



Non-Competitive Grant Implementation and Procurement Frequently Asked Questions (FAQs)

State Water Infrastructure Grant Program:
American Rescue Plan

Tennessee Department of Environment & Conservation | Updated October 2023



Table of Contents

Non-Competitive Grant Application Review Process	3
Grant Contract and Deliverables	4
Procurement	8
Oversight.....	22
Reimbursement.....	25
Other	30
Appendix A. Definitions	32
Appendix B. Acronym List	34

Non-Competitive Grant Application Review Process

1. What are the major program deadlines?

TDEC is required by the federal government to spend all funds by December 31, 2026, and thus has set all TDEC ARP grant contract deadlines as September 30, 2026 to allow time for TDEC to ensure it meets all federal requirements. Specific costs or activities that continue beyond the grant contract end date of September 30, 2026 will not be reimbursed. All funds must be obligated by December 31, 2024; you cannot adjust project budgets after this date. Ideally, all project work is complete, and all costs are incurred by June 30, 2026, to ensure TDEC will receive reimbursement requests by the September 30, 2026 deadline.

2. What is a risk assessment?

A risk assessment is a tool used to assess a grantee's control weaknesses or gaps that may increase the risk of non-compliance with federal, state, and local rules and regulations that govern federal funding. A risk assessment will assess the grantee's financial stability, management systems and standards, history of performance, audit reports and findings, ability to implement requirements of the Grant Terms and Conditions, and suspension and debarment compliance. The risk assessment is **not** an audit; it is both a federal requirement and a strategy for the application review team to identify and focus efforts on applicants that need the most support.

3. What information is included in a risk assessment to determine the grantee's level of risk?

When a risk assessment is conducted, the grantee's financial details, staff experience, and history of operating similar grants is reviewed. The risk assessment process includes phone calls with the grantee, confirming they have an active SAM.gov account depicting no debarment, and reviewing prior single audits. The goal is to understand what controls the grantee has in place to mitigate risks. This information is used to evaluate the grantee on a scale of high, medium, or low risk. This distinction will inform TDEC's level of oversight and review, therefore impacting the frequency of site inspections, documentation reviews, etc. Importantly, the risk assessment will not delay the reimbursement process, but rather help to highlight which projects require additional assistance and resources.

4. If a utility is receiving funds through a county, what is the utility considered (grantee, project owners, etc.)?

The **grantee** is the **application owner**, which is the entity on the contract with TDEC (in this example, the county). Utilities and collaborative cities and counties are considered **teaming partners** and if delegated as such, **can also be considered project owners**. If a utility or collaborative city/county is designated as a project owner, roles and responsibilities should be clearly defined and documented. The **contractor** is the party hired to do the work, not necessarily the entity receiving funds from the grantees. Please note, it is the application owner's responsibility to ensure all parties, including the teaming partners, follow the procurement process correctly.

Grant Contract and Deliverables

1. What actions can be taken before the grant application is approved and contracted?

As the grant contract is backdated to March 3, 2021, entities can begin projects prior to an approved application and executed grant contract, if projects have been deemed eligible. In this circumstance, entities may initiate procurement reviews while waiting to be under contract by emailing TDEC.ARP@tn.gov.

2. Can the grant contract be changed?

The grant contract cannot be amended or modified. As a templated contract, an amendment to a grantee's contract would require every other grant contract issued to apply the same edits. TDEC received approval for this contract and is legally required to maintain the current templated version.

3. Can the budget included in the initial application be changed?

The budget included in application at the time of application approval will be the same budget that is included in the grant contract. The grantee may vary from a grant budget line-item amount by up to 20% of the line-item amount, provided that any increase is offset by an equal reduction of other line-item amount(s) such that the net result of variances

shall not increase the total grant contract amount detailed by the grant budget. If a variance exists greater than 20%, please contact TDEC immediately to discuss. It is important to monitor the budget versus actual expenses throughout the life of the grant, as there will be no increases in the grant budget. If projects exceed the grant budget, grantees should pursue funding from other sources or other financial assistance to complete the scope of work by the contract end date of September 30, 2026.

4. Can the project schedule be changed?

The grantee may submit to TDEC's State Water Infrastructure Grants (SWIG) team a written request to amend an individual project schedule, which the State may, but is not required to, approve. The written request to amend the individual project schedule must be submitted to the State no less than 60 days prior to the earliest milestone to be amended. Failure to adhere to the project schedule established or secure an amended project schedule from the State will constitute a breach of the grant contract and may result in loss of all or part of the grant award. Regardless of any changes, all contract project schedule amendments must end by September 30, 2026.

5. What happens if projects are delayed or become underbudgeted (due to nationwide shortages, inflation, etc.)?

The 2026 deadline can only be changed by Congress. If the project deadline is not going to be met, funding may be able to be shifted to other projects, or the project redefined to change the deadline or end-state deliverables. To ensure all allocated funds are utilized, TDEC can assist in identifying projects that are program eligible and meet critical needs. Funds cannot be transferred from a critical needs project to a project that does not address critical needs, but it is possible to transfer funding between projects that address the required critical needs identified by the scorecard. Please reach out to the TDEC.ARP@tn.gov with concerns, as all funds must be obligated by December 31, 2024, and changes cannot be made after that point.

6. If a grantee has multiple partner entities/utilities under the program, should there be separate agreements in place with each entity?

The required grant agreement contract is between the State and the county/city as the grantee. It is recommended that the grantee have a Memorandum of Understanding or other similar agreement with its partner entities/utilities, but it is up to the local decision of that county/city how it chooses to structure those agreements. It is also recommended that the grantee mirror the grant agreement contract and hold each partner entity to the same standards, as the State will hold the grantee responsible for meeting all requirements associated with ARP funding. However, TDEC is not dictating what those agreements should look like due to the variance in communities and partnerships across this program.

7. What deliverables are required for the project(s)?

Please review the TDEC ARP [Implementation Guide](#) on the [TDEC ARP website](#) to review what deliverables are required based on the project type and water infrastructure type.

8. Does an Asset Management Plan (AMP) need to be completed for each of the water infrastructure systems included in the application?

Yes, the grantee must provide verification of a complete and comprehensive AMP for each water infrastructure system in the proposal, based on the schedule in the approved application. Please review the [AMP Guide](#) on the TDEC ARP website. If an existing AMP is in a different format than the AMP Guidance, it may be acceptable if it covers all the required information. Please consult with the TDEC SWIG team to confirm the existing AMP meets the minimum requirements for the TDEC ARP program.

9. Does the Asset Management Plan need to be submitted before any project approval?

No, the deadline to submit the AMP is September 30, 2026. Delaying AMP submission will not delay any projects, however, only 90% of the total available reimbursement may be accessible until the AMP is submitted.

10. Does another Tennessee Infrastructure Scorecard need to be completed after application approval?

Yes. Grantees must complete a final scorecard and provide the scorecard summary for review and approval according to the approved individual project schedule for each water infrastructure system executing a project under this the grant contract. The scorecard summary should be finalized after all projects are completed, and before construction and/or grant contract close-out. The final scorecard(s) shall include three years of data from audited financial statements and demonstrate that a minimum of two critical needs were addressed to the standard or threshold set in the critical needs matrix. If at least two critical needs were not fully addressed, the grantee shall provide a justification for any critical needs not resolved.

11. If a project has already been completed, are all the grant deliverables still required? For example, if a construction project is already underway, is a Preliminary Engineering Report necessary?

Yes. Grantees must provide the required deliverables for the project type. Many of the required deliverables (i.e., the Asset Management Plan) are designed to align with the requirements in other grant programs. If a deliverable exists in a different format but contains the required information, please contact TDEC.ARP@tn.gov, and the TDEC SWIG team will check to ensure that existing document is suitable. For example, it may be acceptable to use an existing AMP in a different format than the guidance, or to use a Facilities Plan developed for SRF as a substitute for a Preliminary Engineering Report. A PER is required for all projects except for construction only projects. Construction only projects in the planning, design, and construction project award type are not required to submit a PER.

12. Is a Facilities Plan required as a deliverable to utilize ARP funds?

For relevant project award types, Facilities Plans (FP) are an eligible document to substitute the required Preliminary Engineering Report (PER). In some cases, project owners and applicants may develop an FP. FPs are associated with State Revolving Fund (SRF) loan projects. If project owners are leveraging SRF loans with ARP grant dollars, an FP is an acceptable alternative to the PER. PERs and FPs should be uploaded both to MyTDEC Forms and in the GMS under the Deliverables activity. An FP is not required in addition to a PER.

The intent is to allow grantees the flexibility to utilize deliverables that may have been created for other programs.

13. If one water infrastructure system has multiple projects, is a separate PER required for each project, or can there be one consolidated PER that captures all of the projects?

One PER can cover several phases of a common planned development process. Additionally, as referenced in question 12, one PER can be acceptable across funding programs related to the same project. The consolidated PER cannot cross water categories, such as drinking water and wastewater.

14. Will there be a required format for developing Critical Needs Plans, similar to the Asset Management Plan Guidance?

Details on what is required to be in a Critical Needs Plan are located in the [Implementation Guide](#), but a specific format is not required. The intent is to not overburden disadvantaged systems with a multitude of requirements.

15. Are Critical Needs Plans required for stormwater projects?

The two deliverables required to address critical needs for stormwater projects are 1) the Stormwater Management Plan and 2) the storm-sewer wide digital map. The formal Critical Needs Plan deliverable required for wastewater and drinking water projects are not required for MS4s.

16. Does construction need to start by a specific time?

The actual construction start date shall occur no later than 120 days after the bid package has been approved by the State. For additional information about project deliverables, refer to the [Implementation Guide](#).

Procurement

1. For a collaborative project with multiple entities, is the grantee responsible for managing all procurement?

The grantee will be responsible for all procurements in which they are the owner of the water infrastructure system. When the grantee is not the project owner, the project owner should manage the procurement with the grantee assisting to ensure proper procurement procedures are followed. The grantee is ultimately responsible for ensuring proper procurement for activities in the contract, as that is the entity that has an agreement with TDEC. All procurements, regardless of managing party, are required to adhere to the standards described in [2 CFR 200.318 – 200.327](#), as well as the [Tennessee Procurement Procedures Manual](#) and other applicable state and local policies.

2. Will TDEC provide a standard bid package?

TDEC will not be providing a standard bid package. However, the TDEC SWIG team is available to review any bid package prior to posting. TDEC will provide sample bid packages for Engineering Services, Professional Services, and Construction Services (Sealed Bid Solicitations), as appendices to the [Implementation Guide](#), to help guide grantees on how to solicit bids from potential vendors. A pre-bid review is strongly recommended for projects that have not been procured. The pre-bid review will examine local purchasing/procurement policies, review the Request for Quote (or Bid or Proposal), and review the requirements of the procurement and the supplemental conditions. The pre-bid review will assist with making the approval of procurements more efficient and streamlined. A pre-bid review can be requested in the procurement activity in GMS.

3. What are the general procurement rules?

For this grant, procurement should follow federal [Uniform Guidance](#), Tennessee's Central Procurement Office code, or potentially local procurement policies, when appropriate. Generally, the procurement rules are in place to ensure that the decisions to acquire goods and services are done in a manner that encourage full and open competition according to the Procurement Standards detailed in 2 CFR 200 Subpart D. With few exceptions, procurements shall be made on a competitive basis, including the use of competitive bidding procedures. Determination of the appropriate policy to adhere to should be made

based on which guidance provides for the most stringent practices. Local procurement practices will be allowed provided they are also compliant with [Uniform Guidance 2 C.F.R. Part 200](#) and specifically in compliance with the Procurement Standards detailed in 2 C.F.R. §§ 200.318—200.327. If local and federal policy requirements do not align, you must follow whichever policy has the stricter standards.

If an acquisition or service is only provided by one vendor or there is an appropriate explanation, a non-competitive selection may be made, but it must be approved by TDEC and documented with a memorandum. The grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this grant contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement.

Any activities using federal money are subject to federal rules. If a grantee uses their match funds for project activities and does not seek federal reimbursement for those goods/services, then the grantee may use their local/state procurement rules. If the grantee does seek reimbursement for those funds, then those goods/services must be procured utilizing federal rules.

4. Are the guidelines for procurement the same for all purchases?

No. Procurement guidelines vary depending on the dollar amount size of the contract and type of service or good to be acquired. Procurement guidelines are different for micro purchases (those less than \$10,000), small purchases (those greater than \$10,000 but less than \$50,000), and sealed bids (those greater than \$50,000).

For purchases less than \$10,000, neither solicitation nor quotes are required, whereas for purchases between \$10,000 and \$50,000 quotes at a minimum are required. For purchases greater than \$50,000, full procurement procedures as described in [2 CFR 200 Subpart D](#), are required. The only exception is when your local policy requires a full procurement at a threshold lower than \$50,000.

Procurement guidelines are different for professional/engineering services versus construction, as professional and engineering services are awarded based on qualifications

and quality of work. For construction procurements, the expectation is that the project is awarded to the lowest bidder. If it is not, a justification must be provided as to why a higher bidder is a more responsive and appropriate vendor to award.

Lastly, the portion(s) of a project that is not covered by ARP SLFRF funding (i.e., co-funding) should follow the rules, regulations, and requirements of those funding sources.

5. How are procurement requirements different between professional services, engineering services, and contractor/construction vendors?

Procurement for professional services is based on qualifying criteria and procurement for contractors is based on price; however, these are not the only determining factors for each. Professional services over the Simplified Acquisition Threshold, which for purposes of this program is \$50,000, must follow [Uniform Guidance](#) and be competitively bid.

Engineering services are considered professional services and also must comply with [Uniform Guidance](#), if being funded through this federal grant program. Engineering services may be awarded based on competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby offeror's qualifications are evaluated, and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. This method, where price is not used as a selection factor, is only appropriate for A/E services. This exclusion is not appropriate for professional services. Selecting a bidder for engineering/professional services must be qualifications-based (rather than price) in the State of Tennessee. This is more stringent than federal regulations, which allows consideration of price.

6. What needs to be completed before construction contracts are awarded?

Prior to awarding a construction contract, the grantee must submit a construction bid package to TDEC for review and approval in GMS. The notice to proceed may be issued by the grantee upon receipt of bid package approval and receiving an Authority-to-Award, unless TDEC requires a pre-construction conference (PCC) or any applicable permits are still pending issuance. If a PCC is required, the grantee shall work with the State to schedule the PCC within 30 days of bid package approval. The grantee shall submit to the State a copy of the signed construction contracts no later than 30 days after the bid package

approval or PCC if required. All contracts must be bound, fully executed, and submitted to the State along with the notice to proceed.

7. It is acceptable to select a contract proposal higher in cost if the services proposed by that contract are preferred?

Yes. Grantees are not required to select the proposer that is lowest in cost when selecting a vendor for professional services. Grantees are advised to select the best value while maintaining quality. However, if the lowest cost proposal is not selected, the evaluation committee should justify the selection of that contractor. Justification documentation should be included in the procurement file (i.e., a proposer does not have sufficient qualifications or does not address the full scope of work.)

8. What needs to be done about a procurement that has already happened?

Prior to reimbursement, all projects that are currently underway will be reviewed for compliance, eligibility, and proper procurement procedures. TDEC does not anticipate challenges as long as the grantee complied with expectations from federal [Uniform Guidance](#). Grantees should upload documentation of the procurement process in GMS. The grantee will need to provide documentation and receive approval of the procurement process for any Utility District or partner that procured services before application submittal.

9. How and where should procurement documentation be uploaded?

Grantees with approved applications may access the Procurement Activity within TDEC's Grants Management System. Grantees may upload documentation by adding a new procurement. The steps to do this are:

1. **Step 1:** Log in to GMS and Navigate to the My Applications pane.
2. **Step 2:** To begin a Procurement Activity, open the grant.
3. **Step 3:** Located on the grant page is a **Manage Procurements** tab. In the tab there is a **Projects** section, which is automatically populated with rows of projects that contain the individual project details from the grant. Select the necessary project from

the project list and then click **“Create Procurement”**. The **Procurement Activity** tab will open.

4. **Step 4:** Complete the information in the **Procurement Activity**

10. If a procurement has already been approved, does the process in GMS still need to be executed?

Grantees who uploaded procurement documentation on GMS prior to the system re-launch do not need to take any action. In addition, if you have already submitted procurement documentation via email to tdec.arp@tn.gov, our technical team is working to transfer your documentation to GMS. There is no action required on your part at this time.

11. What is required for sufficient bid advertisement?

As the entity responsible for the projects, the grantee must advertise the invitation for bid publicly (i.e., local newspaper.) In situations where there is not a local paper for widespread solicitations, website posting may be sufficient, but grantees must document the process. The minimum time frame for advertising bids is 14 calendar days, but grantees are strongly encouraged to advertise for 30 calendar days. Additionally, to meet the affirmative steps required by [2 C.F.R. 200.321](#), grantees must post bids on the [Go-DBE website](#).

12. Is it okay to send solicitations out via email to a list of vendors, rather than through paper advertisements?

TDEC would want to understand how the list of vendors was obtained and who the vendors are. Generally, grantees should be advertising for all procurements. If the advertised bid receives no responses, then invitations should be sent. If historically responses to bid advertisements are never received, then that may be sufficient justification not to advertise. Please work with the TDEC SWIG team to review any specific situations and to ensure the proper justification is documented.

13. Is posting on the Go-DBE website a requirement?

Yes. As of January 31, 2023, grantees shall post all purchases greater than \$50,000 on the [Go-DBE website](#) to ensure compliance with [2 C.F.R. 200.321](#). For projects that were already

past the bidding phase as of December 19, 2022, TDEC will review documentation to ensure compliance with the minimum requirements under federal [Uniform Guidance](#). Purchases less than \$50,000 are not required to be fully procured and only require an acceptable number of quotes to be obtained, thus are not required to be posted on Go-DBE. The acceptable number of quotes is generally three.

14. What are the consequences of only having one bidder on a project that posted for public notice?

If the advertisement is adequate and the procurement is structured so that many can apply, there should not be any consequences to having only one bidder. All procurement activities should be well-documented to demonstrate proper procurement processes were followed.

15. What if only one bidder is expected to respond due to location, scope, other circumstances, etc.? Do all of procurement requirements still apply?

Yes. Grantees must follow all requirements and provide documentation to demonstrate proper procurement processes were followed.

16. Can a sole source be awarded if a grantee needs to purchase specific equipment that only one vendor provides?

Generally, sole sourcing is **not** allowed. There are exceptions for specific circumstances in which non-competitive procurement procedures are appropriate. The burden of proof for sole sourcing is high and requires strong documentation to provide proper justification. Non-competitive procurement can only be awarded if one or more of the following circumstances apply:

1. The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (\$10,000);
2. The item is available only from a single source;
3. The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;

4. The Federal awarding agency or pass-through entity expressly authorizes a non-competitive procurement in response to a written request from the non-Federal entity; or
5. After solicitation of a number of sources, competition is determined inadequate.

Generally, it is recommended that grantees still advertise bids so they can provide documentation to the federal government that no other vendors can provide the equipment. If a grantee believes they have a circumstance to justify sole sourcing, please contact TDEC.ARP@tn.gov as soon as possible to discuss.

17. If a grantee has multiple engineering projects within one county, can one procurement be conducted for all projects?

TDEC will need to review and understand the situation. If the projects are all very similar, then this may be acceptable. In that case, if it is one procurement with seven different projects, TDEC would only need to review that procurement once. However, reporting in GMS must be done at the project level. U.S. Treasury is requiring recipients to report project by project for each budget line item. Grantees may take a proposal-level bid and submit it multiple times for each project. When requesting reimbursement in GMS, there will be a drop down to select the corresponding procurement ID for each project line item.

18. What are the SAM.gov requirements?

It is in the best interest of the awarding entity to perform a search of [SAM.gov](https://sam.gov) for any potential bidders before awarding the contract. This is to avoid the potential for costly clawbacks related to contracting with a federally debarred vendor. SAM registration is required for all selected vendors with a cost threshold greater than \$25,000. Engineers must be listed on [SAM.gov](https://sam.gov) for any costs to be reimbursed through the grant. Contractors that are leading the construction of projects are required to be registered on [SAM.gov](https://sam.gov); material suppliers are not.

19. What is the Simplified Acquisition Threshold (SAT)?

The federal SAT is \$250,000. Per federal guidance, grantees are required to follow the thresholds of the pass-through entity (i.e., TDEC/Tennessee) if those thresholds are stricter.

The State's requirement to bid is \$50,000, which is the threshold that should be followed to determine if a full procurement process is required. If local policy requires procurements for acquisitions less than \$50,000, grantees should follow the local policy, as that is considered normal procedure.

20. Will the use of BuyBoard be permitted for construction projects?

BuyBoards may be utilized, but it is **critical that the BuyBoard is compliant with [2 CFR 200](#)**. If sourcing services or acquiring goods off a BuyBoard, it is best practice to obtain multiple quotes from the BuyBoard to demonstrate due diligence. TDEC will need to review the initial procurement from a BuyBoard to ensure due diligence. If a preliminary review related to the BuyBoard is of interest, please initiate that request by emailing the BuyBoard information to TDEC.ARP@tn.gov. If procurements have been completed and are ready for review, please provide procurement documentation in GMS by completing a procurement activity.

21. Can a grantee prequalify contractors?

Yes. A grantee can prequalify vendors if the prequalification was conducted in accordance with federal guidelines.

22. When should cost estimates be calculated in relation to receiving bids?

Cost estimates of subcontracting should be calculated prior to receiving bids to ensure that the cost is reasonable.

23. Are unit price construction contracts allowed?

Unit price construction contracts are acceptable. However, the contract must include an overall total fixed cost, or a cap, and cannot be open ended.

24. A grantee needs to select large equipment during the design phase. How does the full and open competition requirement impact the equipment selection process?

[2 CFR 200.319\(a\)](#) requires that all procurement transactions for the acquisition of property or services required under a federal award must be conducted in a manner providing full and open competition. [2 CFR 200.319\(b\)](#) provides several situations considered to be restrictive of competition including specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement that could be construed to be restrictive. Consequently, the solicitation should focus on the specifications the equipment should meet and if a brand is identified in the solicitation, it should state the brand name and “or equal.” Noncompetitive procurement can only be awarded if one or more of the five circumstances in [2 CFR 200.320\(c\)](#) apply.

25. Can cooperative purchasing agreements be utilized if the agreement meets the federal requirements?

Yes, but only if the cooperative arrangement for acquiring goods or services meets the requirements in 2 C.F.R. Part 200 Subpart D (Procurement Standards of the Uniform Guidance). These agreements involve aggregating the demand of two or more entities in an effort to obtain a more economical purchase and may be beneficial to local governments, but they must include the required provisions and standards that are needed to comply with Uniform Guidance provided in 2 C.F.R Part 200.318 – 200.327. If you plan to utilize a cooperative purchasing agreement, please request a review of that agreement by contacting TDEC.ARP@tn.gov.

26. What certifications are required from contractors?

The full list of certifications can be found in the [Implementation Guide](#). Notable certifications include the Anti-Lobbying Certification and the Iran Divestment Act Certificate. If any contractors are missing these certifications, grantees will need to go back and have the contractors sign them.

27. If the project is less than \$10 million, does “baby” Davis Bacon apply?

If a project is less than \$10 million and solely funded with this grant (ARP State and Local Fiscal Recovery Funds), neither Davis Bacon nor “baby” Davis Bacon is applicable. Davis Bacon becomes applicable when more than \$10 million of SLFRF is utilized on a project or

when a project is co-funded with a funding source where Davis Bacon compliance is required. Davis Bacon is considered at the total costs of the project level, not the total grant award amount. The [Implementation Guide](#) provides information on the required data points.

28. Is it okay if the local bond requirement is different from TDEC's?

If the local bond requirement is higher than TDEC's, then it is okay. It may not be approvable if the local bond requirement is lower. Please reach out to TDEC.ARP@tn.gov to discuss.

29. Will proposed projects funded through the ARP program be required to comply with American Iron and Steel (AIS) and Build America, Buy America Act (BABAA)?

Per guidance from U.S. Treasury, the ARP SLFRF funded projects that are solely being funded with an SLFRF award are not subject to the Buy America Preference requirements. If other federal funding is being used to fund the project, it is recommended that those federal agencies are consulted for the applicability of BABAA. Regarding iron and steel, since Treasury notes that [2 CFR 200.322](#) is an applicable requirement, there is a **recommended** domestic preference given to material produced in the United States. This domestic preference does not raise to the level of requirement as the American Iron and Steel Act, but it states, "As appropriate and to the extent consistent with the law... to the greatest extent practicable". Below is an excerpt from [2 CFR 200.322](#) Domestic preference for procurements:

"As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award."

Lastly, below is suggested language to be included in a contract clause regarding domestic

preference:

“As appropriate, and to the extent consistent with law, the contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products.”

30. Are there any specific front-end documents required for bidding?

Specific requirements and templates for up-front documents are provided in the [ARP Implementation Guide](#). As it relates to ARP SLFRF and eligible water infrastructure projects, the U.S. Treasury determined in its Final Rule that Uniform Guidance [2 CFR Part 200](#) is the applicable compliance rule. U.S. Treasury has not specified, nor made mandatory any front-end bid documents. Therefore, non-federal entities must have, and use, documented procurement procedures consistent with State and local laws and regulations and the procurement standards in [2 CFR 200.318 through 200.327](#) [2 CFR 200.318(a)]. As a summary, documented procedures must include the following:

- Written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts [2 CFR 200.318(c)(1)].
- Procedures that avoid acquisition of unnecessary or duplicative items [2 CFR 200.318(d)].
- Procedures for the maintenance of records sufficient to detail the history of procurement [2 CFR 200.318(i)].
- A requirement that all procurement transactions for the acquisition of property or services under a Federal award be conducted in a manner providing full and open competition [2 CFR 200.319(a)].
- A requirement to use documented procurement procedures for informal (micro and small purchase procedures), formal (sealed bids and proposals) and non-competitive methods of procurement [2 CFR 200.320(a), (b), and (c), respectively].
- All necessary affirmative steps to be taken by the non-Federal entity to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible [2 CFR 200.321(a)].

- A requirement to perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications and to make independent estimates before receiving bids or proposals [2 CFR 200.324(a)].
- Specify bonding requirements for construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold [2 CFR 200.326].

Other key items to note:

- The State of Tennessee requires the Iran Divestment Act Certification when a bid is submitted. All bidders should provide this certification with their response.
- During the procurement process, all vendors should be reviewed in SAM.gov to ensure that no contracts are initiated with an entity that is debarred with the federal government. A certification from bidding vendors should be obtained to acknowledge a prospective vendors known debarment, suspension, and other matters.
- Grantees will also be required to obtain the Non-Boycott of Israel Certificate from its vendors.
- TDEC has also established a process to which grantees shall post solicitation opportunities, in the spirit of ensuring the affirmative steps required in 2 CFR 200.321. Applicants should post bids to [Go-DBE](#) in addition to posting the bid in a publication that is easily accessible to all bidders.

31. Is there a checklist of requirements for procurements?

While there is not a formal checklist, the following list includes documents required for procurement approval:

- **Existing procurement policies:** Procurement policy already in place for conducting procurement of goods and services under normal and/or emergency circumstances.
- **RFP/RFB/RFQ package:** Request for Proposal (RFP)/Request for Bid (RFB)/Request for Qualification (RFQ) and associated documents; when an entity needs to procure goods or services, this is the request that solicits the goods or services. RFQs or RFPs

are most associated with engineering and professional services. Generally, RFBs are specific to construction-related work.

- **Addenda/extensions issued:** When solicitations are adjusted or additional information provided to potential bidders, addendums are often required to be posted/issued. This should be a part of the procurement file.
- **Copies of correspondence with bidder:** Copies of the grantee's communication with the bidders (i.e., Q&As, any communication regarding pricing and terms, and any best and final offers (BAFO) requested).
- **Documentation regarding the posting of the solicitation:** For the procurement to be full and open, the solicitation must be made available to an adequate number of bidders. The solicitation should be advertised on the agency's website or in a newspaper and as described in this guide, on the [Go-DBE](#) website. The requirement of posting on the Go-DBE website is intended to ensure the affirmative steps of 2 CFR 200.321 are followed.
- **Independent cost estimate:** Grantees are required to prepare a cost estimate of the costs of goods or services before they receive the bids from the vendors to appropriately assess the reasonableness of the proposals received.
- **Certified bid tabulation and evaluation criteria:** Grantees must have a formal set of criteria in place to systematically score proposals received. The Bid Tabulation should calculate and document how the bidders were evaluated.
- **Copies of responses to the solicitation:** Entities must provide all proposals submitted as proof of multiple vendor responses.
- **Debarment documentation:** Any party that will be in receipt of ARP funding is required to be registered on SAM.gov and not debarred with no exceptions. A screenshot that represents a vendor's debarment status from SAM.gov is required to be included in the procurement package.
- **Award notification and rationale to award (if not awarded to lowest bidder):** If available, the notification to award memorandum should be included in the procurement package. If the bidder that is awarded the contract is not the lowest bidder, a justification stating the rationale to award should be included.

32. If a Utility District must buy land prior to building its water tank with grant funds, is there a specific process that must be followed for the "site

certification?" (The land will be paid for with Utility District funds and will be owned before construction for this project.)

As it pertains to federal requirements, and provided that Utility District funds will pay for the land acquisition, there are no federal grant terms and conditions associated with the purchase. If there are State requirements or codes and standards for building a water tank that include a certification of the site where the tank will be built, then the Utility District should follow those site certifications (i.e., a requirement to meet certain geotechnical and seismic standards.)

Oversight

1. What are the reporting requirements?

As requested, the grantee shall submit brief, periodic progress reports to TDEC SWIG. The grantee is required to submit an annual report within three months of the conclusion of each calendar year of the term. In the final year of the term, the grantee shall submit a final report that will take the place of the annual report. Annual and final report templates for the grantee to complete will be uploaded to the TDEC ARP website, or as an attachment to the grant contract. Additional information regarding reporting is in the [Implementation Guide](#).

The grant contract is subject to the Federal Funding Accountability and Transparency Act (FFATA). The grantee is responsible for reporting applicable FFATA requirements to the State, including reporting of total compensation of the grantee's executives.

2. Will grantees need to complete quarterly reporting in GMS?

The grantee is required to provide **annual** reports to TDEC. TDEC will utilize grantee information entered in GMS related to regular reimbursement activities to provide quarterly reporting to U.S. Treasury. For construction projects, quarterly progress reports are required to be submitted to the State. All Quarterly Progress Reports, Annual Reports, or requested Final Reports should include the following:

1. Grantee name

2. Grant contract's Edison identification number
3. Total grant funding amount spent-to-date
4. Partners, project owners, or other responsible parties
5. A narrative section, **by individual project**, that describes:
 - Individual project goals and outcomes, including whether the project addressed identified critical needs
 - Successes and setbacks
 - Defined Key Performance Indicators (KPIs) to determine progress
 - Construction start dates
 - Mid-point dates
 - Initiation of Operation dates
 - Close-out dates, if other than Initiation of Operations
 - Activities not completed
 - Any individual projects not started to date
 - Other relevant details requested by TDEC

3. What are the reporting requirements for TDEC?

TDEC is required to submit quarterly project and expenditure reports to U.S. Treasury. The annual reports will cover one calendar year and must be submitted to U.S. Treasury by April 30. Information and data points provided in GMS will be pulled to report to U.S. Treasury.

4. What mechanisms will be in place to ensure grantees are spending funds correctly?

TDEC will conduct routine grantee monitoring. Oversight mechanisms typically consist of evaluation of risks, reviewing reimbursement supporting documentation (i.e., invoices, receipts, proof of payment, etc.), and performing site inspections and desk reviews. TDEC will also review procurement procedures and respective supporting documentation to ensure alignment with [2 CFR 200 Subpart D](#).

5. What oversight is there for construction projects?

During project construction, qualified inspectors may conduct site inspections periodically to ensure the project complies with approved plans and specifications. For construction projects, quarterly progress reports are required to be submitted to the State. The State will conduct interim inspections to determine compliance with approved plans and specifications and grant contract compliance as appropriate. Frequency of oversight will be determined by the risks and controls that are identified through the risk assessment. Additionally, grantees must ensure that they secure all other required permits and inspections as needed, based on the project activities.

6. What are the expectations regarding site inspections?

Plan for three site inspections for each project: at the start, at the mid-point, and at close-out. When a construction start date is indicated in GMS, TDEC will schedule the site inspection. All staff conducting a site inspection will use the same simple, one-page-front-and-back form. A formal document will be provided at the conclusion of the site inspections with the recorded observations. TDEC is coordinating with Environmental Field Offices to determine further details about the site inspection process and anticipates releasing additional information in summer 2023. Additional information regarding site inspections is included in the [Implementation Guide](#).

7. If there is a large project with significant construction, but ARP funding is only used to purchase equipment, does the Construction Only project award type requirements apply?

No. Reporting and compliance requirements only apply to what the TDEC ARP funds are used to pay for. As stated in U.S. Treasury's ARP SLFRF FAQ, SLFRF funds may be used for a smaller component project that constitutes an eligible use, while using other funds for the remaining portions of the larger planned project that may not constitute an eligible use. In this case, the "project" for SLFRF purposes under this program would be only the eligible use component of the larger project. Information pertaining to the larger construction project may be needed for reporting purposes.

8. As a grantee, what specific laws must I comply with?

Grantees must comply with all laws outlined in the [SLFRF Award Terms and Conditions](#) that the recipients accepted in connection with their SLFRF award and all other applicable executive orders, federal statutes, and regulations in carrying out their SLFRF award. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available through the [Uniform Guidance Subparts A through F](#). This Grant shall also be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules.

The [Implementation Guide](#) provides the required and recommended federal contract provisions relevant for contracting purposes. Included in those provisions are:

- [Equal Opportunity 41 C.F.R. § 60-1.4 \(For federally funded construction contracts\)](#)
- [Davis-Bacon Act and Copeland Anti-Kickback Act 40 U.S.C. § 3141 et seq](#) and [18 U.S.C. § 874 et seq](#) (for individual projects over \$10M)
- [Contract Work Hours and Safety Standard Act 40 U.S.C. § 3701 et seq](#)
- [Clean Air Act and Federal Water Pollution Control Act 42 U.S.C. § 7401 et seq.](#) and [33 U.S.C § 1251 et seq.](#)
- [Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment](#)
- [2 C.F.R. 200.216](#) and [Public Law 115-232, Section 889](#), if applicable

Reimbursement

1. Can project costs incurred before the start of the contract be reimbursed?

Contracts are backdated to March 3, 2021, thus project costs incurred on or after March 3, 2021 are eligible for reimbursement.

2. Are grantees responsible for initial payment of costs incurred?

The first reimbursement submitted by a grantee only needs to include an invoice, purchase orders (or pay applications), and any relevant documents demonstrating costs incurred in compliance with contractual requirements. Proof of payment is not required for the initial reimbursement. The second reimbursement request will require a proof of payment for

invoice #1 and details for reimbursement requested for invoice #2. Each subsequent reimbursement request should follow this process. Proof of payment for any prior submissions must be on file and fully substantiate the previous payment before the next reimbursement will be approved. Please note that bridge loans or interim financing cannot be submitted for reimbursement.

3. How are invoices submitted?

Grantees that have approved project procurements in GMS are eligible to submit requests for reimbursements for costs incurred. Each grantee is responsible for receiving and approving invoices from partners, responsible parties, or other project owners for activities covered in the grant application. **Grantees can only request reimbursement once per month.** Therefore, grantees should work with partners, responsible parties, and other project owners on invoicing so that all invoices can be combined to a single monthly invoice and submitted to TDEC through GMS. Required documentation for reimbursement includes:

1. Invoice or pay application, broken out clearly by individual project and including a detailed description of the services provided.
2. Supporting documentation that substantiates the items included in the invoice to aid the reviewer in confirming the allowability, accuracy and reasonableness of costs claimed.
 - For construction projects: This should include a schedule of values and/or progress estimate along with project schedules, subcontractor invoices, progress or inspection reports.
 - For lump sum projects that don't typically require a purchase order or invoice back up please provide the following:
 - Drawings or daily job and/or inspection reports for that project specific scope of work. If possible, the report should indicate the respective scope of work, equipment used and number of people in the crew.
 - Alternatively, the basis of bid for the specific scope of work should be submitted.
 - For Grant Administration, Engineering or other costs: This should include time summaries and subcontractor invoices where relevant.

3. Any required deliverables stated in the grant proposal.
4. Proof of payment consisting of cleared checks including both front and back of check showing endorsement, or alternate supporting documentation indicating the check or wire transfer has cleared (i.e. Bank Statement).
 - The first reimbursement may only include an invoice and the details listed above; the second reimbursement request will require proof of payment for invoice #1 and details for reimbursement requested for invoice #2. Each subsequent reimbursement request should follow this process. Proof of payment for any prior submissions must be on file and fully substantiate the previous payment before the next reimbursement will be approved.
5. For construction contracts, proof of retainage compliance. Per Tennessee code, construction contracts may provide for the withholding of retainage; provided, however, that the retainage amount may not exceed five percent (5%) of the amount of the contract. If retainage is required by local policy for a cost claimed for reimbursement, the Grantee must demonstrate that the retainage requirements have been met by providing the following:
 - With the first reimbursement request for a project, documented proof of the retainage account including the account number, institution and balance
 - In subsequent reimbursement requests, documented proof that retainage was deposited into the established retainage bank account.
 - Upon the final payment requested from the Grantee, documented proof that all retainage has been released to its contractors for the project.
6. Change orders or amendments not included in the original procurement review.

Further invoice requirement details can be found in the TDEC ARP non-competitive grant contract.

4. How are reimbursement funds delivered?

Reimbursement funds are delivered to the grantee through direct deposit via the ACH system. The grantee is responsible for distributing reimbursement funds to partner entities and project owners, in accordance with local processes. TDEC encourages project owners to enter into agreements with their contractors that allow for a 90-day repayment system.

5. How often can reimbursement requests be made?

The grantee can only request reimbursement in GMS once a month, regardless of the number of projects or partner entities. All requested disbursements should be included in the same request each month.

6. Is proof of co-funding required? Is the grantee's co-funding percentage deducted from the reimbursement request?

Once a reimbursement is requested in GMS, the system will ask for the grant contract amount and the co-funding amount. GMS may request additional documentation based on how the co-funding is conducted. TDEC will only reimburse the amount defined in the grant contract. TDEC will not calculate or deduct the co-funding percentage for each reimbursement request. 100% of the reimbursement request eligible for payment will be paid out with an approved reimbursement.

7. Is there a timeline for how co-funding should be applied to the project(s)?

No. As long as the required matching funds are contributed by the end of the contract term, the timeline is not important. Grantees should include the co-funding percentage per invoice, but that can be done over time, however the grantee decides. If the city plans to pay the co-funding at the end of the project, please contact TDEC.ARP@tn.gov to develop a plan to provide documentation and justification.

8. Can Development Districts be used to help with the reimbursement process?

The grantee is the only entity with initial access to GMS. All invoices need to be signed by the legal signee on the grant application. The grantee, however, may sign an authorization letter to allow a grant administrator to access the system and administer the process.

9. Can interfund loans (i.e., state utility funds or enterprise funds owned by the city) be used for co-funding?

ARP funding cannot be used to pay off debt, however, those loans can be used for the co-funding requirement. How a grantee decides to meet their co-funding requirement is up to them.

10. Are indirect costs reimbursable?

To request reimbursement for indirect costs, the grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached grant budget.

11. What are the process options for the grantee and project owner when related to vendor invoice payment and reimbursement?

Ideally, the grantee (i.e., the entity that is listed on the contract with TDEC) would request reimbursement, with all information from project owners flowing through that grantee. In these situations, TDEC recommends clearly defining the responsibilities associated with contract management, vendor invoicing, and request for reimbursement. If vendor invoice processes have already occurred in which the project owner, rather than the grantee, paid, TDEC will work with the grantee to make sure the process is documented properly. For these situations, TDEC encourages contractor agreements that allow for 90-day repayment terms. Documentation supporting proof of payment of the previous invoice will be required to process each request for reimbursement following the first.

12. If a construction project is not completed by the deadline, will the already completed work be paid for?

Grantees receive reimbursement for costs incurred as the project progresses along the deliverables timeline. Therefore, any work completed can be reimbursed. Grantees with incomplete projects will be required to return all funds associated with the incomplete project unless the grantee properly coordinates with TDEC to redefine the scope of the project. If experiencing delays, grantees should request a schedule amendment, change order, or other modification request to accommodate the new schedule and project scope. TDEC may adjust funding and specific cost allocations along the way. TDEC will only distribute money for project costs incurred and will not fund project activities occurring after the deadline.

13. What is the proper course of action for grantees to take at the time of contract close out?

The grantee shall submit any final invoices and a grant disbursement reconciliation report within 30 days of the grant contract end date. **The grantee's failure to provide the required final grant disbursement reconciliation report to the State shall result in the grantee being deemed ineligible for reimbursement under the grant contract.** This will require the grantee to refund all payments by the State pursuant to the grant contract.

Federal regulations require that financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the federal awarding agency or TDEC in the case of a Grantee. The final Annual Reporting will be due on April 30, 2027, so documentation retention will be required through April 30, 2030.

14. Are cleared and/or canceled checks written to vendors required in the reimbursement document package?

Proof of payment is required for reimbursement, regardless of form. This includes cleared and/or canceled checks, ACH confirmations, bank statements, documentation demonstrating the cleared payment, and other third-party payment validation records. For reimbursement packages, grantees must demonstrate the clearing of payment(s) for the invoices included in the previous reimbursement package.

Other

1. Can asbestos cement (a/c) pipe be replaced via pipe bursting or pipe breaking?

Pipe replacement projects involving A/C pipe are subject to the requirements of the Asbestos National Emission Standard for Hazardous Air Pollutants (NESHAP), 40 CFR Part 61, subpart M. The Asbestos NESHAP is a collection of work practice standards intended to

minimize the release of asbestos fibers during activities involving the handling of asbestos. In order to be eligible under the SRF programs and in compliance with federal crosscutters, an A/C pipe replacement project must comply with the Asbestos NESHAP. Neither pipe breaking nor pipe bursting activities comply with the Asbestos NESHAP.

There are currently only three options for replacing A/C pipe that comply with the Asbestos NESHAP: open trenching, abandonment in place, and close tolerance pipe slurrification (CTPS). Open trenching involves excavating the entire A/C pipe, wet-cutting the pipe into sections using a snap cutter or similar tool, wrapping the pipe for containment, and removing the pipe for disposal. In lieu of open trenching, A/C pipe may be abandoned in place, with the new pipeline laid in a separate area without acting upon the existing A/C pipe. In addition, in 2019, EPA approved CTPS as an alternative work practice. The CTPS alternative work practice is a form of trenchless technology that provides an alternative to open trench for A/C pipe replacement that meets the requirements of the Asbestos NESHAP. Unlike pipe bursting and pipe breaking, CTPS does not leave friable asbestos (defined in the Asbestos NESHAP) in the ground. EPA has not approved an alternative work practice for other trenchless technologies such as pipe bursting, pipe breaking, or other similar methods.

Forces such as those required for pipe bursting or pipe breaking of A/C pipe create friable asbestos. Leaving friable asbestos in the ground does not comply with the requirements of the Asbestos NESHAP. Visit [this link](#) for general information about the Asbestos NESHAP and [this link](#) for information about CTPS.

Appendix A. Definitions

Term	Definition
Co-Funding	The required local cash or in-kind proportion of funds to be used in conjunction with non-competitive SWIG funds.
Collaborative Project	A collaborative project is one that involves multiple entities (counties, cities, and/or utilities) working together on an activity or set of activities for a shared purpose.
Critical Needs	Action areas identified by TDEC as necessary to maintaining a sustainable and reliable water infrastructure system. Critical needs include addressing significant non-compliance, reducing water loss and inflow and infiltration, developing asset management plans, and modernizing aging infrastructure.
Eligible City	An eligible city is incorporated and operates a public drinking water or wastewater system or has a permitted stormwater system.
Eligible Stormwater System Project	Stormwater systems, or controls, help manage stormwater through best management practices. Eligible stormwater projects are those that protect water quality through measures that manage, reduce, treat, infiltrate, or recapture stormwater or subsurface drainage water. These systems consist of both grey and green infrastructure, including wet weather conveyances. The U.S. Treasury's Final Rule expanded eligibilities for stormwater projects to include culvert repair, resizing, and removal; replacement of storm sewers; and additional types of stormwater infrastructure. TDEC has reflected these expanded eligibilities in the non-competitive grant program. Please see the grant manual for additional information.
Funding Allocation	Unique amount of total available grant funds each grantee may be awarded for eligible water infrastructure projects. Funding allocations are provided in the <i>Water Infrastructure Investment Plan</i> and the non-competitive grant manual.
Grant Applicant (See Grantee)	Eligible grantees, including all counties and eligible cities, submitting a grant proposal as a project owner or on behalf of an eligible project owner. All grant applicants have a funding allocation.
Grant Budget	Total proposal costs including requested state funding from designated allocation, co-funding requirements, and detailed breakdown of project and administrative costs.
Non-Collaborative Project	A non-collaborative project is one undertaken by a single entity (county, city, or utility) or by multiple entities (counties, cities, and/or utilities) that do not meet the threshold for partner eligibility as described in this grant guidance.
Non-Competitive Grant	The non-competitive grant program provides funding to counties and eligible cities in the amount described by the funding allocation table. These funds are not competitive and will be awarded to counties and eligible cities that submit an application that meets minimum criteria as described in the grant guidance.

Priority Areas of Emphasis	Priority areas of emphasis are identified action areas for water infrastructure projects that align with federal, state, and local agency priorities. Priority areas of emphasis are divided into critical need priority areas and additional priority areas. A complete list and descriptions of all priority areas of emphasis are included in Section V of the <i>Water Infrastructure Investment Plan</i> .
Project Award Type	The project award type describes the type of activities contained in a proposal. There are four project award types: investigation and planning; investigation, planning, and design; planning, design, and construction; and construction. The project award type is based on the set of activities proposed for each individual water infrastructure (utility) system and must cover the maximum extent of activities that utility system proposed. Individual utility systems are allowed one project award type per water infrastructure type (drinking water, wastewater, or stormwater) included in a proposal.
Project Owner	Project owners are 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. All project owners must complete the Scorecard or execute a project on behalf of a system that has completed the Scorecard.
Streamlined Construction Projects	Projects that address critical needs only, are rehab projects or are proceeding under a previously approved CAP/ER, are authorized through a general ARAP, and require no modification to an existing NPDES, SOP, or water withdrawal ARAP.
Grantee (See Grant Applicant)	A grantee is an entity with a designated funding allocation as outlined in Appendix B of the <i>Water Infrastructure Investment Plan</i> . All 95 counties and 267 eligible cities are grantees. Grantees may establish specialized relationships with project owners to execute projects. Grantee and Grant Applicant refer to the same entity.
State Water Infrastructure Grants (SWIG)	Tennessee’s grant programs for water, wastewater, and stormwater infrastructure, including the programs described in the WIIP.
Tennessee Infrastructure Scorecard (Scorecard)	Online infrastructure needs assessment tool. The Scorecard benchmarks a system’s operational, financial, and environmental performance and identifies critical needs to improve system performance.
Water Infrastructure System	Water infrastructure systems are those systems that operate and provide drinking water (with a public water system identification number) or wastewater (with a NPDES or SOP) services or are a designated municipal separate storm sewer system (MS4) by the State of Tennessee. When developing projects and proposals, the water infrastructure system refers to the utility executing drinking water, wastewater, or stormwater activities based on the proposed activities.
Water Infrastructure Type	The water infrastructure type refers to drinking water, wastewater, or stormwater and describes the category of activity and investment using non-competitive SWIG funds. Each water infrastructure system included in a grant application should select a project award type for each water infrastructure type described in the application.

Appendix B. Acronym List

ATPI	Ability to Pay Index
CAP	Corrective Action Plan
CDBG	Community Development Block Grant
DWR	Division of Water Resources
FP	Facilities Plan
GMS	Grants Management System
PCC	Pre-Construction Conference
PER	Preliminary Engineering Report
SRF	State Revolving Fund
SWIG	State Water Infrastructure Grants (Program)
WIIP	Water Infrastructure Investment Plan