TDEC ARP
Non-Competitive Grant
Town Hall Series 2024

April 11, 2024

Agenda

- Welcome
- Milestones Update
- Procurement
- Reimbursement
- Modifications and Amendments
- Wrap-up, Grantee Resources, & Q&A

Meet the Facilitators

Vena Jones, PG
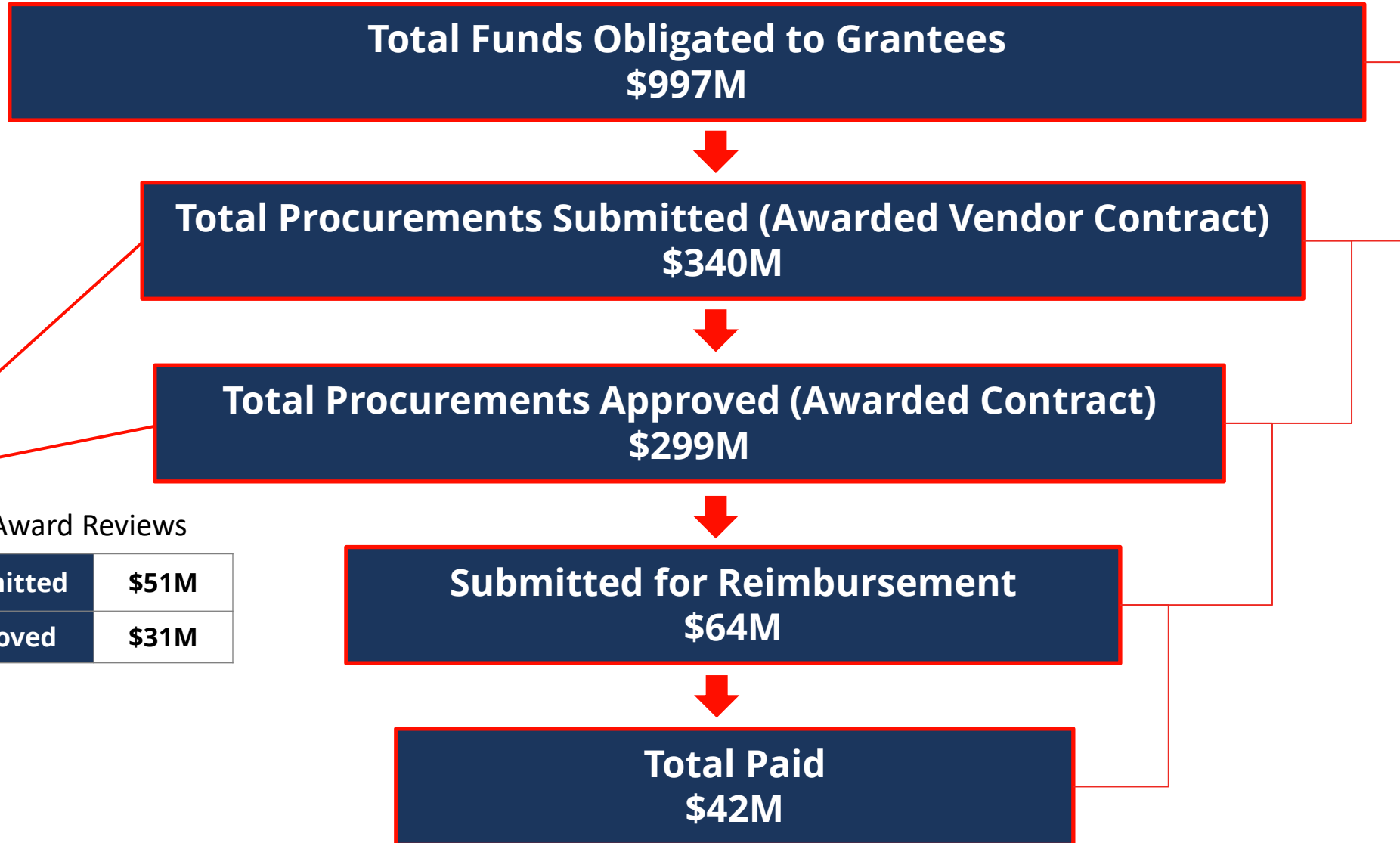Manager, State Revolving Fund & Water Infrastructure Grants

Jennifer Tribble, PhD
Director, Office of Policy and Planning

Sarah Lawrence, EY
Reimbursement

Jaamal Whittington, EY
Procurement

Current Fund Non-Competitive Distribution Status
as of April 10

Total Funds Obligated to Grantees
$997M

Total Procurements Submitted (Awarded Vendor Contract)
$340M

Total Procurements Approved (Awarded Contract)
$299M

Optional Pre-Award Reviews

Pre-Award Submitted	$51M
Pre-Award Approved	$31M

Submitted for Reimbursement
$64M

Total Paid
$42M

973 Approved Procurements

**276 Grants
910 Projects**

Engineering Procurements

663

Construction Procurements

118

Professional Services Procurements

192

Reimbursement Status Update
as of April 10

Grantees with Submitted Reimbursements	Reimbursement Requests Received	Reimbursement Requests Approved
126	**218**	**143**

Total reimbursements requested: $63,805,700

Total reimbursements paid: $41,652,494

Non-Competitive Milestone Updates

Overview of Changes

- TDEC has established new critical milestones for **non-competitive grantees** to demonstrate sufficient progress on grant contracts in order to mitigate completion risk.

- Not reaching these milestones will lead to a further analysis of your grant contract and/or projects. This **may** result in contract or project termination.

Contract Based

April 30, 2024 – Contract Procurement Requirement

April 30, 2024 – Voluntary Opt-Out

Project Based

May 30, 2024 – Project Procurement Requirement

May 30, 2024 – Plans and Specifications Requirement

*Construction only projects.

Milestone Update: At Risk Summary
as of April 10

Milestone	Grants at Risk[1]		Projects at Risk[2]		Associated Funding[3]	
	#	%	#	%	$	%
April 30, 2024 – Contract Procurement Requirement	20	6%	68	6%	$41,706,381.42	4%
May 30, 2024 – Project Procurement Requirement	49	15%	311	27%	$171,703,799.04	17%
May 30, 2024 – Plans and Specifications Requirement*	15	4%	18	2%	$34,773,662.03	3%

Please note the below as it relates to the basis of the above metrics:
[1]*Total number of Grants: 337*
[2]*Total number of Projects: 1163 – note that grant admin projects are excluded for the purposes of these calculations*
[3]*Total funding for non-competitive program: $996,909,599*

Procurement

Procurement Updates and Reminders

Current Procurement Issues		
Category	**Issue**	**Next Step(s) or Resolution**
Revisions Requested	Aging Revisions Requested (RFIs) that should be addressed or clarified as soon as possible.	The team has begun outreach to help resolve outstanding items. For **RFIs older than 14 days**, the review team will follow-up on open items.
Lack of Bid or Proposal Response from solicitation	Full and open advertised solicitations (RFB/RFP/RFQ) that receive only one response (or at times no response).	If a solicitation follows the required steps but there is a lack of competition, grantees should document the facts behind the solicitation steps. **For this situation**, grantees would be justified in directly soliciting the services of a vendor.
Federal Contract Provisions	Missing or non-compliant federal contract provisions.	The federal contract provisions (2 CFR 200.327) are critical terms that are **required** to be included in every contract funded by the federal government. The only exception will be for contracts that have been completed.
Streamlined Requirements	Streamlined procurement process with less documentation required to approve a procurement transaction.	Although less documentation is required to be uploaded to GMS, the federal **record retention** and full procurement **file requirements** remain.

Reimbursement

Reimbursement Process Barriers

Reasons for Requests for Information (RFIs)		
Category	**Issue**	**Issue**
Invoice Errors	Invoices **missing signatures** from the Engineer of Record (PE) <u>AND</u> project owner/authorized Grantee representative with signature blocks that clearly identify the signatory	No clearly identifiable periods of performance on invoices and applications for payment
Missing Deliverables	Required deliverables for PDC projects include ESU approved PER and Plans and Specs; these must be submitted **before** requesting reimbursement for construction related costs	Requests for reimbursement are above 90% of project costs with missing deliverables; the maximum allowable reimbursement is 90% of the total individual project costs until all deliverables required are submitted for PDC and Construction projects
Proof of Payment Errors	**Proof of payment** does not clearly tie to or identify expenditures	**Missing escrow statements** as part of providing proof of payment
Change Orders	Submissions **missing change orders** to address applications for costs that differ from the executed vendor contract	

Modifications & Amendments

Modification and Amendment Reminders

- The non-competitive grant contract was created through a process known as a Delegated Grant Authority.
    - As a Delegated Grant Authority, TDEC requested nine (9) Rule Exception Requests to the base contract template to fit the unique needs of the ARP funding.
- Due to this process, modifications *cannot* be made to the grant contract for scopes of services or specific conditions.
    - The only conditions that may be modified upon request are the overall budget, change in water infrastructure type being covered, or potentially project award type.
- As projects have kicked-off, we understand there are unique circumstances grantees are tackling and additional modifications may need to be requested.
- Grantees should notify TDEC before September 30, 2024.
    - Grantees should ensure modifications still address critical needs and non-compliance and there is no impact on partner entities.

Request Process and Next Steps

- Permissible requests should be communicated as soon as possible to the EY/TDEC team. Permissible requests include:
  - Moving <20% between budget line-item categories (ex. PFGA to Capital Purchases)
  - Moving costs between projects but within the same budget line-item category (ex. DW-PDC-1 PFGA to DW-PDC-2 PFGA)
  - Changes to deliverables dates
  - Extreme circumstances with appropriate justification
- Once received, requests are reviewed by the EY/TDEC team and undergo thorough financial and technical compliance reviews.
  - Requests for information are submitted to grantees as needed.
  - Conference calls with grantees are scheduled to discuss the request as needed.
- If requests are approved, changes will be reflected in GMS.

Request Justification and Materials Needed

- An example of modification request is re-budgeting of projects between budget line items. In order to review a request like this, grantees should provide:
  - **Original** budget line item detail and **proposed** budget line item detail per project
    - Include project ID, item for reclassification, and amount (grant contract and grantee match amount as applicable)
  - Justification and supporting documentation
    - Clear and strong justification discussing environmental, regulatory, economic change
    - Impacts to critical and significant non-compliance scorecard needs
    - Engineering support as needed
    - Other documentation needed on a case-by-case basis

Q&A, Resources, & Feedback Survey

GMS User Guide Reminder: Procurement and Reimbursement

- As a reminder, the ***GMS User Guide*** includes the steps and processes to complete procurement and reimbursement, activities in GMS.

  - ❑ GMS Process for Requesting Procurement Approval (pages 5-36)
  - ❑ GMS Process for Requesting Reimbursement (pages 39-53)

Table Of Contents

New and Updated Grantee Resources

*New Asset Management Plan Minimum Requirements Checklist

Grantees should use the checklist prompts to assess the content of their AMPs and determine if each core component of an AMP is reasonably met.

*New Asset Management Plan Frequently Asked Questions

Grantees should use the FAQ's to review and confirm AMP submission processes, AMP certification criteria, AMP requirements, and more.

*New Site Inspection Quick Reference Guide

Grantees should use the quick reference guide to review site inspection requirements, processes, and procedures. The reference guide also includes evaluation criteria and outcomes.

Updated Grantee Resources

- Procurement Example: Sealed Bid Solicitation
- Deliverables Quick Reference Guide
- PER Quick Reference Guide

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Live Q&A

- We will begin the Q&A with pre-submitted questions. Once we have answered those questions, please feel free to use the raise hand function to ask a question.

- You may also use the chat for any comments, questions, or insights related to the topics presented today.

Additional Resources

- The ***TDEC ARP website*** is updated frequently with new information related to the Non-Competitive and Competitive Grant Programs
- The resources page includes many implementation materials for grant recipients, including:
  - ❑ Implementation Guidance
  - ❑ AMP Guidance
  - ❑ Quick Reference Guides
  - ❑ Workshop and Webinar Materials
  - ❑ Demonstrations and Tutorials

https://www.tn.gov/environment/arp.html
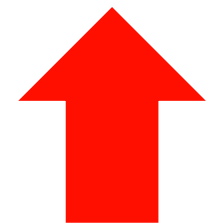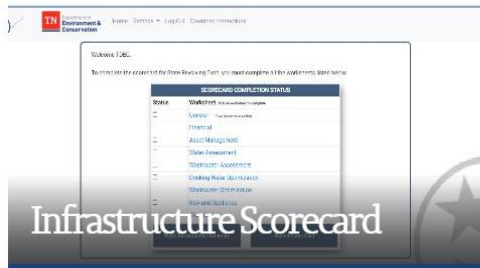
Feedback Survey

- Thank you for attending today's town hall!

- Please take 5 minutes to complete the **feedback form**.

- Your feedback helps us plan additional town halls and provide you with the most relevant resources and information.

- Contact our team with any specific questions at **TDEC.ARP@tn.gov**.

April ARP Town Hall Feedback Survey