



ARP WATER INFRASTRUCTURE

Program Update

August 2026

\$1.3B

TOTAL PROGRAM FUNDS

Invested across
Tennessee communities

393
GRANTEES

1,456
PROJECTS

Project
Delivery

799 Construction
Projects

*Building systems, capacity and long-term
asset resilience statewide*

254 AMP
Projects

\$760M+

To communities with an ATPI
of 50 or less

Highlighted Project Types

Projects span drinking water, wastewater and stormwater needs.

640 Drinking Water

434 Wastewater

93 Stormwater

289 Grant Admin projects for assistance in implementation

Waived match requirements for **Helene-Impacted**
communities



Transitioned Tennesseans from well systems to public drinking water systems, enhancing water quality, safety, and long-term reliability.



Provided first-time access to reliable drinking water and sewer service, improving public health and quality of life for Tennessee residents.



Positioned utilities for long-term sustainability by identifying future infrastructure needs and funding strategies through asset management plans.



Modernized aging water infrastructure to improve system reliability and reduce service disruptions.

One program. Hundreds of grantees. More than 1,400 projects strengthening Tennessee's water future.

ARP Water Infrastructure Grant Wrap Up

Home stretch → closeout → Sept 30 deadline

Home stretch.

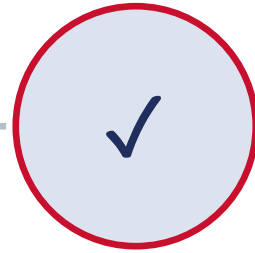
Finishing construction is not finishing the work, closeout happens at scale.

Now → End of July



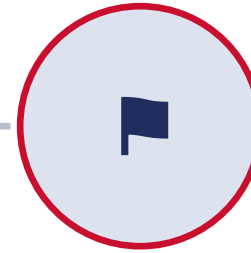
Construction Push

August



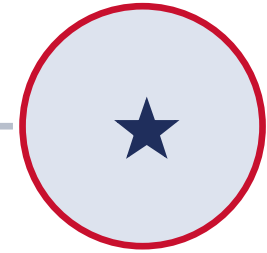
Project Closeout

September 30, 2026



ARP Contract Term End Date

October 30, 2026



Final Grant Cleanup

- Substantial completion by end of July
- Buffer for weather & supply chain
- Hundreds of projects in parallel

- Deliverables & inspections
- Invoicing and grantee payments
- Final reimbursement requests

- Grant closeout deadline
- Last day to incur any reimbursable expenses, including grant admin

- Final Grant Disbursement Reconciliation Report

Key message:

September 30 is the deadline for incurred expenses.

State closeout phase runs October – December.



Closeout

- **For ARP SLFRF, closeout is much more than an administrative exercise** - it is the point at which a recipient demonstrates to Treasury that the funds were appropriately utilized:

- Projects were eligible
- Expenditures were allowable
- Documentation supports costs reported to Treasury
- Reporting is accurate and complete

- **Why is closeout important:**

- It Confirms Compliance With Treasury Requirements
- It Protects Funding and Reduces Recapture Risk
- It Provides a Complete Financial Reconciliation
- It Demonstrates That Funded Outcomes Were Delivered
- It Establishes Audit Readiness
- It Triggers Long-Term Record Retention Responsibilities

BONUS: After grant closeout, your work on this TDEC grant is officially complete! You can consider it checked off the list unless we reach out in connection with a future audit.



Success Stories



Maryville

Grant Amount: \$2,978,227.89

Drinking Water System Improvements &
Wastewater System Rehabilitation

Highway 231 Sewer Basin Rehabilitation

- ✓ Reduction of infiltration and inflow into the wastewater system
- ✓ Improved operational efficiency
- ✓ Reduced excess treatment costs
- ✓ Protection of local waterways from potential environmental impacts



New Water Storage Tank

- ✓ Improved compliance with regulations
- ✓ Increased system capacity
- ✓ Reduced pressure fluctuations
- ✓ Greater emergency preparedness during power outages
- ✓ Increased drought resiliency and long-term water security



East Ridge

Grant Amount: \$2,533,124.10

Comprehensive Sewer Rehabilitation

Rehab/Repair/Replacement of

Deteriorated sewer pipelines

Manholes

Service laterals

Upgrades to aging sewer assets

Correction of localized infrastructure defects contributing to excessive infiltration and inflow (I/I)



Key Benefits

- Reduction of chronic sanitary sewer overflows
- Improved wastewater collection system performance
- Enhanced protection of local waterways and surrounding ecosystems



McLemoresville

Grant Amount: \$848,418

Drinking Water System Improvements

Water Valve Modernization Project

Enhanced ability to isolate water main leaks

Improved response time for emergency repairs

Reduced risk of systemwide water outages

Decreased water loss from prolonged leaks

Enhanced operational reliability across the entire water system



Additional Work

- Water Main Replacement on Terry Road
- Smart Meter Modernization Project
- GIS Mapping and Asset Management Project