

CITY OF CORPUS CHRISTI

CORPUS CHRISTI WATER

TO: Peter Zanoni, City Manager

FROM: Nicholas Winkelmann, P.E., Interim Chief Operating Officer



COPY: Mayor & City Council

DATE: October 17, 2025

SUBJECT: Water Supply Update

Corpus Christi Water (CCW) continues to progress forward on our water supply projects to add new sources and diversify the supply portfolio.

Nueces River Groundwater Wells Project

As of today, the current expenditure for the eastern well field project is \$15,896,321, and \$5,822,325 for the western well field. The state has committed to providing a \$30,000,000 grant for this project. Staff is working with TWDB on the application of this grant and there will be council action required for grant acceptance which is planned to occur on November 11 or 18, 2025.

In the Eastern Well Field, Well Nos. 1 to 8 are complete. The City is currently discharging approximately up to 8 MGD into the Nueces River in accordance with the approved monitoring plan and in compliance with all State laws. The natural gas generator for Well no. 4 has had a warranty issue this week and is being repaired.

In the Western Well Field, the status is as follows:

- Well No. 9 – Drilling complete, permanent pump has been designed, awaiting delivery of the permanent pumping equipment.
- Well No. 10 – Drilling complete, test pumping and water quality sampling complete.
- Well No. 11 – Drilling complete, development is ongoing in preparation for test pumping and water quality sampling
- Well no. 12 – Drilling continues
- Well field site work continues
- Water line and river outfall have been designed with construction ongoing with 956 linear feet (LF) of 24” diameter PVC water line installed and 720 LF of 12” diameter PVC water line installed by CCW crews

Investigative work continues regarding the influencing conditions of the Nueces River to support the application for the second bed and banks permit. This second bed and banks permit will be required for the Western Well Field.

Water Supply Projects Update

Page 2

Evangeline Groundwater Project

At the City Council meeting on October 21, 2025, an ordinance will be presented for consideration that authorizes execution of a Groundwater Rights Purchase and Sale Agreement with Evangeline/Laguna, LP in the amount of \$169,491,700; and execution of an interlocal Cooperation Agreement with City of Sinton; and an agreement with Saint Pual water Supply Cooperation and amending the FY 2026 capital budget.

Reclaimed Water Infrastructure Project

CCW has been in discussions with multiple entities regarding the use of effluent water from our wastewater treatment plants. Discussions and negotiations are ongoing with multiple meetings occurring over the past week.

CCW met with representatives of Ardurra regarding effluent conveyance from the Oso Wastewater Treatment Plant. The intent will be to present a professional services contract to council in November to move this phase of the reclaimed water plan forward. The project will be designed for expediency and would involve bringing on a contractor early in the process to expedite delivery.

Garver has completed their preliminary work for reclaimed water and will be submitting a draft technical memo.

NRA - Harbor Island Seawater Desalination Project

The project consists of a 100 MGD seawater desalination facility located on Harbor Island. The intake structure would be located approximately 1.3 miles southeast of San Jose Island. The discharge structure would be located approximately 1.8 miles southeast of San Jose Island. The City would need to develop a conveyance water line project to transport water from NRA infrastructure to a preferred connection point.

City staff will meet with John Byrum, Executive Director of the Nueces River Authority (NRA), to continue discussions regarding a reservation agreement on Monday October 13. As requested by City Council CCW will present a reservation agreement with the NRA for consideration on October 21.

The option fee for 56,007 acre feet per year or approximately 50 MGD is a one-time payment of \$2,737,622.16.

The option fee for 44,806 feet per year or approximately 40 MGD is a one-time payment of \$2,1980,117.28.

The option fee for 33,604 acre feet per year or approximately 30 MGD is a one- time payment of \$1,642,563.52.

Water Supply Projects Update

Page 3

The option fee is non-refundable and does not guarantee a delivery date for available water. The terms of a final water supply contract will be negotiated in the future once the NRA has determined the final cost of water. The NRA is currently working with electric power companies in South Texas to provide transmission level power to the project site. Involvement at this point of the project will allow the City to provide input into conveyance alignment and design.

Required permits include the following:

- TCEQ Intake: draft expected 10/2025
- TCEQ Discharge: draft expected 10/2025
- US Army Corps of Engineers (USACE) – Construction on Harbor Island
- USACE – Bore under the Island
- USACE – Structures and diversion

The NRA's agreement with the Port of Corpus Christi (POCC) includes the following provisions

- 30 acres of land located on Harbor Island
- Fifty-year agreement with an extension to build and operate a water treatment plant
- Includes easements for water conveyance line
- The Port would obtain all TCEQ and ACOE permits

South Texas Water Authority

On September 23, STWA Executive Director John Marez provided an update to council and provided the following information:

- The STWA Board of Directors approved the offering of water to City of Corpus Christi on September 9, 2025
- Raw water quality results from their test well were provided to the city as requested
- The water purchased by the City will be treated/finished water and meet or exceed all TCEQ primary and secondary drinking water standards
- The final target of phase 1 of the project is 13 MGD with 3 MGD for STWA and 10 MGD available for sale to the city
- There could be an option to add additional water in 10 MGD increments
- A potential contract has been drafted by STWA to prepare for potential future negotiations

STWA has requested current discussions focus first on the extension of their existing water purchase contract with the City which expires December 31, 2025. STWA has provided some additional information regarding contract considerations, and another meeting will be planned to take place during the week of October 20, 2025.

CC Polymers Seawater Desalination Treatment Plant

CDM Smith, the City's consultant, has prepared a draft technical memo reviewing the proposal from CC Polymers and has recommended that a condition assessment be completed prior to any agreement for plant/equipment purchase.

Water Supply Projects Update

Page 4

On October 16, the City provided a letter to CC Polymers affirming City interest in pursuing a plant/equipment purchase. Approval from the CC Polymer three entity ownership group will be needed before detailed equipment and process inspection can be performed

Inner Harbor Water Treatment Campus

A formal notice of cancellation was sent to Kiewit on October 10, 2025. Notification letters regarding the cancellation were also issued to the Texas Water Development Board (TWDB) and the Texas Commission of Environmental Quality (TCEQ).

Per council direction, a formal request was made of the Texas Water Development Board (TWDB) in correspondence dated October 14, 2025, to authorize a change in scope for the State Water Implementation Fund for Texas SWIFT loans currently allocated to the City of Corpus Christi's Inner Harbor Desalination Treatment Plant project.