

City of Corpus Christi

Drought Contingency Plan and Ordinances Amendment Drought Surcharge Exemption Fee



Council Presentation
August 21, 2018



Drought Contingency Plan & Ordinance Amendment

- Establish a non-mandatory drought surcharge exemption fee for large-volume industrial customers.
- Increase the targeted demand reduction levels for stage 2 from 15% to 20%



Plan to obtain Drought Resistant Water Supply (DRWS)

- Industry will pay an additional \$0.25 per thousand gallons (8.4% increase)
 - Money reserved by City for DRWS
 - Not to be used for Operation and Maintenance
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Who will Pay?

- Existing and New Large Volume Industry
 - Using a minimum of 100,000 gallons per day
 - Fee will be mandatory unless Customer
“Opt Out”
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Customers who “Opt Out”

- Allocation will occur when Lake Levels drop below 30%
(currently 20%)
 - Allocation will be based on 80% of prior use
(currently 90%)
 - Drought Surcharges (for use above allocation) will increase
 - First 5% will be 3 times block rate (currently 1)
 - Second 5% will be 6 times block rate (currently 3)
 - Third 5% will be 9 times block rate (currently 5)
 - Fourth 5% will be 12 times block rate (currently 10)
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Reliable, dependable and affordable supply of water is needed

- Industry can continue to operate current facilities
- Industry can justify expansion
- Community can attract new industry



Drought Resistant Water Supply

- Seawater desalination plant
- Reuse
- Groundwater
- Aquifer Storage and Recovery