

**CITY OF CORPUS CHRISTI
CORPUS CHRISTI WATER**

TO: Peter Zanoni, City Manager
FROM: Nicholas Winkelmann, P.E., Chief Operating Officer 
COPY: Mayor & City Council
DATE: March 20, 2026
SUBJECT: WATER SUPPLY UPDATE

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

Evangeline Groundwater Project

Pape Dawson Engineers and Garney Construction continue to make significant progress in advancing the project. Design documents for 60% engineering design are scheduled for completion by March 27. TCEQ permit applications for 6 Wells were submitted this week. Fabrication of the 48-inch, 36-inch, and 30-inch HDPE pipes for this project began last week, with the first delivery of 48-inch pipe to the site expected next week. Garney is also expected to mobilize construction trailers and begin on-site work before mid-April.

The team continues to refine schedules and adjust phasing to ensure partial water delivery by November 2026. The approval of Amendment 2 for Garney enables Pape Dawson and Garney to transition the implementation plan to focus on pipeline installation, MRP connection, ground storage tank, and pumphouse construction at the start of the construction cycle.

The total expenditure to date for this project, including professional services, construction services, legal, and administrative costs, is \$2,366,511.

San Patricio Groundwater Conservation District (SPGCD) has confirmed an administrative law judge for the preliminary hearing. The seller's attorney has submitted a motion requesting that the administrative law judge set the preliminary hearing date for March 31 or, alternatively, April 9. As of today, the date of the preliminary hearing has not yet been confirmed.

During the hearing, the judge will review three filed protests and hear testimony. The purpose is to determine whether each protester has standing. Protests were submitted concerning either the well-drilling permits or the transport permit. It is the protestant's responsibility to prove they have standing.

Water Supply Update

Page 2

The district issued a production permit for 24 million gallons per day (MGD) on May 16, 2019, and renewed it on January 21, 2025. City staff also continue to reach out to meet with those who have protested the permit applications.

On February 17, the Council considered and approved the purchase of groundwater rights on the Li Ranch. A condition to close this agreement is that the seller obtain permits for production, drilling, and transport. The hydrogeologists have identified potential well sites for this tract of land and will schedule an on-site review of these locations before beginning the well-drilling permit application process.

Nueces River Groundwater Wells Project

As of today, the expenditure for the Eastern Well Field Project is \$18,338,169, and for the Western Well Field Project, \$24,399,382. The Texas Water Development Board previously approved the \$30,000,000 grant on January 21.

The Eastern Well Field continues to operate in accordance with the approved monitoring plan and complies with all State laws. Over the past seven days, it produced the following volumes: 03/12 4.5 MGD, 03/13 5.4 MGD, 03/14 3.2 MGD, 03/15 4.3 MGD, 03/16 5.5 MGD, 03/17 3.2 MGD, and 03/18 5.0 MGD.

The Texas Commission on Environmental Quality (TCEQ) Bed and Banks Permit application for the Western Well Field was submitted on January 30. On March 18, TCEQ issued the City a Temporary Water Use (Bed and Banks Permit). The permit allows for the discharge of groundwater from the Western Well Fields into the Nueces River. The discharge must be conducted in accordance with the operating protocol outlined in the permit. After issuing the permit, CCW crews started operating the well field on March 19. Since then, the well field has been producing approximately 4-5 MGD.

Updates regarding the other specific wells are as follows:

- Well No. 9, 10, 11, 12 - Wells complete and permanent pumping assemblies have been installed. There was an electrical issue at Well No. 10 this week, and we are working with the electrician and NEC to resolve it.
- Well Nos. 13 – Crews will install the permanent pumping assembly this weekend, with start-up to follow.
- Well Nos. 14, 15 – The permanent pumping assembly has been designed, and equipment has been ordered with expected material delivery starting next week.
- Well No. 16 – Preliminary pumping tests were conducted on March 20, and the full production test is scheduled to follow with water quality sampling.
- Well No. 17 – The geophysical log is complete, and the well has been designed. The screens for production have been ordered, and we are waiting for them to arrive.
- Well No. 18 – The geophysical log is finished, and the well has been designed. The production screens have been ordered, and we are waiting for their delivery.
- Well No. 19 – The geophysical log is complete, and the well is being designed.
- Well No. 20 – Drilling has started.

Water Supply Update

Page 3

CCW crews have installed 25,537 linear feet, or 4.84 miles, of 24", 16", and 12" diameter PVC water line required for the operation of this well field. Electrical work is ongoing under the NEC to supply permanent power to the entire well field. The concrete pads for the electrical transformers have been poured for all twelve wells at this project site.

Brackish Groundwater Reverse Osmosis Treatment Project

On February 17, the Council considered and gave initial approval for the City Manager and City staff to negotiate contracts for the project's implementation. The project will involve the following primary tasks:

- Pump Station at the Western Well Field
- 36" conveyance line
- Reverse Osmosis Treatment plant
- Site improvements at O.N. Stevens, including concrete foundation, electrical, and tank
- Discharge methods by evaporative ponds, injection well, and Texas Pollutant Discharge Elimination System (TPDES) permit

CCW, Garver Engineering, and Aqualia are conducting design work. Construction is projected to be completed by CCW, multiple local contractors, and Aqualia. Graver Engineering continues designing the conveyance line, and City staff continue to meet with local contractors to discuss construction. Additional meetings will also be held with TXDOT and Nueces County to discuss installing the water line.

CCW Engineering continues designing the ground storage tank and pump station at the Western Well Field. Legal and procurement are working towards executing the contract with Aqualia for the modular brackish reverse osmosis treatment. Preliminary meetings with TCEQ have also occurred to discuss permits for the treatment plant, discharge, and well permitting.

CCW is working with AEP and HDR on the electrical service and upgrades required at the O.N. Stevens Water Treatment Plant for the pumping equipment and reverse osmosis treatment process.

The team is working towards completing the conveyance line and well field pump station by the end of this calendar year. The expected water delivery through the Brackish Reverse Osmosis process is 4 MGD in February 2027, 5.3 MGD in May 2027, 5.3 MGD in September 2027, and 6.7 MGD in March 2028, for a total of 21.3 MGD.

Reclaimed Water Infrastructure Project

CCW continues negotiations with other entities regarding the use of effluent water. Council has approved agreements with Valero and Flint Hills Resources. Ongoing discussions are happening with other entities regarding future effluent contracts and end users. CCW is working to provide

Water Supply Update

Page 4

updated timelines for when these projects are expected to be operational, creating a potential offset to demand.

CCW is meeting with Valero weekly to discuss design parameters, critical-path constraints, and coordination with Ardurra regarding the Oso effluent pipeline. CCW and Valero met with the TCEQ on March 4 to review and clarify language in the City's 210 Reuse Authorization Permit. These recommended amendments have been provided to Ardurra and will be included in the permit amendment submission to the TCEQ.

Flint Hills is working with CCW to integrate an ultra-filtration (UF) and reverse osmosis (RO) water purification system into the Allison Wastewater Treatment facility. This project may have two phases; the first phase would deliver 1 MGD of effluent to their facility through an existing Flint Hills raw water line outside the Allison Plant. This water would replace raw water typically drawn from the river. The second phase, if the first is successful, would increase this amount to 3 MGD. The UF/RO system would be owned and operated by Flint Hills and located on Flint Hills property directly adjacent to the Allison plant.

Ardurra and CCW continue to design the infrastructure needed to convey approximately 10 MGD from the Oso Wastewater Treatment Plant (WWTP) to Greenwood WWTP. Ardurra projects that the 60% design will be finished by April 23. Work is ongoing on potential land and easement acquisitions necessary for the pipeline and pump station at Oso WWTP. Technical Memoranda are also being prepared to address the volume of effluent supplied to the bay system. Once property and easements are finalized and the design is nearly 60% complete, CCW will work with area contractors to discuss the phasing and timing of the conveyance line construction to expedite the work.

Inner Harbor Seawater Desalination

At the February 24 meeting, the Council authorized City staff to negotiate and draft a contract with the Corpus Christi Desal Partners (CCDP). City staff continue to work with CCDP to prepare a contract for Council consideration at a Council Meeting in April 2026.

The request for qualifications (RFQ) for the City's agent and representative was also issued, and two organizations submitted their qualifications. Currently, City staff is reviewing these documents. The City's agent and representative will only be engaged if the contract with Corpus Christi Desal Partners (CCDP) is approved.

The Council approved a modeling contract with Speheros at the March 17 meeting. The modeler has said they will have significant work finished by the end of April, with the final report to follow. The next Far Field Advisory Committee Meeting is scheduled for April 3, and the modelers will attend.

Water Supply Update

Page 5

NRA - Harbor Island Seawater Desalination Project

Preliminary engineering work on the conveyance line has begun by the two contracted design firms, LAN Inc. and HDR Inc.

The NRA continues to review the qualifications of the four proposers for the treatment plant developer. It is expected that a selection will be made at the June Board of Directors Meeting.

TCEQ has issued a draft intake permit and made it available for public comment on February 25. The application, technical data, and draft permit from the Executive Director are available on the TCEQ website at https://www.tceq.texas.gov/permitting/water_rights/wr-permitting/view-wr-pend.apps. The NRA anticipates that TCEQ will issue the draft discharge permit by the end of February 2026.

Barney Davis Seawater Desalination Project

At the March 17 Council Meeting, Council approved a motion to authorize City staff to work with CPS Energy to develop options for a seawater desalination plant located next to the Barney Davis Power Plant.

South Texas Water Authority

South Texas Water Authority (STWA) approved the contract amendment with Seven Seas at its board meeting on March 9. This amendment would provide a water supply of 3 MGD for STWA and is expected to be delivered within 24 to 28 months. STWA is currently working to finalize and execute this contract.

CCW continues to work with the STWA and its consulting engineer under the existing memorandum of understanding (MOU).

Lake Texana Reservoir Status

On March 20, the Lavaca Navidad River Authority (LNRA) reported that Lake Texana's reservoir capacity was 55%. In comparison, the reservoir was at 68% capacity a year ago.

This week, the City was informed by LNRA General Manager Mr. Brzozowski that the Board's intention was not to impose any reductions if and when the reservoir storage capacity falls below 50%. However, it is expected that the reduction volume would be calculated and potentially deducted from the total water contractual amounts at the end of the year to the City and CCW.

The City staff and CCW continue discussions with LNRA to understand the operational modifications needed and how reductions would be accounted for if the reservoir falls below 40% capacity.

Water Supply Update

Page 6

The City's water supply contract with LNRA is for a total annual amount of 31,440 acre-feet from Lake Texana, with options for additional or interruptible water of 12,000 acre-feet if it becomes available. This additional water has not yet been made available this year. Additionally, the City has purchased 10,000 acre-feet from Formosa Plastics for the calendar year 2026. Currently, the Mary Rhodes Pipeline operates at 72 MGD, with approximately 40 MGD coming from Lake Texana and approximately 32 MGD from the Lower Colorado River.

City staff will meet again with LNRA in the coming weeks to further discuss drought conditions and the operational process of curtailing water from Lake Texana.

Water Conservation Advisory Committee

The Water Conservation Advisory Committee held a meeting on February 27, and the next one is scheduled for March 27. Before that meeting, the committee will review an updated draft plan and provide comments. The revised draft will incorporate the committee's feedback. At the next meeting, the committee will work toward finalizing the conservation plan update.

Engagement and Outreach Calendar

March 25 – City of Odem Town Hall

Water Supply Update

Projected Delivery of New Water Sources

The Evangeline project will be subject to updates once the City attains greater certainty regarding the outcomes of potential negotiations and the preliminary hearing. Reuse estimates will be updated upon confirmation of construction schedules. Daily production from the Western Well Field will be based upon adherence to the operating protocol as established in the Bed and Banks Permit.

| 2026 Project Delivery of Additional Water (MGD) | | | | | | | | | | | | | | |
|---|---------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|-----------|
| Source | Project | J | F | M | A | M | J | J | A | S | O | N | D | Total |
| Groundwater | WWF River Delivery | | | 5 | 6 | 6 | | | | | | | | 17 |
| Groundwater | ERF Property (WWF Extension) | | | | 2 | 2 | 3 | 2 | | | | | | 9 |
| Groundwater | Evangeline | | | | | | | | | | | 4 | 1 | 5 |
| Reuse | FHR | | | | | | | | | | | | 1 | 1 |
| Total | | | | | | | | | | | | | | 32 |

| 2027 Project Delivery of Additional Water (MGD) | | | | | | | | | | | | | | |
|---|------------|---|---|---|---|---|---|---|---|---|---|---|---|-----------|
| Source | Project | J | F | M | A | M | J | J | A | S | O | N | D | Total |
| Groundwater | Evangeline | 2 | 1 | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 16 |
| Reuse | FHR | | | | | | | | | | | | 1 | 1 |
| Reuse | Valero | | | | | | | | | | | | 3 | 3 |
| Total | | | | | | | | | | | | | | 20 |

| 2028 Project Delivery of Additional Water (MGD) | | | | | | | | | | | | | | |
|---|----------------------|---|---|---|---|---|---|---|---|---|---|---|---|-----------|
| Source | Project | J | F | M | A | M | J | J | A | S | O | N | D | Total |
| Groundwater | Evangeline | 2 | 1 | | | | | | | | | | | 3 |
| Reuse | Valero | 5 | | | | | | | | | | | | 5 |
| Reuse | Additional Customers | 6 | | | | | | | | | | | | 6 |
| Total | | | | | | | | | | | | | | 14 |

Notes:

- 1) Western Well Field (WWF)
- 2) The projected delivery for each of our new water supply sources will be updated weekly as various factors influence the completion and partial completion of each project.
- 3) Western Well Field daily production is dependent upon adherence to the operating protocol established in the bed and banks permit.
- 4) Evangeline Production estimates will be updated once we are more certain of the timeline for the next steps of the permitting timeline.
- 5) Well Production is dependent upon results from pumping and aquifer testing
- 6) Reuse is an offset of the potable water demand