

Resolution authorizing the execution of all documents necessary to agree to conditions on the permits issued by the San Patricio County Groundwater Conservation District that are assigned to the City for the drilling and/or transport of groundwater from the Evangeline Project in general compliance with the attached Letter

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

The City Manager or designee is authorized to execute all documents necessary to agree to conditions on the permits issued by the San Patricio County Groundwater Conservation District that are assigned to the City for the drilling and/or transport of groundwater from the Evangeline Project in general compliance with the attached **Letter**.

PASSED and APPROVED on the _____ day of _____, 2026.

ATTEST:

Paulette Guajardo, Mayor

Rebecca Huerta, City Secretary

Draft Form of Mitigation Plan and Operational Protocol Letter

RE: Evangeline Groundwater Project; Permit Applications

Dear Mr. Stewart & Mr. Ellis:

Introduction:

On February 6, 2026, the San Patricio County Groundwater Conservation District (“District”) will consider approving drilling, and transportation permits for the Evangeline/Laguna Project (“Project”). The City of Corpus Christi (“City”), which is identified as the Purchaser of the groundwater on the permit applications fully supports the applications, as they will add a supplemental water supply source to the inventory of primarily surface water resources that the City currently depends upon.

CCW Serves the Coastal Basin:

The City, through Corpus Christi Water (“CCW”) is a regional water supplier servicing seven counties across the Coastal Bend Region (the “Service Area”). The City’s current portfolio of water sources is relied upon to meet demands ranging from 100 MGD to 135 MGD with 40 MGD of that demand dedicated to Residential and Industrial Customers in San Patricio County through the San Patricio Municipal Water District. To better diversify its water supply, the City is working towards the addition of wastewater reuse, seawater desalination and, potentially, aquifer Storage and Recovery.

The diversity of the water supply portfolio is critical to the proper and efficient management of the water resources and is critical to meeting the demands of our customers throughout the Region, including San Patricio County. Flexibility and redundancy of this supply is critical especially when conditions limit the use of a particular source as evidenced during this historic drought. The various sources will also be utilized conjunctively in a cost-efficient, environmentally sensitive manner so as to not severely impact both our rate payers and the resources relied upon, including groundwater sources.

CCW’s Water Development Strategic Plan & Operating Protocols:

A. Operating Protocols:

In response to comments received from the SPCGCD Board, Staff and General Counsel during public hearings conducted by District since the filings of the Evangeline Laguna LP Applications for additional Drilling Permits and a Transport Permit on December 11, 2025, CCW has developed the following Operating Protocols specific to the production of the groundwater from the Evangeline Well Field authorized by SPCGCD Permit No. 140.

So long as the following conditions exist CCW would only produce groundwater from the Evangeline Well Field necessary to meet 15% of CCW’s then current water supply demand:

- Choke Canyon Reservoir and Lake Corpus Christi have a combined capacity of greater than 50% in storage; and
- There are no restrictions from the Lower Colorado River Authority (LCRA) regarding our rights from the Colorado River; and
- CCW has the full amount of contracted water available from Lake Texana which includes all interruptible water;
- Provided that CCW would always have the right to operate the Evangeline Well Field temporarily to the extent required to meet maintenance requirements and maintain its operational capability.

In the event of a natural disaster conditions, infrastructure failure or during mechanical and/or maintenance repairs and upgrades to CCW's operating system associated with CCW's other sources, particularly its surface water supply sources (collectively an "Intervening Event"), CCW would have the right on a temporary basis to operate the Evangeline Well Field and utilize the groundwater resources it is permitted to provide for the protection of maintenance of the public health and safety of CCW's customers for the limited duration of the Intervening Event.

B. Diversification of Water Supply Sources:

The City's strategic water supply plan includes the integration of the Evangeline groundwater with these other water sources. The Evangeline project along with our other new groundwater supply projects will be developed conjunctively with our surface water and other alternative supply sources utilizing Best Management Practices (BMP). Groundwater modeling, aquifer pumping tests, water quality testing, surface elevation monitoring for any indications of subsidence, along with our other continuous aquifer monitoring, and other industry BMPs will be utilized in both the design and management of this Project.

C. BMPs Related to Collection & Reporting of Aquifer Condition Data:

The City of Corpus Christi will share all operational and management data with the District as it is available. It is our intent to work together with the District and neighboring utilities as "partners" to better document the conditions of the Gulf Coast Aquifer in San Patricio County.

Specifically, these best management practices would include the following:

1. A minimum of 12 Monitoring Wells within the project boundaries with continuous monitoring capabilities;
2. Installation of Permanent Subsidence Monitoring Stations at specific locations as designed by our hydrogeology team;
3. Monitoring, and daily documentation, of well production per specific well;
4. Monitoring, and daily documentation, of production well water levels;
5. Monitoring, and semi-annual documentation, of water quality data; and
6. Provided reporting of the documented results and data identified in paragraphs 1 through 5 above according to the District's Rules, or an alternative schedule agreed to with the District.

It is also the intention of the City to not only provide data to the District as per the existing rules but on a more frequent basis as could be most beneficial to the District. Additionally, we are committed to allowing the District to observe our facilities when requested.

D. CCW's Voluntary Well Assistance Program:

It is critical to review data throughout the area and the County to better understand the characteristics of the Gulf Coast Aquifer. Because of this, the City is offering all well owners in San Patricio County proximal to the Evangeline Well Field an opportunity to join our voluntary monitoring well program. As part of the program, CCW will provide the following services:

1. Assist well owners with periodic water level monitoring;
2. Assist well owners with water quality data sampling;
3. Review well construction information for understanding with well owners;
4. Provide data to well owners and utilize this same data to track and monitor operating conditions and water levels;
5. Mitigate documented issues caused by CCW's production of groundwater from the Evangeline Well Field.

E. Direct Utility Assistance Programs Offered:

In addition to the Well Field Monitoring and Assistance Programs, the City has authorized agreements with two other retail water utilities in San Patricio County:

the City of Sinton, and
the Saint Paul Water Supply Corporation.

These proposed agreements, which were presented to these utilities last October, are intended to aid these neighboring water suppliers in the event they experience any water supply interruptions because of the implementation of the Project. The agreements also provide for a raw water interconnection with each utility to ensure that they have a continuous water supply in the event of an emergency. During an emergency water will be furnished to the affected utility(s) at no cost during the emergency period. Unreasonable adverse impacts to either of the two systems caused by the operation of the Evangeline Well Field will be mitigated by CCW at no cost to the affected water system in accordance with the terms of the above referenced agreements once accepted by Sinton and St. Paul Water Supply Corporation.

CCW's Coordination With Permit Applicant Evangeline Laguna LP:

The City has discussed the various monitoring and mitigation components outlined herein with the Applicant, Evangeline Laguna LP, and we are both in agreement that we would work with the District to include the matters documented herein as conditions to the permits being sought.

Conclusion:

CCW is committed to the integration of groundwater into its water supply portfolio in a manner that is protective of our neighbors, as well as the Gulf Coast Aquifer, an important resource to the Region. This is clearly shown by our efforts to both model and monitor the Aquifer. If adverse impacts are seen, CCW's operation of the Evangeline Well Field will be adjusted to protect both the aquifer and area well owners, while maintaining our ability to provide adequate water supplies to our customers throughout the Coastal Bend Region. As groundwater will be part of our diversified water supply, it is important to understand that it would not be utilized solely. The planned conjunctive use of groundwater in our diversified portfolio will allow for intermittent, not constant use of this resource.

The City supports the District's expedient action to issue Evangeline/Laguna, LP its drilling permits in conjunction with the already issued production permit and the transport permit that allows for beneficial use of the permitted production of the groundwater. To meet the construction deadlines and have water flowing to customers by November 2026, the City's contractor must begin drilling wells in February 2026. We need the District to issue the permits by February 6, 2026.