

AGENDA MEMORANDUM

Action Item for the City Council Meeting November 18, 2025

DATE: November 18, 2025

TO: Peter Zanoni, City Manager

FROM: Brett Van Hazel, P.E.

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Memorandum of Understanding between the City and Corpus Christi Desal Partners, a joint venture of Acciona Aqua Corporation and MasTec Industrial Corporation

CAPTION:

Motion authorizing a Memorandum of Understanding (MOU) with Corpus Christi Desal Partners (CCDP), a joint venture of Acciona Agua Corporation (Acciona) and MasTec Industrial Corporation (MasTec) to provide design and construction cost proposal(s) for proceeding with the Inner Harbor Seawater Desalination Plant project, providing a mid-term source addition to the water supply portfolio.

SUMMARY:

The MOU will allow CCDP to prepare proposal(s), at no cost to the City, with price certainty for the design and construction of the Inner Harbor Desalination Plant project. CCDP will utilize all existing design documents that have been developed to date to develop proposal(s) for Council consideration and approval. The approved proposal will be the foundation for the future design build contract for the Inner Harbor Seawater Desalination Plant project.

BACKGROUND AND PURPOSE:

CCDP, the second-ranked design build team in our Inner Harbor Desalination Project procurement process, had a competitive score just behind the initially selected contractor. CCDP has formally committed to developing the new proposal(s) to complete the Inner Harbor Seawater Desalination Plant project at no cost to the City.

CCDP is a joint venture consisting of Acciona and MasTec. Acciona, with its engineering consulting team, will develop the design for the Inner Harbor Project. MasTec, with its construction team, will build the Inner Harbor Facility. Both Acciona and MasTec have extensive experience in large, complex infrastructure projects and a proven track record of successful project delivery. They will utilize a strong team of local, national, and international companies to fulfill this effort.

Acciona has designed and built over 540 water treatment plants with a total installed capacity of 9,500 million gallons per day (MGD). They have also designed, built, and commissioned 92 seawater reverse osmosis desalination plants with a total installed capacity of 1,849 MGD. The team also is the operator of 25 seawater desalination plants that produced more than 500 MGD. They have designed, built, and currently operate the 29 MGD Tampa Bay Desal Plant, the 2nd-largest seawater desalination plant in the United States.

MasTec has been in business for over 70 years, employs 35,000 staff, and operates from 175 area offices. Over the past 15 years, MasTec has led 130 projects in water and wastewater, including Design-build, Design-build-operate, and Construction Manager at Risk. MasTec is certified as a Minority-Controlled Company by the National Minority Suppliers Development Council (NMSDC) and is the second-largest minority-controlled company in the United States.

CCDP will utilize existing design documents to develop design and construction proposal(s) with price certainty for the Inner Harbor Seawater Desalination Plant project. This work will be conducted as per the timeline below:

- 1. November 18, 2025: Council to authorize the MOU with CCDP
- 2. **November 2025:** City to provide CCDP all existing design documents
- December 2025 to February 2026: CCDP prepares proposal(s) with price certainty for design and construction options for the Inner Harbor Desalination Project to be reviewed by City staff and Council
- 4. **January 2026 to February 2026:** Council to consider approval of the CCDP proposal(s) for the Inner Harbor Desalination Plant project, and direct City staff to develop a design-build contract for execution
- 5. **March 2026 to April 2026:** Council to consider approval of the design-build contract with CCDP for the Inner Harbor Desalination Plant project

The City has maintained key foundation components of the Inner Harbor Desalination Plant project consisting of: approved intake and discharge permits from the Texas Commission on Environmental Quality (TCEQ) and from the Army Corps of Engineers (ACOE), property agreement with Flint Hills Resources, power infrastructure agreements with AEP, low interest SWIFT loans from the Texas Water Development Board, and the infrastructure for distribution of water throughout the City through the Navigation Pump Station.

ALTERNATIVES:

The alternative would be to not proceed with this no cost service to provide options for proceeding with the Inner Harbor Seawater Desalination Plant project.

FISCAL IMPACT:

N/A

FUNDING DETAIL:

N/A

RECOMMENDATION:

Staff recommends authorization to execute an MOU with CCDP, allowing CCDP to prepare proposal(s) with price certainty for design and construction of the Inner Harbor Desalination Plant project, at no cost to the City.

LIST OF SUPPORTING DOCUMENTS:

Presentation Memo Memorandum of Understanding