

**NOTICE OF ADOPTION OF SUPPLEMENTAL REGULATION  
GOVERNING BULKHEADS AND CANALS**

Pursuant to the Texas Water Code, the Board of Directors (the "Board") of Flamingo Isles Municipal Utility District of Galveston County, Texas (the "District") promulgated District Regulations on Bulkheads and Canals effective August 11, 2011 and amended on May 2, 2012. On May 5, 2017, the Board adopted an additional regulation (the "Regulation"), a substantive statement and the penalties for violation of which are as follows:

1. No person may moor or dock a boat on unprotected bulkhead (that is, bulkhead not designed for mooring boats and lacking a fendering system) without the prior written consent of the District.

A person found in violation of this Regulation shall be liable to the District for all damages sustained by the District due to the violation and all expenses incurred by the District in establishing the violation and in enforcing the Regulation, including legal fees, engineering fees and other costs.

In addition, the Board has set civil penalties for breach of any rule or regulation of the District. The maximum fine per violation is \$5,000. Each day's violation shall be considered a separate violation. This penalty is in addition to any other penalty provided by the law of Texas and may be enforced by complaints filed in the appropriate court of jurisdiction in Galveston County, Texas. If the District prevails in any suit to enforce its rules and regulations, it may, in the same action, recover reasonable fees for attorneys, expert witnesses, and other costs incurred by the District.

The full text of the District's rules and regulations is on file in the principal office of the District where it may be read by any interested person. The office is located at 1301 McKinney, Suite 5100, Houston, Texas 77010. The Regulation, including penalties for a violation thereof, shall be effective five days following the second publication hereof.