

## STAFF MEMORANDUM

**TO:** Board of Mayor and Aldermen

**FROM:** Rebecca Holden, Finance Director

**DATE:** 7/6/2026

**SUBJECT:** Resolution 26–201, To authorize the Mayor to sign the Centrifuge Dewatering System Project grant budget and project scope contract amendment from TDEC

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**PURPOSE:**

The purpose of this resolution is to authorize the Mayor to sign a revised grant budget and project scope contract amendment, reduce the scope of the Centrifuge Dewatering System Project to the design phase only, and return unused grant funds to the Tennessee Department of Environment and Conservation (TDEC).

**BACKGROUND:**

The City of Spring Hill previously was awarded federal American Rescue Plan (ARP) funding through the Tennessee Department of Environment and Conservation (TDEC) for the Centrifuge Dewatering System Project associated with improvements at the City's Wastewater Treatment Plant.

The original project scope included engineering design services, bidding services, construction, and installation of centrifuge dewatering equipment intended to replace the City's existing belt filter press system. Reducing the project scope and budget was previously approved through Resolution 26-160.

Following coordination and discussions with TDEC regarding eligible project activities and grant timelines, the City was directed to reduce the project scope and budget to complete the project at the design phase only. Due to the inability to complete installation and place the centrifuge equipment into operation prior to the grant deadline, the City is unable to utilize the grant funds for the originally awarded project purposes. As a result, all construction and equipment purchase components will be removed from the project scope.



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**FINANCIAL IMPACT:**

The proposed grant budget revision reduces the Centrifuge Dewatering System Project budget from \$3,079,811.19 to \$2,057,296.00 by removing construction and equipment purchase components that cannot be completed within the TDEC grant performance period.

The revised project budget maintains funding for engineering design and bidding services only. As part of the revision, approximately \$715,760.63 in grant funds and \$306,754.56 in local match funding associated with the project scope will be removed from the grant agreement and returned to TDEC.

Any future construction, equipment purchase, installation, or implementation costs associated with the centrifuge dewatering system will require alternative funding sources and may ultimately need to be funded by the City.

**STAFF RECOMMENDATION:**

Staff recommends approval of the resolution authorizing the Mayor to sign the revised grant budget and project scope revision contract amendment, agreeing to reducing the Centrifuge Dewatering System Project scope to the design phase only, and return the associated unused grant funds to TDEC.



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