



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of September 26, 2017  
Action Item for the City Council Meeting of October 10, 2017

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**DATE:** September 12, 2017

**TO:** Margie C. Rose, City Manager

**FROM:** Tom Tagliabue, Director, Intergovernmental Relations  
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Authorizing the City Manager, or designee, to submit one or more grant applications in the amount of up to five million dollars (\$5,000,000) to the Office of the Governor for funding from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant Program.

### **CAPTION:**

Resolution authorizing the City Manager, or designee, to submit one or more grant applications in the amount of up to five million dollars (\$5,000,000) to the Office of the Governor for funding from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant Program.

### **PURPOSE:**

The purpose of this item is to receive authorization to submit one or more grant applications to the State of Texas, Office of the Governor for the Texas Military Preparedness Commission's (TMPC) Defense Economic Adjustment Assistance Grant (DEAAG) Program. The application is due October 16, 2017. The TMPC will score and award the grants at its December 13, 2017 meeting in Austin.

The City and the South Texas Military Facilities Task Force are working closely with Naval Air Station Corpus Christi (NASCC) and the Corpus Christi Army Depot (CCAD) to come up with two new proposed projects that more closely identify with their specific military mission and which provide an opportunity for local matching funds. The two projects proposed are:

*NASCC - Construct and connect a new water pipeline on the north perimeter of the base to strategically ensure resilient and redundant supply of water to Naval Air Station Corpus Christi's 41 tenant commands and the 506 facilities that are critical to the base's mission.*

*CCAD - Construct perimeter fencing and access control gates around Army helicopter repair facilities to enhance security of mission-critical aircraft and components.*

The City may submit a single application for both projects or individual applications for each project.

### **BACKGROUND AND FINDINGS:**

The DEAAG program is administered by the TMPC within the Office of the Governor. DEAAG is codified in Government Code, Chapter 436, and the program administrative rules are in Subchapter B, Title 1, Chapter 4, Texas Administrative Code. The purpose of the program is to provide state funding for any of the followings:

- Acquiring federal grant assistance;
- For sharing in the cost of redevelopment of communities that have been adversely or positively affected by the Base Realignment and Closure Act or Department of Defense reduction or loss of funding; or
- In the case of infrastructure, adds military value to the military installation.

The 85<sup>th</sup> Texas Legislature appropriated \$20 million for the biennium (Fiscal Years 2018-2019) and the TMPC will only have one round of grant awards for available funding. Maximum value of awards is five million dollars (\$5,000,000). The City previously applied in 2015 and 2016, but were not successful. In both instances the City's application finished just outside the money. The City's previous applications had two deficiencies: (1) lack of local matching funds and (2) ranking on military value.

For the two projects proposed by the City, the match will be:

- Water Line: Utilities Department will use Capital Improvement funds (in-kind and cash) up to an estimated (\$1,000,000) to construct approximately 4,500 linear feet of eight-inch water pipeline along Ocean Drive from Ennis Joslin Road (Spur 3) to the edge of Navy property.
- Security Fencing: CCAD will use Army Working Capital Fund (approximately \$1,000,000).

The DEAAG program generally requires a 50% match, but the TMPC may reduce that to a 20% match or 100% grant with no match, if the local government can demonstrate that resources are not available because of limited local budgets. The match can be either cash or in-kind services.

### **ALTERNATIVES:**

1. Do not submit DEAAG applications
2. Submit DEAAG applications, but without local matching funds
3. Propose different projects for DEAAG application

### **OTHER CONSIDERATIONS:**

Not applicable

**CONFORMITY TO CITY POLICY:**

Not applicable

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Legal  
Utilities  
Finance

**FINANCIAL IMPACT:**

☐ Operating      ☐ Revenue      ☒ Capital      Not applicable

<b>Fiscal Year: 2017-2018</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget			\$1,000,000	\$1,000,000
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

**Comments:**

Not applicable

**RECOMMENDATION:**

Staff recommends approval request and funding for the display.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Presentation