



AGENDA MEMORANDUM

First Reading at City Council Meeting of April 29, 2025
Second Reading at the City Council Meeting of May 06, 2025

DATE: April 29, 2025

TO: Peter Zaroni, City Manager

FROM: Wesley Nebgen, Director of Water System Infrastructure
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Ordinance authorizing the acceptance and appropriation of \$15,092,700.00 from the Texas General Land office, under the FY 2024 Regional Mitigation Grant to improve operational resiliency at the Greenwood and Oso Wastewater Treatment Plants.

CAPTION:

Ordinance authorizing the acceptance and appropriation of \$15,092,700.00 from the Texas General Land Office, Community Development Block Grant – Mitigation Program, under the FY 2024 Regional Mitigation Grant to improve operational resiliency at the Greenwood and Oso Wastewater Treatment Plants; and amending the Water Grant Fund and FY 2025 Capital Budget.

SUMMARY:

This Ordinance authorizes Corpus Christi Water to accept funding from the Texas General Land Office. The proposed grant will provide additional funding for CIP Project 18070 – Greenwood WWTP Flood Mitigation & Backup Generator and CIP Project 22108 – Wastewater – Backup Generators.

The Community Development Block Grant Mitigation (CDBG-MIT) Program funds pose a unique opportunity for eligible grantees to use this assistance in areas impacted by recent disasters to carry out strategic and high-impact activities to mitigate disaster risks and reduce future losses. CDBG-MIT defines mitigation as activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters. No cash or in-kind match is required for the grant.

The total cost for the projects is below:

Funding	18070 – Greenwood WWTP Flood Mitigation & Backup Generator	22108 – Wastewater – Backup Generators	Total
Revenue Bonds	\$7,467,166.00	\$3,062,302.00	\$10,529,468.00
CDBG-MIT Grant	\$8,432,420.00	\$6,660,280.00	\$15,092,700.00
Total	\$15,899,586.00	\$9,722,582.00	\$25,622,168.00

The City Manager or designee is authorized to execute contract amendments pertaining to these funds in the following instances: a) carry-over funds, when ascertained and approved by the funding agency through a revised notice of award; b) no cost extension; c) amendments which will provide supplemental grant funds in amount not to exceed 20% of the original grant; d) reimbursement increases of administration funds for each participant served; e) amendments to comply with applicable State or Federal laws and regulations; and f) amendments which do not change the essential purpose of the grant.

BACKGROUND AND PURPOSE:

The City of Corpus Christi owns and operates six (6) wastewater treatment plants (WWTPs) throughout the City. Most of the City's WWTP infrastructures have been in service for 50 – 70 years. Various treatment units and equipment have exceeded their designed service lives and been impacting on the treatment abilities to meet the City's Texas Pollution Discharge Elimination System (TPDES) permits as well as resulting in excessively higher operational and maintenance costs to taxpayers.

While implementing a variety of capital improvement planning (CIP) projects to rehabilitate and upgrade the aged and deteriorated wastewater infrastructures, the City has been proactively seeking federal and state funds to support these projects.

In October 2020, the CCW staff submitted two project proposals to compete in two grant competitions of the Community Development Block Grant (CDBG) -MIT program through the Texas General Land Office: one for 2015 Floods State Mitigation Competition and the other for Hurricane Harvey State Mitigation Competition.

In March 2025, the City received the award notification and contract for the CDBG – Regional Mitigation Grant with an amount of \$15,092,700.00 for the City's Wastewater Infrastructure Improvements with CDBG-MIT Funds Project. This project consists of three components: Greenwood WWTP Flooding Mitigation, Greenwood WWTP Emergency Generator, and Oso WWTP Emergency Generator. The implementation of this project with the CDBG – Regional Mitigation Grant will improve operational resiliency at the Greenwood and Oso Wastewater Treatment Plants.

PROJECT TIMELINE:

2025-2026		2026-2027
Design	Bid/Award	Construction

The projected schedule reflects City Council award in April 2025 and AE design contract in July 2025, with anticipated construction completion by December 2027.

ALTERNATIVES:

Not amending FY 2025 CIP Plan and appropriating the funds would delay resiliency projects at Greenwood and Oso Wastewater Treatment Plants.

FISCAL IMPACT:

There is no fiscal impact to accept the grant. Capital Budget will be amended to reflect the \$1,041,491.00 increase in the grant award beyond what was budgeted in FY25.

FUNDING DETAIL:

Fund:	1052 Water Grant Fund
Organization:	89 Grants & CIP Projects
Department:	45 Water
Activity:	180701052F
Amount:	\$8,432,420.00

Fund:	1052 Water Grant Fund
Organization:	89 Grants & CIP Projects
Department:	45 Water
Activity:	221081052F
Amount:	\$6,660,280.00

Total Amount:	\$15,092,700.00
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RECOMMENDATION:

Staff recommends authorizing the acceptance of the grant funds from the Texas General Land Office, for funding in the amount of \$15,092,700.00 and amending the Water Grants Fund and FY 2025 Capital Budget.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Grant Agreement – GLO Contract 24-065-091-E767
Presentation
CIP Project Page – 18070 – Greenwood WWTP Flood Mitigation & Backup Generator
CIP Project Page – 22108 – Wastewater – Backup Generators
Certificate of Funds