



CITY OF  
**CORPUS CHRISTI**

**AGENDA MEMORANDUM**

Action Item for the City Council Meeting December 16, 2025

**DATE:** December 16, 2025

**TO:** Peter Zanoni, City Manager

**FROM:** Sergio Villasana, Director of Finance  
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Reimbursement Resolution for design and pre-construction cost for the Evangeline Groundwater Program & Reclaimed Water projects.

**CAPTION:**

A resolution relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds relating to any capital expenditures from the proceeds of one or more series of tax-exempt or taxable obligations to be issued by the City in an aggregate amount not to exceed \$29,000,000 for authorized purposes, including the Evangeline Groundwater Rights Project and the Reclaimed Water for Industrial Reuse Project; authorizing other matters incident and related thereto; and providing an effective date

**SUMMARY:**

The City of Corpus Christi is planning on executing a design and pre-construction cost contracts in the amount of \$29,000,000.00, prior to the issuance of bonds. This resolution is necessary to allow the City to incur costs and subsequently reimburse itself with bond proceeds once the bonds are issued.

**BACKGROUND AND FINDINGS:**

Evangeline Groundwater Program:

During the September 23rd council meeting, Council approved the negotiated term sheet for fee simple groundwater rights with Evangeline/Laguna LP. City Council also authorized agreements and amendments with Allensworth and Porter, LLP, Pape-Dawson Consulting Engineers, LLC, and T. Baker Smith LLC for assistance during the inspection period, in the acquisition of fully permitted fee-simple groundwater rights, and the development of the wellfield and conveyance system. All agreements and amendments have been executed, and work has begun.

Pre-engineering to review surface use agreements, identify well locations, determine alignment for water line and electrical infrastructure, locate the required pump station, and integrate the groundwater source with the conveyance of the Mary Rhodes Pipeline has begun. Hydrogeologic modeling is also being conducted to determine long-term safe pumping for the well field.

Additional agreements, contracts, and budget amendments for design and pre-construction have been submitted to the City for the following amounts: a design contract with Pape-Dawson for \$15 million and a pre-construction contract with Garney for \$3 million.

#### Reclaimed Water project:

During the November 18 City Council meeting, Council authorized the execution of a Master Services Agreement (MSA) for Reclaimed Water for Industrial Reuse Project with Ardurra Group, Inc., Corpus Christi, Texas, in an amount up to \$11,000,000.00.

The effluent reuse project will deliver non-potable water from Oso WRP to Greenwood WWTP's proposed 10-million-gallon storage tank (by others). The project scope will include the design of an effluent delivery system from Oso WRP to Greenwood WWTP. The system will consist of a Ground Storage tank to provide 6 hours of buffering capacity at Oso WRP and an Oso WRP Effluent Pump Station. The pump station will not have an associated building and will include an automated control system and an emergency power generator. Chemical feed modifications may also be required.

The effluent reuse project will expand the delivery of treated effluent from the Oso WRP for reuse. This project is intended to improve the reliability, capacity, and efficiency of the City's non-potable reuse system, while also offsetting demands on the potable water system.

In summary, the total of the two projects equals \$29M that the City is seeking reimbursement for.

For the City to be eligible for reimbursement of any expenditure incurred prior to the bond sale, the City must declare its intent to reimburse itself for payments made prior to the bonds being sold. This action must meet specific U.S. Treasury Regulations and requires approval by the City Council.

#### **ALTERNATIVES:**

The alternative would be to reject the reimbursement resolution, which would prevent the City from reimbursing itself for any costs incurred using bond proceeds.

#### **FISCAL IMPACT:**

Approval of this item will allow City staff to use current funds, once appropriated, to support the design and pre-construction cost for the Evangeline Groundwater Program & Reclaimed Water projects. Once the debt is issued, these funds will be replenished with bond proceeds.

**RECOMMENDATION:**

Staff recommends approval of the resolution as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution