

**One-Reading ordinance authorizing execution of a Groundwater Rights Purchase and Sale Agreement with Evangeline/Laguna, LP in the amount of \$169,491,700.00; execution of an Interlocal Cooperation Agreement with the City of Sinton and an Agreement with St. Paul Water Supply Corporation for possible remediation activities due to the Evangeline Groundwater Project; and amending the FY 2026 Capital Budget, with FY 2026 funding available from Water Capital Fund.**

**WHEREAS**, there is a statutory exception for this procurement in Local Government Code, Section 252.022(a)(2), as this purchase is necessary to preserve or protect the public health or safety of the City's residents;

**WHEREAS**, the purpose of the Evangeline Groundwater Project is to transport 28,486 acre feet of groundwater per year from San Patricio County to Nueces County, Texas for use in the City of Corpus Christi CCN;

**WHEREAS**, 22 drilling permits with a term of at least three years and a transport permit for 28,486 acre feet is required from the San Patricio Groundwater Conservation District; and

**WHEREAS**, City Council is concurrently authorizing a Reimbursement Resolution and will authorize the sell of bonds to finance the purchase of the groundwater rights and design and construction costs for the Evangeline Groundwater Project.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:**

**Section 1.** The City Council specifically finds that the foregoing statements included in the preamble of this resolution are true and correct and adopts such findings for all intents and purposes related to the authorization of this procurement.

**SECTION 2.** Funding in the amount of \$169,491,700.00 is appropriated into the Water Capital Fund.

**SECTION 3.** The Corpus Christi FY2025-2026 Capital Budget adopted by Ordinance No. 033731 is amended to increase revenues and expenditures by \$169,491,700.00

**SECTION 4.** After receipt of the survey, the City Manager or designee is authorized to execute a Groundwater Rights Purchase and Sale Agreement for the purchase of approximately 22,789 acres of groundwater rights located in San Patricio County from Evangeline/Laguna, LP in an amount up to \$169,491,700.

**SECTION 5.** Closing of the transaction is authorized when Evangeline/Laguna, LP receives final, non-appealable permits required under the San Patricio County Groundwater Conservation District's ("District") rules for (1) drilling a total of 22 new groundwater wells on the Real Property (the "Drilling Permits") of sufficient design to produce water for municipal use, (2) approval for the assignment of that certain Water Well Production Permit issued in the name of Evangeline/Laguna, LP dated May 16, 2019, and renewed on January 21, 2025 (the "Production Permit"), and (3) a transportation permit authorizing the transport of no fewer than 28,486 acre feet per year

of Groundwater outside the boundaries of the District for use within the City of Corpus Christi's service area (the "Transport Permit"). (These permits are required by the City of Corpus Christi.)

**SECTION 6.** The City Manager or designee is authorized to execute an Interlocal Agreement with the City of Sinton for possible remediation activities to be performed by the City of Corpus Christi due to the Evangeline groundwater project.

**SECTION 7.** The City Manager or designee is authorized to execute an Agreement with the St. Paul Water Supply Corporation for possible remediation activities to be performed by the City of Corpus Christi due to the Evangeline groundwater project.

**SECTION 8.** This section constitutes a written request by the mayor or majority of the members of the Council for this ordinance to be passed finally on the date of introduction due to emergency. The City Council finds and declares an emergency due to the need for immediate action necessary for the efficient and effective administration of City affairs; and suspends the City Charter rule that requires consideration of and voting upon ordinances at two regular meetings so that this ordinance is passed and takes effect upon first reading as an emergency measure.

PASSED and APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

ATTEST:

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Paulette Guajardo, Mayor

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Rebecca Huerta, City Secretary