



Meeting Date: October 15, 2018

Report No. CC-18-118

Agenda Item No. 4d

Purpose: To obtain City Council’s authorization to apply for an Oklahoma Department of Emergency Management (OEM) grant for a Water Treatment Plant (WTP) generator.

Budget Impact: The total project cost estimate for the WTP generator is nearly \$4 Million. In September 2018, Stillwater Utility Authority (SUA) trustees authorized \$518,650, which includes 10% contingency, for the WTP generator design, bidding and construction administration. Following bid opening, WR staff will return to SUA for authorization of the expenditures. If the grant is approved by OEM, a reimbursement of approximately \$2 million will be provided by OEM to SUA.

Prior Council Action or Part of an Approved Project: Yes

Related Items: PSA Amendments 3 & 4 with Black and Veatch including Generator Design, Bidding and Const. Admin – September 10, 2018

[SUA-18-34](#)

Authorization to Apply for OEM Grant for BPS Generator - July 23, 2018

[CC-18-90](#) [Att. 1](#)

Recommendation: Staff recommends that City Council authorize the submission of the grant application and authorize the Mayor to sign the application and associated forms.

Prepared by: Candy Staring, Capital Program Manager

Reviewed by: William Millis, WR Director

Submitted by: Norman McNickle, City Manager

Background Information: As a result of Oklahoma’s declarations of disasters in certain counties, the Oklahoma Department of Emergency Management (OEM), through its Hazard Mitigation Grant Program (HMGP), has available grant funds for eligible projects. Specifically, two OEM grants are currently open affording the City of Stillwater the opportunity to apply for grants and, if successful, receive up to 75% of project costs to procure much needed backup generators.

The first grant application was signed previously by Mayor Joyce through authorization of CC-18-90. After WR Staff submitted the application to OEM, a City of Stillwater maintenance agreement was requested by OEM. WR Staff is now requesting Council's authorization for the Mayor's signature on the Booster Pump Station Generator Maintenance Agreement, which is attached.

The second grant application, which is the primary subject of this report, is for approximately \$2 million of an estimated \$4 million in total project costs. This grant will help fund procurement of a stationary generator to serve Stillwater's Water Treatment Plant (WTP) during a power outage. This generator will be installed as part of a system that senses an outage and automatically starts up the generator to provide near-immediate backup power supply. An associated diesel fuel tank with 24-hours of fuel storage is included along with many other appurtenances to provide a fully functioning backup system.

In order for WR Staff to apply for the WTP Generator grant, the application, two (2) assurance forms and the maintenance agreement must be submitted to OEM. WR staff is requesting Council's authorization for the Mayor's signatures on these forms, which are attached.

The SEU owns and operates an existing generator located on the WTP grounds. SEU has informed WR that the generator is past its useful life and is no longer reliable. In fact, on several occasions, the generator has failed to start when the WTP experienced power outages.

Backup power supply is a regulatory requirement of the Oklahoma Department of Environmental Quality and the need for these two generators has been previously identified by WR staff. The mobile generator is included in the scope of Water 2040 projects. The WTP generator is being designed and constructed as a separate Water Capital project (non-Water 2040).