



Department of
**Environment &
Conservation**

Public Hearing
Water Quality, Oil and Gas Board
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Nashville
and via WebEx
October 19, 2021 – 10:00am

*If you wish to make Public Comment, please fill out a yellow comment card, or if virtual please email Drake.Smarch@tn.gov or message the chat box. Include what you want to comment on, and you will to be placed in line.

Welcome!

- Roll call of Board members present.
- Opening remarks from the Division of Water Resources Director, Jennifer Dodd

Board Minutes

- Presentation of minutes from April 2021
- Roll call **vote** for approval of minutes.
- Minutes are available on the Board's website: <https://www.tn.gov/environment/about-tdec/boards-and-commissions/board-tennessee-board-of-water-quality--oil-and-gas.html>

General Public Comment

- If you wish to make a public comment:
 - In-Person
 - Fill out a yellow comment card
 - Virtual
 - Let the host know in the Chat Box
 - Email Drake.Smarch@tn.gov



Department of
**Environment &
Conservation**

Water Quality, Oil & Gas Board Manual

Grant Ruhl – Office of General Council



Department of
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Conservation**

**Short-Term Response to Flooding:
A guide for Communities and Local Governments**

April Grippo – Deputy Director, Division of Water Resources

Examples of Flooding Complaints

Homeowner has never had a problem in 20 years living there, but now that there's new construction nearby, their basement is flooded.



Examples of Flooding Complaints

“I’m having problems with water runoff from property behind them causing flooding.” Adjacent property allegedly storing dirt and it's causing ponding during rain events and mud to traverse to their property.



Examples of Flooding Complaints

“I’m concerned about neighbor blocking a watercourse that runs between our two properties causing my barn to flood.”



Examples of Flooding Complaints

A landowner states that his property has been flooding more the last 2 years, and the stream along his driveway is beginning to severely erode. A view of aerial footage shows heavy development taking place in his watershed.



What We Hear

- “It’s never been this bad before”
- “Who maintains streams?”
- “Why can’t we clean out the river”
- “Who cleans up after a flood?”
- “Who is responsible for flood control?”
- “We can’t do anything in the creek”
- “What is the role of local governments in flood control?”
- “Dredging will fix the problem”

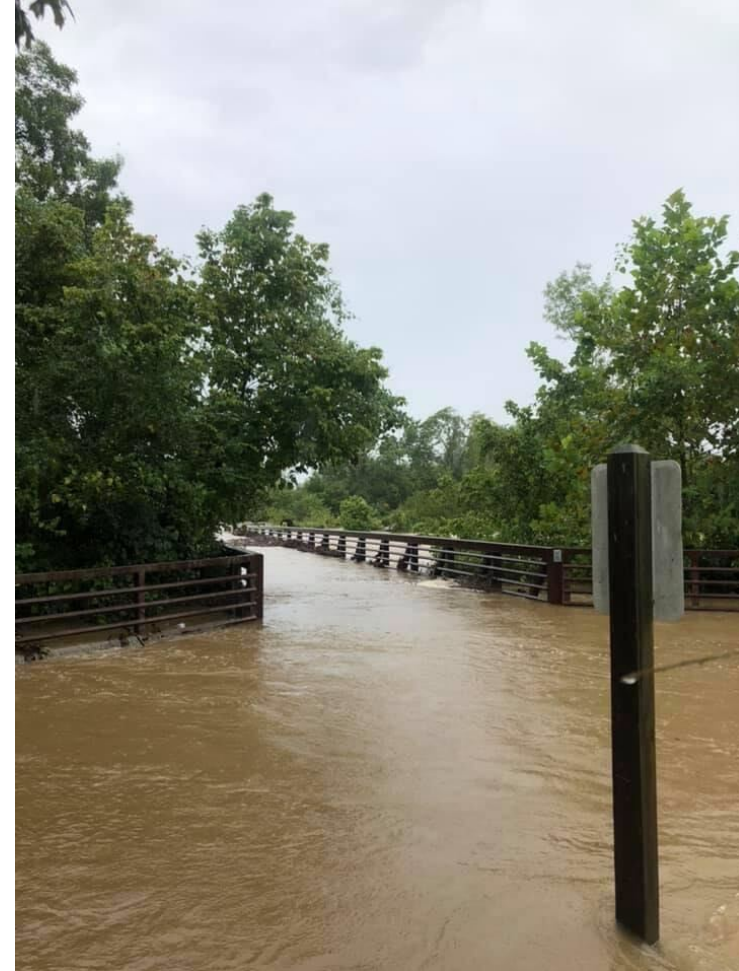


Photo credit: Alicia Douglas

Common Misconceptions

- DWR has a jurisdictional role in flooding.
- Dredging streams wider, deeper and more straight solves flooding problems. Berms along streams alleviates flooding.
- DWR regulates county governments working on private property.
- Highway departments can't clean out accumulated sediment/rock blocking flow to culverts/bridges without a permit.
- Landowners can't clean out flood debris such as log jams, downed trees and other items washed into streams without permit.

Clarifying Misconceptions

- Flooding isn't caused by gravel deposits in streams. Flooding is caused by excessive rainfall and rapid runoff due to changes in land use. The August flood event was unprecedented.
- Expensive wholesale channelization projects often have limited success in flood prevention, or worse, increase flood damage downstream of the project to other citizens.
- The most effective efforts involve a comprehensive, well-studied engineering approach to identifying the main causes (choke points at bridges or bends, flash runoff from a large developed area) and proposes specific, targeted engineering solutions to minimize flooding.

What is the Role of TDEC DWR?

- TEMA is the lead agency on flooding.
- TDEC's regulatory authority is specific to water quality.
- TDEC DWR is the regulatory agency for permitting.
- Assistance for wells, drinking water concerns, drinking water and wastewater system concerns
- DWR does not regulate flood plains, flooding and causes of flooding.
- Stormwater quantity management (drainage) comes from local regulations.
- DWR does not conduct stream maintenance.
- DWR provides technical assistance.



Photo Credit: Jimmy Smith

Permitting

- TDEC's sole role is permitting of physical alterations in streams.
- There are some stream activities an individual can perform without a permit.
- Some projects do require an ARAP.
- The Corps can provide regional flood risk management studies and recommend specific solutions.
- NRCS often assists with site-specific erosion solutions.
- TDEC provides technical assistance to those proposing stream alteration for any reason, including flood control.
- General permits:
 - Streambank stabilization projects designed by NRCS
 - Emergency situations that cannot wait for public notice period

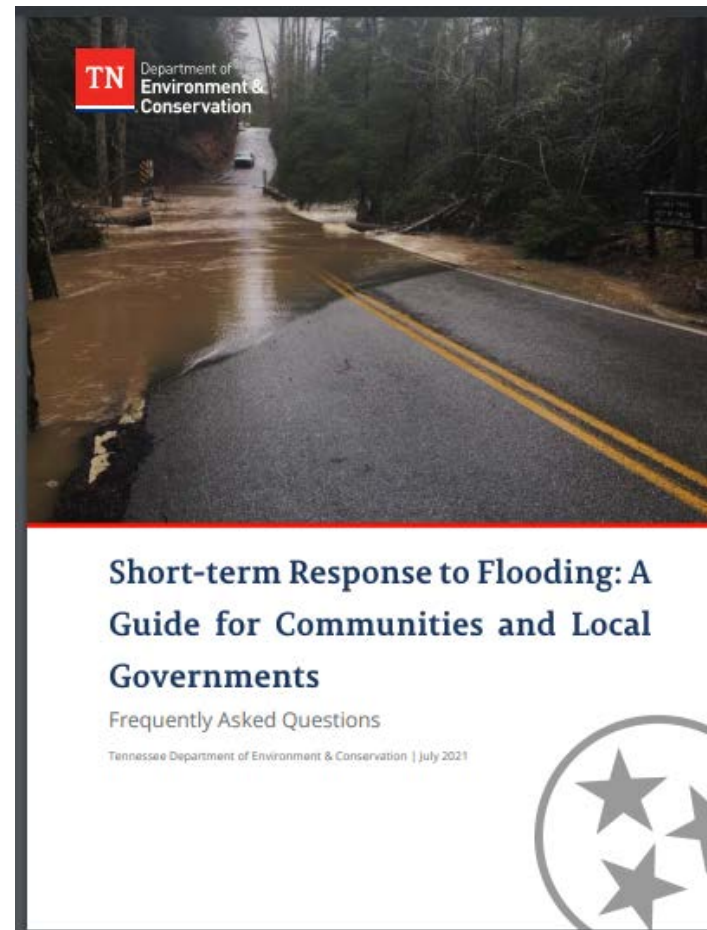
How Can TDEC Help?

- Improve current resources
- Need to communicate our role to regulated community
- Provide a proactive response “Here’s what you CAN do”
- Share information on other agencies



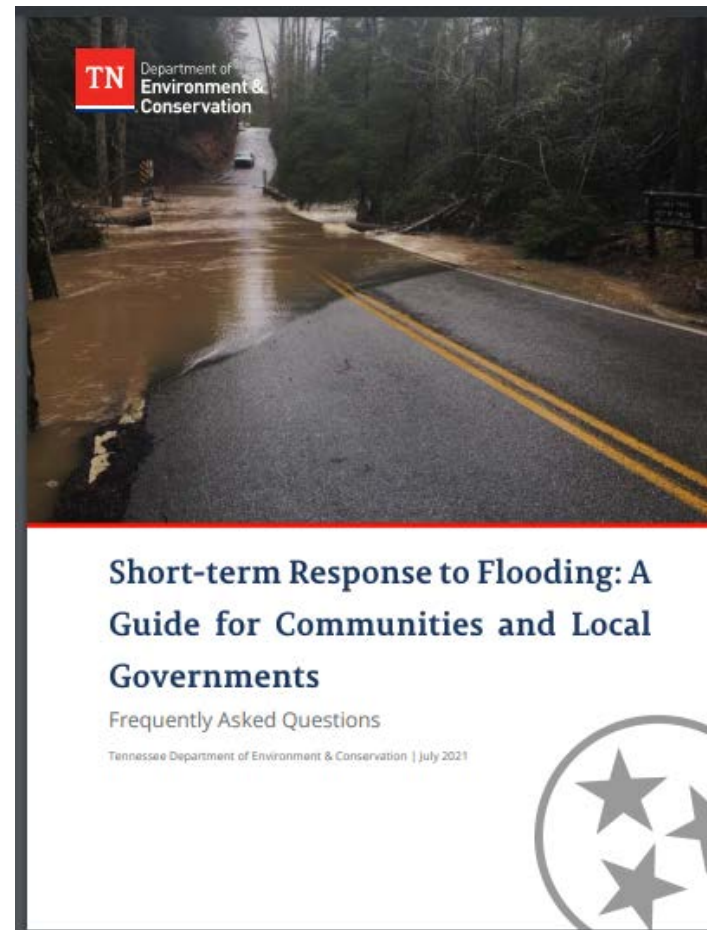
Short-term Response to Flooding: A Guide for Communities and Local Governments

- Expanded previous FAQ document for people who field inquiries, TDEC field offices, and regulated community
- Available online and as paper resource
- Shared with TDEC team members statewide
- External Affairs provides to local officials



Short-term Response to Flooding: A Guide for Communities and Local Governments

- Flooding has caused stream channel migration or bank instability. What can I do to improve the stream channel?
- There is damage to culverts or debris obstructing stream flow. Can I clean it up?
- Our roadways have been impacted by flooding. Whose responsibility are the roadways?
- I'm returning home after a flooding event. Can I use tap water?





TDEC'S WATER INFRASTRUCTURE INVESTMENT PROGRAM

Understanding the State's Deployment of ARP Dollars towards Water Infrastructure Projects

October 19, 2021

Water Infrastructure Investment Plan

- Let's get quickly oriented!
 - [TDEC Water Infrastructure Investment Plan Storyboard Video](#)

ARP Water/Wastewater Eligibility

Current Eligibility Based on US Treasury's Interim Final Rule

Water and wastewater infrastructure projects that align with clean water and drinking water SRF eligibility, such as:

- Comprehensive asset management
- Line replacement
- Plant/facility upgrades
- Regionalization and consolidation
- Stormwater management
- Nonpoint source pollution
- Water conservation and energy efficiency
- Water storage
- Workforce training

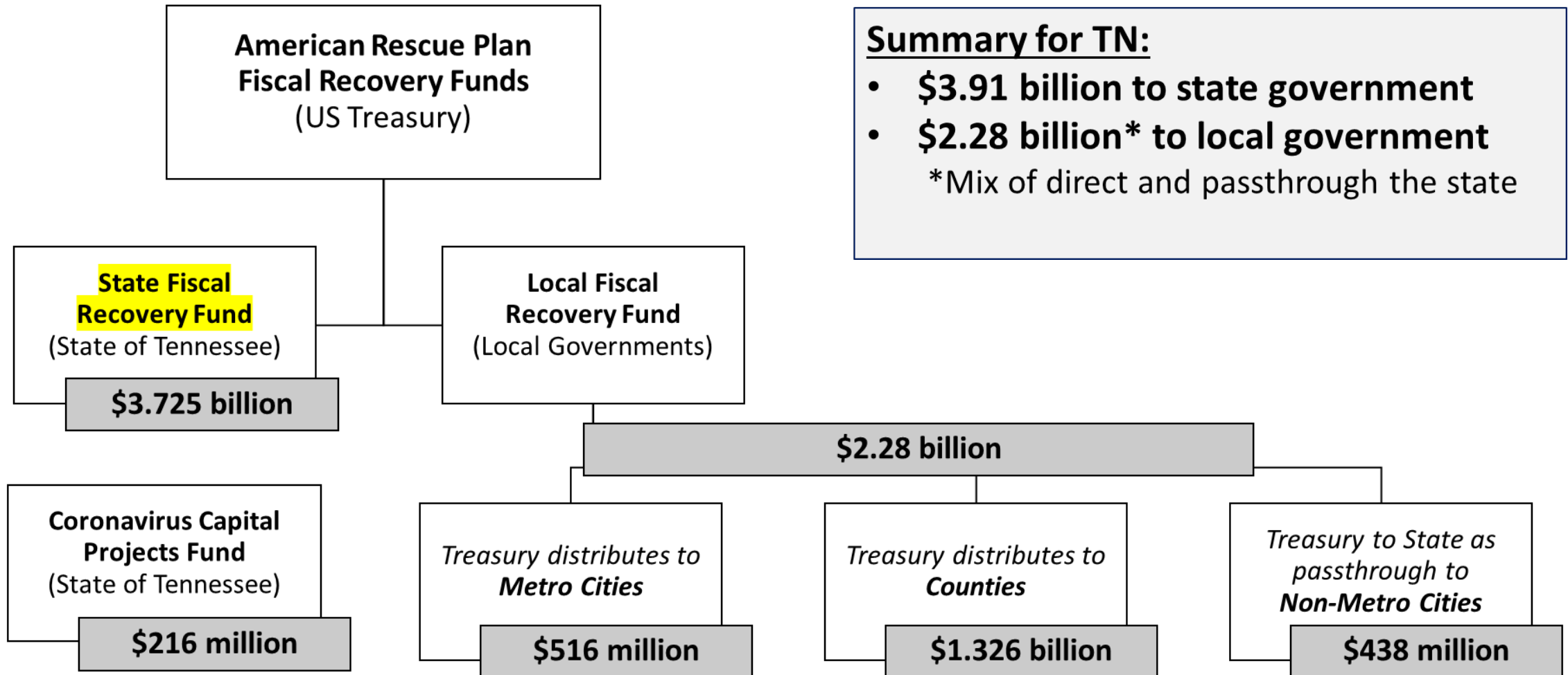
Final Rule anticipated Late Fall 2021

This eligibility applies to local ARP dollars as well as state-administered ARP dollars

Framework for Infrastructure Investment Plan

- Encourage community collaboration to utilize their local ARP funds and other dollars in alignment with the State's Infrastructure Investment Plan and other State-led priorities
 - Leverage local financial resources through co-funding based on Ability To Pay Index, as well as other potential factors
- Provide all communities the opportunity to partner with the State to address critical infrastructure needs across the state
 - Ensure support and program access for systems with the greatest needs, including small systems
 - Non-competitive grant format that encourages cooperation between counties, locals, and utilities
- Ensure fiscally responsible investments
 - Emphasize comprehensive asset management
 - Encourage projects that will improve the financial sufficiency rating required for future SRF funding opportunities
- Coordinate with partner agencies and offices
 - ECD, Comptroller's Office, F&A, Governor's Office, Financial Stimulus Accountability Group (FSAG)
- Informed by engagement with stakeholders, including the Water Infrastructure Advisory Committee

ARP State and Local Funding for TN



Proposed Approach to Funds Disbursement

Proposed Disbursement Strategies - **\$1.35 billion total**

- Non-Competitive Formula-Based Grants (**\$1 billion**)
- State Strategic Projects (**\$350 million**)
- Competitive Grants with Leftover Dollars (**TBD**)

Priorities Emphasized

- Comprehensive asset management planning
- Water loss and infiltration/inflow reductions
- Water quality
- Optimization and modernization
- Replacement of lead service lines
- Managing stormwater and green infrastructure
- Consolidation and regionalization
- Managing risk and building resilience to multiple hazards
- Enhancing service to underserved communities
- Partnership and collaboration
- Fiscal sustainability



Approach to Funds Disbursement

Non-Competitive Formula-Based Grants + State Strategic Projects + Competitive Grants

- **Formula-Based, Noncompetitive Grants**
 - Provide funding for eligible projects that meet minimum requirements, subject to availability of funds and TDEC approval
 - Encourage cooperation between counties, locals, and utilities. *TDEC will release a best practices guide to support collaboration between stakeholders.*
 - Empower local communities or utilities to select projects, with guidance from TDEC
 - Each county eligible to receive a base allocation plus a portion of monies based on county population for water infrastructure projects in their county
 - TDEC published proposed allocations for each county in October as part of its draft investment plan
 - Sliding scale for co-funding requirements based on Ability to Pay Index and other considerations

Potential Approach to Funds Disbursement

Non-Competitive Formula-Based Grants + State Strategic Projects + Competitive Grants

- Potential State Strategic Projects
 - Infrastructure Scorecards for All Utilities (confirmed)
 - Funding for Select Community Development Block Grant and Infrastructure Planning Grants
 - Non-Competitive Grant Program Project and Proposal Development Support for Small and Disadvantaged Communities
 - New SRF Loan Incentive
 - State Agency Priority Projects (including General Services projects)
 - Industrial Site Development Projects
 - Major Regional Water Supply Projects
 - Statewide IT/GIS Project
 - Education and Workforce Development Projects
- Competitive Grants
 - Funded by unused noncompetitive grant allocations and remaining funds from state strategic projects
 - Supports innovative approaches to enhancing water/wastewater infrastructure and implementation of best practices

Anticipated Timeline



Present *proposed* framework for water/wastewater infrastructure investment plan to Financial Stimulus Accountability Group (FSAG)
August 4, 2021

Close comment period and initiate revision of *draft* water/wastewater infrastructure investment plan
November 2021

Publish *final* water/wastewater infrastructure investment plan
Late Fall 2021

Open process for non-competitive grant letter of acceptance and project proposals
January 2022



Publish *draft* water/wastewater infrastructure investment plan, open comment period
October 2021

Anticipate release of U.S. Treasury ARP Final Rule
Late Fall 2021

Engage in outreach to ensure communities are aware of funding approach, eligibility, requirements, and other critical elements
Fall 2021-Spring 2022

We are looking forward to feedback received during the draft plan public comment period



Infrastructure Scorecard

<https://www.tn.gov/environment/program-areas/wr-water-resources/srpf/srf-home/resources-and-technical-assistance/tn-infrastructure-scorecard.html>

Version 2.0 coming November 2021

ASSET MANAGEMENT		SYSTEM INFORMATION SHEET		WASTEWATER TREATMENT PLANT	
Facility Name:	NPDES/PWSID:	Facility Name: Permit Number:		Type of wastewater treatment plant facility	
I. Asset Management Overview*		Does your facility have any significant non-compliance issues?		Age of wastewater treatment plant facility	
Does your utility have an asset management plan (AMP)?	SELECT	No		SELECT	
Is your asset management plan in a accessible format?	SELECT	If yes, are the SNC's* reoccurring?		Facility Hydraulic Design Capacity, MGD	
When is your asset management plan updated?	SELECT	SELECT		COLLECTION SYSTEM	
II. Current State of Utility Assets*		Is your facility under a State mandated compliance order?		Type of collection system	
Does your utility have an inventory of assets?	SELECT	SELECT		Age of collection system in total years	
Does your utility have assets mapped digitally using GIS or other technology?	SELECT	Does your collection system have current GIS* mapping ?		SELECT	
If your system is mapped, is it linked to your AMP inventory?	SELECT	SELECT		Number of sanitary sewer connections	
III. Level of Service*		Does your collection have an ongoing CMOM* program?		Number of commercial & industrial sewer connections	
Does your utility meet current regulatory requirements?	SELECT	SELECT		Total system miles of line	
Does your utility have clear goals that meet customer expectations?	SELECT	Is your collection system actively addressing current I/I issues?		Total system number of lift stations	
How does your utility system communicate with the customer?	SELECT	SELECT		Total system number of manholes	
IV. Critical Assets and Sustainability*		Does your facility/system have any scheduled plans for upgrades?		KEY TERMS	
Does your utility assess the probability of failure for inventoried assets?	SELECT	Yes		SNC: Significant-Non Compliance	
Does your utility understand the consequences of individual asset failures?	SELECT	WASTEWATER I/I ASSESSMENT TOOL		CMOM: Capacity, Management, Operation, and Maintenance	
Does the utility rank assets based on probability and consequence of failure?	SELECT	Average Daily Dry Weather Flow (ADDWF): What is the lowest 7-day consecutive flow your facility has experienced within the last year in MGD? (7 consecutive day low flow average.)		MGD	
V. Life Cycle Costs*		Average Daily Flow (ADF): Calculate the influent average daily flow based on the most recent 12 month or annual basis. (Make sure the year for your ADF calculation is the same year for your ADDWF calculation.)		MGD	
Does your utility use system knowledge to be proactive in O and M and replacement issues?	SELECT	Average Daily I/I Rate (aO/I)		MGD	
Does your utility consider life cycle costs when making infrastructure investment decisions?*	SELECT				
Does business risk drive investment in assets?	SELECT				
FOOTNOTES INDICATED BY ASTRICK (*) LISTED BELOW					

*I: It is recommended that a utility system have an asset management plan, the AMP is updated regularly, and is accessible and a and other relevant local officials.

*II: It is recommended a utility system have an inventory of all assets, the inventory is updated regularly, and updated maps of as



Next Steps for Early Collaboration

- Water, Sewer and Stormwater Systems
 - Data Gathering
 - inputs to the TN IS
 - existing project lists and associated cost estimates
 - sources of potential co-funding
 - Communication and Outreach
 - Review TN Investment Plan, comment, ask questions
- Counties
 - Data Gathering
 - Identify and contact utilities and municipalities that own or operate a water, wastewater, or stormwater system within the county
 - Understand system timeline for completing TN IS and any high priority projects
 - Communication and Outreach
 - Meet with County Commission, gauge interest in regional solutions
 - Review TN Investment Plan, comment, ask questions
 - Planning activities are an allowable expense of grant dollars under Treasury's Interim Final Rule
- 3rd Party Partners, Development Districts, Consultants, Contractors
 - Review TN Investment Plan, comment, ask questions
 - Speak with existing clients to understand their interest in leveraging ARP funds for water infrastructure

Want to Stay Involved?

- Website: <https://www.tn.gov/environment/arp>
 - Draft Infrastructure Investment Plan **is available online** with a public comment period open until **October 29, 2021**
 - Check the website regularly for updates
 - Inform relevant stakeholders when the plan is released and encourage submitting comments
- Email: TDEC.ARP@tn.gov
 - Email questions about the investment plan
 - Sign up for our email distribution list

Communications, Education, & Outreach

- Coordinating communication with ECD and F&A
- Communications Office, Office of External Affairs, Legislative Liaisons
- Talking points and standard presentations
- Planning robust outreach campaign, participating in forums and speaking engagements
- Participated in F&A Local Government Technical Assistance Program

TN Program Areas Permitting Public Participation About Contact Calendar of Events COVID-19

American Rescue Plan

The Tennessee Department of Environment and Conservation (TDEC) is charged with administering the water, wastewater, and stormwater infrastructure component of the State of Tennessee's allocation of American Rescue Plan (ARP) Act funds. Tennessee's [Financial Stimulus Accountability Group](#) dedicated \$1.35 billion of Tennessee's Fiscal Recovery Funds from ARP for this purpose. Of the \$1.35 billion, approximately \$1 billion will be awarded in the form of non-competitive grants to communities for eligible infrastructure projects as part of the Tennessee Water Infrastructure Investment Program. This website houses information, resources, and assistance to utilities pertaining to water, wastewater, and stormwater infrastructure funding with ARP funds. The Tennessee Department of Finance & Administration houses general information about [coronavirus fiscal recovery funds](#).

Water & Wastewater Infrastructure

TN Department of Environment & Conservation

About ARP

TDEC's Funding Plan

Qualifying Water, Wastewater & Stormwater Projects



THANK YOU

Appendix

American Rescue Plan – Statutory Limitations

**FISCAL RECOVERY FUND
(\$3.725 BILLION for TN)**

**COVID-19
Health Costs**

This would cover any direct costs of responding to the public health components of the pandemic.

Economic Relief

Treasury will define in regulation; Statute suggests that grants to affected businesses will be permitted.
This also allows “premium pay” wage subsidies to “essential workers.”

**Revenue
Replacement**

Statute defines this as a drop relative to FY19 revenues & unavailable to states with positive revenues.
This use is only vehicle to use ARP funds for general fund/operations.

**“Water, sewer or
broadband”
infrastructure**

Most specific use listed in statute. It does not include roads.
Treasury regulations spell out in more detail how such projects could be identified and funded.

**Coronavirus
Capital Projects Fund
(\$216 Million)**

Only available to states and is in addition to Fiscal Recovery Fund.
It is limited to “critical capital projects directly enabling work, education, and health monitoring, in response to the public health emergency”



Tennessee Resiliency Plan – August Recommendation

Category	Amount Recommended	Overall Percentage
Beginning Balance	\$3,725,832,113	-
1A. Infrastructure - Sewer and Water	\$1,350,000,000	36.24%
1B. Infrastructure – Broadband	\$500,000,000	13.4%
<hr/>		
<i>2. Local Govt Technical Support</i>	<i>\$1,875,832,113 (Costs to be confirmed and allocated in September)</i>	<i>51.36%</i>
<i>3. Eligible Health Capital Projects</i>		
<i>4. Public Health</i>		
<i>5. Economic Relief</i>		

Operationalizing via State-Local Collaboration

**Specific to State Allocated ARP dollars towards water and wastewater infrastructure*

- Potential State roles
 - Program design and administration, including defining eligible project types and priority areas (TDEC)
 - Connecting and convening potential collaborators (TDEC, ECD, Comptroller, others)
 - Review/approval of State ARP funded projects (TDEC, WIAC)
 - Technical assistance where resources available (TDEC, ECD, others)
 - Plans review and permitting (TDEC)
 - Sub-recipient monitoring and some project management (TDEC, F&A, contractor)
 - Report out on impacts (TDEC and F&A)
- Potential Local roles (counties, municipalities, and/or utilities and their contractors)
 - Identification of projects
 - Identification of source of funds for match
 - Identification of potential local collaborators
 - Execution of projects, including some project management

Local Support Program – Timeline

SEPTEMBER 2021 (Phase 1 - Local Government Engagement)

Sep 1 - 15	Release schedule for 8-week training program for local government officials
	Release local government ARPA spend plan template (after Treasury Interim Rule becomes Final.)
Sep 15 - 30	Perform ongoing communication with local governments to encourage participation in assistance program and training (In coordination with MTAS, CTAS, and other local government associations)

OCTOBER - DECEMBER 2021 (Phase 2 - Local Government Training)

Oct 1 - Dec 31	Complete 8-week training program with local government officials
	Release monthly updates on Treasury guidance and local government assistance program
	Hold monthly call with public to solicit questions
	Launch local outreach process with ECD and TDEC to educate locals on the infrastructure grants process and affirmative steps necessary to participate.

JANUARY 2022 - JUNE 2022 (Phase 3 - Local Government Annual Plan Review)

Jan 4	Open portal for submission of local government annual ARP spend plans for state review
Jan 4 - Apr 30	Perform review of local plans and provide feedback and guidance to local governments in response
May 1 - June 30	Locals can integrate local government spend plans into local government budgets to be submitted and approved by the Comptroller.



Department of
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Division of Water Resources Updates

Jennifer Dodd – Director – Division of Water Resources

DWR Updates

- Lead and Copper
- PFAS
- Construction General Permit (CGP)
- Megasite
- Staffing

Any Old Business?

Thank you for joining us.
Any questions, please direct to
Drake.Smarch@tn.gov