



CITY OF  
**CORPUS CHRISTI**

**AGENDA MEMORANDUM**  
Presentation for the City Council Meeting

**DATE:** June 2, 2026  
**TO:** Peter Zanoni, City Manager  
**FROM:** Nicholas J. Winkelmann, P.E. Chief Operating Officer

**Resolution to authorize the City Manager to initiate surcharges during a Level 1 Water Emergency**

**CAPTION:**

Resolution to authorize the City Manager to initiate surcharges during a Level 1 Water Emergency.

**SUMMARY:**

Resolution to authorize the City Manager to implement surcharges upon the initiation of a Level 1 Water Emergency. The City Manager or designee is authorized to initiate surcharges during a Level 1 Water Emergency. Surcharges are established in the City Code of Ordinances, Chapter 55, Article XII, Water Resource Management. Surcharges would no longer be in effect when the Level 1 Water Emergency is rescinded.

**BACKGROUND AND PURPOSE:**

The City of Corpus Christi's Drought Contingency Plan (DCP) is a statutory water supply management tool designed to respond to periods of drought or water shortage conditions. Its overarching purpose is to conserve available water supplies, minimize the adverse impacts of drought or supply emergency conditions, and protect public health, welfare, and safety, as required by Texas Administrative Code and municipal code provisions.

A Level 1 Water Emergency is a response stage within the DCP that is triggered when the City Manager (or designee) determines that the water supply is projected to be unable to meet total demand within 180 days. This threshold aligns with state water planning criteria and signals an imminent risk to system reliability. During a Level 1 Water Emergency, mandatory curtailment of water use across customer classes is implemented, and water-use restrictions are tightened.

As part of measures to achieve necessary demand reductions during a Level 1 Water Emergency, the DCP authorizes the implementation of the following surcharges and allocations for water consumption.

1. For residential accounts, a surcharge of \$4.00 per 1,000 gallons over the 6,000-gallon allocation and \$8.00 per 1,000 gallons above the 8,000-gallon baseline will be added to the customers' monthly bill.
2. For commercial accounts, a surcharge of \$4.00 per 1,000 gallons over the individual assigned allocation and \$8.00 per 1,000 gallons above the established baseline will be added to the customers' monthly bill.
3. For large volume accounts, a surcharge of \$4.00 per 1,000 gallons over the individual assigned allocation and \$8.00 per 1,000 gallons above the established baseline will be added to the customers' monthly bill.
4. For wholesale customers, a surcharge of \$4.00 per 1,000 gallons over the individual assigned allocation and \$8.00 per 1,000 gallons above the established baseline will be added to the customers' monthly bill.

The baselines and curtailment amounts used to determine water allocations during a Level 1 Water Emergency are set forth in Section 11 of the DCP and Section 55-154 of the code of ordinances.

The implementation of surcharges during a Level 1 Water Emergency is intended to ensure water conservation when supply is critically constrained and to maintain the financial integrity of the water system. Surcharges as proposed in this memo would be in effect only for the duration of the Level 1 Water Emergency. Once the Emergency is rescinded, the surcharges would also stop.

Customers will receive notification of their baseline, curtailment, and surcharge amounts.

**FISCAL IMPACT:**

The impact of surcharges on the Water Fund depends on customer usage above their allocation and baseline. The overall reduction in water sales has a corresponding effect on the Water Fund's annual revenue.

**RECOMMENDATION:**

Staff recommends authorizing the City Manager to implement surcharges upon the initiation of a Level 1 Water Emergency and to eliminate them once the Level 1 Water Emergency is rescinded.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Presentation