

Inner Harbor Desalination Project - City Managers New Proposal for Design Build Contract

Brett Van Hazel, Director of Water Supply Management
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Presentation Overview

- Texas Water Development Board Loan Update
- Project Status Update
- City Managers New Proposal for Design Build Contract
- Community Engagement and Far Field Modeling - Corpus Christi Bay, Nueces Bay, and Ship Channel
- Staff Recommendation

Texas Water Development Board (TWDB) SWIFT Loan Status

- At the direction of Council, staff submitted an additional formal request to the Texas Water Development Board (TWDB) on October 14, 2025 requesting Board consideration authorizing a change in scope for the State Water Implementation Fund for Texas (SWIFT) loans currently allocated to the City of Corpus Christi's Inner Harbor Desalination Plant project
- The City proposed redirecting funds to either the Evangeline Groundwater Project and/or the Wastewater Reuse Initiative
- The TWDB Executive Administrator has responded, stating that his recommendation would be to deny any change that will allow the funds committed for the Inner Harbor to be used for any other project

Project Status Update

- At the September 23, 2025 city council workshop staff presented alternate project delivery options for the Inner Harbor project
- At the October 3, 2025 city council staff was directed to terminate Kiewit's contract for the Inner Harbor project.
- Kiewit was issued a termination for convenience notice on October 10, 2025
- Kiewit and City are working of the final project closeout
 - Project files have been received
 - Equipment's demobilized, subcontracts have been terminated, and supplier agreements and leases or licenses have been terminated
 - Permanent equipment is being inventoried and turned over to the City
 - Final invoice is being developed for City review

Project Status Update

The City has the following assets available for use in the City Managers new proposal:

1. The low interest SWIFT loans from the TWDB
2. The approved intake and discharge permits from Texas Commission on Environmental Quality (TCEQ) and the Army Corps of Engineers Permit (ACOE)
3. The property agreement with Flint Hills
4. The new power infrastructure to be provided by AEP
5. Infrastructure assets required to distribute water from the Inner Harbor location throughout the city – Navigation Pump Station



City Managers New Proposal for Design Build Contract

- Partner with Corpus Christi Desal Partners (CCDP) to utilize the existing work product produced by Kiewit to develop design and construction proposal options with cost certainty
- CCDP will develop the proposal(s) at no cost to the city

| Steps | Timeline | Action | Required Council Action |
|-------|-------------------------------|--|-------------------------|
| 1 | November 18, 2025 | Council to consider approval of the plan with CCDP. | Vote 1 |
| 2 | November 2025 | City to provide CCDP existing Kiewit data. | |
| 3 | December 2025 - February 2026 | CCDP prepares proposal with price certainty for design and construction options to be reviewed by staff and Council. | |
| 4 | January - February 2026 | Council considers for approval CCDP proposal and directs staff to develop design-build contract for execution. | Vote 2 |
| 5 | March - April 2026 | Council considers for approval design-build contract with CCDP. | Vote 3 |

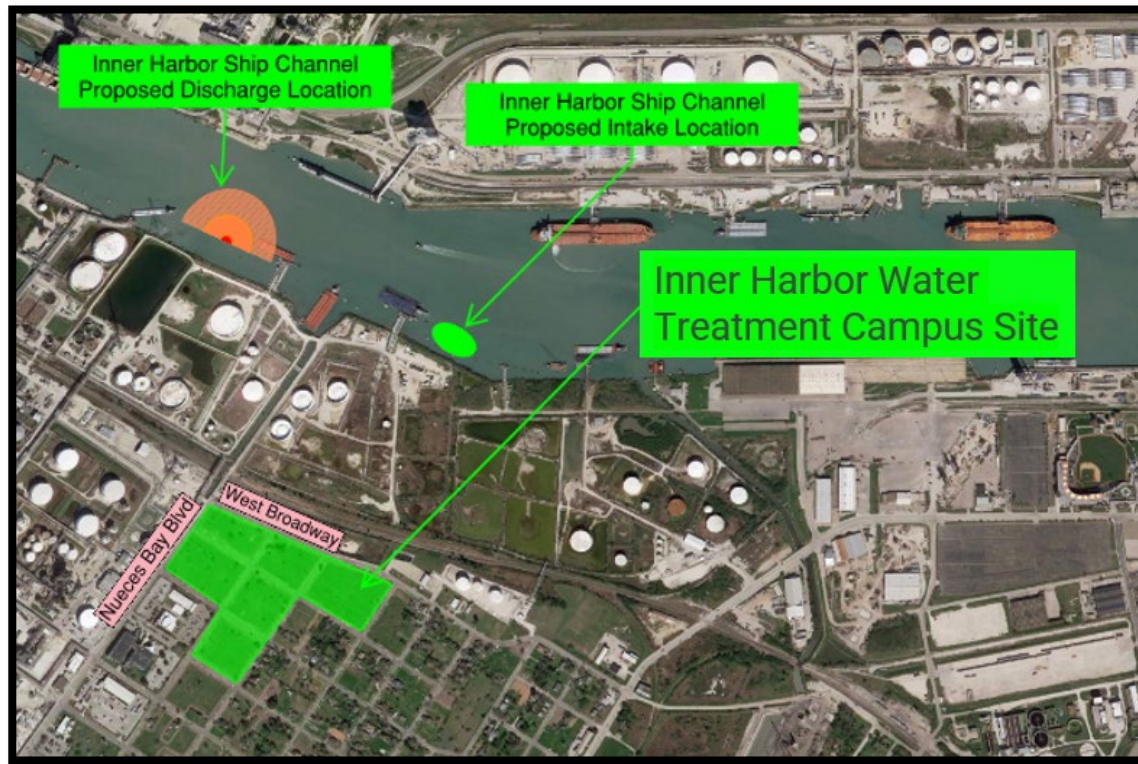
Corpus Christi Desal Partners

- Acciona has partnered with MasTec to create a joint venture, Corpus Christi Desal Partners (CCDP)
 - CCPD has a strong group of local, national and international companies on their team: Acciona, MasTec, Reytec, Ardurra, and more
- Acciona with their engineering consultant team will develop the design and MasTec with their construction team will build the facility
- Both companies have extensive experience in large complex infrastructure projects with a proven track record of successful project delivery.



- 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
- Currently the operator of 25 seawater RO desalination plants that can produce 500+MGD

Community Engagement and Far Field Modeling



- Staff will execute a professional services contract with a qualified hydrodynamic modeler to perform a third-party assessment and Far Field Model of Corpus Christi Bay, Nueces Bay and the Ship Channel
- Staff will engage members of the community to include: University of Texas Marine Science Institute, The Harte Institute, Texas State Aquarium, and other community members to allow for input and feedback during the modeling effort

Forthcoming Staff Actions

- Staff will terminate the Task Order with Freese and Nichols for Owner Agent support on the Inner Harbor project. A new owner representative will be selected through our competitive procurement process. The procurement process will begin December 2025.
- Staff will execute a professional services contract to perform Far Field Modeling for the Corpus Christi Bay, Nueces Bay, and Ship Channel.
- Staff will initiate a competitive procurement process to secure a 30-year operations and maintenance agreement for the plant. This process will begin next year upon approval of a design build contract with CCDP.

Staff Recommendation

- Staff recommends authorization to execute a Memorandum of Understanding with CCDP, to allow CCDP to prepare proposal(s) with price certainty for design and construction of the Inner Harbor Desalination project, at no cost to the City



Project Status Recap

- On July 29, 2025 City Council postponed a motion to authorize Amendment No. 5 to continue design development to allow Council to receive funding info from TWDB.
 - 1st Letter sent to TWDB 7/25/25
 - 1st TWDB response was received 8/8/25
 - 2nd Letter sent to TWDB 8/18/25
 - 2nd TWDB response was received 8/29/25
- Kiewit was issued a suspension of work starting 8/1/25 for a period of 90 days. The suspension and contract are set to expire October 30, 2025.
- At the September 2, 2025 city council meeting a motion to approve amendment #5 for continued design development failed.