The procedures herein are written to reduce potable water demand and supplement existing drinking water supplies whenever existing water supply sources are inadequate to meet current demands for potable water.

I. Authorization

The Icard Township Water Corporation Manager shall enact the following water shortage response provisions whenever the trigger conditions outlined in Section IV are met. In his absence, the Operator Steve Watts will assume this role.

Mr. Jon Pons
Icard Township Water Corporation Manager
Phone: (828) 397-6294
E-mail: jon.pons@icardwater.com

Steve L. Watts Cert. # 980524
Operator and Superintendent
Phone: (828) 397-6294
E-mail: steve.watts@icardwater.com

II. Notification

The following notification methods will be used to inform water system employees and customers of a water shortage declaration: employee e-mail announcements, notices at municipal buildings, notices in water bills. Required water shortage response measures will be communicated through *The Hickory Record*, PSA announcements on local radio and cable stations. Declaration of emergency water restrictions or water rationing will be communicated to all customers by telephone through use of reverse 911.

III. Levels of Response

Five levels of water shortage response are outlined in the table below. The five levels of water shortage response are: voluntary reductions, mandatory reductions I and II, emergency reductions and water rationing. A detailed description of each response level and corresponding water reduction measures follow below.
<table>
<thead>
<tr>
<th>Stage</th>
<th>Response</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Voluntary Reductions</td>
<td>Water users are encouraged to reduce their water use and improve water use efficiency; however, no penalties apply for noncompliance. Water supply conditions indicate a potential for shortage.</td>
</tr>
<tr>
<td>2</td>
<td>Mandatory Reductions I</td>
<td>Water users must abide required water use reduction and efficiency measures; penalties apply for noncompliance. Water supply conditions are significantly lower than the seasonal norm and water shortage conditions are expected to persist.</td>
</tr>
<tr>
<td>3</td>
<td>Mandatory Reductions II</td>
<td>Same as in Stage 2</td>
</tr>
<tr>
<td>4</td>
<td>Emergency Reductions</td>
<td>Water supply conditions are substantially diminished and pose an imminent threat to human health or environmental integrity.</td>
</tr>
<tr>
<td>5</td>
<td>Water Rationing</td>
<td>Water supply conditions are substantially diminished and remaining supplies must be allocated to preserve human health and environmental integrity.</td>
</tr>
</tbody>
</table>

In Stage 1, Voluntary Reductions, all water users will be asked to reduce their normal water use by 5%. Customer education and outreach programs will encourage water conservation and efficiency measures including: irrigating landscapes a maximum of one inch per week; preventing water waste, runoff and watering impervious surfaces; watering plants deeply to encourage root growth; washing only full loads in clothes and dishwashers; using spring-loaded nozzles on garden hoses; and identifying and repairing all water leaks.

In Stage 2, Mandatory Reductions I, all customers are expected to reduce their water use by 10% in comparison to their previous month’s water bill. In addition to continuing to encourage all voluntary reduction actions, the following restrictions apply: irrigation is limited to a half inch per week between 8PM and 8AM; outdoor use of drinking water for washing impervious surfaces is prohibited; and all testing and training purposes requiring drinking water (e.g. fire protection) will be limited.

In Stage 3, Mandatory Reductions II, customers must continue actions from all previous stages and further reduce water use by 20% compared to their previous month’s water bill. All non-essential uses of drinking water are banned and garden and landscape irrigation must be reduced to the minimum amount necessary for survival. Additionally, in Stage 3, a drought surcharge of 1.5 times the normal water rate applies.

In Stage 4, Emergency Reductions, customers must continue all actions from previous stages and further reduce their water use by 25% compared to their previous month’s water bill. A ban on all use of drinking water except to protect public health and safety is implemented and drought surcharges increase to 2 times the normal water rate.
The goal of Stage 5, Water Rationing, is to provide drinking water to protect public health (e.g. residences, residential health care facilities and correctional facilities). In Stage 5, all customers are only permitted to use water at the minimum required for public health protection. Firefighting is the only allowable outdoor water use and pickup locations for distributing potable water will be announced according to Icard Township Water Corporation’s Emergency Response Plan. Drought surcharges increase to 5 times the normal water rate.

IV. Triggers

Icard Township Water Corporation is provided water solely by purchase from the Cities of Valdese and Hickory. When either of these two towns declares a water shortage Icard Township Water Corporation is required to do so as well. (Icard Township Water Corporation must follow the most stringent of the declarations). During this time Icard Township Water Corporation Manager will stay in close contact with Valdese and Hickory and follow their triggers.

Return to Normal

When water shortage conditions have abated and the situation is returning to normal, water conservation measures employed during each phase should be decreased in reverse order of implementation. Permanent measures directed toward long-term monitoring and conservation should be implemented or continued so that the community will be in a better position to prevent shortages and respond to recurring water shortage conditions.

Enforcement

The provisions of the water shortage response plan will be enforced by Icard Township Water Corporation Manager and police personnel. Violators may be reported to the Corporations dedicated water conservation hotline. Citations are assessed according to the following schedule depending on the number of prior violations and current level of water shortage.

<table>
<thead>
<tr>
<th>Water Shortage Level</th>
<th>First Violation</th>
<th>Second Violation</th>
<th>Third Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary Reductions</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>(Stages 2 and 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mandatory Reductions</td>
<td>Warning</td>
<td>$250</td>
<td>Discontinuation of Service</td>
</tr>
<tr>
<td>Emergency Reductions</td>
<td>$250</td>
<td>Discontinuation of Service</td>
<td>Discontinuation of Service</td>
</tr>
<tr>
<td>Water Rationing</td>
<td>$500</td>
<td>Discontinuation of Service</td>
<td>Discontinuation of Service</td>
</tr>
</tbody>
</table>

Drought surcharge rates are effective in Stages 3, 4 and 5.
VI. Public Comment

Customers will have multiple opportunities to comment on the provisions of the water shortage response plan. First, a draft plan will be available at the Icard Township Water Corporation’s offices for customers to view. A notice will be included in customer water bill notifying them of such. Also, a draft plan will be published in The Hickory Record. All subsequent revisions to the draft plan will be published at least 30 days prior to an adoption vote by Icard Township Water Corporation’s Board.

VII. Variance Protocols

Applications for water use variance requests are available from the Icard Township Water Corporation’s Office. All applications must be submitted to the Corporation’s Office for review by the Manager or his designee. A decision to approve or deny individual variance requests will be determined within two weeks of submittal after careful consideration of the following criteria: impact on water demand, expected duration, alternative source options, social and economic importance, purpose (i.e. necessary use of drinking water) and the prevention of structural damage.

VIII. Effectiveness

The effectiveness of the Icard Township Water Corporations water shortage response plan will be determined by comparing the stated water conservation goals with observed water use reduction data. Other factors to be considered include frequency of plan activation, any problem periods without activation, total number of violation citations, desired reductions attained and evaluation of demand reductions compared to the previous year’s seasonal data.

IX. Revision

The water shortage response plan will be reviewed and revised as needed to adapt to new circumstances affecting water supply and demand, following implementation of emergency restrictions, and at a minimum of every five years in conjunction with the updating of our Local Water Supply Plan. Further, a water shortage response planning work group will review procedures following each emergency or rationing stage to recommend any necessary improvements to the plan to Icard Township Water Corporation’s Board. The Icard Township Water Corporation’s Manager is responsible for initiating all subsequent revisions.