



Meeting Date: November 7, 2016

Consent Docket Item: 2b

Report No.: SUA-16-51

Department: Water Resources

Subject: Miscellaneous Water Lines Project (12WC01 / 16DS01)

Budget Impact: If this item is approved, staff will appropriate an additional \$10,000 from the Water Capital Fund.

Prior Council Action or Part of an Approved Project: Yes

Related Items: Bid Recommendation

[SUA-16-45](#) [Attachment 1](#)

CDBG Contract Authorization

[CC-15-127](#)

Alternatives: The alternatives include:

1. Authorize an additional appropriation of \$10,000 from the Water Capital Fund to replace reassigned grant funds. A report recommending action to reassign \$10,000 in CDBG grant funds from the Water Line Project account to the Storm Water Project account was on the City Council agenda.
2. Reject the additional appropriation, which will not allow a reassignment of CDBG funds from the Water Line Project to the Storm Water Project. This may result in returning about \$10,000 of the grant proceeds to the CDBG program.

Recommendation: Staff recommends that Trustees authorize an additional \$10,000 from the Water Capital Fund. The overall expenditure limit of the authorized Water Line Project will not change.

Prepared by: Water Resources Staff

Background Information: The City received a Community Development Block Grant (CDBG) from the Oklahoma Department of Commerce (ODOC) in the amount of \$188,052. The grant was distributed to

both a water line project and a storm water project. Water Resources (WR) was assigned \$107,052 for the Miscellaneous Water Lines Project. With WR's matching funds, the total project expenditures need to be no less than \$214,104 (two times the grant amount) in order to receive the full grant amount.

Due to the awarded bid for the Water Line Project being much lower than the engineer's estimate, the total amount of expenditures required to receive the full grant amount may not be reached for the CDBG-related portion of the water line project. If this occurs, CDBG funds would be returned to ODOC.

Staff have met and discussed an option for retaining the full amount of the grant. If Trustees approve the option, staff will reassign \$10,000 of the grant to a storm water CDBG project, Leigh and Hall Drainage Improvements. This increase in grant funds plus the Storm Water matching funds, totaling \$20,000, will be utilized for additional storm water work.

With this action, staff will need to appropriate an additional \$10,000 from the Water Capital Fund to replace the transferred grant funds. This option ensures the City will receive the greatest benefit possible from the CDBG program. The revised plan is shown below.

	Original Plan	Revised Plan
CDBG grant funds previously appropriated (Miscellaneous Waterlines Only)	\$107,052.00	\$97,052.00
Appropriated SUA Funds	\$253,916.00	\$263,916.00
Total	\$360,968.00	\$360,968.00