

## CITY COUNCIL MEMORANDUM

**AGENDA ITEM**

**Budget Amendment for Aviation**

**ORIGINATING DEPARTMENT**

**Aviation**

### **BACKGROUND INFORMATION**

Facilities at Killeen-Fort Hood Regional Airport include a 160,000 gallon holding tank facility that satisfies state and federal environmental regulations requiring the capture of glycol runoff from aircraft de-ice operations conducted on the airport apron during winter operations. On March 10, 2015, the glycol capture and emergency containment facility at the airport suffered severe damage when a large pipe separated and diverted the glycol into the emergency containment tank. The rising level of glycol/water mix in the emergency containment area further caused three glycol storage tanks to break loose from their anchors resulting in even more pipe separations and related damage. The total damage cost was estimated at \$43,953.85.

### **DISCUSSION/CONCLUSION**

A damage claim was submitted to TML risk management for the damage. The City has received a payment of \$33,953.85 which was deposited to the Killeen-Fort Hood Regional Airport insurance proceeds account. To proceed with the expenditure of these insurance proceeds for the repair of the facility, the Airport must have additional expenditure authority in the appropriate aviation department account.

### **FISCAL IMPACT**

This amendment includes an increase to the Insurance Proceeds Revenue account (525-0000-363.99-52) by \$33,954 and an increase to the Building Maintenance expenditure account (525-0505-521.42-10) by \$33,954.

### **RECOMMENDATION**

Staff recommends that the City Council approve the attached ordinance amending the FY 2014-2015 Annual Budget and Plan of Municipal Services by \$33,954.