

CITY OF NEDERLAND

NOTICE



LNVA DROUGHT SURCHARGE

DATE: December 20, 2011

Due to the on-going drought and the Lower Neches Valley Authority's Drought Contingency Plan, effective January 1, 2012, Nederland water bills will include a "LNVA Drought Surcharge." This was unanimously authorized by the Nederland City Council on December 19, 2011. The Drought Surcharge would be assessed based upon the current Stage of the drought contingency plan:

Stage I – Moderate Water Shortage Condition

DROUGHT SURCHARGE NOT APPLICABLE

Stage II – Severe Water Shortage Condition (Sam Rayburn Reservoir below 153.0 MSL for a continuous period of 20 days and raw water rates are increased by 25%)

<i>0 – 2,000 gallons</i>	<i>NO ADDITIONAL CHARGE</i>
<i>2,001-50,000 gallons</i>	<i>\$0.10 per 1,000 gallons</i>
<i>50,000+ gallons</i>	<i>\$0.11 per 1,000 gallons</i>

Stage III – Extreme Water Shortage Condition (Sam Rayburn Reservoir below 151.5 MSL for a continuous period of 10 days and raw water rates are increased by 50%)

<i>0 – 2,000 gallons</i>	<i>NO ADDITIONAL CHARGE</i>
<i>2,001-50,000 gallons</i>	<i>\$0.15 per 1,000 gallons</i>
<i>50,000+ gallons</i>	<i>\$0.16 per 1,000 gallons</i>

Stage IV – Exceptional Water Shortage Condition (Sam Rayburn Reservoir below 149.0 MSL for a continuous period of 3 days and raw water rates are increased by 100%)

<i>0 – 2,000 gallons</i>	<i>NO ADDITIONAL CHARGE</i>
<i>2,001-50,000 gallons</i>	<i>\$0.25 per 1,000 gallons</i>
<i>50,000+ gallons</i>	<i>\$0.26 per 1,000 gallons</i>

Currently, we are in Stage III of the Drought Contingency Plan (<http://www.inva.dst.tx.us/>). Under Stage III, the average (7,000 gallons/month) customer's bill would increase by \$0.75; 20,000 gallon user - \$2.70; 50,001 gallons - \$7.68. The City will closely monitor the on-going drought stages, and as conditions change, the surcharge will be adjusted.

Citizens are asked to conserve water and limit all non-essential water consumption. Thank you in advance for your cooperation and understanding. If you have questions concerning this matter, you may contact Nederland City Hall at (409) 723-1504.

END