

Amendment No. 1 to the Master Services Agreement with Pape-Dawson Engineers, Inc., and a Construction Manager-At-Risk contract with Garney Companies, Inc. for the Evangeline/San Patricio County Groundwater Project

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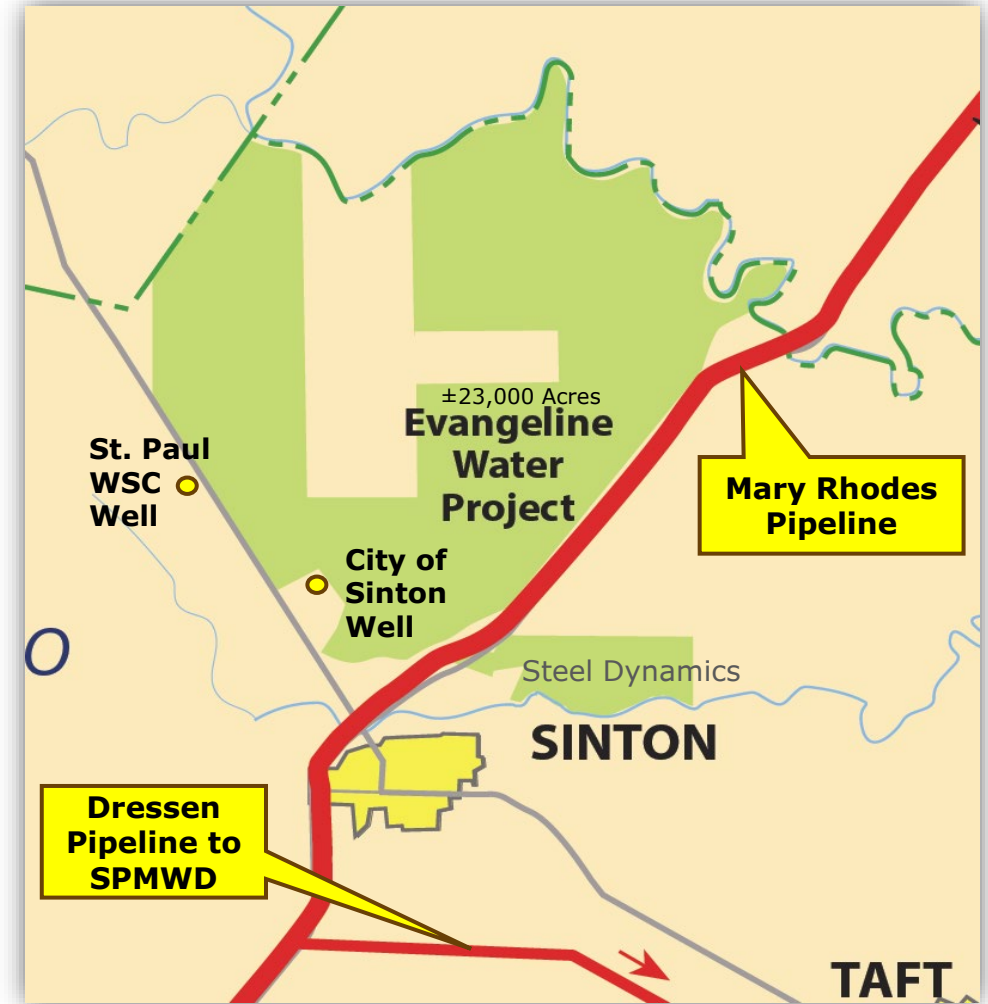
December 16, 2025



Evangeline Groundwater Project

Background

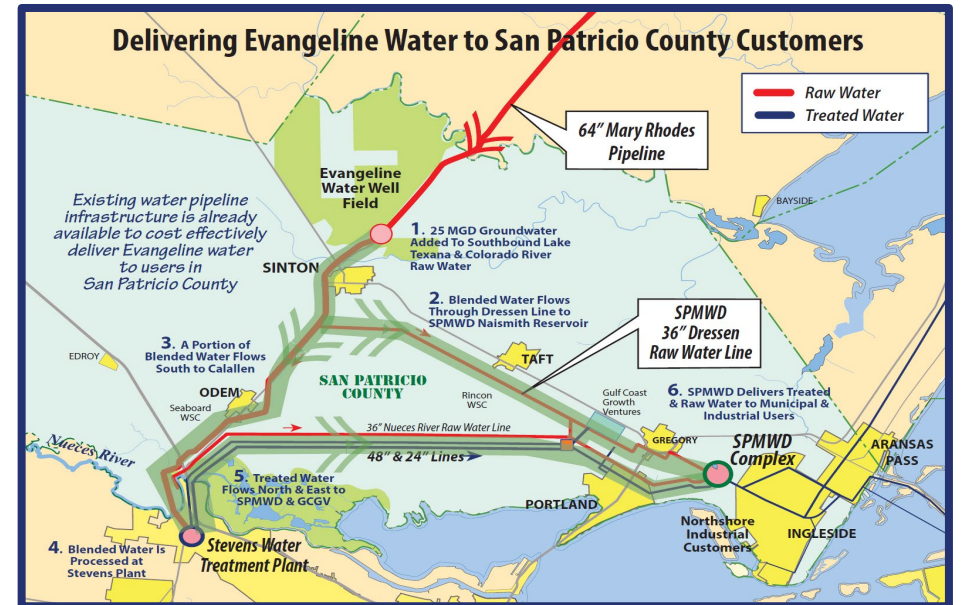
- September 23, 2025 - City Council authorizes Master Services Agreement (MSA) with Pape-Dawson Engineers, Inc. to conduct preliminary design work for the Evangeline Groundwater Project
- October 21, 2025 - City Council authorizes execution of a Groundwater Rights Purchase and Sale Agreement with Evangeline/Laguna, LP, in the amount of \$169,491,700 for groundwater rights located in San Patricio County and within the San Patricio Groundwater Conservation District
- Project consists of:
 - Development of 22 additional wells (24 total)
 - Wellfield water lines
 - Connection to the Mary Rhodes Pipeline (MRP)
 - Electrical infrastructure and controls
 - Ground storage tank
 - Pump station
 - Access roads



Evangeline Groundwater Project

Agreement

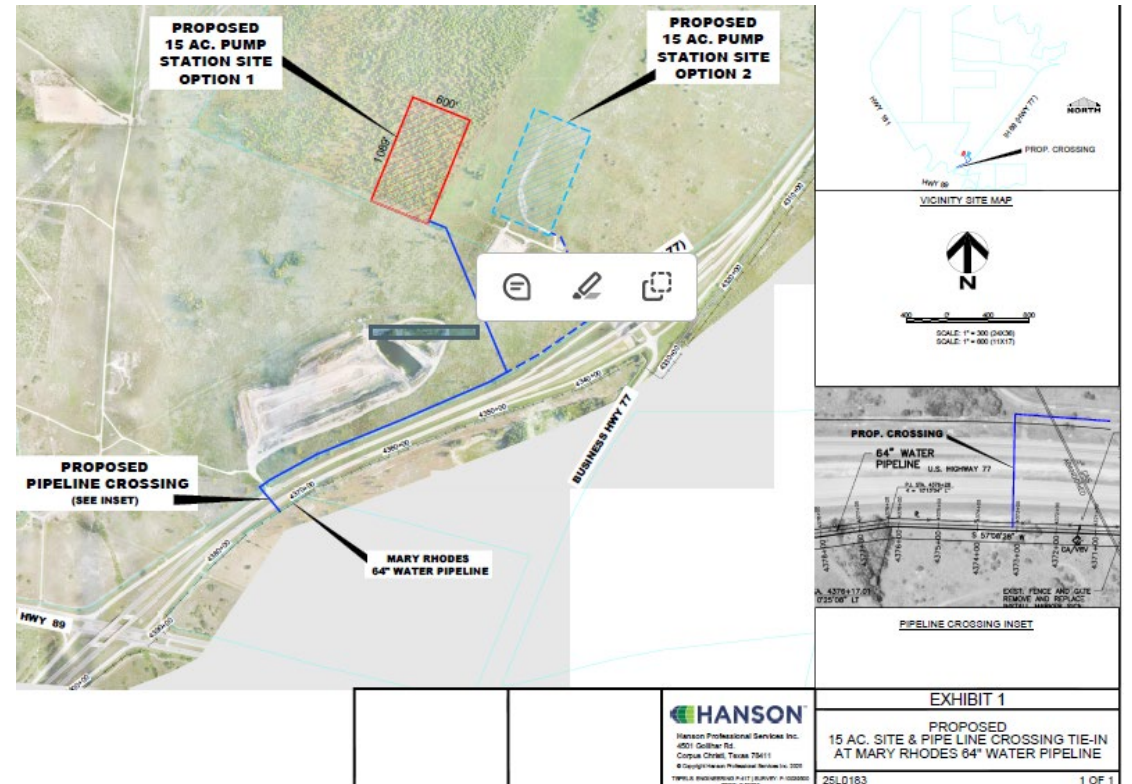
- Upon execution of the agreement, the City has a 120-day inspection period, during which the City will be responsible for performing its due diligence
- In conjunction with the inspection period, Evangeline/Laguna, LP, will begin their 180-day permit period to provide the City with clear and indefeasible title to Groundwater Rights, Surface Use Agreements, Surface Accommodation Agreement, non-appealable permits for 22 wells, production permit, and transport permits
- Closing will occur 60 days after all conditions are met by all parties and all permits are obtained



Evangeline Groundwater Project

Given the expedited timeframe of delivering new groundwater into the MRP by November 2026, it is imperative design development start immediately in conjunction with the Evangeline/Laguna, LP, permit period.

- This ordinance authorizes execution of Amendment No. 1 to the MSA with Pape-Dawson Engineers, Inc. for design services, along with execution of a Construction Manager-At-Risk contract with Garney Companies, Inc. for pre-construction services to assist in the design
- Design is anticipated to take seven months
- Having a contractor on board during design will allow the contractor to engage early in the process, help identify and procure long-lead items, provide critical design input, assist with construction schedule, and develop an opinion of probable construction cost, with construction targeted to start in 2026



Fiscal Impact

- The FY26 Adopted Capital Budget did not allocate funding for these design and pre-construction services; an amendment is now required to incorporate the necessary resources to support these agreements.
- The fiscal impact for Corpus Christi Water in FY 2026 to perform design and pre-construction services for the Evangeline Groundwater Project is an amount not to exceed \$18,000,000.00, with funding available from the Water Capital Fund.

Staff Recommendation

Staff recommends approval of the ordinance authorizing execution of Amendment No. 1 to the Master Services Agreement with Pape-Dawson Engineers, Inc. of San Antonio, Texas in the amount of \$15,000,000.00 for design services, and execution of a Construction Manager-At-Risk contract with Garney Companies, Inc. of Kansas City, Missouri in the amount of \$3,000,000.00 for pre-construction services to assist in the design of the Evangeline Groundwater Project.

