# TOWN OF OCEAN VIEW Delaware

June 7, 2023

TO: Mayor and Council

FROM: Carol S. Houck, Town Manager

SUBJECT: Recommendation to Convert our Propane Generator at 201 Central to Natural Gas

### Background

The existing generator located at 201 Central Avenue runs off of propane and has been fed by the propane supply associated with the Bear Trap Dunes community, and invoiced monthly for our usage. Barnes Electric has serviced the unit since installation.

Our unit was included in the Bear Trap Dunes project to convert to natural gas from propane, requiring the Town to consider options for its fuel supply. They were as follows:

- Enter an agreement with a propane supplier on behalf of the Town separate from that of Bear Trap Dunes.
- Convert our existing unit from propane to natural gas or
- Replace the existing unit with a natural gas generator

Following much effort on the part of Jim Norman from Barnes Electric, he has identified the necessary parts associated with our units conversion to natural gas. Initially, concerns related to components of the conversion kit not being available gave rise to considering maintaining a propane tank or replacement.

Moving to the natural gas option has been deemed of greater value to the Town in that we would not be required to maintain our own tanks and would have access to a more consistent supply as part of the Bear Trap conversion project. Most notable is the use of 201 Central as an Emergency Operations Center by the Ocean View Police Department. During power outages due to storm events or other emergencies, being linked to the natural gas supply associated with Bear Trap Dunes better positions us to ensure supply for the duration of any event, and our EOC.

#### **Funding**

Funds are available to cover the cost of this necessary conversion from the Capital Reserve Trust Fund.

## Recommendation

It is therefore recommended that Mayor and Council authorize the Town Manager to enter into an agreement with Barnes Electric Inc. to supply the necessary material and labor to convert the existing generator unit at 201 Central from propane to natural gas at the cost of \$6,975.



June 1, 2023 Town of Ocean View 201 Central Ave.- 2nd Floor Ocean View, De. 19970

## **Proposal**

We will supply the necessary material and labor to convert the existing generator unit from propane to natural gas. The conversion kit is an after market because Generac no longer supports this unit. There maybe additional parts needed if the kit does not work correctly. Once the kit is installed a four hour load bank will be completed on the generator unit.

Price: \$ 6,975.00 Payment Schedule: 25% Draw for work to be begin 75% Draw when unit is installed

| Signature: | Date: |
|------------|-------|
|            |       |

- Price is valid for 30 days
- Term: Net 20 days