



CITY OF  
**CORPUS CHRISTI**

**AGENDA MEMORANDUM**

Action Item for the City Council Meeting April 14, 2026

**DATE:** April 14, 2026  
**TO:** Peter Zaroni, City Manager  
**FROM:** Nicholas J. Winkelmann, P.E. Chief Operating Officer  
[NickW@corpuschristitx.gov](mailto:NickW@corpuschristitx.gov)  
361-826-1796

**Resolution to authorize the amended Treated Water Supply Contract and Water Rights Lease agreement between the City of Corpus Christi and Nueces County Water Control and Improvement District No. 3**

**CAPTION:**

Resolution to authorize the amended Treated Water Supply contract with the Nueces County Water Control and Improvement District No. 3 (District).

**SUMMARY:**

This motion authorizes the amendment of the prior agreement between the parties, effective as of January 27, 2026. The amended contract provides for a reimbursement amount of \$1,736,000.00, which was established in the original contract, to be reduced by the work performed by the City on the interconnection.

Additionally, the amended contract provides for the water to be provided at no cost when the District's Total Dissolved Solids reading at the District's Water Treatment Plant is greater than 1,000 mg/L during times that the City wells are discharging directly into the Nueces River. The amended contract continues to require the District to lease 5 MGD of its water rights to the City under the Water Rights Lease Agreement.

**BACKGROUND AND PURPOSE:**

The City of Corpus Christi is the regional wholesale provider of untreated and treated water under its Certificate of Convenience and Necessity (CCN No. 10554). Nueces County Water Control and Improvement District No. 3 (CCN No. 10571) provides treated water to customers in its service area. Both entities rely on the Nueces River Basin as a primary source of supply, with the City also drawing from Lake Texana and Colorado River via the Mary Rhodes pipeline. Prolonged drought conditions have significantly reduced flows in the Nueces River Basin, creating risks to the District's ability to meet customer demand.

To address these risks, the City and the District have developed a Treated Water Supply contract outlining a framework for cooperation. The City of Corpus Christi and the District (parties) previously entered into the three-year Treated Water Supply Contract effective January 27, 2026,

to supply the District with up to 3 per day (MGD) and provide interconnection reimbursement up to \$1,736,000.00 and approving Water Rights Lease agreement for 5 MGD of District's water rights to the City, as authorized by Resolution 033844.

This cooperative arrangement strengthens regional water reliability, ensures continuity of service for District customers during drought, and provides the City with access to additional senior water rights

**FISCAL IMPACT:**

There is no immediate budget impact to Corpus Christi Water associated with this item. Under the agreement, if water quality conditions in the Nueces River fall below the threshold defined in Section 6(c), the City will supply up to 3 MGD of treated water to the District at no cost.

This provision is intended to ensure that District customers continue to receive safe, reliable, and fully treated drinking water during periods when river conditions would otherwise compromise water quality. Supplying this water at no cost reflects the City's commitment to protecting public health and maintaining uninterrupted service.

If this same volume of treated water were sold to any other wholesale customer at the current resale treated-water rate, it would generate approximately \$162,000 per month in revenue.

**RECOMMENDATION:**

Staff recommends the approval of the amended contract and water rights lease agreement.

**LIST OF SUPPORTING DOCUMENTS:**

Amended Treated Water Supply Contract  
Resolution authorizing Treated Water Supply Contract