



January 17, 2018

**OFFICE OF THE MAYOR**

Joe McComb  
Joe.McComb@ectexas.com

Elizabeth Hardin  
Chief of Staff  
ElizabethH12@ectexas.com

1201 Leopard St., 78401  
PO Box 9277  
Corpus Christi  
Texas 78469-9277  
Phone 361-826-3100  
Fax 361-826-3103  
www.ectexas.com

Captain Phil Brock  
Commanding Officer  
Naval Air Station Corpus Christi  
11001 Avenue D, Ste. 101  
Corpus Christi, TX 78419-5021

Re: Letter of Offer

Dear Captain Brock:

The City of Corpus Christi (City) hereby conveys this Offer Letter (Offer) for the purpose of offering to the Department of the Navy (Navy) an in-kind gift from the State of Texas's Defense Economic Adjustment Assistant Grant (DEAAG) program to make infrastructure improvements at Naval Air Station Corpus Christi (NASCC), Texas, as follows: (1) construct and connect a new water pipeline on the north perimeter of the base to strategically ensure a resilient and redundant supply of water to NASCC's 41 tenant commands and 506 facilities which are critical to the base's mission; and (2) construct perimeter fencing and access control gates around Army helicopter repair facilities to enhance the security of mission-critical aircraft and components for the Corpus Christi Army Depot (CCAD), a tenant command within NASCC. In addition to the in-kind gift, this offer also includes authorization for Project Oversight Costs incurred by the Navy to ensure all improvements meet NAVFAC design criteria and construction standards. The projected amount of this cash gift is listed as Supervision, Inspection and Overhead (SIOH) in attachment B of this letter.

As a reimbursement grant program, the City would be responsible for preparing project specifications (in coordination with NASCC), advertising for and selecting construction contractors, and submitting invoices from contractors for project expenses to the State of Texas. Accordingly, the City shall be responsible for the resolution of protests, claims, and other disputes that arise under such contracts and solicitations.

The City understands that the Secretary of Defense and the Secretaries of the Navy and other military services have authority to accept gifts for certain purposes under 10 U.S.C. § 2601 and associated regulations. The City further understands that such gifts may be subject to terms and conditions established by the donor. Accordingly, this Offer is made subject to and contingent upon the Navy's acceptance of the Terms and Conditions attached.

The City of Corpus Christi is pleased to convey this Offer, which is made for the purpose of enhancing the military value of NASCC and CCAD and, in turn, strengthening the national defense of the United States. The City recognizes and fully supports the critical role played by NASCC and CCAD in this nation's defense. We look forward to implementing this initiative with the Navy at the earliest possible time and stand ready to discuss details of the in-kind gift.

The points of contact are Tom Tagliabue, Director of Intergovernmental Relations, at 361.826.3850 and [tomtag@cctexas.com](mailto:tomtag@cctexas.com) and Jerry Shoemaker, Project Engineer, at 361.826.3516 and [jerrys2@cctexas.com](mailto:jerrys2@cctexas.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe McComb", is written over a circular blue stamp. The stamp is partially visible and contains the text "Joe McComb" and "Mayor".

Joe McComb  
Mayor

Enclosure

## **Attachment A**

### **Terms and Conditions for City of Corpus Christi Funding of Naval Air Station Corpus Christi and Corpus Christi Army Depot Infrastructure Projects**

Subject to the City of Corpus Christi signing a grant agreement with the State of Texas Office of the Governor Texas Military Preparedness Commission for the Defense Economic Adjustment Assistance Grants and City Council of the City of Corpus Christi approval of expenditures under said agreement, the City and United States Navy agree to the following:

#### **Project Descriptions**

##### **Redundant Water Supply Pipeline**

Part 1: City of Corpus Christi Utilities Department in-house project to construct new water supply pipeline in existing right-of-way along Spur 3 (Ocean Drive) from Ennis Joslin Road to Navy property to ensure redundant water supply for Naval Air Station Corpus Christi and its tenant commands. Future maintenance and operations of this segment of the water pipeline will be the responsibility of the City.

*Funding: City of Corpus Christi Capital Improvement Program Bond Funds*

Part 2: City will contract with successful bidder to construct new water supply pipeline along Spur 3 (Ocean Drive) from Navy property to the water plant on base to ensure redundant water supply for Naval Air Station Corpus Christi and its tenant commands. Upon completion of Part 2, City will convey ownership of newly constructed facilities and equipment on Navy property to the Navy. Future maintenance and operation responsibilities of this segment of the water pipeline will be the responsibility of the Navy.

*Funding: DEAG Funds*

##### **Corpus Christi Army Depot Industrial Security Enclave**

Part 1: Corpus Christi Army Depot will, as a tenant of NASCC, repair access controls, security doors, fence line, gates, and cameras that were damaged during hurricane Harvey, to include new equipment, trenching, electrical and IT, secure access card readers, cameras, communication, lighting and concrete. City will have no role or responsibility with this project.

*Funding: Army Working Capital Fund*

Part 2: City will contract with successful bidder to construct perimeter fencing and access control gates around Army helicopter repair facilities to enhance security of mission-critical aircraft and components for the Corpus Christi Army Depot (CCAD). Ownership and future maintenance responsibilities of the newly constructed facilities and equipment shall be negotiated between CCAD and the Navy. Upon completion of Part 2, the City will convey ownership to the appropriate federal entity.

*Funding: DEAG Funds*

##### **Funding**

The City will sign a grant award agreement with the State of Texas, Governor's Office, to authorize reimbursement of costs for specified scope of work.

If the Navy, NASCC, or CCAD requests scopes of work or services outside of the agreement resulting in cost increases or overruns for the specified projects, it shall be the responsibility of the requesting entity to cover those increased costs.

#### Project Management and Contract Administration

The City will, in coordination with NASCC, manage the Project and contract administration from engineering through construction. NASCC will provide specifications for engineering, design, permitting, and construction of the Projects to the City. The City may select construction contractor and suppliers to perform required services for the projects.

#### Contracting Responsibility

The City shall award and administer such contracts as it considers necessary to accomplish the Projects. Accordingly, the City shall be responsible for the resolution of protests, claims, and other disputes that arise under such contracts or solicitations therefore. The Navy will be responsible for project oversight and supervision responsibilities outlined in the proposed project budgets in ATTACHMENT B.

#### Amendments

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.

#### Certification of Costs and Budget

NASCC and CCAD will provide to the City the certified cost estimates for the respective selected Projects. The budget for the Projects shall be in accordance with the certified cost estimates. NASCC and CCAD will promptly notify the City of any Project costs exceeding the estimates. The notification shall be made at the time such excess costs become known to NASCC and CCAD. The budgets used in the City's application for DEAAG funding, developed in coordination with NASCC and CCAD, are included in ATTACHMENT B.

#### Change Orders

The City will consult with NASCC prior to a decision to commit to a change order in excess of five percent (5%) of the cost of the design or 5% of the total cost of the Project.

#### Project Schedule and Documentation

NASCC will provide the City with copies of the Department of the Navy Construction Contract Turnover and Close-out Checklists.

The City will provide NASCC with copies of the following documents related to the Project:

- (a) contractor schedules upon approval by the City;
- (b) all local, state and federal approvals upon receipt by the City;
- (c) contractor invoices within fifteen (15) calendar days of completion of the Project;
- (d) final certification of total Project cost within 15 calendar days of completion;
- (e) completed Navy Construction Contract Turnover and Close-out Checklists, and
- (f) available as-built drawings for the Project upon request.

The City and NASCC agree to coordinate in good faith to resolve any Freedom of Information Act or

Texas Public Information Act issues that may arise with respect to contractor invoices. Project "completion" shall be the date of formal final acceptance of the Project as shown on DO Form 1597.

Excess Funds

Not applicable.

Access

NASCC will give representatives of the City and any contractors or subcontractors reasonable access to build and inspect the Project provided the contractors or subcontractors do so in a manner that will not interfere with Project construction or operational concerns of NASCC.

The City will give representatives of NASCC access to all related construction documents and Project expenditures.

Liaisons

The City and NASCC agree to have specifically designated liaisons at all times. The City liaison will be Jerry Shoemaker, Project Engineer. The NASCC liaison will be the Commanding Officer, U.S. Naval Air Station Corpus Christi. The City and NASCC will promptly notify each other should there be a change of liaisons.

Duration

These Terms and Conditions shall remain in effect throughout the duration of the Project unless modified in writing by the City and NASCC.

No Waiver of Sovereign Immunity

Nothing herein shall be construed as a waiver or limitation of sovereign immunity or other immunity of the parties provided by Federal or State law.

**ACKNOWLEDGED AND AGREED  
FOR THE CITY OF CORPUS CHRISTI**

Margie C. Rose

Margie C. Rose

City Manager

Date:

Approved as to form by the City Attorney

Miles H. Risley

Miles Risley

City Attorney

Date:

**FOR NAVAL AIR STATION CORPUS CHRISTI**

CAPT Phillip Brock, USN

Commanding Officer

Naval Air Station Corpus Christi

Date:

**ATTACHMENT B  
PROJECT BUDGETS**

Naval Air Station Corpus Christi Water Infrastructure Project					
Major Portable Water Pipeline Project PART 1 - Spur 3 from Ennis Joslin to Navy Property					
		Description	<i>In-house project to construct new water supply pipeline in existing right-of-way along Spur 3 from Ennis Joslin Road to Navy property to ensure redundant water supply for Naval Air Station Corpus Christi and its tenant commands</i>		
		Source	City of Corpus Christi Capital Improvement Bond Funding		
	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL COST (QTY * UNIT PRICE)
Construction Costs (In-Kind Match)	1	LS	Mobilization, complete in place per lump sum	\$76,579.87	\$76,580
	4520	LF	Install 12" diam. C900 DR18 PVC Waterline (up to 42" of cover); complete in place per linear foot	\$75.00	\$339,000
	3	EA	Install 12" R/W Gate Valve, complete in place per each	\$2,300.00	\$6,900
	2	EA	Install 12" Tees (MJ), complete in place per each	\$600.00	\$1,200
	1	EA	Install 16" Tapping sleeve c/w 12" RW Gate Valve, complete in place per each	\$4,500.00	\$4,500
	8	EA	Install FH Assembly (up to 42" of cover), complete in place per each	\$4,800.00	\$38,400
	1	EA	Install Water Meter and Water Meter Box, complete in place per each	\$700.00	\$700
	4520	LF	Trench Safety for Remove and Install Waterline (up to 42" cover), complete in place per each	\$1.18	\$5,334
	2421	TONS	Cement Stabilized Sand, complete in place per each	\$53.10	\$128,578
	2511	SY	Asphalt Pavement Repair, complete in place per square yard	\$76.70	\$192,602
	41	DAY	Signing and Traffic control, complete in place per day	\$650.00	\$26,650
	41	DAY	Flagger, complete in place per day	\$470.00	\$19,270
	41	DAY	Flashing Arrow Board, complete in place per day	\$65.00	\$2,665
	1	SUM	Construction Contingency	25.00%	\$210,595
				<b>SUB TOTAL</b>	<b>\$1,052,973</b>

Major Portable Water Pipeline Project PART 2 - Navy Property to W-7 on base					
		Description	<i>Continue construction of new water supply pipeline along Spur 3 from Navy property to the water plant on base to ensure redundant water supply for Naval Air Station Corpus Christi and its tenant commands</i>		
		Source	Defense Economic Adjustment Assistance Grant (DEAAG)		
	QTY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST (QTY * UNIT PRICE)
Construction Costs	1	LS	Set up for Boring at Depths ranging from 6'-0" to 10'-0" under earthen soil, asphalt and concrete (up to 8" thick with #6 rebar) roads, sidewalks, etc.	\$22,500.00	\$22,500
	3,500	LF	Allow for directional boring of 10" dia SRP C900/ASTM D1248 HDPE (PPI 3408) (or direct equivalent) Pressure Pipe and Fittings under Oso Bay to connect with 10" dia. SRP C900 DR-9 PVC/ASTM D1248 HDPE SDR-13.5 (PPI 3408) (or direct equivalent) Pressure Pipe and fittings at both Ward Island Boundary and NASCC.	\$170.00	\$595,000
	8,500	LF	8,500 LF of 10" dia. SRP C900 DR-9/ASTM HDPE SDR 13.5 (PPI 3408) (or direct equivalent) Pressure pipe and fittings under Oso Bay to connect with 10" dia. SRP C900 DR-9 PVS/ASTM D1248 HDPE SDR 13.5 (PPI 3408) (or direct equivalent) Pressure Pipe and fittings for a Pressurized Potable Water Distribution Service Cert. Pipe/Fittings/Isolation valves, etc.	\$145.00	\$1,232,500
	1	LS	Procurement of Chloronation System and installation of 10" dia. Automatic demand and flow, level and pressure control and regulating Clayton Valve Assembly and enclosure at 2,000 kgal reservoir (W-7) with data link to demand cycle of pump(s) in W-1	\$150,000	\$150,000
	1	LS	Procurement of Chloronation/Water Treatment Gaseous Infusion System for remote standby usage to ensure redundancy and resiliency in the event of a casualty to the existing primary water supply system infrastructure.	\$30,000	\$30,000
	1	LS	Additional fill material - allows for backfill and compaction for pipeline installed along Southeast section of airfield. Allows for cement-stabilized base and assort sub-base (compacted). Allows for placement of replacement section(s) of reinforced (8" thick w/A615 rebar) concrete. Allows for HMAc,	\$20,000	\$20,000



			3 courses, 1 1/2 each course.		
			Construction Contingency (10%)		\$205,000
Soft Costs			Engineering Services (3.5%)		\$71,750
			Design (8%)		\$164,000
			Topographic Survey (3.5%)		\$71,750
			Construction Inspection (1.5%) partial		\$30,750
			SIOH (4.6%)		\$94,300
			Testing - geotech and quality (2.0%)		\$41,000
			Miscellaneous - printing, advertising, etc. (0.3%)		\$6,150
			<b>TOTAL DEAAG REQUEST</b>		<b>\$2,734,700</b>
In-Kind Match			City In-Kind Contribution		
		Source	City Capital Improvements Program Bonds Funds		
			Construction Inspection (2.0%) partial		\$54,694
			City Contract Administration/Financial Management (3%)		\$82,041
				<b>SUBTOTAL</b>	<b>\$136,735</b>
				Project Share	Budget Estimate
			DEAAG Request	69.68%	\$2,734,700
			City In-Kind Match	30.32%	\$1,189,708
			<b>TOTAL</b>	<b>100.00%</b>	<b>\$3,924,408</b>

	<b>Corpus Christi Army Depot</b>				
	<b>Existing Security Fencing Repairs Estimate</b>				
	Description	<i>Repair access controls, security doors, fence line, gates, and cameras that were damaged during hurricane Harvey. Includes new equipment, trenching, electrical and IT, secure access card readers, cameras, communication, lighting and new concrete.</i>			
	Source:	CCAD (Army Working Capital Fund)			
In-Kind Match		Access Control/Security Doors			\$103,861
		Fence Line/Gate Repairs			\$458,600
		Security Camera Repairs			\$157,710
		Labor/Rental Equipment			\$100,000
			<b>SUBTOTAL</b>		<b>\$820,171</b>
	<b>Corpus Christi Army Depot Industrial Security Enclave</b>				

	Description	<i>Construct perimeter fencing and access control gates around Army helicopter repair facilities to enhance security of mission-critical aircraft and components for the Corpus Christi Army Depot (CCAD)</i>		
	Source:	Defense Economic Adjustment Assistance Grant (DEAAG)		
	QTY	ITEM	PER UNIT	TOTAL
Construction	16	Turnstile + ADA Gate + Concrete Pad	\$84,000	\$1,344,000
	9	Access Controlled Slide Gate (EA)	\$75,000	\$675,000
	4	Manually controlled Slide Gate (EA)	\$9,516	\$38,064
	3,780	Chain Link Fencing (LF)	\$90	\$340,213
	1,150	Chain Link Fencing + Aircraft Cabling (LF)	\$150	\$172,499
	1	Sidewalk Alterations/Improvements	\$63,974	\$63,974
	1	Mobilization/Demobilization & miscellaneous items	\$58,500	\$58,500
		Contingency	10%	\$269,225
			<b>SUBTOTAL</b>	<b>\$2,961,475</b>
Soft Costs		Design	5.00%	\$148,074
		Topographic Survey	3.50%	\$103,652
		Testing (Geotech & Quality)	2.00%	\$59,229
		Misc. (Printing, Advertising, Etc.)	0.30%	\$8,884
			<b>SUBTOTAL</b>	<b>\$319,839</b>
		<b>TOTAL DEAAG REQUEST</b>		<b>\$3,281,314</b>
In-Kind Match	CCAD In-Kind Contributions			
	Source:	CCAD (Army Working Capital Fund)		
		Engineering Services	3.50%	\$103,652
		NAVFAC/CCAD SIOH	4.50%	\$133,266
			<b>SUBTOTAL</b>	<b>\$236,918</b>
	City of Corpus Christi In-Kind Contributions			
	Source:	City General Fund		
		Construction Inspection	1.50%	\$44,422
		Contract Administration/Financial Management	3.00%	\$88,844
			<b>SUBTOTAL</b>	<b>\$133,266</b>
		<b>IN-KIND CONTRIBUTIONS</b>		<b>\$370,184</b>
			Project Share	Budget Estimate
		DEAAG Request	73.38%	\$3,281,314
		City Cost Share	2.98%	\$133,266
		CCAD Cost Share	23.64%	\$1,057,089
		<b>TOTAL</b>	<b>100.00%</b>	<b>\$4,471,669</b>