

September 23, 2025

Nick Winkelmann, Interim Chief Operating Officer Corpus Christi Water P.O. Box 9277 Corpus Christi, Texas 78469

Re: New Water for South Texas Project

Dear Nick,

The Nucces River Authority (NRA) was established by the Texas Legislature in 1935. The enabling statue gave the NRA the authority to preserve, protect and develop water resources. This includes flood control, irrigation, navigation, water supply, wastewater treatment and water quality control. NRA is responsible for these resources in the 17,500 square mile Nucces River Basin. The Authority can also provide services outside the Nucces Basin as requested. NRA is governed by a 21-member board of directors appointed by the Governor of Texas with consent of the Texas Senate.

The Texas Water Plan 2022 reflects a water supply deficit for the Coastal Bend of 33 million gallons per day (MGD) in 2030, and 44 MGD in 2070. In the TWDB Region L area, which includes San Antonio, New Braunfels, San Marcos, Seguin, Victoria, Hondo, and Uvalde a 207 MGD deficit is expected by 2030 growing to a 358 MGD by 2070. The deficits do not include any added demands in the planning period for water needed by new industrial demands.

To assist South Texas in meeting the water supply needs NRA developed the "New Water for South Texas Plan." The plan entails a seawater desalination water treatment plant and conveyance system. The initial Phase is planned for 100 MGD with expansion as needed up to 450 MGD. The proposal is congruent with the Texas Legislature's emphasis on larger regional projects that address multiple cities and water districts which offer fewer treatment facilities and lower cost due to economies of scale.

To accomplish the project, NRA plans include a Public Private Partnership (P3). NRA will seek a private partner with over 20 years of seawater desalination experience to finance, design, build, operate, maintain, and transfer the operations of the plant to NRA at a future date. The P3 partner will operate the treatment facility under a water pricing agreement. The plant is proposed as a reverse osmosis plant with offshore marine works.

Water conveyance will be financed and managed by NRA. The initial phase of the water conveyance system includes 178 miles of pipe, with an 84-inch main line, a 72-inch eastern transmission main, a 48 inch western transmission main, one main water pumping station and 2 booster pumping stations.

NRA leased approximately 30 acres of land from the Port of Corpus Christi to construct the treatment plant. The July 2025 executed lease allows NRA to own and operate a seawater desalination facility under fifty-year agreement with an option for renewal. The lease includes pipeline easements and conveyance of the permits needed to operate the facility.

The highlights of the estimated timeline for the project is on the following page. I have also attached the power point presentation I provided for the Council meeting in August.

Please let me know if you need additional information about the project.

John J. Byrum II

Executive Director/CEO



Estimated Timeline for the Project

September 2025 – Draft Permit from US Corps of Engineers for Diversion and Brine Dispersion Structures Issued.

September 2025 – Issue Request for Qualifications – Water Conveyance Design

October 2025 - Issue Request for Proposals for Private Partner - Desal Treatment

Receive Responses for Water Conveyance Design

Begin Desal Plant Modeling Permit Application

November 2025 - Receive Responses from Private Partner Proposal.

Receive Draft Permit for Water Diversion & Brine Disposal from TCEQ.

December 2025 – Evaluate responses from Water Conveyance and Private Partners.

January 2026 - Board of Director consideration of staff review and recommendation of

Water Conveyance Engineers and Private Partners.

January - December 2026 - Work with Private Partner on Modeling Plant design

Work with Contracted Engineers on Water Conveyance

design.

1st Q – 2027 – Bid Conveyance Construction and work with P3 Partner on Plant

Construction Bid.

2nd Q 2027 - Begin Construction.

Dec.1, 2029 – Initiate Commissioning of initial phase of project.

Dec. 2029 - Begin Operation of initial phase of project.