



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 17, 2024

DATE: August 28th, 2024
TO: Peter Zanoni, City Manager
FROM: Ryan Skrobarczyk, Director of Intergovernmental Relations
ryanS5@cctexas.com
361.826.3622

Resolution authorizing the submission of a Texas Defense Economic Adjustment Assistance Grant Program in an amount of \$330,000.

CAPTION:

Resolution authorizing the submission of a grant application of up to \$330,000 to the Office of the Governor for funding from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant Program for the replacement of 15 Condensate Return Stations with new and larger Condensate Return Stations for heating and humidity reduction at the Corpus Christi Army Depot Building 8; this grant application requires a match contribution of up to \$39,600 from the City to fund project management and grant administration services.

SUMMARY:

The proposed project will replace 15 smaller Condensate Return Stations (CRSs) and two larger CRS units at the Corpus Christi Army Depot (CCAD) Building 8 where component rebuild activities, such as engine cleaning, occur. CRSs also provide heat in the workplace and reduce the relative humidity in certain mission-critical shop environments. Of the 36 CRSs in Building 8, only four have been determined to be in good or unverified condition, and half (18) are generally deteriorated/corroded tanks and pumps that do not work and/or leak. Replacing the deteriorating CRSs and installing two new larger CRSs is estimated to save approximately \$290,000 per year in water supply, wastewater treatment, chemicals, heating, and softener salt. The DEAAG grant will fund the procurement of the 15 smaller CRSs, CCAD will fund the design and installation of the equipment as well as the replacement of the two larger units, and the City's match will cover the grant management, reporting, and procurement expenses.

Deteriorating and leaking CRSs wasted approximately 3,000,000 gallons of water in 2022. CCAD estimated approximately 3,317,254 gallons of raw water was used in calendar year 2022 with only 317,254 attributable to CCAD Building 8 operations that use steam and water directly from the system and is not returnable. The wasted water supply and wastewater treatment cost CCAD approximately \$83,580 per year, an additional \$65,000 per year in chemicals, more than \$102,000 to heat new water from 70 degrees to 220 degrees, and approximately \$39,000 per year in water softener salt. NASCC's wastewater treatment plant should also benefit from reduced treatment operations.

BACKGROUND AND FINDINGS:

CCAD is the largest tenant command on the base and is the world’s premier rotary wing aircraft and component repair facility. Established in 1961, CCAD ensures aviation readiness through overhaul, repair, modification, retrofit, testing, recapitalization, and modernization of helicopters, engines, and components. Depot civilian artisans transform aging aircraft into practically new, fully modernized helicopters packed with additional capabilities and cutting-edge technologies to handle anything on the battlefield. CCAD serves as a depot training base for active-duty Army and reserve units. CCAD is a valuable resource for aviation and a critical part of the Army's Organic Industrial Base (OIB) as its personnel not only repair damaged aircraft but extend the lives of existing aircraft by restoring and customizing each aircraft, engine, or part to meet the unique requirements of every mission. CCAD’s helicopters and components are critical to bases around the U.S., including Forts Bliss, Campbell, Carson, Hood, and Rucker, and bases around the world, including Afghanistan, Korea, and Germany.

CCAD Building 8 CRSs return steam that has condensed into the water to the boilers in a mechanical room where the boilers reuse the treated water and push it back into the system as steam. CCAD’s Engine Cleaning Shop uses the generated steam to heat up vats and clean engine parts. A CRS comprises a tank, one or two pumps, float switches, an electronic control system, a water level gauge, a strainer, butterfly valves, and piping. When CRSs don’t work, the water is lost and sent down to the industrial wastewater system with the chemicals used to treat the water/steam at the NASCC wastewater treatment plant. Condensate contains water treatment chemicals that, if returned, reduce the expenditure for new treatment chemicals.

The savings achieved by replacing these deteriorating and leaking CRSs will pay for itself in less than 18 months.

PROJECT COST LEVERAGE	DOLLARS	PERCENTAGE
DEAAG	\$330,000	48.46%
Federal	\$311,300	45.71%
CITY OF CORPUS CHRISTI	\$39,600	5.81%

ALTERNATIVES:

The council may choose not to approve the resolution resulting in a need for CCAD to find alternative funding for this project.

FISCAL IMPACT:

The City of Corpus Christi will provide a match of \$39,600 which will cover the project procurement services, management, and grant administrative services.

FUNDING DETAIL:

Fund: ST2007A-1TMPC COs (Fund 3543)
Department: 33
Org: 89
Activity: 25032 – DEAAG-Condensate Return Stations CCAD
Amount \$39,600

RECOMMENDATION:

Staff recommends approval of these grant agreements.

LIST OF SUPPORTING DOCUMENTS:

Resolution

Project Description

Photos of deteriorating CRSs