

CITY OF CORPUS CHRISTI

CORPUS CHRISTI WATER

TO: Peter Zanoni, City Manager

FROM: Drew Molly, P.E., Chief Operating Officer

COPY: Mayor & City Council

DATE: June 13, 2025



SUBJECT: Water Supply Projects Update

Corpus Christi Water (CCW) continues to evaluate the four major alternative water supply projects, which include the Nueces River Groundwater Wells Project, the Evangeline Groundwater Project, the EV Ranch Groundwater Project, and the South Texas Water Authority (STWA). These are in addition to the Inner Harbor Water Treatment Campus, which is currently progressing with design under the City Council approved design-build contract with Kiewit.

Inner Harbor Water Treatment Campus (IHWTC)

The project consists of three phases, with Phase 1 having two parts (A and B). Phase 1A was completed on June 1, 2025, and included planning, initiation of the Basis of Design Report, and development of the pilot plan protocol.

Phase 1B began in April 2025 and will include multiple “Steps” (contract amendments). This week, Phase 1B, Step 3 was executed. It includes working with key vendors on critical equipment procurement scope development. In addition, Phase 1B, Step 4 was executed, authorizing Kiewit to perform design services on a time and material basis until a design amendment can be fully negotiated.

Phase 1B, Step 5 will be executed next month and will include full design and guaranteed maximum price (GMP) development.

Phase 1: Nueces River Groundwater Wells Project

Phase 1 consists of obtaining the necessary TCEQ Bed and Banks permit to discharge up to 15,680 acre-feet per year (approx. 14 MGD) of groundwater into the Nueces River. As of today, the current expenditures for this project are \$8,556,088.

A summary of the most recently completed activities includes:

- Groundwater Wells:
 - Completion of Well No. 1
 - Completion of Well No. 2
 - Installation of the permanent pumping equipment is to be completed, and the delivery of the natural gas generator is expected next week on Well No. 3 and Well No. 4
 - City staff anticipate Well No. 3 to be operable by mid-June
 - City staff anticipate Well No. 4 to be operable by the end of June
 - Begin test pumping next week on Well No. 5
 - City staff anticipate the well to be operable by the end of July

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- Design of permanent pumping equipment will begin next week at Well No. 6
 - City staff anticipate the well to be operable by the end of July
- Drilling has begun on Well No. 7 & Well No. 8
 - City staff anticipate the wells to be operable by the end of August
- Bed and Banks Permit
 - On June 11th, CCW and the City Manager met with the Texas Commission on Environmental Quality (TCEQ) to review the application and next steps for the City's Bed and Banks Permit, which was declared administratively complete later that day.

Phase 2: Nueces River Groundwater Wells Project

Phase 2 of the Nueces Groundwater Wells Project involves treating the Nueces River groundwater to meet drinking water standards and distributing it to the drinking water system. CCW is working to establish a second task order with Garver to continue project execution for the conceptual design of a future brackish groundwater project.

Evangeline Groundwater Project

The City met with the Evangeline Team this past Wednesday, June 11th. The team continues to work through several critical issues, including:

- The questionability of marketable title for the water rights currently held by the Evangeline Group
- The high probability that it will take a long time to obtain groundwater conservation district permits.

These two challenges can independently reduce the value of the Evangeline water. To make progress in the Evangeline negotiations, we have hired a real estate expert with extensive water rights knowledge to provide a broker's price opinion, subject to good title and all permits being obtained prior to closing.

We have conveyed these conditions to Evangeline, and they understand and claim they will be willing to comply with them prior to closing. Our broker's price opinion is expected within the next 4 to 5 weeks. We will use that opinion as the basis for making a potential offer with the aforementioned preconditions to closing.

EV Ranch Groundwater Project

There is no update to add regarding the EV Ranch Groundwater Project for this week. City staff continue to work with Dr. Mintz and Darrell Brownlow.

South Texas Water Authority (STWA)

On June 10th, John Marez, STWA Executive Director, presented the Brackish Groundwater Project to the City Council. City staff are coordinating an MOU with STWA. Garver submitted a written data request to Seven Seas on June 5 with no response to their questions.

A second meeting is being scheduled with officials from the City of Corpus Christi, STWA, Kleberg County, and Seven Seas.