a water laboratory.

The service area of the Ricardo Water Supply Corporation is located within the Region N Planning area and the Corporation has provided a copy of this water conservation plan to the Region N Planning Group. The Corporation stays apprised of water conservation and supply issues through the following measures:

1. The General Manager serves as the co-chair of the Coastal Bend Regional Water Planning Group; and
2. The General Manager is a member of the Nueces Estuary Advisory Council as well as the Nueces Basin and Bay Area Stakeholder Committee.

Demand Profile

The Ricardo Water Supply Corporation serves retail customers. The Corporation has approximately 990 service connections. The Corporation's 5-Year average water demand by the Ricardo Water Supply Corporation customers was 105,465,200 gallons. The monthly peak demand between 2012 and 2016 was 13,831,000. The largest percentage of water use is from single-family residential usage. However, in 2016, out of the 978 customers there were 3 multi-unit customers, 9 institutional customers, 16 commercial customers and 2 industrial customers that accounted for 0.95 MG, 2.1 MG, 1.6 MG, and 0.18 MG of water use respectively.

Five-year and Ten-year targets

The Ricardo Water Supply Corporation water conservation plan is focused on maintaining the current per capita per day usage. The current 5-year average per capita per day usage is 103 gallons; however, during the past five years, the highest per capita daily usage was 118 in 2012. The Board believes that the current amount is well below the previously recommended statewide level of 140 gpcd and the customers (members) of the Corporation are making a concerted effort to use water in an efficient and non-wasteful manner. This is evident from the per capita usage figure in 2016 of 92 gallons. *The 5 -year and 10-year targets are to maintain an average per capita per day usage of 95 gallons.*

The Corporation monitors unaccounted-for water. Table 1 provides figures on the amounts of water purchased and accounted-for as well as the unaccounted-for gallons for the last five years.

| Fiscal Year | Gallons Purchased | Gallons Sold | Gallons Flushed | Unaccounted-for Gallons | Percentage of Loss |
|-------------------|-------------------|--------------|-----------------|-------------------------|--------------------|
| 2012 | 115,388,000 | 98,842,030 | 1,693,040 | 14,852,930 | 12.9% |
| 2013 | 107,806,000 | 91,450,450 | 2,584,180 | 13,771,370 | 12.8% |
| 2014 | 103,810,000 | 83,733,910 | 2,071,020 | 18,005,070 | 17.3% |
| 2015 | 100,545,000 | 71,493,910 | 5,888,338 | 23,162,752 | 23.0% |
| 2016 | 100,175,000 | 76,334,670 | 6,089,630 | 17,750,700 | 17.7% |
| AVG for 2012-2016 | 105,544,800 | 84,370,994 | 3,665,242 | 17,508,564 | 16.6% |

Leak Detection and Repair:

In addition to the monthly water loss report and daily metering, field personnel periodically “drive-out” the routes of the lines. Major portions of the Corporation’s waterlines are located in rural farmlands; therefore, leaks that are not detected by employees are reported by landowners or tenant farmers. Changes in flow volumes from the daily readings also warn field technicians to a possible leak. Master meters (wholesale) are tested annually by an outside company specializing in testing larger meters. In compliance with AWWA recommendations, for deviations from 100% that are greater than 2% (over or under), the meter is re-calibrated. Meters are also tested and if necessary repaired or replaced prior to the annual test date in the event the meter is exhibiting a malfunction.

Reservoir Systems Operations Plan:

The Ricardo Water Supply Corporation does not own or operate any reservoir systems. The City of Corpus Christi is the responsible entity overseeing those tasks since the Corporation purchases water from STWA and STWA purchases water from the City of Corpus Christi.

Conservation Strategies:

- (A) Conservation-Oriented Water Rates—the Corporation utilizes an inclining block rate schedule.
- (B) The Corporation does not sell water to any customers for irrigation purposes; therefore, the Corporation does not have any programs to assist agricultural customers in the development of conservation pollution prevention and abatement plans.
- (C) The Corporation does not provide wastewater service; therefore, it does not have any programs for reuse and/or recycling of wastewater and/or graywater.

Future Contracts:

The Ricardo Water Supply Corporation recognizes that a requirement in every future water supply contract entered into or renewed after official adoption of the water conservation plan, and including any contract extension, stipulates that each successive wholesale customer develop and implement a water conservation plan. If the customer intends to resell the water, then the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures.

Implementation and Enforcement:

Attached, as Appendix A, is a copy of the resolution adopted by the Ricardo Water Supply Corporation of Directors adopting the Water Conservation and Drought Contingency Plan.

Coordination with the Regional Water Planning Group:

Attached as Appendix B is a copy of the cover letter sent to the Nueces River Authority, administrator of the Coastal Bend Regional Water Planning Group.

Review and Update:

Beginning May 1, 2009, the Ricardo Water Supply Corporation reviewed and updated its Water Conservation and Drought Contingency Plan. Periodic updates will occur, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. Therefore, the next review was scheduled to occur no later than May 1, 2014, and every five years after that date. However, in light of the City of Corpus Christi's updating of its Plans, the continued drought conditions, and decreasing levels of the Lake Corpus Christi and Choke Canyon Reservoirs, the Plan was updated approximately one year in advance in 2013. The next scheduled review was scheduled to occur in 2018. Once again, however, in response to the City of Corpus Christi modifying its Drought Contingency Plan, the Corporation is reviewing and updating its Plan.

Best Management Practices

In recent years, the Corporation has reinforced conservation measures by sending conservation brochures and reminders. In addition, student-age children service by the Corporation benefit from the Major Rivers program provided by the STWA, the Corporation's wholesale provider and contracted management team. The Corporation has and will continue to utilize Best Management Practices (BMPs) to insure that water is not wasted. Six (6) BMPs have been implemented as part of the Corporation's ongoing water conservation efforts.

1. System Water Audit and Water Loss

A. Description

All water is metered as it leaves the Corporation's three (3) pump stations. Water is metered for all retail customers. Wholesale meter readings and flow volumes are recorded by field employees. A water loss report is calculated shortly after the monthly meter reading date on or about the 20th of the month. The unaccounted-for water is tracked by comparing wholesale water and entering the distribution system to the retail billing records and accounting for water used for flushing and construction and estimated amounts due to leaks. In 2016, the annual loss was 17.7%. In the past five (5) years, the average water loss was 16.6%.

B. Implementation

Staff is already performing these tasks in a systematic and periodic process. Each month meter readers and billing staff work together to identify meters that are not working properly or are nearing "rollover". A Service Order is written in triplicate. As time allows, the meters are replaced at which time a Work Order (also in triplicate) is done listing the new meter number and pertinent billing information. These Work Orders are used by STWA (the Corporation's contracted management) to generate the Corporation's monthly Repair Invoice. In addition, a list of these "change-outs" is presented to the Board periodically.

C. Schedule

The meter retrofit program is already implemented and will continue to be utilized.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Each customer's (member) file contains a copy of the service order that initiates the process.
2. Service orders are filed in numerical order.
3. A copy of the Service Order is attached to the Work Order once the meter is "changed out".
4. Work Orders are filed with the Monthly Invoice.
5. Work Order copies are also filed in numerical order.
6. A copy of the Work Order is placed in the customer's (member) file.

E. Determination of Water Savings

Monthly water loss reports are compared to the number of meters that have been changed out for the month and those service orders yet to be completed.

2. Metering of All Connections

A. Description

The purpose of this BMP is to ensure that all water is accounted.

B. Implementation

The Corporation utilizes a 100% meter policy to insure that the maximum amount of consumption is recorded. The Corporation, as stated in the previous section, will continue its meter retrofit program and has for many years enlisted the practice recommended by the AWWA of notifying customers when it appears a leak exists on the customer's side of the meter.

The meter program includes the following:

1. Required metering of all connections.
2. An application for service that requires the customer (member) to provide the necessary information to determine the installation of adequate, proper-sized meters as determined by a customer's current water use patterns.
3. Direct utility metering of multi-unit/non-wholesale accounts.

4. Metering of all governmental facility service connections.
5. Use of construction meters.
6. Implementation of the State requirements in HB 2404, passed by the 77th Legislature Regular Session and implemented through Texas Water Code 13.502, which requires all new apartments be either directly metered by the utility or submetered by the owner.
7. Regular replacement of meters.
8. Meter reading in which readings are estimated only in cases of flooded conditions.

C. Schedule

The Corporation has already implemented this BMP, and will continue to utilize this BMP.

D. Documentation

The Corporation maintains records of the customer's (member) application and all service requests for construction. Information on all services is summarized in an Annual Report to the Board.

E. Determination of Water Savings

The Corporation reviews overall water loss and the dollars associated with unaccounted-for water during its annual fiscal audit performed by an outside consultant.

3. Water Conservation Pricing

A. Description

The monthly minimum is \$38.00 for zero gallons on the smallest residential size meter (½" x ¾"). The overall cost of service acts as a conservation incentive. In addition, the Corporation's inclining block schedule is meant to encourage conservation. A copy of the current rate structure is attached as Appendix C. The basic rate structure is designed to recover the cost of providing service and billing for water service. The rates include a consumption charge based upon actual gallons metered so that increasing water consumption results in a larger bill for the customer. Conservation pricing provides incentives to customers to reduce both average and peak use.

B. Implementation

The Corporation is of the opinion that current rates are, in fact, cost of service rates. However, periodically, staff conducts a rate study to determine whether the fixed and variable costs are appropriately allocated between the monthly minimum and per thousand gallon charges. The information is presented to the Board of Directors. The Board then considers factors including but not limited to infrastructure needs, current construction projects, projected cost of water from STWA/City of Corpus Christi and current Reserve Fund balance.

C. Schedule

The Corporation will perform evaluations as the need warrants.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. A copy of its adopted rate tariff that follows the guidelines of this BMP;

2. Billing and customer records that include annual revenues by customer class and revenue derived from minimums and usage by customer class for the reporting period;
3. Monthly customer numbers and water consumption by customer class; and
4. Cost of service analyses done by staff through the years.

E. Determination of Water Savings

According to the City of Corpus Christi's Water Conservation Plan, elasticity studies have shown an average reduction in water use of 1 to 3 percent for every 10 percent increase in the average monthly water bill. A comparison of the City's rates to the Corporation's can be done based on a usage of 8,000 gallons. The City's cost is \$50.38. The cost for the same size meter and consumption for a Corporation customer would be \$67.60. Comparing the Corporation's 2016 gpcd of 92 to that of Corpus Christi's 2012 gpcd of 205 would indicate that there are other factors involved in addition to the rates and the City's usage related to industrial customers. In the last 20 years of the Corporation's operations, a majority of upgrades and improvements to the original lines have been associated with providing service to residents living in colonias. Therefore, it is probable that there are socio-economic factors as well as more limited types of uses in a rural environment versus that of a large, incorporated city. Staff believes that the majority of rural usage is associated with indoor, basic needs (bathing, washing clothes, cooking, flushing toilets) versus that of outdoor watering.

4. Prohibition on Wasting Water

A. Description

Enforceable actions by a non-profit water supply corporation against a party that is wasting water is now possible by adoption of penalties as part of the water supply corporation's rate tariff. This authority was recently granted by HB 1152. At this time, the Board of Directors is considering the necessary amendments to its tariff. However the Corporation encourages all its customers and members to avoid:

1. Wasting water during irrigation;
2. Allowing outside faucets to leak;
3. Allowing service lines to leak (on the customer side of the meter);
4. Allowing sprinkler systems to leak; and
5. Installing non-recycling decorative water fountains.

Wasting water during irrigation includes:

1. Water running along the road;
2. Irrigation heads or sprinklers spraying directly on paved surfaces such as driveways, parking lots, and sidewalks in public right-of-ways;
3. Operation of an irrigation system with misting heads caused by water pressure higher than recommended design pressure for the heads, or broken heads;
4. Spray irrigation during summer months between the hours of 10 a.m. and 6 p.m.

B. Implementation

This BMP is implemented through educational brochures and notices.

C. Schedule

The Corporation has used notices and brochures in the past and will continue to do so in the future.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Copies of water waste prohibition brochures and notices sent to customers/members; and
2. Copies of notices sent as a requirement of drought notices triggered by the City of Corpus Christi.

E. Determination of Water Savings

It is difficult to quantify and determine the water savings from this BMP due to the sporadic nature of these types of activities. However, pertinent notices and future actions taken by the Corporation will be documented by written correspondence to customers/members and filed for record. Any noticeable changes in consumption will also be of record.

5. And 6. Public Information and School Education

A. Description

The Corporation uses a limited number of media resources to notify customers on the importance of water conservation. This is due to the size and resources of the Corporation as well as the low gpcd. The Corporation recognizes the importance of public awareness and regional water resources.

B. Implementation

The Corporation, being a small rural system, is limited in the amount of funds that can be expended in public education and outreach. This factor coupled with the most recent per capita per day gallon usage of 92 which is well below the state recommended goal of 140 gpcd serves to reinforce the modest size of the "media" campaign.

1. Printed Brochures—from time to time the Corporation has utilized printed brochures for topics such as Xeriscape, proper outdoor watering, and inside the home water savings tips.
2. School Education—through its purchase of water from STWA, the Corporation supports the Major Rivers Program which was initiated in 1991 and revised for the 2003-2004 school year. Major Rivers is geared for 4th grade curriculum. In addition to general information on water resources in the State of Texas, the program focuses on conservation, supply, treatment, and distribution. The self-contained program offers academic and hands-on activities in math, language arts, science, and social studies, with teacher's guide geared to the interdisciplinary curriculum, as well as an introductory video and home information leaflets. The program includes pre- and post-test evaluations.

STWA, wholesale supplier of the Corporation and provider of the Major Rivers program, maintains the following documentation:

1. Number of schools provided the information;

2. Copies of program marketing and educational materials; and
3. Annual budget for school education programs related to conservation.

C. Schedule

The Corporation has used and will continue to use these methods to educate and reach customers regarding the importance of water conservation and wise use of water.

D. Documentation

To track the progress of this BMP, the Corporation maintains records and copies of all brochures and educational information sent to customers:

E. Determination of Water Savings

Water savings associated public information efforts are difficult to quantify. However, the Corporation believes that education is instrumental in efficient use of water.

PART II—DROUGHT CONTINGENCY PLAN

The following Part II of the Water Conservation and Drought Contingency Plan is Ricardo Water Supply Corporation's Drought Contingency Plan adopted by Board resolution on _____, 2018.

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use and sanitation, 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 Ricardo 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 (the 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 offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the Ricardo Water Supply Corporation by means of a public meeting held in compliance with the Open Meetings Act.

Section III: Public Education

The Ricardo Water Supply Corporation 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 utility bill inserts.

Section IV: Coordination with Regional Water Planning Groups

The service area of the Ricardo Water Supply Corporation is located within the Coastal Bend Regional Water Planning Group (Region N) and Ricardo Water Supply Corporation will provide a copy of this Plan to the Coastal Bend Regional Water Planning Group.

Section V: 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 Board of Directors shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

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

Section VII: Definitions

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

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

Animal Unit (AU) – An Animal Unit is equal to one (1) beef cow. The following livestock are equivalent based on the following multiplication factors:

| | |
|---------------------------|--------|
| Slaughter and feed cattle | 1.0 |
| Mature dairy cattle | 1.42 |
| Swine | 0.40 |
| Sheep or lambs | 0.10 |
| Goats | 0.10 |
| Horses | 2.0 |
| Turkeys | 0.0182 |
| Hens/broilers | 0.0154 |

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 Ricardo Water Supply Corporation.

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:

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

Section VIII: Triggering Criteria for Initiation and Termination of Drought Response Stages

The Board of Directors shall monitor water supply and/or demand conditions as conditions develop 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 direct mail to each customer.

The table below is based on limits as adopted by the Corpus Christi City Council.

| Drought Stage Response | CCR/LCC Combined Reservoir Storage Level | Target Demand Reduction Levels |
|------------------------|--|--------------------------------|
| Stage 1 – Mild | <40% of CCR/LCC Combined Level | 10% |
| Stage 2 – Severe | <30% of CCR/LCC Combined Level | 15% |
| Stage 3 – Critical | <20% of CCR/LCC Combined Level | 30% |
| Stage 4 – Emergency | Not Applicable | 50% |

| Drought Stage Response | CCR/LCC Combined Reservoir Storage Level | Target Demand Reduction Levels |
|------------------------|--|--------------------------------|
| Stage 1 – Mild | <50% of CCR/LCC Combined Level Or if Lake Texana is less than 40% | 5% |
| Stage 2 – Moderate | <40% of CCR/LCC Combined Level | 10% |
| Stage 3 – Severe | <30% of CCR/LCC Combined Level | 15% |
| Stage 4 – Critical | <20% of CCR/LCC Combined Level | 30% |
| Stage 5 – Emergency | Not Applicable | 50% |

i. Stage 1 – Mild Water Shortage Condition

Requirements for initiation – Customers shall be requested to voluntarily conserve water and adhere to prescribed restrictions on certain water used when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi declines below ~~50 percent~~ or Lake Texana storage level declines below 40%.

Requirement for termination – Stage 1 of the DCP may be rescinded when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi increases above ~~60~~ 50 percent or Lake Texana storage level increases above 50%. Either of these conditions must exist for a period of 15 consecutive days before termination of Stage 1.

ii. Stage 2 – Moderate Water Shortage Condition

Requirements for initiation – Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in Section X when the combined Corpus Christi/Choke Canyon Reservoir storage level declines to below ~~40~~ 30 percent.

Requirement for termination – Stage 2 of the DCP may be rescinded when the combined Corpus Christi/Choke Canyon Reservoir storage level increases above ~~50~~ 40 percent for a period of 15 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

iii. **Stage 3 – Severe Critical Water Shortage Condition**

Requirements for initiation – Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this DCP when the combined Lake Corpus Christi/Choke Canyon Reservoir storage levels declines to below ~~30~~ 20 percent.

Requirement for termination – Stage 3 of the DCP may be rescinded when the combined Lake Corpus Christi/Choke Canyon Reservoir storage level increases above ~~40~~ 30 percent for a period of 15 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

~~iv. **Stage 4 – Critical Water Shortage Condition**~~

~~Requirements for initiation – Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 4 of the DCP when the combined storage levels declines to below 20 percent.~~

~~Requirement for termination – Stage 4 of the DCP may be rescinded when the combined storage level increases above 30 percent for a period of 15 consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.~~

v. **Stage ~~5~~ 4 – Emergency Water Shortage Condition**

Requirements for initiation – Customers shall be required to comply with requirements and restrictions for Stage ~~5~~ 4 of this DCP when the General Manager, or designee, determines that a water supply emergency exists based on:

- A major water line breaks, or pump or system failures occur, which causes unprecedented loss of capability to provide water service; or
- Water production or distribution system limitations; or
- Natural or man-made contamination of the water supply source occurs.

Requirement for termination – The emergency water shortage condition may be rescinded when the General Manager, or designee, deems appropriate.

Section IX: Drought Response Stages

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and, in accordance with the triggering criteria set forth in Section VIII of this Chapter, shall determine that a mild, moderate, severe, critical, or emergency water shortage condition exists and shall implement the following notification procedures.

Notification of Corporation Customers and Members:

The General Manager, or designee, shall notify its customers for every change in drought stage status by any or all of the following:

- Publication in the Corpus Christi Caller-Times

- Notice on the monthly billing
- Public Service Announcements
- Signs posted in public places
- Posting on the Corporation's website, www.ricardowsc.com

Additional Notification:

The General Manager, or designee shall, at a minimum, notify directly, or cause to be notified directly, the following individuals and entities for every change in drought stage status:

- The Corporation Board of Directors
- Major water users (such as industries)
- Critical water users
- Texas Commission on Environmental Quality (TCEQ) – note TCEQ executive director MUST be informed within five (5) business days of mandatory water use restrictions being imposed

X . Drought Best Management Practices Per Stage

A summary of water use reduction targets for each drought stage response is presented in the following table. Further discussion on best management practices and implementation practices associated with each stage of response is included below. During Stages 2, 3, and 4, requests for exceptions may be presented to the General Manager or designee.

| Drought Stage Response | CCR/LCC Combined Reservoir Storage Level | Target Demand Reduction Levels |
|------------------------|--|--------------------------------|
| Stage 1 – Mild | <40% of CCR/LCC Combined Level | 10% |
| Stage 2 – Severe | <30% of CCR/LCC Combined Level | 15% |
| Stage 3 – Critical | <20% of CCR/LCC Combined Level | 30% |
| Stage 4 – Emergency | Not Applicable | 50% |

| Drought Stage Response | CCR/LCC Combined Reservoir Storage Level | Target Demand Reduction Levels |
|------------------------|--|--------------------------------|
| Stage 1 – Mild | <50% or if Lake Texana is <40% | 5% |
| Stage 2 – Moderate | <40% | 10% |
| Stage 3 – Severe | <30% | 15% |
| Stage 4 – Critical | <20% | 30% |
| Stage 5 – Emergency | Not Applicable | 50% |

10.1. Stage 1 Response – MILD Water Shortage Conditions

Target: Achieve a *voluntary* 5 10% reduction in daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

The Corporation will enact voluntary measures to reduce or discontinue the flushing of dead end mains if practicable.

- (a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to **once per week**. The General Manager, or designee, will determine the watering schedule.
- (b) All operations of the Corporation shall adhere to water use restrictions prescribed for Stage 2 of the DCP.
- (c) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

10.2. Stage 2 Response – MODERATE Water Shortage Conditions

Target: During Stage 2, achieve a ~~10~~ 15% reduction in daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 1, the Corporation will also do the following during Stage 2:

- Use more repair crews if necessary to allow for a quicker response time for water-line leak repair; and
- Begin monitoring customers' compliance with Stage 2 restrictions during the course of field personnel's daily rounds.

Water Use Restrictions for Demand Reduction

Under threat of penalty for violation, the following water use restrictions shall apply to all persons during Stage 2:

- a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to **once per week**. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day in accordance with Section IX. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device. Exceptions for this restriction may be permitted, upon review and approval by the Corporation Board of Directors, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic

septic system. Customers irrigating with well water or an aerobic septic system must apply for a permit to be prominently posted on the premises within two (2) feet of the street number located on the premises.

- b) 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 the Corporation Board of Directors.
- c) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. However, if the golf course utilizes a water source other than that provided through Corporation infrastructure, the facility shall not be subject to these regulations.
- d) The use of water to maintain integrity of building foundations is limited to designated watering days and is only permitted by use of hand-held hose or drip irrigation.

10.3. Stage 3 Response – ~~SEVERE~~ CRITICAL Water Shortage Conditions

Target: During Stage 3, achieve a ~~15~~ 30% reduction in total daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 2, the Corporation will also do the following during Stage 3:

- Eliminate the flushing of water mains unless required for decontamination and/or public safety; and
- Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.

Water Use Restrictions for Demand Reduction:

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

- a) Irrigation of landscaped areas shall be limited to **once every other week**. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device. Exceptions for this restriction may be permitted, upon review and approval by the General Manager or designee, for the following uses: new plantings (for up to 60

days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for a permit from the Corporation to be prominently posted on the premises within two (2) feet of the street number located on the premises.

- b) The watering of golf course fairways with potable water is prohibited. The watering of greens and tees are limited to once every other week unless the golf course utilizes a water source other than that provided through Corporation infrastructure or done by means of hand-held hoses, hand-held buckets, or drip irrigation.

Optional Measures:

During Stage 3, the following measures are optional water use restrictions that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- a) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.
- b) For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use, as explained in Section XI.

~~10.4. Stage 4 Response – CRITICAL Water Shortage Conditions~~

~~Target: During Stage 4, achieve a 30% or greater reduction in daily treated water demand relative to treated water demand with the water use restrictions below. An additional surcharge will be added to each utility bill during Stage 4 water shortage conditions to discourage discretionary water use, as described in Section XI.~~

~~Best Management Practices for Supply Management:~~

~~In addition to the best management practices for supply management listed under Stage 3, the Corporation will also do the following during Stage 4:~~

- ~~• Upon written notice, disconnect the water meters of willful violators if absolutely necessary to prevent the deliberate wasting of water.~~

Additional Water Use Restrictions and Guidelines for Demand Reduction that may be implemented based on City of Corpus Christi implementing stricter restrictions :

~~All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except as modified below:~~

- a) Irrigation of landscaped areas shall be **prohibited at all times.**

- b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle not occurring on the premises of a commercial car wash stations and not in the immediate interest of public health, safety, and welfare is prohibited. Vehicle washing may be done at any time on the immediate premises of a commercial car wash. Further, such washing may be exempted from these regulations upon review by the General Manager if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables. Washing of boats and/or flushing of boat motors is permitted upon immediate exit of water body.
- c) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools, and water parks (unless non-city, alternative source) is prohibited.
- d) The use of water to maintain the integrity of a building foundation is still permitted on the designated Stage 3 watering day and shall be done by hand or drip irrigation method.
- e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life.
- f) 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 without permit granted by the General Manager or designee;
 3. Use of water for dust control without permit without permit granted by the General Manager or designee;

Optional Measures:

~~During Stage 4, the following measures are optional water use restrictions that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:~~

- a) ~~g)~~ No application 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 approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage shall be in effect.
- b) ~~h)~~ For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may

be added to the customers' bill to deter discretionary water use, as explained in Section XI.

10.5. Stage 5 4 Response – EMERGENCY Water Shortage Conditions

Target: During Stage 5 4, achieve a 50% or greater reduction in daily treated water demand relative to treated water demand with the below water use restrictions. Surcharges and reduced allocations are enforceable during Stage 5 4 water shortage conditions, as described in Section XIII.

During emergency conditions such as system outage or supply source contamination, or supply sources draining empty, alternative water sources and/or alternative delivery mechanisms may be necessary with prior approval of the General Manager or designee. For emergency water shortage conditions associated with contamination of Nueces Basin stored supplies, the Corporation, under the General Manager or designee's direction, may cease receiving its normal supply of water from the South Texas Water Authority and City of Corpus Christi. Temporary or additional supplies of water may be available from Lake Texana on a short-term basis to meet essential water needs. For emergency water shortage conditions associated with contamination of Lake Texana supplies, the Corporation, may also experience large reductions in supplies from the South Texas Water Authority and City of Corpus Christi.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 4, the Corporation will also do the following:

- Call the 10 largest water customers in the area affected by the emergency condition, and if necessary, use runners in key areas to begin spreading the message of a major outage.

Water Use Restrictions for Demand Reduction:

During Stage 5 4, all requirements of Stage 2, 3, and 4 3 shall remain be in effect except as modified below:

- a) Irrigation of landscaped areas is absolutely prohibited.
- b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- c) Associated uses of water not related to business process which are discretionary, such as equipment washing, shall be deferred until the Stage 5 4 emergency has been terminated.

Optional Measure:

During Stage 5 4, the following measure is an optional water use restriction that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- a) For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use, as explained in Section XI.

XI. Surcharges for Drought Stages 3 – 5 and Service Measures

(a) General

1. The surcharges established herein are solely intended to regulate and deter the use of water during a period of serious drought in order to achieve necessary water conservation. The Corporation expressly finds that the drought poses a serious and immediate threat to the public and economic health and general welfare of this community, and that the surcharges and other measures adopted herein are essential to protect said public health and welfare.
2. This section, and the surcharges and measures adopted herein are an exercise of the Corporation's regulatory and police power, and the surcharges and connection fees are conservation rates intended to meet fixed costs as a result of lost revenue.
3. With Board approval, the General Manager is authorized to determine trigger points or allocations and surcharges during Stages 3, 4, and 5 4 Emergency Water Shortage conditions.
4. A customer may appeal an allocation or drought surcharge triggering point established under this Section to the General Manager or designee on grounds of unnecessary hardship, through the process outlined in Section XII.
5. Drought surcharge funds will first be applied towards annual debt service as reflected in the Corporation's operating budget to offset revenue loss due to drought conditions. Additional funds will be reported to the Board for Board direction.

(b) Residential water customers, who are not billed through a master water meter.

1. A monthly base amount of 4,000 gallons shall be established as a trigger point for each customer. Water consumption up to and including this amount will not include a drought surcharge.
2. Above the 4,000 gallon consumption trigger point, with Board approval, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.

(c) Residential customers who are billed from a master water meter.

1. Once Stage 2 condition has been declared, property managers of multi-tenant units shall notify the General Manager of the number of residential units in their facility for determination of allocations. Until so notified, the Corporation shall calculate the allocation based on two residential units per master water meter. A monthly base amount of 4,000 gallons shall be established as a trigger point for each residential unit.
2. When consumption for the month is less than or equal to 4,000 gallons times the number of residential units, there will be no surcharge.
3. With Board approval, when consumption is above the 4,000 gallons times the number of units, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.
4. The customer is responsible for passing the demand charge onto the tenant.

(d) Commercial or institutional customer

1. A monthly water usage allocation shall be established by the General Manager or designee for each commercial or institutional customer.
2. Method of establishing allocation:
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 4 3), the commercial or institutional customer's allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during previous 12 months prior to the implementation of Stage 2.
 - b. 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.
 - c. Provided, however, a customer, 90 percent of whose monthly usage is less than 6,000 gallons, shall be allocated 6,000 gallons.
 - d. The General Manager shall give best effort to see that notice of each commercial or institutional customer's allocation is mailed to such customer.
 - e. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.
 - f. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased,
 - (1) if one nonresidential customer agrees to transfer part of its allocation to another nonresidential customer, or
 - (2) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

(e) Industrial customers, who use water for processing.

1. A monthly water usage allocation shall be established by the General Manager or designee for each an industrial customer, which uses water for processing (e.g., an industrial customer).
2. Method of establishing allocation.
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 4 ~~3~~), the industrial customer allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during the previous 12 months prior to the implementation of Stage 2
 - b. If the customer's billing history is shorter than 12 months, the monthly allocation shall be 1/12 of 90% of the customer's maximum annual contracted amount until 12 months of billing history are established. However if the industrial customer does not have a water contract and does not have at least 12 months of billing history, then the new industrial customer will provide data regarding expected water use and Corporation will determine allocation based on 90% of expected use to determine initial allocation until 12 months of billing history are established.
 - c. The General Manager shall give his/her best effort to see that notice of each industrial customer's allocation is mailed to such customer.
 - d. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.
 - e. 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 customer had shut down a major processing unit for overhaul during the period.
 2. The customer has added or is in the process of adding significant additional processing capacity.
 3. The customer has shut down or significantly reduced the production of a major processing unit.
 4. The customer has previously implemented significant permanent water conservation measures.
 5. The customer agrees to transfer part of its allocation to another industrial customer.
 6. Other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

(f) Commercial, institutional, and industrial customers shall pay the following surcharges:

1. Customers whose allocation is 6,000 gallons through 20,000 gallons per month:
 - a. \$5.00 per 1,000 gallons for the first 1,000 gallons over allocation.
 - b. \$8.00 per 1,000 gallons for the second 1,000 gallons over allocation.
 - c. \$16.00 per 1,000 gallons for the third 1,000 gallons over allocation.

d. \$40.00 for each additional 1,000 gallons over allocation.

2. Customers whose allocation is 21,000 gallons per month or more:
 - a. One times the block rate for each 1,000 gallons in excess of the allocation up through 5 percent above allocation.
 - b. Three times the block rate for each 1,000 gallons from 5 percent through 10 percent above allocation.
 - c. Five times the block rate for each 1,000 gallons from 10 percent through 15 percent above allocation.
 - d. Ten times the block rate for each 1,000 gallons more than 15 percent above allocation.
 - e. The surcharges shall be cumulative.
 - f. 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.

(g) *Nonresidential customer is billed from a master meter.*

1. When a nonresidential customer is billed from a master meter which jointly measures water to multiple residential dwelling units (for example: apartments, mobile homes), the customer may pass along any surcharges assessed under this DCP to the tenants or occupants, provided that:
 - a. The customer notifies each tenant in writing:
 1. That the surcharge will be passed along.
 2. How the surcharge will be apportioned.
 3. That the landlord must be notified immediately of any plumbing leaks.
 4. Methods to conserve water (which shall be obtained from the Corporation).
 - b. The customer diligently maintains the plumbing system to prevent leaks.
 - c. The customer installs water saving devices and measures (ideas for which are available from the Corporation) to the extent reasonable and practical under the circumstances.

(h) Water service to the retail water customer may be terminated under the following conditions:

1. Monthly residential water usage exceeds allocation by 4,000 gallons or more two or more times for any individual month after the implementation of Stage 4 3. Also, the two months need not be consecutive months.
2. Monthly water usage on a master meter which jointly measures water usage to multiple residential dwelling units exceeds allocation by 4,000 gallons times the number of dwelling units or more two or more times (which need not be consecutive months).

3. Monthly nonresidential water usage for a customer whose allocation is 6,000 gallons through 20,000 gallons exceeds its allocation by 7,000 gallons or more two or more times (which need not be consecutive months).
 4. Monthly nonresidential water usage for a customer whose allocation is 21,000 gallons or more exceeds its allocation by 15 percent or more two or more times (which need not be consecutive months).
 5. For residential customers and nonresidential customers whose allocation does not exceed 20,000 gallons, after the first disconnection water service shall be restored upon request for a fee of \$60, Monday through Friday prior to 4 pm. Restoration of service is not available on weekends or observed holidays.
 6. For such customers, after the second disconnection, water service shall be restored within 24 hours of the request for a fee of \$500.
 7. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage 3 ~~2~~.
 8. For master meter customers, the service restoration fees shall be the same as above times the number of dwelling units.
 9. For nonresidential customers whose allocation is 21,000 gallons per month or more:
 - a. After the first disconnection water service shall be restored upon request, Monday through Friday prior to 4 p.m. for a fee in the amount of "X" in the following formula:

$$X = \$60 \times \text{Customer's Allocation in gallons} / 20,000 \text{ gallons}$$
 - b. After the second disconnection for said customers, water service shall be restored within 24 hours of the request for a fee of 10 times "X".
 - c. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage 3 ~~2~~.
 - d. The General Manager is directed to institute written guidelines for disconnection of water service under this provision, which will satisfy minimum due process requirements, if any.
- (i) It shall be a defense to imposition of a surcharge hereunder, or to termination of service, that water used over allocation resulted from loss of water through no fault of the customer (for example, a major water line break) for the following conditions:
1. The customer shall have the burden to prove such defense by objective evidence (for example, a written certification of the circumstances by a plumber).
 2. A sworn statement may be required of the customer.

3. This defense shall not apply if the customer failed to take reasonable steps for upkeep of the plumbing system, failed to reasonably inspect the system and discover the leak, failed to take immediate steps to correct the leak after discovered, or was in any other way negligent in causing or permitting the loss of water.
- (j) When this section refers to allocation or water usage periods as "month," monthly," "billing period," and the like, such references shall mean the period in the Corporation's ordinary billing cycle which commences with the reading of a meter one month and commences with the next reading of that meter which is usually the next month.
1. The goal for the length of such period is 30 days, but a variance of two days, more or less, will necessarily exist as to particular meters.
 2. If the meter reader system is prevented from timely reading a meter by any obstacle which is attributable to the customer, the original allocation shall apply to the longer period without modification.

Section XII: Variances

The Board of Directors, 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:

- (a) 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.
- (b) 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 Plan shall file a petition for variance with the Ricardo Water Supply Corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by Board of Directors, or his/her designee, and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief.
- (d) 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.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) 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.

(h) Other pertinent information.

Variances granted by the Ricardo Water Supply Corporation shall be subject to the following conditions, unless waived or modified by the Board of Directors:

- (a) Variances granted shall include a timetable for compliance.
- (b) 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 XIII: Severability

It is hereby declared to be the intention of the Board of Directors of the Ricardo Water Supply Corporation 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 the Ricardo Water Supply Corporation without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.