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:

December 19, 2025

SUBJECT:

Water Supply Update

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

Nueces River Groundwater Wells Project

As of today, the current expenditure for the Eastern Well Field Project is \$16,623,062, and for the Western Well Field Project, \$13,396,358. On December 16, City Council (Council) unanimously approved the ordinance authorizing a formal request to accept grant funding from the state of Texas and through the Texas Water Development Board (TWDB) for \$30,000,000 grant funding of this project.

The Eastern Well Field continues to operate in accordance with the approved monitoring plan and in compliance with all State laws. There is a warranty issue with the motor for Well pump No. 8, and City staff are working with the contractor to resolve it.

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

- Well No. 9 Drilling is complete, and the permanent pumping assembly is installed. The power transformer is set.
- Well No. 10 Drilling is complete, test pumping, and water quality sampling are complete. The expected installation of the permanent pumping assembly is to take place before December 25.
- Well No. 11 Drilling is complete, test pumping, and water quality sampling are complete. The expected installation of the permanent pumping assembly is to take place before the end of December.
- Well No. 12 Drilling is complete, well development is complete, test pumping and water quality were completed this week. The permanent pumping assembly is being designed.
- Well No. 13 Drilling is complete, well development is ongoing, with the well performance testing scheduled to begin this weekend.

Water Supply Update Page 2

- Well No. 14 The 20" casing has been installed and cemented. The pilot hole has been completed to depth, and geophysical logging has been conducted. The well screens have been ordered with delivery expected in the first week of January
- Well No. 15 The pilot hole has been completed, and geophysical logging was conducted today.
- Well No. 16 Crews are rigging up the drilling rig and support equipment.
- The water line and river outfall have been designed alongside the ongoing construction of 4,935 linear feet (LF) of 24" diameter PVC water line, 1,780 LF of 16" diameter PVC water line, and 2,360 LF of 12" diameter PVC water line installed by CCW crews

The Corpus Christi Aquifer Storage and Recovery Groundwater Conservation District (CCASRCD) held a board meeting on December 19. At this meeting, the CCASRCD approved the City's permits for the eastern and western well field with the following special conditions:

- The City is to provide an annual report summarizing the findings of the subsidence monitoring program
- The City is to formalize a well owner assistance program and submit it to the district within sixty days. The plan will provide assistance to homeowners for:
 - o Water level monitoring and tracking
 - o Water quality testing
 - o Review well construction logs
 - o Implementation of any remediation activities for issues resulting from the operation of the eastern and western well fields
- Monthly water quality and production data is to be submitted to the district
- A quarterly briefing regarding the Nueces County Well Program is to be provided to the board
- The monitoring plan for both well fields is to be documented, and submitted to the district within sixty days
- The well-operation plan is to be documented and submitted to the district within sixty days

Evangeline Groundwater Project

Please see the attached memo dated December 17, provided early this week.

Reclaimed Water Infrastructure Project

Ardurra Group Inc. (Ardurra), CCW, Public Works, TXDOT, and AEP met this week to continue discussions on the conveyance line alignment and routing from the Oso Wastewater Treatment Plant to the Greenwood Wastewater Treatment Plant. The storage tank location at the Oso Plant has been identified and confirmed by CCW staff and Ardurra. Ardurra has also begun surveying work for design purposes.

Water Supply Update Page 3

CCW continues discussions with multiple entities regarding the use of effluent water from the Allison, Greenwood, and Oso Wastewater Treatment Plants. CCW plans to bring one contract to Council for consideration on January 13.

NRA - Harbor Island Seawater Desalination Project

The Nueces River Authority (NRA) continues to work with its selected design firms to formalize their scope of work for the water pumping and conveyance portion of the project. The focus of this work will initially be on the first segment of the conveyance line leading from the plant.

The formal Request for Qualifications (RFQ) for the public-private partnership has been delayed for additional review and is currently scheduled to be released by the end of January, with a response due date thirty days later.

Inner Harbor Seawater Desalination

At this Texas Water Development Board (TWDB) meeting, the City's request for funding deferment was approved. This deferment allows the Corpus Christi Desal Partners (CCDP) to develop options and a path forward regarding the project.

The Corpus Christi Desal Partners (CCDP) and City staff are working together to present cost certain options for consideration at the February 17, 2026, council meeting. If Council approves moving forward, City staff would prepare a contract with CCDP for consideration at a council meeting in April 2026.

CCW staff met with CCDP this week to discuss water quality expectations and requirements specifically regarding water quality integration into the existing system.

A presentation regarding the formation of the Far Field Modeling Advisory Committee was made at this week's city council meeting.

South Texas Water Authority

A South Texas Water Authority (STWA) board workshop with Seven Seas is scheduled for January 13. It is anticipated that a board meeting will follow the workshop, during which the contract amendment with Seven Seas will be reconsidered. STWA is tentatively scheduled to provide an update to the City of Corpus Christi at the council meeting on January 27.

The initial project would be for 3 MGD, with possibly 1.4 MGD available for sale to CCW. CCW Engineers met with STWA and their consultant on December 18 to discuss some of the driving design concepts for the project.

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Lake Texana Reservoir Status

Lake Texana is currently 68% full, according to the Lavaca-Navidad River Authority (LNRA). In December 2024, the reservoir was 73% full for comparison. LNRA's current drought contingency plan mandates reductions in pumping when the lake level drops to 50% capacity.

CCW will meet with LNRA in January to discuss the forecasted conditions for Lake Texana. CCW, LNRA, and Formosa met this week to review and confirm the City's desire to implement the water rights agreement for calendar year 2026.

Attachment: Evangeline Groundwater Project Memo, December 17, 2025

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SUBJECT:

Evangeline Groundwater Project

Corpus Christi Water (CCW), its engineering consultants, and Evangeline Laguna LP continue working toward the goal of partial delivery of the project by November 2026.

At the San Patricio Groundwater Conservation District (SPGCD) meeting on December 12, the board of directors approved a temporary moratorium on accepting and processing new or amended non-exempt drilling, operating, and transport permit applications. The City was informed that the moratorium is intended to provide the SPGCD board time to review its proposed groundwater rule changes. SPGCD will hold a public hearing on January 16 to discuss these rule changes and gather comments. Attached are copies of the SPGCD Meeting Agenda and Moratorium Resolution.

On December 11, Evangeline Laguna LP submitted applications for drilling and transport permits, along with the applicable fees, to the SPGCD electronically. On December 12, they submitted the applications in person.

Evangeline Laguna LP has been informed that the SPGCD has acknowledged receipt of the permit applications and fees submitted prior to the moratorium. However, it remains unclear when the applications will be deemed administratively complete. If the applications are administratively complete, then per Texas Water Code Section 36.114(e) SPGCD has 60 days from date of submission to either act on the applications or set a hearing.

The submitted applications involve drilling twenty-two wells and transporting 24 MGD. SPGCD has already approved the production permit for 24 MGD. Evangeline Laguna LP is coordinating a meeting with SPGCD and City staff to review the applications in detail. Currently, it is unclear how SPGCD's actions may impact the processing of the permits and whether this action will delay the project's schedule.

The contract agreement between Evangeline Laguna LP and the City has not yet been executed. Evangeline Laguna is working to finalize the surface use agreements and is scheduling a date for mediation with landowners within the first two weeks of January. Once the surface use agreements are finalized and agreed upon then the contract can be executed by both parties.

Evangeline Groundwater Project Page 2

The design team, which includes Pape Dawson Engineers, Hanson, Intera, and HDR, is making steady progress with due diligence and pre-design efforts. So far, they have completed the final sealed property survey, well field modeling, well piping hydraulic modeling, electrical load modeling, electrical line sizing and routing, identification of the Mary Rhodes Pipeline Connection point, pump station pre-design, ongoing development of an opinion of probable construction cost, and the project schedule.

Amendment 1 to the Master Services Agreement (MSA) with Pape-Dawson Engineers was approved at the December 16 council meeting, along with a pre-construction services contract with Garney Companies, Inc. The professional services amendment will allow Pape-Dawson Engineers to complete the full project design, including permitting, construction management, coordination, and other services. The construction contract with Garney will support the identification and procurement of long-lead items, provide critical design input, assist in developing the construction schedule, and contribute to the construction cost estimates. City staff expect pre-construction work packages to be presented to the Council in early 2026.

Attachment: SPGCD Meeting Agenda for 12.12.2025

Attachment: SPGCD Resolution

San Patricio County

Groundwater Conservation District

Notice of Meeting

Notice is hereby given that in accordance with the Open Meetings Act, Chapter 551, Government Code, and Section 36.064 of the Texas Water Code, a Regular Meeting of the Board of Directors of the San Patricio County Groundwater Conservation District will be held on **December 12, 2025** at 8:05 AM at the San Patricio Agrilife Extension Office, 219 N. Vinyard, Sinton, Texas 783877

Charles Ring___ Charles Ring President

Agenda

- Declaration of Quorum and Call to Order Consider and Possible Action On:
- 1) Approving Minutes of previous meetings
- 2) Approving Quarterly Financial report
- 3) Approving District Expenses
- 4) Consider adopting a resolution establishing a District-wide temporary moratorium on the acceptance and processing of new non-exempt drilling, operating, and transport permit applications or applications to amend existing non-exempt drilling, operating, and transport permits.
- 5) Consider proposing draft rule amendments and scheduling a public hearing.
- 6) Ronald Green contract/ Southwest Research Institute Contract
- 7) Update on Evangeline Project
- 8) Appoint Noel Snedecker to perform 2025 audit
- 9) Proposed 2026 budget
- 10) Approving manager's salary
- 11) Office Procurement
- 12) Future agenda items and schedule next meeting date
- 13) Public Comments (3 minutes per person limit)
- 14) Executive Session (Consultation with the attorney about rules and the Evangeline project potential law suits)
- 15) Adjourn

The State of Texas San Patricio County P.O. Box 531, Sinton, TX 78387-0531

The Board of Directors of the San Patricio County Groundwater Conservation District reserves the right to adjourn into Executive (Closed) Session at any time during the course of this meeting to discuss items listed on this agenda, as authorized by the Texas Government Code, Sections 551.071 (Consultations with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development). No final action will be taken in Executive Session.

The San Patricio County Groundwater Conservation District is committed to compliance with the Americans with Disability Act. Reasonable accommodations and equal opportunity for effective communications will be provided upon request. Please contact the District office at least 24 hours in advance if accommodation is needed.

RESOLUTION DECLARING TEMPORARY SUSPENSION BY THE SAN PATRICIO COUNTY GROUNDWATER CONSERVATION DISTRICT ON PROCESSING AND PERMITTING NEW NON-EXEMPT DRILLING, OPERATING, AND TRANSPORT PERMIT APPLICATIONS, AND SOME APPLICATIONS TO AMEND NON-EXEMPT OPERATING AND TRANSPORT PERMITS

WHEREAS, the San Patricio County Groundwater Conservation District (the "District") was created pursuant to Section 59, Article 16 of the Texas Constitution and Chapter 36, Texas Water Code;

WHEREAS, the District was created by the Legislature to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater from the aquifers within the boundaries of the District;

WHEREAS, the District was also created to protect property rights, balance the conservation and development of groundwater to meet the needs of this State, and use the best available science in the conservation and development of groundwater through rules developed, adopted, and promulgated by the district;

WHEREAS, pursuant to rulemaking authority granted to the District in Tex. Water Code 36.101 and other legal authority, the District Board of Directors has adopted rules and orders designed to regulate the use of groundwater within the District's boundaries ("Rules"); and

WHEREAS, pursuant to Texas Water Code § 36.1071, the District is mandated to adopt a comprehensive management plan that includes the District's Desired Future Conditions ("DFCs") for the aquifers in the District and the Texas Water Development Board's ("TWDB") modeled available groundwater ("MAG") based on the DFCs;

WHEREAS, pursuant to Texas Water Code § 36.1071(f), the District must adopt rules necessary to implement its Management Plan's mission, goals, objectives, and performance standards;

WHEREAS, the Board seeks a reasonable timeframe to allow the District to (1) evaluate the District Rules and propose amendments to the District's Rules to implement the Management Plan; (2) implement legislative actions in the 88th and 89th Session of the Texas Legislature that impact the District, its rules, or its management plan; and (3) propose and publish amendments to the District Rules;

WHEREAS, until the District's rules are updated, the District Board finds that caution should be exercised with respect to new groundwater wells drilled or groundwater authorized to be produced within the District;

NOW, THEREFORE, BE IT RESOLVED that, effective immediately upon adoption of this resolution until resolution of this matter by the Board, and, to fulfill its obligations to manage groundwater withdrawals in the District, the District Board of Directors hereby:

- (1) directs the District, through the general manager, to cease all activities related to accepting applications for any new non-exempt drilling, operating, or transport permits, and any amendments to increase non-exempt operating or transport permits ("Prohibited Applications"); and
- (2) directs the District, through the general manager, to continue to accept, review, and process pending administratively complete applications of any type already received by the District and accept, review, and process exempt well registrations, non-exempt operating permit renewals, non-exempt transport permit renewals, amendments to non-exempt permits that do not increase the authorized groundwater production amount, permit ownership transfers, and replacement wells so long as each request does not increase authorized production ("Exceptions");
- (3) directs the general manager to update the Board regarding the processing of any Exceptions, as defined herein, and any TWDB and legislative updates regarding the District; and
- (4) the District Board of Directors intends that the suspension of processing Prohibited Applications only applies to the applications received on or after the effective date of this resolution and will not affect administratively complete applications currently pending before the District; and
- (5) directs the general manager to lift the suspension of processing administratively complete applications as of the date the District Board of Directors finally approves amendments to the District Rules.

PASSED, APPROVED, AND EFFECTIVE on December 12, 2025,

Charles Ring, President

ATTEST:

Matt Setliff, Secretary/Treasurer