

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500

MEMORANDUM

TO: President, Board of Directors
Harris County Municipal Utility District No. 500
Harris County Municipal Utility District No. 501
Harris County Municipal Utility District No. 502
Harris County Municipal Utility District No. 503

FROM: Harris County Municipal Utility District No. 500, as Master District (the "District")

DATE: January 28, 2019

RE: Harris County MUD No. 500 Draft Rules and Regulations Governing the Use of the District's Lakes

The District is hereby providing notice and opportunity to comment on the attached draft Rules and Regulations Governing the Use of the District's Lakes (Lake Rules), which also will be available on the District's website, <https://www.hcmud500.org/>. The District encourages all Participants to share the draft Lake Rules with your residents.

Please submit all written comments by 5:00 p.m., on Wednesday, February 27, 2019, to the District's legal assistant, Jennifer Ramirez, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027, or by e-mail at jramirez@abhr.com.

The Board expects to consider adoption of the final Lake Rules at its regular meeting, on Wednesday, March 6, 2019, at 11:00 a.m., at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027. All interested members of the public are welcome to attend.

RESOLUTION ESTABLISHING RULES AND REGULATIONS GOVERNING THE
USE OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 LAKES

WHEREAS, Harris County Municipal Utility District No. 500 (the “District”), a political subdivision of the State of Texas, is a master district that provides or will provide regional facilities to its service area, which is comprised of the District, Harris County Municipal Utility District No. 501, Harris County Municipal Utility District No. 502, and Harris County Municipal Utility District No 503 (the “MUD 500 Service Area”); and

WHEREAS, the District was created and organized, among other purposes, for the purpose of controlling, storing, preserving and distributing the storm and other waters of the MUD 500 Service Area, and the reclamation, irrigation, and drainage of the land located within the MUD 500 Service Area; and

WHEREAS, in order to carry out these purposes, the District owns or will own certain detention and drainage facilities within the MUD 500 Service Area (the “Lakes”); and

WHEREAS, the District utilizes the Lakes for the purposes of detention and drainage, as well as for storage of non-potable water that may be used in accordance with the District’s Resolution Adopting Policy Regarding Non-Potable Water Use, dated August 5, 2015, as may be amended from time to time; and

WHEREAS, the Board of Directors of the District acknowledges that, pursuant to the Amended and Restated Maintenance Agreement Between the District and Towne Lake Community Association, Inc., dated December 1, 2015, as may be amended from time to time, the Towne Lake Community Association, Inc. (the “Association”) is authorized to and has permitted the use of the Lakes for recreational purposes, in addition to the District’s use of the Lakes for detention and drainage and non-potable water storage purposes; and

WHEREAS, the Board of Directors of the District finds it necessary to adopt rules and regulations relating to the use of the Lakes in order to ensure that the Lakes continue to serve their primary detention and drainage and non-potable water storage purposes, and that the use of the Lakes for recreational purposes does not interfere with their primary detention and drainage and non-potable water storage functions; and

WHEREAS, the Board of Directors of the District, under the authority of Section 54.205 of the Texas Water Code, may adopt and enforce reasonable rules relating to the use, operation, management, administration, and policing of its water-related facilities as it considers appropriate and to regulate privileges on land owned or controlled by the District; and

WHEREAS, Section 49.004 of the Texas Water Code provides that the Board of Directors may set reasonable civil penalties for the breach of any rule of the District in an amount not to exceed \$10,000;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 THAT:

Section 1: The facts recited above are hereby declared to be true and correct.

Section 2: Under the authority of Section 54.205 of the Texas Water Code, the District hereby adopts, and considers appropriate and reasonable, the Rules and Regulations Governing the Use of Harris County Municipal Utility District No. 500 Lakes, attached hereto as Exhibit "A" (the "Lake Rules").

Section 3: Any person, corporation, or other entity violating the Lake Rules of this Resolution may be subject to a fine of up to \$10,000 per violation in addition to any other penalty provided by the Texas law, as provided for in Section 49.004 of the Texas Water Code.

Section 4: The District is hereby authorized to publish a substantive statement of these rules, regulations and penalties as required by Section 54.207 of the Texas Water Code, and such penalties described herein shall be effective and enforceable five days after publication.

[EXECUTION PAGE FOLLOWS]

PASSED, APPROVED, AND EFFECTIVE this ____ day of _____, 2019.

President, Board of Directors

Secretary, Board of Directors

(SEAL)

DRAFT

EXHIBIT "A"

DRAFT

RULES AND REGULATIONS GOVERNING THE USE OF HARRIS COUNTY
MUNICIPAL UTILITY DISTRICT NO. 500 (THE "DISTRICT") LAKES

Unless specifically authorized by the District's Board of Directors, within the geographic limits of any of the District's lakes (the "Lakes"), it shall be unlawful for any person to do any of the following acts, except as otherwise may be provided:

- (a) moving, displacing, tampering with, or damaging any buoy;
- (b) swimming or wading, except from sunrise to sunset in swim areas designated by ropes or buoys or when accompanied by a non-motorized boat, towing a highly visible buoy, and wearing a brightly colored swim cap;
- (c) SCUBA diving, except from sunrise to sunset in a designated no wake area with a proper diver down flag displayed;
- (d) parasailing or operating personal watercraft, jet surfboards, wave runners, jet skis, inflatable boats, zodiacs, air boats, lifeboats, or any impeller driven watercraft;
- (e) use of wake enhancing devices or operations;
- (f) hazardous wake or wash or swamping docks or other watercraft;
- (g) operating any motorized vehicles, motorized boats, other types of motorized watercraft, or non-motorized watercraft that are not registered and in good standing with the Towne Lake Communication Association, Inc. (the "Association") and visibly displaying current Association boat decals;
- (h) operating any motorized vehicles, motorized boats, or other types of motorized watercraft without current comprehensive general liability insurance coverage in the minimum amount of [proposed minimum coverage limits for consideration: \$300,000/\$500,000/\$1 million], and/or without listing Harris County Municipal Utility District No. 500 as an additional insured under the required comprehensive general liability insurance;
- (i) operating any motorized vehicles, motorized boats, or other types of boats or watercraft at a rate of speed greater than 30 miles per hour during the daytime between sunrise and sunset, or operating any motorized vehicles, motorized boats, or other types of boats or

watercraft greater than at a no wake speed within 30 feet of: a shoreline; a person in the water; an anchored boat; a boat underway at no wake speed; a sailboat, kayak, canoe, or any other non-motorized watercraft; a diver down flag; and/or a designated no wake area;

- (j) operating any motorized vehicles, motorized boats, or other types of boats or watercraft at night between sunset and sunrise: at an unsafe and/or unreasonable speed; without proper use of working and visible red/green/white navigation lights; with white docking or spot lights active while the watercraft is underway; and/or towing any skiers or rafts;
- (k) operating any motorized vehicles, motorized boats, or other types of boats or watercraft by an individual under the influence of alcohol or drugs;
- (l) operating any motorized vehicles, motorized boats, or other motorized watercraft by an individual without a current, valid Texas driver's license available to show at all times;
- (m) operating any motorized vehicles, motorized boats, or other motorized watercraft by an individual who has not completed a Texas Parks & Wildlife Department boater safety course, or who does not have evidence of completion of such boater safety course available to show at all times;
- (n) operating any motorized vehicles, motorized boats, or other motorized watercraft, or non-motorized watercraft in a manner inconsistent with the Handbook of Texas Boating Laws and Responsibilities, and/or the Texas Water Safety Act;
- (o) operating any non-motorized boat or watercraft, except sailing watercraft, outside of designated no wake areas or within 30 feet of the shoreline, except when crossing to an opposite shore;
- (p) between sunset and sunrise, operating any non-motorized boat or watercraft;
- (q) operating any watercraft in a designated swim area;
- (r) towing skiers or rafts in a designated no wake area;

- (s) operating motorized vehicles, motorized boats, other types of motorized watercraft within 200 feet of a motorized watercraft towing a skier or raft;
- (t) power turns, figure eights, and circles while any other boat or watercraft is in the area;
- (u) operating any land based motorized towing devices;
- (v) anchoring or docking any type of boat or watercraft in areas other than no wake areas or near mooring balls, Association docks, or personal owned or rented boat slips in compliance with all Association rules;
- (w) between sunset and sunrise, anchoring or docking any type of boat or watercraft in areas other than owned or rented boat slips or in designated Association docks in compliance with all Association rules;
- (x) offshore mooring or anchoring of an unattended motorized vehicle, motorized boat, other type of motorized watercraft;
- (y) anchoring any type of boat, watercraft, inflatable raft, or inflatable toy with any type of anchor designed to penetrate the bottom of the Lakes; only dead weight anchoring is permitted;
- (z) anchoring any type of boat or watercraft in a location that may potentially block the flow of boat traffic;
- (aa) fishing or netting aquatic life or placing traps, trot lines, cast nets, trawl nets, or gill nets in the water; provided, however, that catch and release fishing is permissible if also permitted by the Association and conducted pursuant to a valid Texas Parks and Wildlife Department fishing license, if required;
- (bb) fishing from the top of a bridge;
- (cc) failure to yield the right-of-way to any passing watercraft while fishing;
- (dd) between sunrise and sunset, using or storing any large inflatable rafts or toys that: are larger than 16 feet in diameter; extend more than 20 feet from the shore; and/or block access to any boat docks or bridges;
- (ee) between sunset and sunrise, using or failing to remove any large inflatable rafts and toys;

- (ff) unauthorized feeding, harassing, killing, or catching of alligators, beavers, waterfowl or other wildlife;
- (gg) interference or tampering with any traps, lines, or other equipment placed by District wildlife management personnel;
- (hh) constructing floating decks, docks, or other structures that extend into the Lakes, except those that are authorized and consented to in writing by the District;
- (ii) constructing, filling or dredging within the boundaries of the Lakes, except as specifically authorized and approved by the District;
- (jj) carrying or discharging any unauthorized firecrackers, rockets, torpedoes, other fireworks, air guns, bows, arrows, blowguns, darts or slingshots;
- (kk) discharging any firearm;
- (ll) hitching, fastening, leading, driving or letting loose any kind of animal or fowl; provided that this shall not apply to dogs or house cats when led by cord or chain not more than six feet long;
- (mm) disposing of animal waste in any area other than designated trash receptacles;
- (nn) damaging, cutting, breaking, injuring, defacing, vandalizing, or disturbing any structure, apparatus or property;
- (oo) cutting or removing any wood, turf, grass, soil, rock, sand, gravel, landscape material or fertilizer, except as specifically authorized and approved by the District;
- (pp) bringing in and/or disposing of outside garbage or debris, including placing, throwing, or disposing of any objects on the shoreline into the Lakes;
- (qq) disposing of hazardous chemicals, including but not limited to gasoline, diesel, paint, wood stains, paint thinners, pool chlorine and acids, motor oil, or antifreeze) in the Lakes;

- (rr) leaving garbage, cans, bottles, papers or other refuse within the Lakes in places other than in designated trash receptacles;
- (ss) carrying or possessing any glass containers;
- (tt) camping overnight;
- (uu) committing any obscene, lewd or indecent act or creating a nuisance of any kind; and/or
- (vv) between sunset and sunrise, generating any music or sound from radios, CD players, electronic equipment, or any other devices that generate music or sound.

These Rules and Regulations are in addition to, and not in lieu of all Federal, State and municipal laws, rules and regulations applicable to the District's Lakes.

The District has established separate rules and regulations governing the use of the District's parks and recreational facilities. These Rules and Regulations do not govern the use of the District's parks and recreational facilities.

The provisions of these Rules and Regulations are severable. If any word, phrase, clause, sentence, section, provision or part of these Rules and Regulations should be held invalid or unconstitutional, it shall not affect the validity of the remaining provisions, and it is hereby declared to be the intent of the Board of Directors that these Rules and Regulations would have been adopted as to the remaining portions, regardless of the invalidity of any part.

These Rules and Regulations may be amended at any time at the discretion of the Board of Directors.

A copy of the Rules and Regulations are on file in the principal office of the District, Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027, where they may be read by any interested person.

Any violation of these rules shall subject the violator to a penalty not to exceed Ten Thousand Dollars (\$10,000) for each violation. Each day that a violation of any of these rules hereof continues shall be considered a separate violation.

Use of the Lakes shall be at the sole risk of each individual. The District accepts no responsibility or liability for: (1) any injuries sustained by a user as result of such use; and (ii) any penalties or fines resulting from enforcement of federal, state, and

municipal laws, rules, and regulations applicable to the Lakes. All users are advised that the Lakes are a natural habitat for various wildlife, including but not limited to alligators, Egyptian geese, snakes, and beavers.

DRAFT