



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of December 17, 2019

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**DATE:** December 06, 2019

**TO:** Peter Zaroni, City Manager

**Thru:** Mark Van Vleck, Assistant City Manager  
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**Authorize the City Manager to submit applications and fees to the Texas Commission on Environmental Quality for Water Rights and Discharge Permits.**

### **CAPTION:**

Resolution authorizing the submission of applications to the Texas Commission on Environmental Quality for La Quinta Channel and Inner Harbor water rights diversion and discharge permits necessary for development of two seawater desalination plants and authorizing payment of permit fees in total amount not to exceed \$450,000.

### **SUMMARY:**

The purpose of this resolution is to allow the City Manager to execute and submit applications and fees not to exceed \$450,000 to the Texas Commission on Environmental Quality for water rights and discharge permits from the La Quinta Channel and Inner Harbor. These applications and fees are in support of two Seawater Desalination plant projects.

### **BACKGROUND AND FINDINGS:**

In 2014, efforts were started to evaluate potential future water supplies because of drought conditions experienced in 2010-13. Major industrial water users urged the City of Corpus Christi, as the regional water supplier, to consider desalination. A group was established which included Port Industry members, the Port of Corpus Christi, the Corpus Christi Regional Economic Development Corporation, the City of Corpus Christi, and the San Patricio Municipal Water District (SPMWD). The FNI team included global, national,

and state experts with desalination experience, public-private partnership expertise, and Texas/Federal permitting experience.

Intensive evaluations and discussions were held over a two-year period (2014-2016) to determine the feasibility of seawater desalination as a water source. Industry partners contributed extensively by providing engineering and technical support. San Patricio Municipal Water District and various San Patricio industrial companies were also involved throughout this process.

The City then moved into the next phase, which is Siting and Permitting. A loan for \$2.7 million was obtained from the Texas Water Development Board in November of 2017. These funds are being used for evaluating potential sites and obtaining key permits.

The water rights and discharge permit applications are preparing for submission. These applications will require fees and a resolution from City Council granting the City Manager to execute and submit application to the Texas Commission on Environmental Quality.

### **ALTERNATIVES:**

The City Council could choose not to approve the resolution allowing the City Manager to execute and submit applications to the Texas Commission on Environmental Quality for water rights and discharge permits which would put a stop to the Siting and Permitting phase of the project.

### **FINANCIAL IMPACT:**

If the City Council were not to approve the resolution, the City would then need to review the alternative water supply strategies at an additional cost and time in order to find a source of water that could provide the quantity, quality and reliability that seawater desalination offers to meet the growing needs of the regional water demand.

### **FUNDING DETAIL:**

Fund:	4481 Raw Water Supply Dev Chg CIP
Organization/Activity:	n/a
Mission Element:	068 Raw Water Planning
Project # (CIP Only):	E15117
Account:	30255 Regulatory and Permit Fees
Cost:	\$450,000

### **RECOMMENDATION:**

Staff recommends approval of the resolution.

### **LIST OF SUPPORTING DOCUMENTS:**

Resolution