

STAFF MEMORANDUM

TO: Board of Mayor and Aldermen

FROM: Rebecca Holden, Finance Director

DATE: 7/6/2026

SUBJECT: Resolution 26–198, To authorize the Mayor to sign the Reservoir Project grant budget and project scope contract amendment from TDEC

PURPOSE:

The purpose of this resolution is to authorize the Mayor to execute documentation necessary to revise the scope and budget of the ARP Resource Protection State Water Infrastructure Grant (SWIG) Program related to the Reservoir Project.

BACKGROUND:

The City of Spring Hill was awarded funding through the Tennessee Department of Environment and Conservation (TDEC) under the ARP Resource Protection State Water Infrastructure Grant (SWIG) Program for the Reservoir Project.

The original grant budget included funding for professional services, environmental studies, permitting, design services, and property acquisition activities associated with the proposed Reservoir Project. The original project budget totaled \$1,000,000, including \$800,000 in grant funding and \$200,000 in required local match funding.

Following coordination and discussions with TDEC regarding project timelines and eligible project activities, the City determined the original project scope could not be completed within the grant performance period established by TDEC. In response, TDEC approved subsurface exploration and geotechnical analysis activities, which are part of the project design process, as allowable expenses under the grant agreement.

The revised project budget reallocates the existing grant funding and required local match toward subsurface exploration and geotechnical analysis activities associated with the Reservoir Project. Current estimated subsurface exploration costs total approximately \$1,650,000, which exceeds the revised grant budget and may require additional City funding to complete the work.



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FINANCIAL IMPACT:

The proposed grant budget revision reallocates the existing \$800,000 TDEC grant award and \$200,000 required local match funding toward subsurface exploration and geotechnical analysis activities associated with the Reservoir Project, for a revised total project budget of \$1,000,000.

Current estimated project costs for subsurface exploration activities total approximately \$1,650,000. Any costs exceeding the revised grant budget would require additional City.

STAFF RECOMMENDATION:

Staff recommends approval of the resolution authorizing the Mayor to execute the documentation necessary to amend the grant budget and revise project activities associated with the Reservoir Project.



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