AGENDA MEMORANDUM
Action Item for the City Council Meeting October 10, 2023

DATE: September 28, 2023

TO: Peter Zanoni, City Manager

FROM: Ryan Skrobarczyk, Intergovernmental Relations Director
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Resolution authorizing the submission of Texas Defense Economic Adjustment Assistance Grant Program in an amount of $306,087.50

CAPTION:

Resolution authorizing the submission of a grant application of up to $306,087.50 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 at the Corpus Christi Army Depot Building 8; this grant application requires a match contribution of up to $36,730.50 from the City to fund project management and grant administration services.

SUMMARY:

The proposed project will replace 15 smaller Condensate Return Stations (or CRSs), one larger CRS and install one new larger CRSs at the Corpus Christi Army Depot (CCAD) Building 8 where component rebuild activities, such as engine cleaning, take place. CRSs also provide for heat in the workplace and reduce 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 which 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. CCAD will fund the replacement of seven 45 gallons per minute (GMP) CRSs, replace one 90 GPM CRS and install one new 90 GPM CRS. DEAAG is proposed to replace eight 45 GPM CRSs. CCAD replaced one of its CRSs in 2022.

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 finally, 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 base and is the premiere rotary wing aircraft and component repair facility in the world. Established in 1961, CCAD ensures aviation readiness through overhaul, repair, modification, retrofit, testing, recapitalization, and modernization of helicopters, engines and components. Depot civilian artisans take aging aircraft and transform them 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 water back to the boilers in a mechanical room where the boilers reuse the treated water and push it back out into the system as steam. CCAD's Engine Cleaning Shop uses the generated steam to heat up vats and clean engine parts. A CRS is composed of a tank, one or two pumps, float switches, an electronic control system, water level gauge, strainer, butterfly valves, piping. When CRSs don't work, the water is sent down the industrial wastewater system with the chemicals used to treat the water/steam to the NASCC wastewater treatment plant and is lost. Condensate contains water treatment chemicals that, if returned, reduces 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

PROJECT COST LEVERAGE	DOLLARS	PERCENTAGE
DEAAG	$ 306,087.50	44.49%
CCAD	$345,162.50	50.17%
CITY OF CORPUS CHRISTI	$36,730.50	5.34% (5.34% of total project cost, but 12% of the DEAAG request for Procurement, Financial Administration and Project Management services)

ALTERNATIVES:

Council may choose to not 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 an in-kind contribution of $ 36,730.50 which will cover procurement services, project management and grant administration for the project.

FUNDING DETAIL:

Fund:	3543-TMPCCO
Organization:	89
Department:	33
Activity:	24201 - DEAAG – CCAD Condensate Return Stations
Amount:	$36,730.50

RECOMMENDATION: Staff recommends approval of the resolution

LIST OF SUPPORTING DOCUMENTS:

Attachment C – Resolution

Attachment E – Project Description

Attachment O –Photos of deteriorating CRSs