


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: September 5, 2025

SUBJECT: Water Supply Projects Update

Corpus Christi Water (CCW) continues to evaluate various supplemental water supply projects.

Inner Harbor Water Treatment Campus (IHWTC)

On September 2, the City Council (Council) voted not to approve Amendment 5 for the progressive design-build contract with Kiewit. Council also directed staff to request an extension from the Texas Water Development Board for the issuance, sale, and delivery of the City Utility System Junior Lien Revenue Improvement Bonds not to exceed \$210,045,000.00, with the intent to repurpose for other Region N approved water supply projects. This correspondence is attached.

Nueces River Groundwater Wells Project

Phase 1 – Groundwater Well Implementation for Diversions to Nueces River

As of today, the current expenditure for this project is \$16,081,858, with no changes from the previous Water Supply Projects Update memo.

Texas Commission on Environmental Quality (TCEQ) granted the Temporary Bed and Banks permit for the City of Corpus Christi's (City) Eastern Wellfield on August 7, 2025. The City is currently discharging approximately 5 to 7 MGD into the Nueces River in accordance with the approved monitoring plan and in compliance with all State laws.

Intera Incorporated, the City's project hydrogeologist, has estimated that the preliminary data indicates that the sustainable flow from the Eastern Well Field is approximately 11 MGD, and the Western Well Field is approximately 17 MGD. The hydrogeologic model continues to be updated and refined as more data is obtained.

A summary of the wellfield activities is included below:

- Eastern Well Field
 - Well No. 1 – Operational
 - Well No. 2 – Operational
 - Well No. 3 – Operational
 - Well No. 4 – Operational

Water Supply Projects Update

Page 2

- Well No. 5 – Operational
- Well No. 6 – Operational
- Well No. 7 – Operational
- Well No. 8 – Test pumping and additional development continued this week

- Western Well Field
 - Well No. 9 – Pump Testing and water sampling completed
 - Well No. 10 – Drilling
 - Well field site work continues
 - Water line design and river outfall are currently under design

Phase 2 – Proposed Future Brackish Reverse Osmosis (RO) Treatment Plant

Preliminary and conceptual design work continues for the development of this water treatment plant. The developed groundwater from the eastern and western well fields would be conveyed to the brackish reverse osmosis treatment plant for treatment.

The Engineering Department is preparing a Request for Qualifications (RFQ) to facilitate the selection of a design engineer for a professional services contract to design the treatment plant, pumping station, and conveyance system.

Evangeline Groundwater Project

On September 3, City staff, along with City Manager Peter Zanoni, Mayor Paulette Guajardo, and Council Member Carolyn Vaughn, met with leaders from Evangeline Laguna (Evangeline) to finalize a term sheet for a potential water source project involving 24 MGD of water rights located on a 22,788-acre tract in San Patricio County.

CCW will secure a professional services contract with a third-party hydrogeologist to review and comment on the submitted field and sustainable long-term pumping projections. Additionally, CCW will engage an engineer to further evaluate project timelines and the required key engineering tasks to be completed. HDR is working to complete the Mary Rhodes Pipeline (MRP) hydraulic analysis with the estimated inputs from Evangeline.

The Engineering Department is preparing an RFQ to allow for the selection of a design engineer under a professional services contract. City staff anticipate the completion of the RFQ by September 12.

South Texas Water Authority

On August 1, the City met with leadership from South Texas Water Authority (STWA). At this meeting, STWA told City staff that a follow-up meeting would be scheduled with the City once more specific details about their project were available to share. These details include:

- Condition assessment of the existing conveyance line
- Timeline for power and water quality results from the first test well
- Update of STWA's ability to produce raw water to supply up to 28 MGD to the City
- Plan for STWA's effluent discharge

Water Supply Projects Update

Page 3

To date, STWA has not scheduled a follow-up meeting to discuss these details with City staff. On September 2, three council members, Eric Cantu, Carolyn Vaughn, and Gil Hernandez, requested that STWA give a briefing at the September 9 council meeting to provide test well results, possible volume projections, and option terms regarding a possible brackish groundwater desalination agreement. They have agreed to place this item on the September 23 Council agenda, as had been originally scheduled by City staff.

CC Polymers Seawater Desalination Treatment Plant

On August 27, City staff met with leadership from CC Polymers. 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. CDM Smith is currently developing a detailed scope for this condition assessment. City staff anticipate briefing the Council in an executive session at the October 7 council meeting.

Harbor Island Seawater Desalination Project

On August 29, City staff met with John Byrum, Executive Director of Nueces River Authority (NRA). The NRA is working to acquire and/or amend the five permits required prior to initiating the construction of their project.

1. TCEQ Intake Permit
2. TCEQ Discharge Permit
3. US Army Corps of Engineers (ACOE) Permit to construct on Harbor Island
4. ACOE Permit to bore under Harbor Island
5. ACOE Right of Way Permit for diversion and discharge lines into the Gulf of Mexico

John Byrum estimated that the construction of their project would begin in March 2027, with a goal of producing water in December 2029. NRA is scheduled to present a briefing at the September 23 council meeting to discuss a reservation fee.

Reclaimed Water Infrastructure Project

Garver

Garver continues to investigate reclaimed water potential with a focus on the following three options.

- Conveyance of effluent and TCEQ permitting to take water to the Nueces River
- Aquifer Storage and Recovery
- Direct potable reuse

Garver has also been communicating with TCEQ to understand any potential requirements for discharging effluent water from one of the wastewater treatment plants into the Nueces River.

Gulf Coast Authority and Ardurra

Ardurra and the Gulf Coast Authority (GCA) will brief the council on their reclaimed water proposal at the September 9 council meeting.

Attachment: TWDB Request to Change the Multi-Year Loan Commitment Loan Closing Schedule



September 5, 2025

William Alfaro, Regional Water Project Development
Texas Water Development Board
P.O. Box 13231
Austin, TX 78711-3231

Peter Zanoni
CITY MANAGER

Email: william.alfaro@twdb.texas.gov

PO Box 9277
Corpus Christi
Texas 78469-9277
Phone 361-826-3220
Fax 361-826-3839
Peterz@cctexas.com
www.cctexas.com

Subject: Request to change the Multi-Year Commitment Annual Loan Closing Schedule (Resolution No. 17-074 / 20-068 / 21-091/ 22-058 / 23-065 / 24-063)

Dear Mr. William Alfaro,

Please see the attached request to change the Multi-Year Commitment Annual Loan Closing Schedule.

In addition, as directed by our City Council on September 2, 2025, the City of Corpus Christi is notifying the Texas Water Development Board of a potential request for a change in scope for the above-mentioned loan commitment to a different City-sponsored project in the current and proposed State Water Plan from Region N.

We appreciate your continued support and collaboration in advancing sustainable water planning for our region. Should you require any additional information or documentation, please do not hesitate to contact our office.

Sincerely,

Peter Zanoni
City Manager
City of Corpus Christi

Attachment 1: SWIFT Multi-Year Commitment Annual Loan Closing

Attachment 2: Motion 2025-120

CC:

Mr. Arnaldo Rubio – Financial Analyst II, Regional Water Project Development
Ms. Raquel McCoy – Loan Specialist III, Regional Water Project Development
Honorable Paulette Guajardo – Mayor of Corpus Christi
Honorable Mark Scott – Councilmember At-Large
Honorable Carolyn Vaughn – Councilmember At-Large
Honorable Roland Barrera – Councilmember At-Large
Honorable Everett Roy – Councilmember District 1
Honorable Sylvia Campos – Councilmember District 2
Honorable Eric Cantu – Councilmember District 3
Honorable Kaylynn Paxson – Councilmember District 4
Honorable Gil Hernandez – Councilmember District 5
Mr. Miles Risley – City Attorney
Mr. Nick Winkelmann – Interim Chief Operating Officer, CCW

**State Water Implementation Fund for Texas (SWIFT)
Multi-Year Commitment
Annual Loan Closing Schedule**

City of Corpus Christi
Project No. 51052
Seawater Desalination

Annual Loan Closing Schedule

Year	Amount per Resolution No. 17-074/ 20-068/ 21-091/ 22-058/ 23-065/ 24-063	Proposed Revised Amount (If Applicable)
Prior Years Total	\$235,225,000	
2025	\$210,045,000	\$0.00
2026	\$210,045,000	\$210,045,000
2027	\$105,020,000	\$210,045,000
2028	0	\$105,020,000
2029	0	
2030	0	
TOTAL	\$760,335,000	

NOTE: The overall structure and approach are intended to allow applicants to achieve savings while maintaining the integrity of the SWIFT program and includes subsidies based on level-debt service schedules for all low-interest obligations. Interest rate subsidies for non-level debt service are subject to modification.

If closing schedule is revised, please leave a brief explanation for the change.

(See Letter: Addressed to William Alfaro, Regional Water Project Development Manager)

Contact Information

Please provide the best point of contact for TWDB staff to discuss your anticipated closing schedule.

Peter Zanoni, City Manager

Contact Name and Title

361-826-3220

Phone Number

PeterZ@cctexas.com

Email Address



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cc texas.com

September 02, 2025

Resolution: M2025-120

File Number: 25-1376

Enactment Number: M2025-120

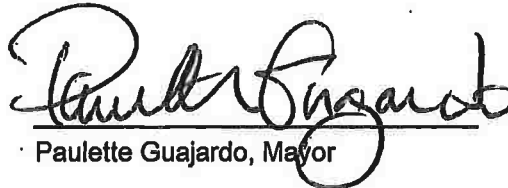
Motion to direct staff to ask for an extension from the Texas Water Development Board for the issuance, sale and delivery of the City Utility System Junior Lien Revenue Improvement Bonds not to exceed \$210,045,000.00 with the intent to repurpose for other Region N approved water supply projects.

At a meeting of the City Council on 9/2/2025, this Motion was passed.

Aye: 7 Council Member Vaughn, Council Member Hernandez, Council Member Campos, Council Member Cantu, Council Member Scott, Council Member Paxson, and Council Member Roy

Nay: 2 Council Member Barrera, and Mayor Guajardo

Abstained: 0


Paulette Guajardo, Mayor

Attest: 
Rebecca Huerta, City Secretary

SCANNED