



Department of
**Environment &
Conservation**

Competitive Grant Manual: Resource Protection

State Water Infrastructure Grant Program:
American Rescue Plan

Tennessee Department of Environment & Conservation | March 2023

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Grant Overview

The federal American Rescue Plan Act (ARPA) authorized and appropriated American Rescue Plan (ARP) fiscal recovery funds to the State of Tennessee (the “state”). The state’s [Water Infrastructure Investment Plan \(WIIP\)](#) describes how the state plans to invest these funds in water infrastructure projects. The state’s Financial Stimulus Accountability Group (FSAG) designated \$1.35 billion for the Tennessee Department of Environment and Conservation (TDEC) to administer for this purpose. This grant manual details how TDEC is allocating \$200 million in the form of competitive grants. Funds are made available through the State Water Infrastructure Grants (SWIG) program to be used for eligible drinking water, wastewater, or stormwater projects that target investments in three areas: regionalization, water reuse, and resource protection. SWIG has designed three separate competitive grant programs for each of these target investment areas and has allocated \$100 million for regionalization grants, \$50 million for water reuse grants, and \$50 million for resource protection grants. This grant manual describes the **resource protection** grant program.

Entities eligible to apply for these competitive grants must meet technical and administrative requirements and demonstrate a co-funding commitment before a grant can be awarded. Applications will be scored to determine suitability for funding. TDEC will award grants until the designated funding is exhausted. The state must obligate all ARP funds by December 31, 2024 to ensure all ARP funds are entirely spent by December 31, 2026.

State Goals and Priorities

These competitive SWIG investments are one opportunity to modernize, improve, and strengthen water infrastructure across the state. TDEC is focusing this competitive SWIG grant effort on the following goals:

- Provide safe, reliable, and affordable water, wastewater, and stormwater services to Tennesseans through promoting regional and collaborative approaches to water infrastructure challenges;
- Promote resiliency, plan for extreme weather events, and reduce nutrient strain on Tennessee’s waterways through the beneficial reuse of water;
- Improve Tennessee community’s stormwater challenges through the integration of resource protection activities; and
- Support strategic investments in water system challenges.

Applicants for this competitive grant should focus on resource protection through green infrastructure best management practices, improved stormwater management, and building resilience to extreme weather events and other hazards for drinking water and wastewater systems.

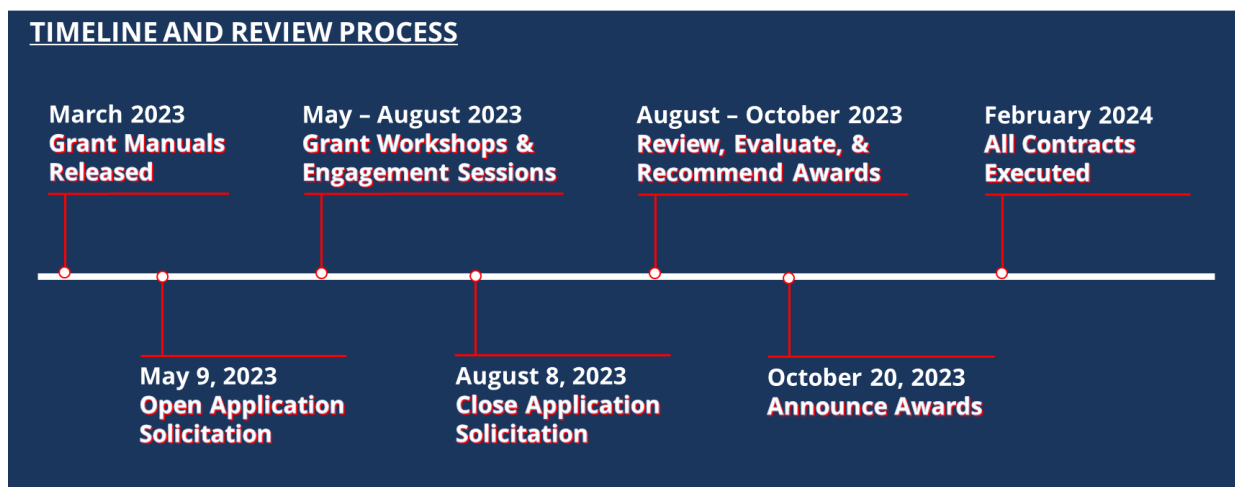
Background

Initially, TDEC identified priority areas of emphasis in the WIIP.¹ In February of 2022, TDEC launched a non-competitive grant opportunity that provided an allocation to all counties and cities that own or operate a drinking water, wastewater, or stormwater system. Focusing on critical needs and priority areas prepares Tennessee’s water infrastructure systems for long-term technical, financial, managerial, and environmental sustainability. To ensure the most critical aspects of a drinking water or wastewater treatment system are addressed, TDEC established a subset of these priority areas of emphasis for designation as critical need areas. With the non-competitive grant opportunity closed, TDEC is now turning to the competitive grant process.

Timeline and Review Process

This grant manual is for the competitive grant offering focused on Resource Protection (i.e., green infrastructure), which is defined in the Eligibility section of this grant manual. The grant manuals for the water reuse and resource protection competitive grant opportunities may be found on the [TDEC ARP website](#).

The following is a draft timeline of the application and review process for this competitive grant offering. This is subject to change and extensions may be granted solely at TDEC’s discretion.



¹ See Section V of the WIIP for a complete description of priority areas.

TDEC will review, evaluate, and recommend grant awards following the closure of the application solicitation, and will announce awards in approximately **60 days**. To prevent conflicts of interest and maintain the integrity of the competitive process, TDEC is unlikely to engage with grant applicants between the application solicitation opening and announcement of awards and may only contact applicants to clarify minor points within the proposal. Grant applicants are required to have a full and complete application submitted by the application solicitation closing and may not be able to modify or add to an application between submission and announcement of awards. TDEC will rank and review applications based only on the information included in the application at the time of submission. Incomplete applications may not be considered for funding.

TDEC will strive to execute contracts within **120 days** of grant award announcements. Each contract will be individualized based on the proposed scope of work and project timelines. Grant applicants should anticipate project management discussions with TDEC during this time, including but not limited to an overview of the award, scope of services, project timelines, terms and conditions (which are set at the time of grant award), subcontracting, the budget, and the process for reimbursement of costs incurred. Applicants may be able to modify their application to ensure that the application and information within is ready for contract execution during the window between award announcement and contract execution.

REVIEW PROCESS

TDEC will review, evaluate, and recommend grant awards following closing the application solicitation.



Awards will be announced in approximately **60 days** following the competitive grant application closing.



Grant contracts will be executed within **120 days** of grant award announcements.

Eligibility

Grant Applicants

Eligible grant applicants include all counties and cities, water utility districts, water utility authorities or similarly governed/authorized entities, and 501(c)(3) non-profits. For-profit water infrastructure systems may also be eligible, if they apply in partnership with an eligible county, city, water utility district, water utility authority, or 501(c)(3) nonprofit as the lead grant applicant.

Eligible grant applicants may lead the submission of multiple grant applications and/or partner on additional grant applications. However, TDEC may choose to fund only a single resource protection grant per eligible grant applicant following the competitive ranking process. Entities that are eligible to apply under the other competitive grant offerings (regionalization and water reuse) may submit additional applications under those solicitations. Approval for funding of a resource protection grant does not prohibit an entity from also applying for or receiving funding for a highly ranked application under regionalization or water reuse. TDEC reserves the right to consider the feasibility of executing projects under multiple grants, including the non-competitive grant offering, when determining awards.

Grantees are responsible for grant oversight and monitoring of activities. Grantees are also responsible for submitting progress updates as requested by TDEC and as required by the U.S. Department of Treasury (the "Treasury"). Activities associated with these requirements are administrative expenses and may be funded using grant funds not to exceed 6% of the total grant contract. For additional information about oversight, monitoring, and progress update submittal, see the Funding Conditions section of this grant manual.

Eligible Activities

Resource protection is defined as projects that improve water infrastructure resilience to extreme weather events, improve stormwater management or water quality, and/or restore natural landscape features for improved hydrology. Primarily, projects should focus on green (i.e., natural) infrastructure while minimizing components of gray (i.e., hard) infrastructure. These practices are eligible [Clean Water State Revolving Fund \(CWSRF\)](#) activities.² Applicants should refer to the Environmental Protection Agency's [2012 Clean Water State Revolving Fund 10% Green Project Reserve: Guidance for Determining Project Eligibility](#), section 1.0 Green Infrastructure, for additional eligibility information pertaining to this competitive grant program. Some projects may propose protecting drinking water or wastewater facilities from extreme weather events and flooding. The use of grey infrastructure for these protection efforts is an eligible activity. However, the focus and scope of these types of projects is very limited.

TDEC anticipates three types of projects to be submitted under this competitive grant offering:

² Overview of CWSRF Eligibilities: https://www.epa.gov/sites/default/files/2016-07/documents/overview_of_cwsrf_eligibilities_may_2016.pdf

- **Stormwater Management:** Some resource protection efforts focus on management of wet weather to maintain and restore natural hydrology by infiltrating, evapotranspiring, harvesting, and reusing stormwater. On a regional scale, this can include the preservation and restoration of natural landscape features. On the local scale, these activities consist of site- and neighborhood-specific practices, such as bioretention, trees, green roofs, permeable pavements, and cisterns. Although flood control projects are not an eligible activity, resource protection projects often provide flood mitigation co-benefits.

Projects focused on improved stormwater management and water quality should demonstrate measurably improved infiltration, capture, or stormwater reuse rates, or measurable change in land use cover within a specific catchment or basin. In addition, applicants should identify pollutants of concern and the positive water quality benefits because of the stormwater management best practices. **Applicants should quantify these stormwater management and water quality benefits using the [Tennessee Runoff Reduction Assessment Tool \(TNRRAT\)](#) or other approved assessment methodology.** The TNRRAT is an approved assessment methodology used to help designers to create successful permanent stormwater management designs that protect water quality.

- **Stream or Wetland Rehabilitation:** Stream or wetland rehabilitation projects include enhancement and restoration of streams or wetlands, streambank stabilization, or low-head dam removal projects. The projects should focus primarily on improving the current stream or wetland function and returning the feature to a more stable state, therefore providing improved resource values. **Applicants must determine the Restoration Potential³, describe site selection methods, determine project specific function-based goals and objectives, describe the potential for functional lift at a site, detail success criteria, and develop a monitoring plan. Applicants should complete this using a quantitative assessment tool or other defensible scientific method as approved or determined by the Division prior to project execution.** Any natural resource rehabilitation project must maintain or improve aquatic connectivity and be designed such that there is an overall improved resource value. These projects

³ Restoration Potential is defined as the highest level of restoration that can be achieved based on results of the watershed assessment, identification of site constraints, and the results of the reach-scale function-based assessment (Harman et al. 2012). Restoration potential is determined by the degree to which physical, chemical, and biological processes at both watershed and reach scales are maintained or restored.

will often require an individual Aquatic Resource Alteration Permit (ARAP). Applicants must provide a rehabilitation plan, including a schedule for completion of all construction and monitoring measures. Some projects eligible under this offering require long-term inspection, maintenance, and management following construction. Project proposals that require long-term inspection, maintenance, and management should include information about that process in the application.

Projects focused on stream and wetland restoration, rehabilitation, or bank stabilization will have application and reporting requirements that may differ from traditional infrastructure projects. Depending on the scope and complexity of the activity, pre- and post-project requirements may align with (or similar to) reporting requirements in the TDEC Stream Mitigation Guidelines utilizing the [TN Stream Quantification Tool](#) or TN Rapid Assessment Methods for wetlands. Applicants should contact the SWIG program for additional guidance if the proposal contains water resource restoration or rehabilitation.

- **Infrastructure Resilience:** Projects that primarily focus on increasing resilience of drinking water and wastewater treatment works are those that reduce vulnerability of facilities and assets to manmade or natural disasters, such as extreme weather events. Benefits of enhancing resilience of drinking water and wastewater treatment works can prevent interruption of services in the event of a flood or natural disaster; help maintain the integrity of the system in the event of a flood or natural disaster; preserve and protect the facility in the event of a flood or natural disaster; enhance community resilience through improved stormwater management using both green and grey infrastructure in the event of a flood; or even secure and conserve local water supplies through water reuse and conservation in the event of a drought. Often, projects to promote infrastructure resilience work in alignment with projects that build system capacity, coordination of emergency response activities, and asset management planning efforts.

These projects include efforts to assess future risks and vulnerabilities. Project activities may span investigation and planning, design, and/or construction. **These projects should demonstrate that the outcomes will result in improved facility or asset performance following manmade or natural disasters, such as extreme weather events.** Applicants are encouraged to leverage existing resources, such as the EPA's page on [Drinking Water and Wastewater Resilience, Resilient Strategies Guide for Water](#)

[Utilities](#), and the [Climate Resilience Evaluation and Awareness Tool \(CREAT\)](#), to develop projects.

Projects that result in an appreciable permanent loss of water resource value, therefore requiring stream or wetland compensatory mitigation due to proposed grant activities, are not eligible under this grant program. All grant activities must occur within the State of Tennessee to be eligible for this funding opportunity.

Project Award Type

The project award type dictates the extent of activities and deliverables. This competitive grant has four project award types: Investigation and Planning; Investigation, Planning, and Design; Planning, Design, and Construction; and Construction only. Proposals must identify the eligible activities, clearly articulate whether the grant applicant or any partners on the application are responsible for certain activities, and how those activities fall into one project award type.

Funding

TDEC has allocated **\$50M toward resource protection** in this competitive grant offering. TDEC reserves the right in its sole discretion to award funds for grants that total below, at, or above the funding allocation. TDEC may also dedicate more or less funds to the water reuse and/or regionalization grant allocations based on the quantity and quality of applications received for each grant program.

TDEC has developed proposal budget maximums based on the project award type for a proposal. **The proposal budget maximum includes funds requested for reimbursement and applicable co-funding**, as described in the next section. The proposal budget maximums by project award type are:

Project Award Type	Proposal Budget Maximum
Investigation and Planning	\$1 Million
Investigation, Planning and Design	\$2 Million
Planning, Design and Construction	\$5 Million
Construction Only	\$5 Million

Eligible grant applicants may apply for up to this dollar amount under an application for an eligible resource protection project. **TDEC suggests a minimum funding request of no less**

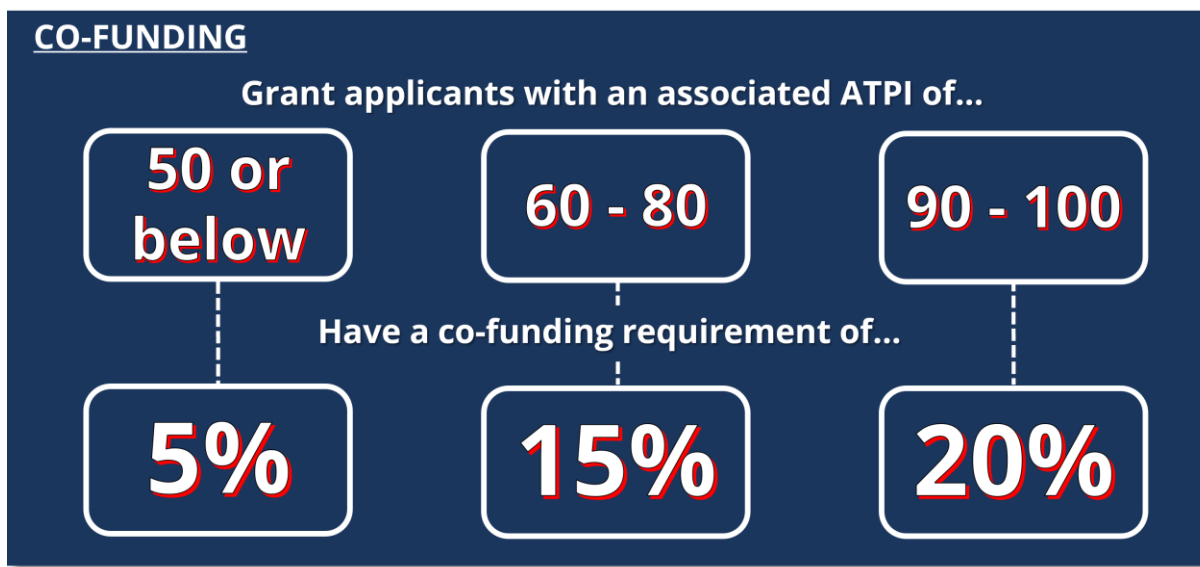
than \$250,000. Please note that TDEC may select parts of a proposal for funding and may offer to fund more or less than the eligible grant amounts or a larger or smaller amount than requested in the application.

The following table demonstrates the general categories of allowable activities:

Professional Fee, Grant, and Award	Capital Purchase
Planning for restoration of permanent riparian buffers, floodplains, or wetlands	Land Purchase for Easement
General Grant Admin	Construction
Acquisition Services for Land/Easement	Equipment Purchase
Review & Legal Fees	Construction Admin/Inspection
Engineering Design/Other Engineering Services	
Survey	Permits/Easement
Bidding Services	

When developing and submitting proposals, grant applicants must consider proposal budget maximums and co-funding requirements, detailed in the following section. **A proposal's total project budget is the sum of the total state allocation and co-funding.** Co-funding will be applied to each reimbursement request up to the total project budget.

Co-Funding



Co-funding requirements are applied to every competitive SWIG proposal. Co-funding requirements range from 5%–20%. Co-funding amounts are based on the 2022 [Ability to Pay Index \(ATPI\)](#), for the project area served (city or county scale).⁴

For resource protection grants, the required co-funding percentage will be based on the ATPI of the grant applicant. If a grant applicant believes that the specific population served by a project differs from the overall city or county ATPI, the grant applicant should submit a written request to TDEC.ARP@tn.gov with a request for an ATPI exemption. TDEC will assess the scenario and provide a response to the grant applicant regarding whether a required co-funding adjustment is allowed. Grant applicants should submit all ATPI exemption requests to TDEC by June 16, 2023. TDEC will evaluate and respond to the grant applicant no later than July 7, 2023.

Grant applicants should indicate the required co-funding on the budget sheet; leveraging of additional funds should not be included in the budget worksheet but should be included in the grant application narrative. Both cash and third-party in-kind contributions are eligible to meet co-funding requirements. Co-funding requirements cannot be met through TDEC ARP non-competitive grant funds. Entities will need to demonstrate other funding sources leveraged to meet the co-funding requirements under this competitive grant solicitation.

Cash may consist of local ARP funds, State Revolving Fund loans, financial assistance grants and loans, cash reserves, revenue bonds, and public-private partnerships or sponsors. Other cash-value contributions include engineering plans and specifications developed on or after March 3, 2021.

Third-party in-kind contributions mean the value of non-cash contributions that may consist of goods or services, benefit a federally assisted project, and are contributed by a third party without charge. These may include project owner labor, equipment services, or material contributions. TDEC will consider using in-kind co-funding contributions provided an individual accountability report is completed and submitted with the grant application. Proposals may not include more than 10% attributed to unskilled labor, that which requires no previous experience or consists of routine tasks for which little training is required (level 1 work, as defined by the Bureau of Labor Statistics).

Treasury's Final Rule allows for the use of ARP funds as a match for other federal and non-federal grant programs where the costs are eligible under both programs. The entire project,

⁴ ATPI represents a database of a community's unique and socio-economic and financial data to determine their fiscal health and fiscal capacity.

including ARP dollars, is then subject to the requirements of those grant programs. Local or state ARP funds cannot be used as match for grant programs that restrict the use of federal funds to meet match requirements.

Administrative Use of Funds

Grant applicants are responsible for ensuring proper grant administration. Applicants may contract with consultants to administer the grant; however, legal liability of the terms and conditions of the grant remains with the grant applicant.

Up to 6% of a grant applicant’s total grant contract may be used for reasonable and allocable administrative expenses. Administrative expenses may include grant application, project and proposal development and submittal, reporting, compliance assurance, monitoring, or direct or indirect costs associated with administering the grant award. Grantees may also be reimbursed for a reasonably proportionate share of the costs of audits required by and performed in accordance with the “Single Audit Act Amendments of 1996” as provided in 2 C.F.R. § 200.425.

Examples of Eligible Projects

Scenario A	King County is challenged by streambank erosion and flooding, which leaves its wastewater system and infrastructure vulnerable to failure. To address these concerns, King County seeks to assess its wastewater system and streambanks to understand vulnerable weak points, consider mechanisms to stabilize streambanks, slow erosion, and enhance flood resiliency. This qualifies as an infrastructure resilience project.
Project application example	King County submits a \$2 million proposal for the Investigation, Planning, and Design award type. King County has an ATPI of 50, so its co-funding requirement is 5% (\$100,000).
Funding scenario	<ul style="list-style-type: none"> • Total grant dollars requested (reimbursable): \$1.8 million • Allowable Administrative Expenses: \$120,000 (6% of \$2 million) • Co-Funding Percentage: 5% • Required Co-Funding: \$100,000 • Total Project Budget: \$2 million with up to \$120,000 available for administrative expenses and the remainder available for the project

Scenario B	The City of Williamsburg is interested in partnering with a local non-profit to undertake green and gray infrastructure upgrades to their managed stormwater system. The proposed activities are expected to enhance the water quality of their watershed and reduce risks posed by extreme weather events such as flooding. This qualifies as a stormwater management project.
Project application example	The City of Williamsburg partners with the local non-profit and submits a \$5 million proposal under the Planning, Design, and Construction award type. The City's ATPI is 100, so it has a co-funding requirement of 20% (\$1 million).
Funding scenario	<ul style="list-style-type: none"> • Total grant dollars requested (reimbursable): \$4 million • Allowable Administrative Expenses: \$300,000 (6% of \$5 million) • Co-Funding Percentage: 20% • Required Co-Funding: \$1 million • Total Project Budget: \$5 million with up to \$300,000 available for administrative expenses and the remainder available for the project

Submission Guidelines

Each proposal should describe a single project falling under a discrete project award type. Grant applicants should select the project award type that describes the maximum extent of activities proposed within the proposal. The budget maximums by project award type are described in the Funding section of this manual.

Alignment with the definition of **resource protection** is critical in determining suitability for funding. Therefore, grant applicants must demonstrate that their proposal aligns with the definition of resource protection and meets all activity eligibility requirements, as described in this grant manual's Eligibility section. Applicants will develop and submit this narrative as a part of the proposal submission through the [Grants Management System \(GMS\)](#).

Format and Checklist

Applicants will complete a grant application using TDEC's online GMS. The GMS allows grants administration partners to affiliate with the grant applicant to prepare the application for the legally authorized representative's review and electronic signature. Signees other than the executive officer or mayor must include a resolution from the applicant's governing body giving authority to sign for the applicant.

The GMS will include the grant manual, application, project proposal narrative, budget worksheets, and document upload capability. It will be designed to ensure that only complete applications may be submitted for TDEC review and approval. The GMS will also serve as the portal for submitting the required Title VI Pre-Audit Survey, Supplier Direct Deposit Authorization (SDDA), and future invoices for reimbursement requests and state approvals.

The solicitation will announce the opening and closing dates of the application period as detailed in the Timeline section of this grant manual. Long-term access to the GMS is possible with user login and affiliations. More information about this system will be available to grant applicants during the grant workshops and on the website.

Grant Proposal Requirements

The following information is required as part of a complete grant proposal.

A. Designated grant applicant

1. Identification of lead grant applicant,
2. Identification of all partners party to the grant proposal,
3. Demonstration of letters of support from all entities identified in (2), and
4. Demonstration of conservation easement or other protective covenant for stream and wetland restorations, bank stabilization, or dam removal projects.

B. Description and narrative of the overall proposal, including:

1. Project name
2. Narrative description of the project
3. Project award type
 - a. Investigation and Planning
 - b. Investigation, Planning, and Design
 - c. Planning, Design, and Construction
 - d. Construction Only
4. Detailed scope of work for this grant
 - a. Activities and milestones
 - b. Timeline
 - c. Start and completion dates of construction (if applicable)
5. Total Project Information
 - a. Total project budget
 - b. Total project timeline, including start and completion dates for all project phases

- c. Additional funding sources committed to the project (other than the co-funding for this grant opportunity)
6. ATPI of community served by the project (C1 in scoring rubric)
7. Description and distribution of partner responsibilities, if applicable

C. Overall grant budget, including:

1. Distribution of funds for lead applicant and any partners,
2. Total administrative expenses, and
3. Budget for project.

D. Co-funding requirements

E. Proposal details (maximum response – 250 words per question)

1. Has the lead applicant successfully implemented resource protection projects previously? If yes, describe. (C2 in scoring rubric)
2. Describe any past enhanced public education and outreach efforts conducted by the lead applicant. (C3 in scoring rubric)
3. Is the project located on an impaired stream or within the HUC12 of a stream(s) not supporting its designated uses? If yes, will the project activities directly support reducing pollutants and improving water quality specific to causes of impairment? (C4 in rubric)
4. How does the proposal align with the definition of resource protection? (P1 in scoring rubric)
5. Describe the need for resource protection efforts. What are the specific drivers for resource protection? (P2 in scoring rubric)
6. For stormwater management projects, select one criterion for ranking:
 - a. What is the expected increase in pervious land cover at the site scale (in %) through installation of native vegetation or the like? Use GIS or other spatial analysis to make this determination. (P3 in scoring rubric; Option 1)
 - b. What is the anticipated increase (in inches) of runoff captured and treated through infiltration, evapotranspiration, or reuse on-site in a 1 year, 24-hour storm event? Use the [Tennessee Runoff Reduction Assessment Tool \(TNRRAT\)](#) to make this assessment. (P3 in scoring rubric; Option 2)
7. For stream or wetland rehabilitation projects: What is the Restoration Potential of the site? What is the proposed functional lift associated with the project? Use the Tennessee Rapid Assessment Methodology (TRAM), [Stream Quantification Tool \(SQT\)](#), or comparable methodology to make this assessment. (P3 in scoring rubric)
8. For infrastructure resilience projects: Describe the predicted enhancement of resiliency to drinking water and wastewater treatment works, including facilities or

other assets. How will the specific project protect assets from natural or manmade disasters? (P3 in scoring rubric)

9. Are there enhanced public education and outreach efforts associated with this project? If so, please describe. (P4 in scoring rubric)

F. Technical Project Information

1. Investigation and Planning Project
 - a. Detailed individual project budget
 - b. Maps of the area of interest and location of activities
 - c. Restoration Potential (stream or wetland projects only)
 - d. Detailed schedule for the project which includes deliverable dates:
 - i. Existing condition assessment: These condition assessments are dependent on the project type being proposed. For a stream restoration, bank stabilization, or dam removal project, the existing condition should be demonstrated using quantifiable assessment methodologies approved by the state. For a stormwater management project, this includes existing stormwater conditions and runoff issues. For an infrastructure resilience project, the existing condition should assess existing weather-related threats to drinking water or wastewater facilities, which may include FEMA information or floodplain maps
 - ii. Engineering Agreement within 60 days of grant award
 - iii. Preliminary engineering report(s)
 - iv. Potential functional lift and post project condition
2. Investigation, Planning, and Design Project
 - a. Detailed individual project budget
 - b. Maps of the area of interest and location of activities
 - c. Restoration Potential (stream or wetland projects only)
 - d. Detailed schedule for the project which includes deliverable dates:
 - i. Existing condition assessment: These condition assessments are dependent on the project type being proposed. For a stream restoration, bank stabilization, or dam removal project, the existing condition should be demonstrated using quantifiable assessment methodologies approved by the state. For a stormwater management project, this includes existing stormwater conditions and runoff issues. For an infrastructure resilience project, the existing condition should assess existing weather-related threats to drinking water or wastewater facilities, which may include FEMA information or floodplain maps

- ii. Engineering Agreement within 60 days of the grant award
- iii. Preliminary engineering report(s)
- iv. Engineering plans and specifications
- v. Potential project outcomes based on plans and specifications: For a stream or wetland project, this should focus on functional lift and post project condition. For a stormwater management project, the applicant should detail potential improved stormwater management conditions through modeling or runoff reduction. For an infrastructure resilience project, the applicant should assess potential reduction of flooding hazards or other proposed resiliency outcomes
- vi. List of required permits (as needed for plans approval)

3. Planning, Design, and Construction Project

- a. Detailed individual project budget
- b. Maps of the area of interest and location of activities
- c. Restoration Potential (stream or wetland projects only)
- d. Detailed schedule for the project which includes deliverable dates:
 - i. Existing condition assessment: These condition assessments are dependent on the project type being proposed. For a stream restoration, bank stabilization, or dam removal project, the existing condition should be demonstrated using quantifiable assessment methodologies approved by the state. For a stormwater management project, this includes existing stormwater conditions and runoff issues. For an infrastructure resilience project, the existing condition should assess existing weather-related threats to drinking water or wastewater facilities, which may include FEMA information or floodplain maps
 - ii. Preliminary engineering report(s)
 - iii. Engineering plans and specifications
 - iv. Potential project outcomes based on plans and specifications: For a stream or wetland project, this should focus on functional lift and post project condition. For a stormwater management project, the applicant should detail potential improved stormwater management conditions through modeling or runoff reduction. For an infrastructure resilience project, the applicant should assess potential reduction of flooding hazards or other proposed resiliency outcomes
 - v. Projected start of construction
 - vi. Projected Initiation of Operations

- vii. Complete construction
 - viii. Post-construction inspection, monitoring, assessment, and maintenance schedule, if needed
 - ix. List of required permits (as needed)
 - x. Site certification or letter in lieu of for the project (as needed)
4. Construction Only Project
- a. Detailed individual project budget
 - b. Maps of area of interest and location of activities
 - e. Restoration Potential (stream or wetland projects only)
 - f. Existing condition assessment: These condition assessments are dependent on the project type being proposed. For a stream restoration, bank stabilization, or dam removal project, the existing condition should be demonstrated using quantifiable assessment methodologies approved by the state. For a stormwater management project, this includes existing stormwater conditions and runoff issues. For an infrastructure resilience project, the existing condition should assess existing weather-related threats to drinking water or wastewater facilities, which may include FEMA information or floodplain maps
 - g. Engineering plans and specifications
 - h. Potential project outcomes based on plans and specifications: For a stream or wetland project, this should focus on functional lift and post project condition. For a stormwater management project, the applicant should detail potential improved stormwater management conditions through modeling or runoff reduction. For an infrastructure resilience project, the applicant should assess potential reduction of flooding hazards or other proposed resiliency outcomes.
 - i. Detailed schedule for the project which includes deliverable dates:
 - i. Projected start of construction
 - ii. Projected Initiation of Operations
 - iii. Complete construction
 - iv. Post-construction inspection, monitoring, assessment, and maintenance schedule, if needed
 - xi. List of required permits (as needed)
 - xii. Site certification or letter in lieu of for the project (as needed)

Application Evaluation

Proposal Priority Ranking

All grant applications will be ranked to determine the suitability of funding. TDEC may not engage with grant applicants to answer specific questions about projects or proposals between the application solicitation opening and the announcement of awards. TDEC will not allow grant applicants to revise or add to applications following submission. Proposals will be reviewed and ranked based on the merits of the application as submitted. Incomplete applications may not be eligible for funding.

TDEC will assemble a lead panel of three (3) subject matter experts to review, rank, and recommend proposals for funding. Other subject matter experts may be included in review discussions or asked to contribute specific feedback necessary for completing the reviewing, ranking, and recommending process. Proposals will be reviewed and ranked relative to other proposals within the project award type following close of the application period. Proposals will not be ranked as they are received. TDEC aims to dedicate 70% of the overall funding for this competitive grant to proposals involving construction (Planning, Design and Construction and Construction Only project award types) and 30% of the overall funding to non-construction proposals (Investigation and Planning and Investigation, Planning and Design).

Proposals will be reviewed and ranked to assess the most funding-worthy projects. Within each row (section) of the scoring rubric, a proposal will receive a score ranging from 0 to the maximum available points, using whole numbers. Proposals with the highest total points at the end of scoring will be considered for funding. Each proposal will be evaluated using the following scoring rubric:

Section	Criteria	Maximum Available Points
<i>COMMUNITY / SYSTEM CONSIDERATIONS</i>		45
C1	Investment in a disadvantaged community <ul style="list-style-type: none">• 1 point for ATPI 90-100• 3 points for ATPI 70-80• 5 points for ATPI 50-60• 7 points for ATPI 30-40• 10 points for ATPI 20 or below	10
C2	Historical demonstration of successful resource protection projects <ul style="list-style-type: none">• 0 points for no historical demonstration	10

	<ul style="list-style-type: none"> • 5 points for adequate historical demonstration • 10 points for exceptional historical demonstration 	
C3	<p>Historical demonstration of enhanced public education and outreach</p> <ul style="list-style-type: none"> • 0 points for no historical demonstration • 5 points for adequate historical demonstration • 10 points for exceptional historical demonstration 	10
C4	<p>Project is on an impaired stream or within the HUC 12 of a stream(s) not supporting all its designated uses and project activities are directly connected to designated use support and actions will measurably improve water quality</p> <ul style="list-style-type: none"> • 0 points for not on an impaired stream or within the HUC 12 of a stream(s) not supporting all its designated uses • 5 points for low/moderate impact expected on impaired stream or within the HUC 12 of a stream(s) not supporting all its designated uses • 15 points for high impact expected on impaired stream or within the HUC 12 of a stream(s) not supporting all its designated uses 	15
PROPOSAL CONSIDERATIONS		55
P1	<p>Alignment with definition of resource protection</p> <ul style="list-style-type: none"> • 0 points for inadequate alignment with definition • 5 points for adequate alignment with definition • 10 points for exceptional alignment with definition 	10
P2	<p>Demonstration of the need for resource protection</p> <ul style="list-style-type: none"> • 0 points for no demonstration of need • 10 points for demonstration of minor need • 20 points for demonstration of major need 	20
P3	<p>Demonstrated project outcomes</p> <p>Stormwater management projects (Option 1)</p> <ul style="list-style-type: none"> • 0 points for no increase in pervious land cover at the site scale • 5 points for increasing pervious land cover at the site scale by 10-20% through native vegetation, stream buffers, stream or wetland rehabilitation and the like • 10 points for increasing pervious land cover at the site scale by 21-30% through native vegetation, stream buffers, stream or wetland rehabilitation and the like • 15 points for increasing pervious land cover at the site scale by 31-40% through native vegetation, stream buffers, stream or wetland rehabilitation and the like • 20 points for increasing pervious land cover at the site scale by 41% or more through native vegetation, stream buffers, stream or wetland rehabilitation and the like <p>Stormwater management projects (Option 2)</p>	20

	<ul style="list-style-type: none"> • 0 points for no demonstration of increasing infiltration, evapotranspiration, or reuse on-site • 5 points for increasing infiltration, evapotranspiration, or reuse on-site through capture and treatment of <0.5 inches of runoff in a 1 year, 24-hour storm event • 10 points for increasing infiltration, evapotranspiration, or reuse on-site through capture and treatment of 0.5-0.74 inches of runoff in a 1 year, 24-hour storm event • 15 points for increasing infiltration, evapotranspiration, or reuse on-site through capture and treatment of 0.75-0.99 inches of runoff in a 1 year, 24-hour storm event • 20 points for increasing infiltration, evapotranspiration, or reuse on-site through capture and treatment of >1 inch of runoff in a 1 year, 24-hour storm event <p>Stream or wetland restoration, bank stabilization, or dam removal projects</p> <ul style="list-style-type: none"> • 0 points for no prediction of functional lift • 5 points for a minimal Restoration Potential, proposed buffer zone enhancement or increased tree density (wetlands) and a conservation easement • 10 points for a moderate Restoration Potential, buffer zone enhancement, a conservation easement and taking a wetland or stream from a not-functioning to a minimum of functioning-at-risk condition • 15 points for a high Restoration Potential, buffer zone restoration, a conservation easement, and taking a wetland or stream from functioning-at-risk condition to a minimum of functioning condition • 20 points for a high Restoration Potential, buffer zone restoration, a conservation easement, and taking a wetland or stream from a not-functioning condition to a minimum of functioning condition <p>Infrastructure resilience projects</p> <ul style="list-style-type: none"> • 0 points for no prediction of enhanced resilience to flooding hazards or other weather-related disasters • 5 points for a minimal prediction of enhanced resilience to flooding hazards or other weather-related disasters • 10 points for a moderate prediction of enhanced resilience to flooding hazards or other weather-related disasters • 15 points for a high prediction of enhanced resilience to flooding hazards or other weather-related disasters, with prediction of low/moderate positive impacts on infrastructure operations 	
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	<ul style="list-style-type: none"> 20 points for a high prediction of enhanced resilience to flooding hazards or other weather-related disasters, with prediction of significant positive impacts on infrastructure operations 	
P4	Plan for enhanced public education and outreach <ul style="list-style-type: none"> 0 points for no plan for enhanced public education and outreach 3 points for adequate plan for enhanced public education and outreach 5 points for exceptional plan for enhanced public education and outreach 	5
MAXIMUM AVAILABLE POINTS TOTAL		100

The assessing panel will recommend funding proposals based on the evaluation, using the top-scored proposals up to the funding maximum. TDEC may in its sole discretion consider feasibility of project/proposal completion and diversity of project types, applicants, and geographic distribution in making final funding recommendations. TDEC may not award funds to proposals that score below a 70 out of 100 total points. Final funding decisions will be made by TDEC leadership and published online. Funding decisions are final at time of award announcement and publication.

Entities with applications that were not awarded may engage in a due process request by submitting a written request to the Commissioner within ten (10) days of award announcements. Following written request, TDEC will provide additional details regarding the grant application to the entity. TDEC may provide these additional details in writing or in a meeting.

Proposal Review

TDEC will comprehensively review all complete and eligible grant applications, including all required supporting documentation. Applications will be evaluated based solely on the data provided; therefore, project eligibility, co-funding documentation, completeness, and accuracy are essential. Each grant applicant is responsible for submitting all relevant and factual information with the application. Funding will be awarded based on the merits of the applications. Please note that TDEC may select parts of a proposal for funding and may offer to fund less than the eligible grant amounts or a smaller amount than requested in the application.

Applicants must demonstrate how they will meet co-funding requirements and validate the feasibility of project completion within the performance period. TDEC will preliminarily conduct an administrative review of each application for completeness, accuracy, and eligibility before initiating the technical evaluation. TDEC will further evaluate each application based on the scoring rubric. Proposals will be ranked and reviewed relative to other proposals in their project award type category and top-ranked projects will be recommended for funding.

Information submitted to the GMS will be the basis for grant contracts. Complete applications that include accurate budgets, project timelines and descriptions, and co-funding information are critical for timely grant execution and award. Cost estimates and timelines must be realistic and align with the ARP timeframe. Budget adjustments and grant contract amendments may not be possible. Following announcement of awards, TDEC staff may contact applicants to request additional information, discuss alternatives, or discuss the potential of leveraging other funding opportunities (e.g., SRF, BIL, CDBG). TDEC may also request additional information necessary for contract execution.

Funding Conditions

Grant Schedules

All grant contracts will have an effective date of March 3, 2021 (the American Rescue Plan was signed into law on March 11, 2021). Proposal schedules establish the grant contract term with end dates of September 30, 2026. All proposals must have an end date of September 30, 2026 to ensure proper close-out of all activities prior to December 31, 2026. All grant contracts will end by September 30, 2026. Project schedules are dependent on the project award type and the project itself. Grant applicants and partners need to consider the feasibility of completing a project within the limits of the project award type. Project schedules should identify start dates, dates of major milestones toward project completion, and end dates based on the deliverables

GRANT SCHEDULES

The American Rescue Plan was signed into law on **March 11, 2021**.

- All grant contracts will have an effective date of **March 3, 2021**.
- Proposal schedules must establish the grant contract term with end date of **September 30, 2026**.
- All proposals must have an end date of **September 30, 2026**.
- All grant contracts will end by **September 30, 2026**.
- Proper close-out of all activities must be completed prior to **December 30, 2026**.

required. Grant applicants must provide the timeline and dates for submitting all deliverables as part of each project schedule.

TDEC may, in its sole discretion, amend the individual project schedule upon written request and for good cause shown. **Project schedules must include a start date and an end date. These items must be identified in the grant proposal.**

Reimbursements

A request to be reimbursed for the cost incurred for competitive SWIG grants shall include only requests for actual, reasonable, and necessary expenditures required in the delivery of service described in the grant contract and identified in the individual project budget. Supporting documentation will be required to substantiate the costs requested for reimbursement. This documentation may include purchase orders, pay requests, invoices, and/or proof of payment. Reimbursement shall not include any request for future spending without demonstrating cost incurred. Grantees may incur new obligations to carry out the work authorized in the grant contract and submit reimbursement requests only during the grant contract term. Grant contracts will have an effective date of March 3, 2021, and end on September 30, 2026. Grant applicants may elect to complete their final report early if all contract deliverables are complete and reports are submitted and approved.

REIMBURSEMENTS	
Investigation & Planning	80% The maximum allowable reimbursement of the individual project budget until the PER(s) or comparable deliverable is received and approved by TDEC.
Investigation, Planning & Design	80% The maximum allowable reimbursement of the planning fees of an individual project budget until the PER(s) or comparable deliverable is received and approved by TDEC.
	80% The maximum allowable reimbursement of the design fees of an individual project budget until the plans and specifications received and approved by TDEC.
Planning, Design & Construction, or Construction Only	80% The maximum allowable reimbursement of the design fees of an individual project budget until the plans and specifications received and approved by TDEC.
	90% The maximum allowable reimbursement of the total individual project costs until the construction is complete, the site has been inspected by TDEC (or designated agent) and is in proper operation, and TDEC has approved the project.

Procurement

Grant applicants are responsible for ensuring that any procurement using competitive SWIG funds, or payments under procurement contracts using such funds, are consistent with state procurement standards⁵ and those set forth in the Uniform Guidance at 2 CFR Part 200 Subpart D, as applicable. When the terms of a grant award allow disbursements for the cost of goods, materials, supplies, equipment, or contracted services, such procurement must be made on a competitive basis, including using competitive bidding procedures, if acquisitions are above the simplified acquisition threshold. According to the State's Procurement Policy, acquisitions greater than \$50,000 are required to be formally procured. At a minimum, this threshold should be applied for any transaction, except for when the local policy calls for formal procurements at a lower dollar threshold. Grant applicants must maintain documentation for the basis of each procurement for which a disbursement is made under to the grant award. In each instance where it is determined that using a competitive procurement method is not practical, supporting documentation must include a written justification for the decision and use of a non-competitive procurement process. Further, grant applicants are considered subrecipients, therefore, must comply with 2 C.F.R. §§ 200.318—200.327 when procuring property and services under a federal award.

For additional information, see U.S. Treasury's Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards contained in 2 CFR Part 200.

Additional Funding Considerations

Some proposals may use grant or loan dollars in conjunction with ARP funds to complete an existing project or leverage multiple funding programs for a new project during the grant period. In some instances, the requirements of the companion grant or loan program (e.g., Davis-Bacon and Buy American provisions) would apply to the ARP project. For example, using funding from SRF in conjunction with ARP to complete a wastewater treatment plant expansion or construction of a new storage tank would necessitate the entire project adhering to the requirements of SRF. However, if the ARP-funded portion of the project is completed using only

⁵ State public contracting laws under Tennessee Code Annotated Title 4, Chapter 56; Title 12, Chapter 3; and Title 12, Chapter 4.

ARP funds and an SRF loan is sought for a new, distinct phase of the related infrastructure project, the SRF-specific requirements would not apply to the ARP-funded stage of the project.

TDEC will base grant award totals on the estimates in the grant application budget section. TDEC recommends that applicants research the goods or services they want to purchase and obtain accurate pricing information before submitting their application. **Only goods and services identified in the application and authorized in the grant award will be funded.** Significant adjustments to a grant award budget will not be possible given the federal deadlines. If a grantee needs to adjust line-item expenses, funds may be redirected from one line item to another budgeted line item, up to 20% of the total budget. This action must be a no-cost modification. If projects exceed the grant budget, grantees should pursue an SRF loan or other financial assistance to complete the scope of work by the contract end date of September 30, 2026.

Federal Reporting Requirements

Funds described in the WIIP are federal funds awarded to the state (i.e., state fiscal recovery dollars). All grant recipients are subject to federal reporting requirements found in 2 CRF Part 200 and the Compliance and Reporting Guidance issued by the U.S. Treasury. All SWIG grant recipients must provide timely reports to TDEC during the grant award period. Grant contracts will provide detailed information on program progress and expenditure reporting requirements, reporting frequency, and reporting deadlines. Grant applicants are urged to review the U.S. Treasury Compliance and Reporting Guidance before applying for competitive SWIG funds to become familiar with these requirements, including any requirements that would apply to partners and subcontractors executing elements of a grant proposal. Grant recipients and partners must appropriately maintain accounting records for compiling and reporting accurate, compliant financial data in accordance with appropriate accounting standards and principles and applicable law. Grant applicants may be subject to state and local audits.

Monitoring and Oversight Responsibilities

Grantees are responsible for ensuring all fiscal recovery funds are used in compliance with U.S. Treasury's Final Rule. In addition, recipients should be mindful of any compliance obligations that may apply to other funding sources used in conjunction with these fiscal recovery funds or statutes and regulations that may independently apply to water infrastructure projects. Because it is a requirement for TDEC to provide monitoring and oversight for its subrecipients

that participate in this grant program, it is incumbent on all subrecipients to have the proper monitoring and oversight controls in place for its contractors and subcontractors. This includes, but is not limited to:

- Reviewing invoices;
- Ensuring contractors and subcontractors are not federally debarred;
- Requiring that all rules and regulations are followed and complied with;
- Providing project management of the projects to ensure timelines and milestones are being met; and
- Obtaining the necessary reporting information needed by TDEC to comply with the U.S. Treasury's SLFRF guidelines.

Additional Considerations

All construction projects must secure and comply with all relevant state and federal permits before the project execution. Awarding of a grant does not indicate that a permit will be authorized and is not a substitute for required permits. Any construction project should evaluate the need for 401 water quality certification permits, coverage under the DWR Construction General Permit, NPDES permits, and any other applicable state and federal permits.

TDEC will require the submission of an authority-to-award (ATA) bid package from grant recipients before commencing construction. Once TDEC completes the review and approval of the ATA bid package, the grant recipient and partners are authorized to award construction contracts subject to any approvals required by law. Grant applicants should schedule pre-construction conferences (PCC) before issuing a notice to proceed (NTP) for construction. TDEC will require a two-week notification before the PCC. Once the PCC is held, an NTP can be issued. Construction start dates in the NTP must be within 120 days of the approval of the ATA bid package. If construction projects are not initiated before this date, TDEC may limit the remaining grant activity and/or revoke grant dollars. TDEC will not authorize construction until all permits have been secured. Bid packages will be reviewed for compliance with the competitive procurement process, federal requirements concerning minority business enterprises, equal employment opportunity documentation, bid tabulations, and other common, relevant information.

Construction project grantees must receive TDEC approval for preliminary engineering reports, construction documents, and other common, relevant material before the project closes out. All

construction projects will be inspected at the start of construction, during construction, and at construction completion to ensure the project is executed according to plans and specifications, complies with permit requirements, and progresses in a timely manner. Construction projects experiencing up to three-month delays in individual project schedules and at risk of missing deliverable dates should notify SWIG staff immediately. Grantees must justify the delay and request a project schedule modification. At TDEC's sole discretion, schedule modifications may be granted on a case-by-case basis, given that reasonable assurances are made that the project will be complete by September 30, 2026. No projects may extend construction activity or incur any expenses for reimbursement past September 30, 2026. Any projects not completed on time may forfeit remaining grant award dollars or risk not completing the requirements for construction projects that are provided in grant contracts.

Public Record

Any information affiliated with the solicitation for the State of Tennessee's SWIG funds, including information submitted by applicants, may be considered public record (other than what is not public record due to homeland security) and will be subject to disclosure to the public as required by Tennessee law. By applying for a grant, applicants agree to allow the use of the applicant and project information as provided in the application and grant documents to be published or distributed in various print or electronic media publications.

The application is also subject to the State of Tennessee's applicable laws governing the public disclosure of personally identifiable information, which are set forth in the Tennessee Code Annotated section 10-7-504(a)(29). Pursuant to Tennessee Code Annotated section 10-7-503(a)(5), "information made confidential by State law shall be redacted whenever possible, and the redacted record shall be made available for inspection and copying."

Certification

TDEC reserves the right not to award funds to applicants that:

- Fail to submit a complete application; or
- Exhibit poor performance in complying with the expectations and requirements of previous grant or loan contracts with the State of Tennessee;

The applicant shall certify that:

- The applicant understands that the elements of Title VI compliance correspond to requirements for Title VI as provided for in 42 U.S.C. § 2000d et seq., and in Tennessee

Code Annotated section 4-21-904, and applicant has either adopted and implemented these elements of compliance or has agreed to adopt and implement TDEC's compliance resources as its own;

- The applicant understands that the applicant's eligibility for funding is contingent upon its satisfaction of and adherence to the requirements of Title VI, as well as any contractor or subcontractor associated with the project as required by law;
- The applicant has successfully submitted and received notification of completion for its annual Title VI Compliance application;
- The applicant understands that if the applicant is awarded a grant by TDEC, the applicant will need to show evidence of completion of Title VI training when requested by TDEC;
- The applicant has read and understands the reporting requirements and that the applicant will comply with these requirements;
- All vendors will be selected in accordance with state public contracting laws under Tennessee Code Annotated Title 4, Chapter 56; Title 12, Chapter 3; and Title 12, Chapter 4 and those set forth in the Uniform Guidance at 2 CFR Part 200 Subpart D, as applicable; and
- The applicant, along with the officers, directors, owners, partners, employees, or agents of the applicant organization, is (are) not presently debarred, suspended, proposed for debarment, or declared ineligible for an award by any State or Federal agency.

TDEC encourages all stakeholders to regularly visit the [TDEC ARP Website](#) for program updates and new guidance, and to sign up for TDEC's email distribution list. Questions about the State Water Infrastructure Grants program should be directed to tdec.arp@tn.gov.