

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HARRIS §
BRIDGESTONE MUNICIPAL UTILITY DISTRICT §

I, the undersigned Secretary of the Board of Directors (the "Board") of Bridgestone Municipal Utility District (the "District"), hereby certify as follows:

1. The Board convened in regular session, open to the public, on the 17th day of September, 2013, at the regular meeting place thereof, and the roll was called of the members of the Board, to-wit:

Adrian E. Steffes	President
Jim Marks	Vice President
Skip Warren	Secretary
Ronald W. Schkade	Assistant Secretary
Mikuel K. Draper	Director

All members of the Board were present except the following: Director Marks, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

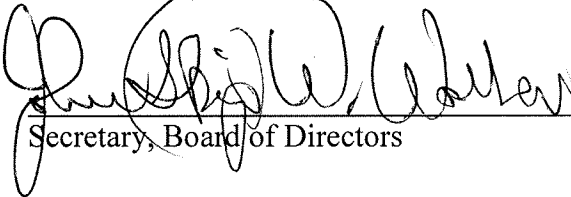
RESOLUTION ADOPTING AN AMENDED DROUGHT CONTINGENCY PLAN

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Resolution be adopted; and, after due discussion, such motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

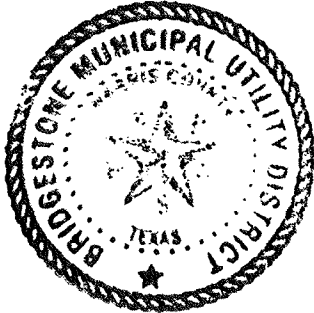
AYES: 4 NOES: 0

2. A true, full, and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Resolution has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Resolution would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, as amended.

SIGNED AND SEALED the 17th day of September, 2013.


Secretary, Board of Directors

(DISTRICT SEAL)



RESOLUTION ADOPTING AN AMENDED DROUGHT CONTINGENCY PLAN

STATE OF TEXAS §
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BRIDGESTONE MUNICIPAL UTILITY DISTRICT §

WHEREAS, the Board of Directors (the "Board") recognizes that the amount of water available to the Bridgestone Municipal Utility District (the "District") and its water utility customers is limited and subject to depletion during periods of extended drought;

WHEREAS, the Board recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 11.1272 of the Texas Water Code and Chapter 288, Subchapters B and C of the rules of the Texas Commission on Environmental Quality require all public water supply systems in Texas to either adopt or amend its drought contingency plans;

WHEREAS, the District is a public water supplier providing water service to 3,300 or more connection;

WHEREAS, as authorized under law, and in the best interests of the customers of the District, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

WHEREAS, the District is located within the boundaries of the North Harris County Regional Water Authority (the "NHCRWA") and is included in the NHCRWA's Groundwater Reduction Plan;

WHEREAS, on July 1, 2013, the NHCRWA adopted a revised and updated DCP in order to be consistent with the updated DCP adopted by the City of Houston on May 29, 2013; and

WHEREAS, in accordance with the provisions of Article II, Section 6 of the NHCRWA's DCP, the District is required to update and adopt a DCP with requirements at least as stringent as the requirements of the NHCRWA's DCP and upon the NHCRWA implementing any stage of its DCP, the District is required to implement at least the same stage of its DCP, but may implement any higher stage of its DCP as the District's Board may deem appropriate.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BRIDGESTONE MUNICIPAL UTILITY DISTRICT, THAT:

SECTION 1. The amended DCP attached hereto as **Exhibit "A"** and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the District.

SECTION 2. A copy of the amended DCP will be filed with the Texas Commission on Environmental Quality as soon as is practically possible.

EXHIBIT A

AMENDED DROUGHT CONTINGENCY PLAN BRIDGESTONE MUNICIPAL UTILITY DISTRICT

Adopted: September 17, 2013

ARTICLE 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, 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 District hereby adopts the following regulations and restrictions on the delivery and consumption of water.

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

ARTICLE II. DEFINITIONS

SECTION 2.1: DEFINITIONS

- A. The following terms shall have the meaning assigned to them below:
1. "Authority" means North Harris County Regional Water Authority.
 2. "Authority Plan" means the Drought Contingency Plan adopted by the Authority.
 3. "Conservation" means 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.
 4. "Customer" means any person, company, or organization using water supplied by the District.
 5. "District" means Bridgestone Municipal Utility District.
 6. "Domestic water use" means 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.

7. "Landscape areas" means areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.
8. "Non-essential water use" means 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.

ARTICLE III. IMPLEMENTATION

SECTION 3.1: PUBLIC INPUT

Opportunity for the public to provide input into the preparation of the Plan was provided by the District by means of scheduling and providing notice of a public meeting to accept input on the Plan.

The District shall make information available through its public participation program for plumbers and customers to utilize when purchasing and installing plumbing fixtures; lawn watering equipment or water using appliance. Information regarding retrofit devices, such as low flow shower heads or toilet dams, that reduce water used by replacing or modifying existing fixtures or appliances shall be provided.

SECTION 3.2: PUBLIC EDUCATION

The District 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 1) direct mailing of brochures, water bill inserts or

newsletters to water users regarding the District's water conservation program; 2) public meetings and events; and 3) posters or public displays.

SECTION 3.3: COORDINATION WITH REGIONAL WATER PLANNING GROUPS

The service area of the District is located within Region H and the District has provided a copy of this Plan to Region H water planning group.

SECTION 3.4: AUTHORIZATION

The Board 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 shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

SECTION 3.5: APPLICATION

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

ARTICLE IV. CRITERIA FOR INITIATION AND TERMINATION OF DROUGHT RESPONSE STAGES

The Board shall monitor water supply and/or demand conditions on a monthly basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached.

The triggering criteria described below are based on system capacity limits, and the water levels in the District's well.

SECTION 4.1: STAGE 1 TRIGGERS - MODERATE WATER SHORTAGE CONDITIONS

A. Requirements for Initiation. Customers shall be requested to voluntarily conserve water and adhere to Stage 1 Response – Moderate Water Shortage Conditions on certain water uses defined in Section 5.3 of this plan when the Authority implements Stage 1 Water Shortage as described in the Authority Plan.

B. Requirements for Termination. Stage 1 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of seven (7) consecutive days.

C. Goal. Achieve a 5 percent reduction in daily water demand.

SECTION 4.2: STAGE 2 TRIGGERS - SEVERE WATER SHORTAGE CONDITIONS.

A. Requirements for Initiation. Customers shall be required to comply with the requirements and restrictions of Stage 2 Response – Severe Water Shortage Conditions described in Section 5.4 of this Plan when the Authority implements a Stage 2 Water Shortage as described in the Authority Plan.

B. 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 seven (7) consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

C. Goal. Achieve a 10 percent reduction in daily water demand.

SECTION 4.3: STAGE 3 TRIGGERS - CRITICAL/EMERGENCY WATER SHORTAGE CONDITIONS

A. Requirements for Initiation. Customers shall be required to comply with the requirements and restrictions of Stage 3 Response – Critical/Emergency Water Shortage Conditions described in Section 5.5 of this Plan when the Authority implements a Stage 3 Water Shortage, as described in the Authority Plan of this Plan, or when the average run time for the District's wells are at or above 18 hours for three (3) consecutive days or when any of the water plant facilities cannot meet the water supply demand.

B. 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 seven (7) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

C. Goal. Achieve a 15 percent reduction in daily water demand.

SECTION 4.4: STAGE 4 TRIGGERS – WATER SUPPLY FAILURE

A. Requirements for Initiation. Customers shall be required to comply with the requirements of Stage 4 – Water Supply Failure (see Section 6.1 of this Plan) when the Authority implements a Stage 4 Water Shortage, as described in the Authority Plan, or when otherwise implemented by the Board or its designee.

B. Goal. Achieve a 20 percent reduction in daily water demand.

**ARTICLE V.
DROUGHT RESPONSE MEASURES**

SECTION 5.1: IMPLEMENTATION

The Board shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section IV of this plan, shall determine that a moderate, severe, or critical/emergency condition exists and shall implement the following notification procedures.

SECTION 5.2: NOTIFICATION

A. Notification of the Public. The Board shall notify the public by means of any of the following:

1. publication in a newspaper of general circulation;
2. direct mail to each customer;
3. District's website;
4. public service announcements; or
5. signs posted in public places.

B. Additional Notification. The Board shall notify directly or cause to be notified directly the following individuals and entities as deemed necessary by the Board of Directors:

1. County Judge & Commissioner(s);
2. TCEQ (required when mandatory restrictions are imposed);
3. Authority;
4. Major water users;
5. Critical water users, i.e. hospitals; or
6. Parks/Street Superintendents & public facilities managers.

SECTION 5.3: STAGE 1 RESPONSE - MODERATE WATER SHORTAGE CONDITIONS

A. Supply Management Measures. The District shall reduce the system pressure at the water plant or plants to 55 psi.

B. Voluntary Water Use Restrictions. Under threat of penalty for violation (see Section 6.1 of this Plan), the following water use restrictions shall apply to all persons:

1. Customers should check for and repair all leaks, dripping faucets and running toilets, utilize water conservation measures, such as displacement bags, low-flow shower heads and leak detection tablet, and minimize or discontinue water use for non-essential purposes;

2. Customers should limit irrigation to the hours between 7:00 p.m. and 5:00 a.m. of the following day on no more than two days per week in conformity with the following schedule (no water on Mondays):

a. Sundays and Thursdays for customers with an even-numbered address;

b. Saturdays and Wednesdays for customers with an odd-numbered address; and

c. Tuesdays and Fridays for all other customers.

3. Advise customers that mandatory measures may be imposed if the water shortage period continues.

4. Irrigation of common areas including esplanades, greenbelts and sports fields shall be limited to Mondays and Fridays.

5. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

SECTION 5.4: STAGE 2 RESPONSE - SEVERE WATER SHORTAGE CONDITIONS

A. Voluntary Supply Management Measures. The District shall reduce the system pressure at the water plant or plants to 50 psi.

B. Water Use Restrictions. All requirements of Stage 1 shall remain in effect during Stage 2, under threat of penalty (see Section 6.1 of this Plan) except:

1. Customers must repair detectible water leaks within 72 hours of discovery; and

2. Outdoor irrigation is limited to the hours 7:00 p.m. and 5:00 a.m. of the following day on no more than two (2) days per week, but possibly one day per week as determined by the Authority, in conformity with the following schedule (no watering on Mondays):

a. Sundays and/or Thursdays for single family residential customers with even-numbered street addresses;

b. Saturdays and/or Wednesdays for single family residential customers with odd-numbered street addresses; and

c. Tuesdays and/or Fridays for all other customers.

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 8 p.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 the District.

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 10:00 a.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 District, the facility shall not be subject to these regulations.

7. All restaurants are prohibited from serving water to its patrons except when requested.

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

a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

b. use of water to wash down buildings or structures for purposes other than immediate fire protection;

c. use of water for dust control;

d. flushing gutters or permitting water to run or accumulate in any gutter or street; and

e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

SECTION 5.5: STAGE 3 RESPONSE - CRITICAL/EMERGENCY WATER SHORTAGE CONDITIONS

A. Voluntary Supply Management Measures. The District shall reduce the system pressure at the water plant or plants to 45 psi.

B. Water Use Restrictions. All requirements of Stage 1 and 2 shall remain in effect during Stage 3, under threat of penalty (see Section 6.1 of this Plan) except:

1. The use of water for all outdoor purposes, including irrigation, ornamental, decorative, or scenic purposes such as fountains, reflecting pools, and water gardens, shall be prohibited.

2. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

SECTION 5.6: STAGE 4 RESPONSE – WATER SUPPLY FAILURE

A. Water Use Restrictions. All requirements of Stage 3 shall remain in effect during Stage 4, under threat of penalty (see Section 6.1 of this Plan). In addition, the District shall

implement Section 11.039, Texas Water Code, by dividing its available water supply distributes to its wholesale customers on a pro rata basis according to the amount of water to which each Customer is entitled.

SECTION 5.7: IMPLEMENTATION

Without limitation to specific actions stated in this Plan to be taken by the District's operator, the District's operator will administer and enforce this Plan, and will oversee and be responsible for the execution and implementation of all elements of this Plan. The operator shall keep adequate records for plan verification. The District's operator shall report to the Board, at meetings of the Board, regarding actions taken and which need to be taken under this Plan. Without limiting the foregoing, the District's operator shall advise the President of the Board (or if the President is unavailable to receive notification, another member of the Board) as soon as reasonably practical when conditions require implementation of particular stages of this Plan.

ARTICLE VI. ENFORCEMENT & PENALTIES

SECTION 6.1: PENALTIES

The following penalties shall apply to any customer violating the terms of this Plan:

A. First Violation. Any customer who violates this Plan shall receive written notification of such violation, which notice shall set forth (i) the date of the violation, (ii) the nature of the violation, (iii) the Drought Response Measures then in effect, and (iv) the penalties applicable for any further violations of this Plan; provided, however, that if such person or entity has ever previously violated this Plan, the penalties set forth in Subsection B below, may, in the discretion of the Board, be imposed.

B. Subsequent Violations.

1. Monetary Penalties for Noncompliance. If any person or entity violates any provision of this Plan more than one time (which violation shall constitute an unauthorized use of District services and/or facilities), then, the Board of the District may impose a penalty pursuant to the provisions of the District's Rate Order regarding penalties for violations. Each day that a breach of any provision of this Plan continues shall be considered a separate violation. This penalty shall be in addition to any other legal rights and remedies of the District as may be allowed by law.

2. Disconnection for Noncompliance. If any person or entity violates any provision of this Plan more than two (2) times (which violation shall constitute an unauthorized use of District services and/or facilities), then in addition to any other remedies, penalties, sanctions and enforcement procedures provided for herein, the District shall have the right to terminate water service to such person or entity after notice and any other procedural requirements in the District's Rate Order are satisfied.

3. Payment of Expenses. Any person or entity that violates any provision of this Plan shall reimburse the District for any and all expenses incurred by the District, including reasonable attorneys' fees, in enforcing the terms of this Plan.

SECTION 6.2: REMEDIES CUMULATIVE

All rights, remedies, sanctions, penalties and enforcement procedures provided for in this Plan are cumulative. In addition, the District shall have and may exercise and enforce any and all rights and remedies provided by law or in equity.

**ARTICLE VII.
VARIANCES**

If an entity or individual desires to obtain a variance to any provision of this Drought Contingency Plan, a written request must be submitted to the District's General Manager. Each variance will be reviewed and acted upon by the Board of the District on a case-by-case basis; however, the General Manager may take interim action on a variance request prior to the next scheduled meeting of the Board, as may be appropriate and necessary.
