

## **TDEC ARP Non-Competitive Grant: Guidelines for Transferring State Allocations**

The Tennessee Department of Environment and Conservation (TDEC) is currently administering the non-competitive water infrastructure grant funded by the State's American Rescue Plan (ARP) allocation. All eligible entities (all counties and cities that are incorporated and that own or operate drinking water or wastewater facilities, or are a permitted municipal separate stormwater system (MS4)) are eligible to apply for non-competitive grant funds and access the funding allocations described in the [Water Infrastructure Investment Plan](#). TDEC allows eligible entities to transfer their non-competitive allocation to another eligible entity with sufficient documentation. TDEC generally discourages the transfer of State ARP allocations to communities or counties outside of the county in which the funds were originally designated. **Transfer of State ARP allocations from one eligible entity to another cannot be used as a source of co-funding. Co-funding requirements are applied to the total amount of State ARP funding requested for a proposal.**

By submission of a grant proposal, the transferor must provide:

1. A **letter from each transferor and transferee** stating:
  - a) The total amount of State ARP funds allocated to the eligible city or county;
  - b) The amount of State ARP funds that will be transferred;
  - c) The name of the eligible entity(ies) receiving the transfer;
  - d) The effective date of the transfer (date the resolution or motions passed); and
  - e) How the transfer was passed (resolution or motion).

The letters must be written on official letterhead and signed by the legal signatory authorities of each entity (mayor or city or county attorney) releasing and receiving State ARP funds. If the city or county is distributing funds to more than one entity, it should create a table listing all the information above for each transfer.

2. A **resolution** that is passed by a majority of the elected body (city council, county commission, etc.) **or meeting minutes** in which a motion was made and passed by the elected legislative body for the transfer of State ARP funds. The resolution must contain:
  - a) The date of the meeting;
  - b) The amount of State ARP funds that will be transferred; and
  - c) The eligible entity(ies) receiving the transfer; and

The resolution must be passed by the city or county transferring State ARP funds. An example resolution is found on Page 2 of this document.

Meeting minutes are an allowable substitution for a resolution if those minutes are part of the official record for the city or county.

The letter and resolution or meeting minutes should be sent to [Vena.L.Jones@tn.gov](mailto:Vena.L.Jones@tn.gov) and [TDEC.ARP@tn.gov](mailto:TDEC.ARP@tn.gov). The documents must also be uploaded as a part of any non-competitive grant application submitted by either entity transferring or receiving funds. A copy should be sent to the community receiving the transfer such that the community can provide the documents as part of their grant application. Documents may also be sent to:

Division of Water Resources  
State Water Infrastructure Grants  
William R. Snodgrass Building, 12<sup>th</sup> Floor  
312 Rosa Park Blvd

Nashville, TN 37243

**RESOLUTION No. \_\_\_\_\_**

**WHEREAS**, funds have been authorized and appropriated by the federal American Rescue Plan Act (ARP) to be used for eligible drinking water, wastewater, or stormwater projects. The Tennessee Department of Environment and Conservation (TDEC) has been designated to administer these funds; and

**WHEREAS**, ARP guidelines stipulate that “Project Owners are those entities that may execute projects. Project owners must operate a drinking water or wastewater system or a permitted stormwater system or execute a project on behalf of a drinking water or wastewater system or a permitted stormwater system”; and

**WHEREAS**, [Transferor **City or County**] does not own and operate a water and/or wastewater system; and **WHEREAS**, the [Transferee **City or County**] owns and operates water and wastewater systems that provide water and wastewater services to [Transferor **City or County**]; and

**WHEREAS**, [Transferor **City or County**] desires to transfer its state designated ARP allocation to the [Transferee **City or County**] to be used for needed improvements to the [Transferee **City or County**] Water and Wastewater utilities for the benefit of citizens of [Transferor **City or County**] and [Transferee **City or County**].

**NOW, THEREFORE, BE IT RESOLVED, by the [Transferor City or County elected legislative body], THAT**

(1) The [Transferor **City or County**] allocation of [\$] amount be transferred to the [Transferee **City or County**] to be used for water and wastewater system improvements as allowed by the TDEC ARP grant guidelines.

(2) By making this transfer, [Transferor **City or County**] is absolved of the responsibility of the application process; administration; reporting; or contractual agreements with engineers, contractors, administrators, and any other parties necessary to carry out the program.

**PASSED AND SO ORDERED THIS \_\_\_\_\_ DAY OF [Month], [Year].**

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
County Clerk