



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: October 8, 2024

REQUESTER: Nathan Madenwald, P.E., Utilities Engineer

PRESENTER: Nathan Madenwald, P.E., Utilities Engineer

ITEM TITLE: CONSIDERATION OF ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF COMMUNITY PROJECT FUNDING FROM CONGRESSIONALLY-DIRECTED SPENDING IN THE AMOUNT OF \$5,000,000 AS ADMINISTERED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY FOR USE ON WASTEWATER RECLAMATION FACILITY PROJECTS TO BE COMPLETED BY THE UTILITIES DEPARTMENT AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

The Norman Utilities Authority operates and maintains the Wastewater Reclamation Facility (WRF) for the City of Norman for treatment of wastewater prior to discharge to the Canadian River or beneficial reuse. Several capital projects are currently planned or underway for the WRF including:

1. WRF Dewatering Centrifuge Upgrades (Project WW0326);
2. WRF Aeration Blower Replacements (Project WW0332); and
3. WRF Administration and Storage Building Upgrades (Projects WW0318/WW0325).

In March 2023, staff submitted information to Congressman Tom Cole's representatives for consideration under the Community Project Funding application process for the completion of the WRF Dewatering Centrifuge Upgrade project.

On April 16, 2024, the Oklahoma Water Resources Board approved a Clean Water State Revolving Fund loan in an amount up to \$5,000,000 to fund related projects at the WRF.

DISCUSSION:

On March 6, 2024, the Consolidated Appropriations Act, 2024, (CAA) was approved by Congress which included funding of \$5,000,000 for the completion of the WRF Centrifuge Upgrade project. Recipients off CAA funding are required to meet specific requirements and contribute 20 percent in local funding for the project which equates to \$1,250,000.

WRF Dewatering Centrifuge Upgrades (Project WW0326) was advertised, bid and awarded to Crosslands Construction Company on November 28, 2023, as Contract K-2324-66. Prior to this process, discussions were held with the United States Environmental Protection Agency (USEPA) to determine current and envisioned requirements for the project. Specifically, the USEPA communicated that Build America Buy America requirement could be waived if the project was also funded by the Oklahoma Water Resources Board (OWRB) through a Clean Water State Revolving Fund (CWSRF) loan. Unfortunately, following the bid and award of the project and after passing of the CAA, guidance from the USEPA stated that the requirements for Build America Buy America (BABA) must be met and could not be waived. Incorporation of BABA requirements were evaluated and determined to not be feasible under the contract since the required cost increases would exceed the allowable amounts under the State Competitive Bidding Act.

Therefore, staff requested a Technical Correction from the USEPA to allow for the Community Project Funding authorized in the CAA to be utilized for the other projects needed at the WRF. On September 18, 2024, the USEPA issued their approval of the Technical Correction. As a result of this approval, the proposed funding sources for the projects will be as follows:

Project	Proposed Funding		
	Community Project Funding	OWRB Loan*	WRF (32)
Centrifuges (WW0326)		X	
Aeration Blower (WW0332)	X		X
Buildings (WW0325/WW0318)	X	X	X

**CWSRF Loan obtained on 4/16/2024 from the OWRB for up to \$5,000,000.*

Funds for the project will be through reimbursement requests from the USEPA which will administer the funding. The received funds will be recorded into the Wastewater Reclamation Fund, Other Revenue – Miscellaneous Grant Reimbursement (Account 329-331346). Appropriations for specific projects will occur at the time of contract award or by resolution to modify funding for currently awarded/contracted projects.

RECOMMENDATION: Staff recommends the Norman Utilities Authority accept Community Project Funding in the amount of \$5,000,000 from the Consolidated Appropriations Act, 2024 as administered by the United States Environmental Protection Agency.