



# City of Killeen

## Legislation Text

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File #: RS-22-106, Version: 1

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Consider and memorandum/resolution approving the submittal of a Defense Economic Adjustment Assistance Grant application for the construction of the Bell County Water Control and Improvement District #1 Lake Belton Water Plant Power Resilience Project.

**DATE:** August 2, 2022

**TO:** Kent Cagle, City Manager

**FROM:** Judy Paradice, Administrative Assistant

**SUBJECT:** DEAG Grant Application Submittal for WCID #1 Backup Power System

### **BACKGROUND AND FINDINGS:**

The Defense Economic Adjustment Assistance Grant Program (DEAAG), created in 1997, is an infrastructure grant program designed to assist defense communities that are responding to or recovering from either expanded or reduced military missions, or that have been positively or negatively impacted by a change in defense contracts or an announced change. Funding can also be used proactively to support installations in the event of a change or announced change by the Department of Defense. This funding is available to local municipalities to be used for negatively or positively affected communities or for projects that will increase the military value of the military installation. Grants awarded may range from \$50,000 to \$5 million per project.

A team from the City of Killeen and Fort Hood met to discuss and ultimately determine projects which met the criteria set forth in the basic grant guidelines and selected a project that is critical to the mission of Fort Hood as well as provides beneficial use to the City of Killeen. This project is the construction of a water plant backup power system for the Bell County Water Control and Improvement District #1 (WCID #1) Lake Belton Water Plant.

### **THE ALTERNATIVES CONSIDERED:**

Alternatives:

1. Do not approve the submission of a grant application.
2. Approve the submission of a grant application for possible funding approval.

### **Which alternative is recommended? Why?**

The best alternative is to approve the submission of a grant application to receive possible funding assistance for the construction of the backup power system.

### **CONFORMITY TO CITY POLICY:**

Conforms to City policies.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

WCID issued \$11.3 million in debt to purchase and install the backup power system. Killeen's portion of the debt is 43.24% or \$4,899,092. The City will receive 43.24% of any grant award with a maximum possible amount of \$2,162,000.

**Is this a one-time or recurring expenditure?**

N/A

**Is this expenditure budgeted?**

N/A

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

N/A

**RECOMMENDATION:**

Staff recommends City Council authorize the City Manager to apply for a Defense Economic Adjustment Assistance Grant from the Texas Military Preparedness Commission to fund the construction of a backup power system for the Bell County Water Control and Improvement District #1 plant.

**DEPARTMENTAL CLEARANCES:**

Legal

**ATTACHED SUPPORTING DOCUMENTS:**

N/A