

# Inner Harbor Water Treatment Campus Alternate Project Delivery Options

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# Presentation Overview

- Inner Harbor Alternate Project Delivery Options
- Texas Water Development Board (TWDB) Loan Update
- Water Supply Projects Update

# Inner Harbor Alternate Project Delivery Options

# Project Status Recap

- At the September 2, 2025 city council meeting a motion to approve amendment #5 for continued design development failed.
- At the September 23, 2025 city council meeting multiple council members requested staff put together a workshop to discuss alternate project delivery options for the Inner Harbor project.
- Kiewit contract set to expire October 30, 2025.
- All permits approved (TCEQ and ACOE)
- AEP power secured
- Land purchase agreement good until 2026 (renewal options available)

# Option #1: #2 Ranked Progressive Design Build Team - Acciona

- Joint Venture: Acciona and MasTec
- Supporting Team: Ardurra, Reytec, CSA, Turner Ramirez, Gignac and more

## Organization Chart

### A SEASONED TEAM...

- ✓ Designed and built 540 water treatment plants with total capacity of 9,500+ MGD
- ✓ Designed, built, and commissioned 92 Seawater RO desal plants with total capacity of 1,849 MGD
- ✓ In 2023 alone, commissioned 449 MGD of water from SWRO desalination plants
- ✓ Currently Operator of 25 Seawater RO desal plants including 29 MGD Tampa Bay plant where Acciona has been present since 2004



### IGNACIO LOPEZ

#### Corpus Christi Desal Partners Representative

"We would be honored to serve as the City of Corpus Christi's Design Builder for this landmark project. We bring to the City the experience and lessons learned from the design, construction, and commissioning of 92 Seawater RO desalination plants that have a total installed capacity of 1,849 MGD. On behalf of our Joint Venture Partners, I hereby commit the personnel and resources to deliver a best in class desal plant for the City of Corpus Christi."

### PUBLIC RELATIONS

Community Liaison  
Three Dimensional  
Development  
Ardurra

### ENGINEERING

Lead Engineer Ardurra	Corrosion V&A
Desalination Lead Acciona	Electrical Ardurra
Dietrich Consulting Group	Structural Ardurra
Reverse Osmosis Acciona	HVAC AACE
Geotechnical UES Professional Solutions	Landscape Architect Gignac Landscape Architect
Intake/System Integration/ Engineering Support Hazen & Sawyer	High Voltage Power Saber Power
Architect Turner Ramirez	

### PRE CONSTRUCTION

Pre-Construction Services  
Reytec  
MasTec

Scheduling  
Project Surveillance Inc

Estimating  
Reytec  
MasTec

Procurement  
Acciona

### CONSTRUCTION

General Contractor(s) MasTec Rava CSA Reytec	SCADA Subcontractor Acciona Prime Controls
Construction Manager MasTec	Commissioning Manager Acciona
Process Mechanical Subcontractor Acciona	Construction Superintendent Rava (DBE)
Electrical & Instrumentation Subcontractor MasTec Alterman Saber Power	Bidder Pool McCarthy Marine Clark Construction Industrial TX Wharton Smith Rabalais Electric Scott Electric PMG (DBE)

### OPERATIONS

Operations  
Acciona

O&M Training Lead  
Acciona

Acciona brings to the City of Corpus Christi the experience from:

- ✓ Designed and built 540+ water treatment plants with a total installed capacity of 9,500 MGD
- ✓ Designed, built, and commissioned 92 Seawater RO desalination plants with a total installed capacity of 1,849 MGD
- ✓ In 2023 alone, commissioned 449 MGD of water from SWRO desalination plants
- ✓ Currently the operator of 25 Seawater RO desalination plants that can produce 500+ MGD

# Option #1: Proceed with #2 Ranked Progressive Design Build Team

- Plant Owner and Operator: City
- Design Builder: Acciona
- Actions Required:
  - Terminate contract with Kiewit
  - Update contract and negotiate with Acciona
  - Council approval for design and construction
- Delivery Timeline: 45 Months
- Financing Options:
  - Utilize approved SWIFT loans and request additional state funding
  - Utilize Utility Revenue Bonds

# Option #2: Gulf Coast Authority (GCA)

- Who is GCA?
  - Political subdivision of the State of Texas
- Not-for-profit governmental entity providing:
  - Regionalized industrial wastewater treatment
  - Municipal wastewater treatment
  - Industrial water reuse
  - Regional water treatment



# Option #2 continued: Assign contracts to GCA

- Plant Owner and Operator: GCA
- Delivery Option: Progressive Design Build
- Actions Required:
  - Council approval required to transfer/sell/lease contract(s), contract documents, permits, land and power
  - Enter into MOU with GCA and develop and negotiate take-or-pay contract
- Delivery Timeline: 42 Months
- Financing Options:
  - Utilize approved SWIFT loans and request additional state funding (Requires approval from TWDB)
  - Work with GCA to acquire alternative financing options



# Option #3: Proceed with new project delivery process – Design Bid Build

- Plant Owner and Operator: City
- Designer and Contractor: TBD
- Actions Required:
  - Terminate contract with Kiewit and FNI
  - Develop RFQ for design, select designer, and Council approval for design
  - Develop RFP for construction, select low bid contractor and Council approval for construction
- Delivery Timeline: 62 Months
- Financing Options:
  - Utilize approved SWIFT loans and acquire additional funding (Requires approval from TWDB)
  - Utilize Utility Revenue Bonds

# Option #4: Proceed with new project delivery process – Public Private Partnership (P3)

- Plant Owner and Operator: P3
- Designer and Contractor: TBD
- Actions Required:
  - Terminate contract with Kiewit and FNI
  - Council adoption of Texas Governmental Code Chapter 2267
  - Develop P3 agreement, select P3 partner and present to Council
- Delivery Timeline: 60 Months
- Financing Options:
  - Private financing

# Project Delivery Option Comparison

Options	Description	Ownership	Permits	Operation	Duration to Completion	Financing
1	#2 Acciona (PDB)	City	Own	City	45	SWIFT Loan and/or Bonds
2	GCA Assigned Contract	GCA	Transfer, Sell or Lease	GCA	42	SWIFT Loan, Bonds, and/or Private Financing
3	DBB(O)	City or Private Entity	Own	City or Private Entity	62	SWIFT Loan and/or Bonds
4	P3	P3	Transfer, Sell or Lease	P3	60	Bonds and/or Private Financing

DBB – Design Bid Build

GCA – Gulf Coast Authority

PDB – Progressive Design Build

P3 – Public Private Partnership

# Texas Water Development Board Loan Update

# Texas Water Development Board

## SWIFT Loan Status as of 9/30/25

### SWIFT LOANS

LOANS APPROVED	\$ 760,325,000
FUNDS BORROWED	\$ 235,225,000
FUNDS AVAILABLE	\$ 525,100,000

### OUTSTANDING SWIFT DEBT

PRINCIPAL	\$ 231,145,000
INTEREST	\$ 135,838,688

### BORROWED FUNDS IN STATE ESCROW

CASH BALANCE	\$ 212,578,411
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# Next Steps

- Receive direction from City Council
- Bond Counsel, Financial Advisor & City Staff working with TWDB
- Once clarified → run defeasance analysis
- Return to Council with options & recommendations

# Water Supply Projects Update

# Water Supply Projects Update

- Nueces River Groundwater Wells Project
- Evangeline Groundwater Project
- NRA Harbor Island Seawater Desalination Project
- Reuse Alternatives
- CC Polymers Seawater Desalination Treatment Plant
- STWA
- EV Ranch Project



# Water Supply Projects Update

## Nueces River Groundwater Wells

### Eastern Well Field

- Permits – Bed & Bank Permit secured on August 7, 2025
- Wells No. 1-8 drilled, discharging up to 8 MGD
- Long-term sustainable pumping is approx. 11 MGD

### Western Well Field

- Permits – Ongoing analysis and discussions with TCEQ
- Well No. 9 pump testing complete, Well No. 10 pump testing complete, Well No. 11 drilling complete, Well No. 12 starting to drill
- Long-term sustainable pumping is approx. 17 MGD

Estimated Capital Cost (Western and Eastern Well Field):

- Expenditures approx. \$15.5M to date
- \$30M grant funding secured from the State of Texas



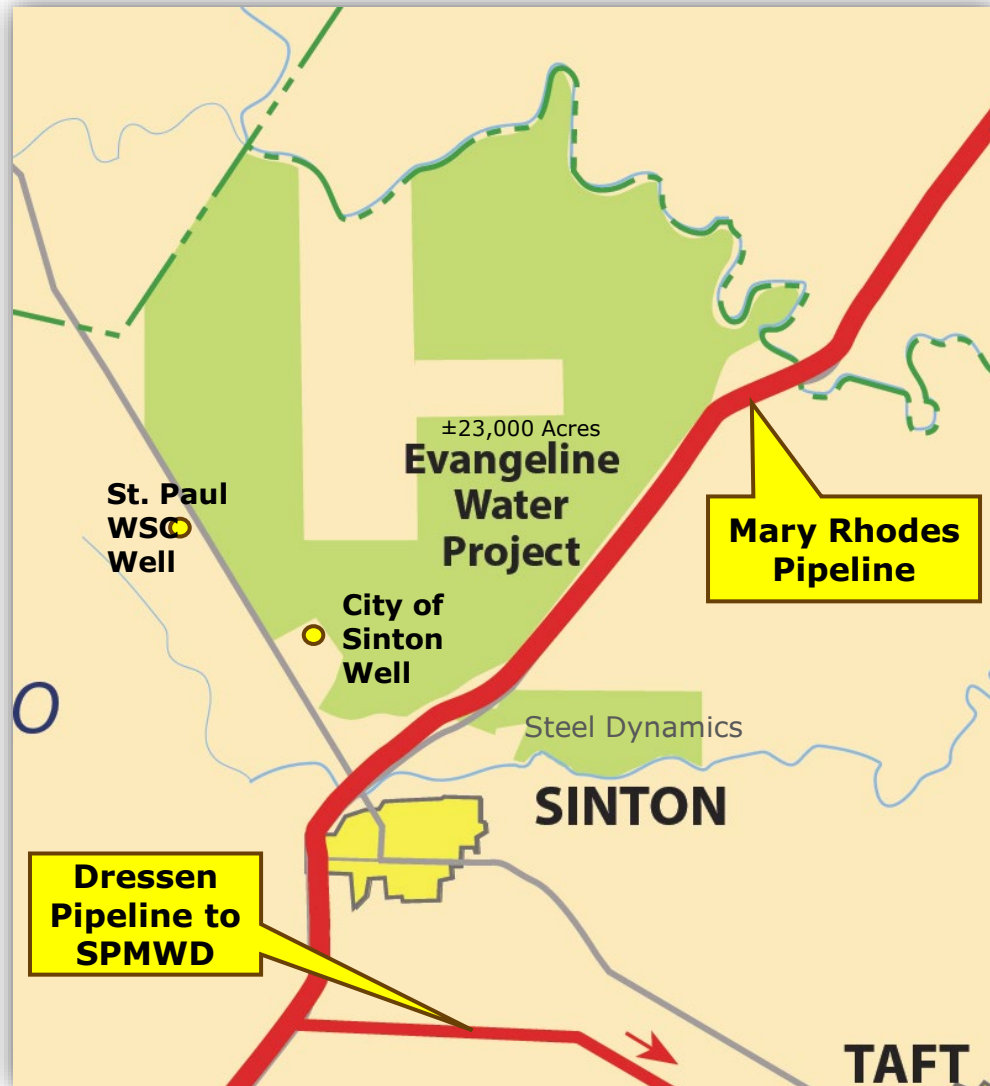
# Water Supply Projects Update

## Evangeline Groundwater

During the September 23 City Council meeting, Council approved the negotiated term sheet for fee simple groundwater rights which will be the basis for a final contract.

- Purchase price of \$7,437 for 22,789 acres of groundwater rights
- \$1M earnest and option payment for a 120-day inspection period with an additional \$3.25M to be escrowed at the end of the inspection period and applied to the purchase price at closing
- Seller will have 180-days after the inspection period to provide final, non-appealable permits for 22 wells, production permit, and transport permit with closing to occur 60 days after all permits are obtained. Seller has stated that they would work to begin obtaining the permits as soon as the contract is signed
- Seller to provide clean and indefeasible title to groundwater rights with no rights of reverter, and with title insurance at closing
- Conveyance of existing groundwater wells and appurtenances
- Assignment of surface use agreements and surface accommodation agreement to the City

Additionally, Council approved agreements with Allensworth & Porter, LLP, T. Baker Smith, and Pape Dawson Engineers for legal, survey, and engineering professional services.



# Water Supply Projects Update

## NRA – Harbor Island Seawater Desalination

- September 22 meeting to discuss project terms
- Project Details: Phase 1 – 100 MGD
  - **Procurement:** Public Private Partnership (P3) Design, Build, Finance, Operate, Maintain (DBFOM), & Transfer
  - **Timeline:** Estimated construction start in March 2027 and produce water by December 2029
  - **Required Permits**
    - 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, discharge lines into the Gulf obtained
- Proposed option fees
  - One-time, non-refundable option fee to reserve the water
  - Fee does not guarantee a delivery date for the water
  - CCW will bring option fee for Council consideration on October 7

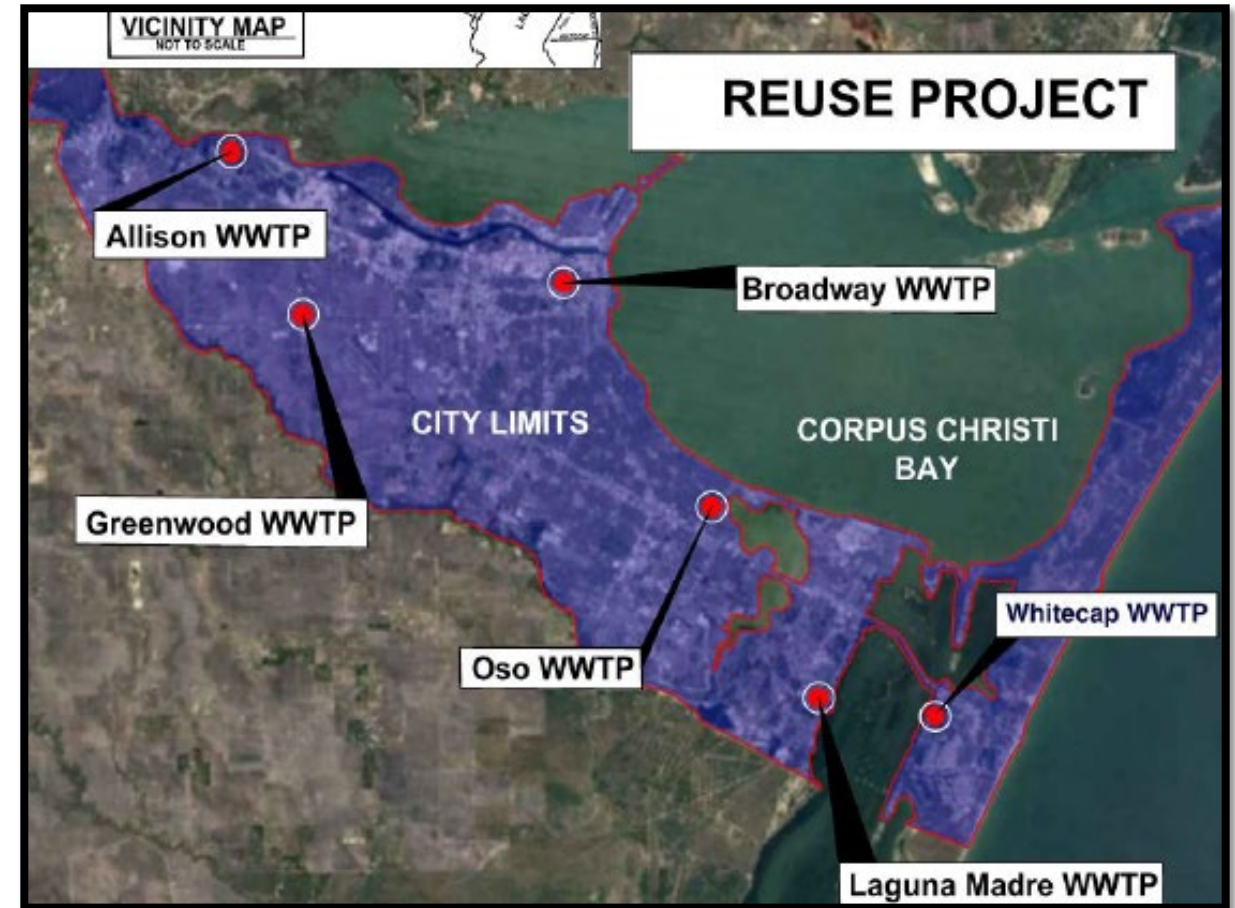
Water Purchase Agreement Amount	Reservation Fee
30 MGD	\$1,642,578.98
40 MGD	\$2,190,105.30
50 MGD	\$2,737,631.62



# Water Supply Projects Update

## Reuse Alternatives

- 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
- CCW and Garver will present updates to the Council during water supply update on October 21
- CCW to meet with Ardurra on October 1 to further discuss project details



# Water Supply Projects Update

## CC Polymers Seawater Desalination Plant

- Proposal for facility condition assessment projected for Council review on October 7
- CCW staff visited the CC Polymers site on September 11 and 12
- CDM Smith, the City's consultant, provided the estimates for project cost, timeline, and permitting requirements\*

\*Please note: this is preliminary information and has not been finalized.

Phase	Total capacity	OPCC Capital Cost	Total Time	Permitting Requirements
PHASE 0 - Initial Inspection + Purchase Negotiations	9.4 MGD	Condition assessment +engineering support \$1.62 M	12 months	N/A
PHASE 1 - TCEQ Potable Pilot and Initial Engineering	9.4 MGD	Studies, permits and engineering for expansion \$19.9 M Purchase plant \$225 M Total \$244.9 M	28 months	-TCEQ approval to produce drinking water -Intake permit amendment for change use type and expansion
PHASE 2 – Expand to 23.5 MGD Potable	23.5 MGD	\$263.5 M	32 months produce potable water 9.4 MGD 36 months delivery 7.4 MGD to CCP (to be confirmed) 51 months to produce 23.5 MGD	Construction permits Intake, discharge and potable production permit previously approved
PHASE 3 - Expand to 31.5 MGD (total production of 24 MGD potable and 7.5 MGD industrial)	31.5 MGD	\$144 M	51 months	Idem to phase 2
<b>Total</b>	<b>31.5 MGD</b>	<b>\$654 M</b>		

# Water Supply Projects Update

## South Texas Water Authority

On September 23, South Texas Water Authority (STWA) Executive Director John Marez provided an update to City Council and provided the following information:

- STWA Board of Directors approved offering water to City of Corpus Christi on September 9, 2025
  - Raw water quality results from STWA's test well were provided to the City as requested for City staff review
- Water purchased by the City will be treated/finished water and meet or exceed all TCEQ primary and secondary drinking water standards
- 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

# Water Supply Projects Update

## EV Ranch

- Meeting held on September 22 to discuss new project proposal
- Follow-up meeting with leadership from EV Ranch will be scheduled in mid-October

