



Nathan Deal  
Governor

## GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Kevin Clark  
Executive Director

October 3, 2016

Re: Pre-application submission for the 2017 Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP)

Dear Local Government Official:

The Georgia Environmental Finance Authority (GEFA) is pleased to offer Georgia's cities, counties, water and sewer authorities, non-governmental organizations (NGO), and community improvement districts (CID) the opportunity to submit projects to be considered for CWSRF loan funding. The CWSRF provides low-interest financing for projects involving publicly-owned wastewater systems, nonpoint source pollution control systems, and other projects that improve water quality. The 2016 allotment from the U.S. Environmental Protection Agency (EPA), existing program funds, and loan repayments will make available approximately \$350 million for water quality projects.

To be eligible for funding, entities must have projects listed within the 2017 IUP. However, having a project listed within the IUP does not obligate a city, county, water and sewer authority, NGO or CID to apply for funding.

For a project to be listed in the 2017 CWSRF IUP, each city, county, water and sewer authority, NGO or CID must:

- Complete the CWSRF pre-application
- Submit the pre-application via the GEFA website no later than **Friday, December 30, 2016**. (See project submission guidelines and program requirements.)

The pre-application and additional guidance are available at <http://gefa.georgia.gov/state-revolving-fund-solicitation>.

Projects requesting CWSRF financing will be selected for funding using the enclosed project ranking criteria. The pre-application is designed to help potential loan applicants describe a proposed project(s) and its water quality benefit. GEFA will rank each project to develop a priority list that will accompany GEFA's IUP submission to the EPA. The pre-application must be completed in its entirety to ensure that the proposed project is accurately scored.

At the time of this letter, the 2017 CWSRF funding allotment has not been identified, and it is not yet known whether principal forgiveness will be available. Once the funding allotment is identified, principal forgiveness will be applied to the 2017 CWSRF project list. If the funding allotment includes principal forgiveness, it will be allocated to communities that are eligible to receive principal forgiveness according to the 2017 CWSRF affordability criteria. Additionally, strict project-related deadlines will be implemented for projects awarded principal forgiveness. Please review the information within this solicitation letter for more details concerning the project-related deadlines.

Sincerely,

Kevin Clark  
Executive Director

**Georgia Environmental Finance Authority  
2017 CWSRF Project Solicitation  
Project Submission Guidelines and Program Requirements**

All pre-applications must be submitted via <http://gefa.georgia.gov/state-revolving-fund-solicitation>. Pre-applications will only be accepted via the GEFA website.

Deadline	Pre-application Website	Questions
5:00 p.m., December 30, 2016	<a href="http://gefa.georgia.gov/state-revolving-fund-solicitation">http://gefa.georgia.gov/state-revolving-fund-solicitation</a>	Fuller Callaway 404-584-1035 fuller@gefa.ga.gov

**WHO CAN APPLY FOR CWSRF LOANS**

- Georgia cities
- Georgia counties
- Georgia water and sewer authorities
- Community Improvement Districts (CID)
- Any state or local authority created by the Georgia General Assembly
- Non-governmental Organizations (NGOs)

**MINIMUM CRITERIA FOR ELIGIBILITY**

1. Only counties and municipalities certified as Qualified Local Governments by the Georgia Department of Community Affairs (DCA) and the water and sewer authorities within those certified governments may receive funding.
2. Only applicants within counties that have current DCA-certified Service Delivery Agreements (HB 489) may receive funding and the proposed project must be consistent with the verified strategy.
3. Applicants must be in compliance with state audit requirements. Compliance questions can be answered at [www.audits.state.ga.us](http://www.audits.state.ga.us).
4. Applicants within the Metro North Georgia Water Planning District must be certified by the director of the Georgia Environmental Protection Division (EPD) as either being in compliance or making a good faith effort to comply with all District Plans and/or enforcement measures.
5. Project must conform to applicant's regional water plan, once adopted.
6. Applicants must adopt and enforce the state minimum standard plumbing code provisions outlined in O.C.G.A. 8-2-3 in order to be eligible to receive funding. These provisions incorporate the state's minimum standard plumbing code.

**ELIGIBLE CWSRF PROJECTS INCLUDE:**

- Construction, renovation or expansion of a publicly-owned treatment works;
- Installation of sewer systems;
- Combined sewer overflow (CSO) projects;
- Construction, repair or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;
- Construction and rehabilitation of municipal storm sewer systems (MS4s);
- Purchase of street and storm sewer cleaning equipment;
- Projects to increase the security of publicly-owned treatment works; and
- Implementation of measures to manage, reduce, treat, reuse, recycle or recapture stormwater or subsurface drainage water.

**CWSRF WATER, ENERGY OR LAND CONSERVATION PROJECTS INCLUDE:**

- Construction, renovation or expansion of wastewater recycling and reuse facilities that replace potable sources with non-potable sources;
- Installing or retrofitting water-efficient devices, such as plumbing fixtures and appliances;
- Implementing incentive programs to conserve water such as rebates for water-efficient fixtures;
- Projects that reduce energy consumption at publicly-owned treatment works, such as correction of infiltration/inflow problems, lighting upgrades, pump and motor replacement projects, and the implementation of energy efficient treatment processes;
- Power production projects via wind, solar, and biogas that provide a benefit to the publicly-owned treatment works;
- Acquisition of buffer zones and/or wetlands;
- Streambank restoration projects; and
- Purchase land for land conservation purposes.

## **HOW PROJECTS ARE PRIORITIZED**

Pre-applications will be scored by GEFA on a 100-point scale. The project ranking criteria are based on such attributes as readiness to proceed, compliance benefit, project benefits and other applicant or project attributes. Projects will be listed in priority order on the CWSRF Fundable Priority List and incorporated into the IUP to be submitted to EPA.

## **PROJECT RANKING**

Once all pre-applications are received, GEFA will score the pre-applications and rank projects in descending order. GEFA will identify the highest scoring projects and include on the fundable list as many high scoring projects for which GEFA has financing available.

## **CWSRF PRINCIPAL FORGIVENESS ELIGIBILITY**

CWSRF affordability criteria will be used to determine principal forgiveness eligibility. The criteria is based on weighted factors for median household income (MHI), unemployment rate, population trends of the borrower (or the project area if the project area is located in a different jurisdiction), and the type of project. The CWSRF Affordability Criteria is included within this document on page 5.

## **CWSRF INTEREST RATES**

Projects funded through the CWSRF have the ability to borrow with varying terms and interest rates. Please access GEFA's website for current loan interest rates, loan terms and project-based interest rate concessions. (<http://gefa.georgia.gov/current-loan-rates>).

## **CWSRF PROJECT DEADLINES**

Projects that are provided principal forgiveness will be subject to strict project deadlines identified below. Projects that receive principal forgiveness must complete the following tasks by June 29, 2018, in order maintain the principal forgiveness allotment. Projects that receive principal forgiveness will be invited to submit an official application. Further details on these deadlines will be provided within that formal invitation.

1. Submit Application Part I
2. Submit Application Part II
3. Receive a Notice of No Significant Impact (NONSI) or Categorical Exclusion (CE) from EPD
4. Receive a GEFA board approval
5. Sign the loan agreement with GEFA

## **FEDERAL REQUIREMENTS**

### **DAVIS-BACON WAGE RATE REQUIREMENT**

Due to the federal source of funds of the CWSRF program, Davis-Bacon wage rate requirements apply to all “treatment works” projects funded by the CWSRF program. The Borrower shall insert in full in any contract in excess of \$2,000 that is entered into for actual construction, alteration and/or repair of a public treatment works, financed in whole or in part from the CWSRF program and that is subject to the requirements of the Davis-Bacon Act, the document entitled “Supplemental General Conditions for Federally-Assisted State Revolved Fund,” which is located at [www.gefa.georgia.gov/loan-documents](http://www.gefa.georgia.gov/loan-documents).

### **AMERICAN IRON AND STEEL**

Due to the federal source of funds of the CWSRF program, American Iron and Steel requirements apply to all “treatment works” projects funded via the CWSRF program. The Borrower shall insert in full in any contract that is entered into for construction, alteration, and/or repair of a public treatment works, financed in whole or in part from CWSRF program, the document entitled “American Iron and Steel (AIS) Special Conditions,” which is located at [www.gefa.georgia.gov/loan-documents](http://www.gefa.georgia.gov/loan-documents).

### **STATE ENVIRONMENTAL REVIEW PROCESS**

Projects funded through the CWSRF must undergo an environmental review via the EPA-approved State Environmental Review Process (SERP). This environmental review is conducted by EPD through either a Categorical Exclusion (CE) or Notice of No Significant Impact (NONSi) process. This process is designed to address issues such as environmental impact, potential historical preservation issues, potential endangered species concerns, and permit compliance. Borrowers should review the “Guidance Document for Project Requirements,” which is located at [www.gefa.georgia.gov/loan-documents](http://www.gefa.georgia.gov/loan-documents).

### **DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

As a part of GEFA’s loan agreement, loan recipients are required to encourage the participation of small minority- and women-owned businesses in all project subcontracts. The state’s CWSRF percentage goals through September 30, 2019, are 4 percent for Minority Business Enterprises (MBE) and 4 percent for Women Business Enterprises (WBE). Borrowers should review the “Supplemental General Conditions for Federally-Assisted State Revolved Fund,” which is located at [www.gefa.georgia.gov/loan-documents](http://www.gefa.georgia.gov/loan-documents).

### **FISCAL SUSTAINABILITY PLANS**

Borrowers from the CWSRF that will repair, replace, or expand “treatment works” must certify that it has developed and implemented a fiscal sustainability plan that includes:

1. An inventory of critical assets that are a part of the treatment works;
2. An evaluation of the condition and performance of inventoried assets or asset groupings;
3. A certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and
4. A plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities; or loan agreements signed between GEFA and the borrower will contain certification language pertaining to this Fiscal Sustainability requirement.

### **PROPOSED TIMELINE FOR FUNDING**

October 3, 2016 – Project solicitation information released

December 30, 2016 – Deadline to submit pre-application via the GEFA website at [www.gefa.georgia.gov](http://www.gefa.georgia.gov)

January 23, 2017 – IUP posted on the GEFA website

February 7, 2017 – *Tentative* public meeting for the 2016 CWSRF IUP and Fundable Priority List

February 10, 2017– IUP submission to EPA for approval

July 3, 2017 – *Tentative* EPA approval of 2016 CWSRF award

## Georgia Environmental Finance Authority 2017 CWSRF Affordability Criteria

The Clean Water State Revolving Fund (CWSRF) affordability criteria will be used to determine principal forgiveness eligibility within Georgia's CWSRF loan program administered by the Georgia Environmental Finance Authority (GEFA). The criteria is based on weighted factors for median household income (MHI), unemployment rate, and population trends of the borrower (or the project area if the project area is located in a different jurisdiction) or the type of project. A borrower must receive a minimum of **10** points to qualify for principal forgiveness. Points awarded under the affordability criteria are independent of the enclosed project ranking criteria. Points awarded under the affordability criteria are solely for the purpose of determining if a project is eligible for principal forgiveness. Points available for each factor are as follows:

### 1. Income

If the borrower's MHI (or the MHI of the project area if the project area is located in a different jurisdiction) is **below or equal to** \$39,473 (80 percent of the state's MHI of \$49,342), as determined by the U.S. Census Bureau, **eight** points will be awarded.

If the borrower's MHI (or the MHI of the project area if the project area is located in a different jurisdiction) is **above** \$39,473 (80 percent of the state's MHI of \$49,342), as determined by the U.S. Census Bureau, **one** point will be awarded.

### 2. Unemployment

If the borrower's unemployment rate (or the unemployment rate of the project area if the project area is located in a different jurisdiction) is **above or equal to** 6.7 percent (state of Georgia's unemployment rate), as determined by the U.S. Census Bureau, **eight** points will be awarded.

If the borrower's unemployment rate (or the unemployment rate of the project area if the project area is located in a different jurisdiction) is **below** 6.7 percent (state of Georgia's unemployment rate), as determined by the U.S. Census Bureau, **one** point will be awarded.

### 3. Population Trend

If the borrower's population (or the population of the project area if the project area is located in a different jurisdiction) **decreased or remained the same** when comparing the 2000 Census to the 2010 Census as determined by the U.S. Census Bureau, **two** points will be awarded.

If the borrower's population (or the population of the project area if the project area is located in a different jurisdiction) **increased** when comparing the 2000 Census to the 2010 Census as determined by the U.S. Census Bureau, **one** point will be awarded.

### 4. Project Type

If the borrower will complete a project that **will** implement a process, material, technique, or technology listed on the GEFA Conservation document, **seven** points will be awarded. Projects eligible for these points must be constructed solely to address one of the items below and cannot be combined with an ineligible activity:

- a. GEFA Conservation Projects

GEFA Conservation Projects can be found on GEFA's website at:

[http://gefa.georgia.gov/sites/gefa.georgia.gov/files/related\\_files/document/Financing-Conservation-Projects.pdf](http://gefa.georgia.gov/sites/gefa.georgia.gov/files/related_files/document/Financing-Conservation-Projects.pdf)

If the borrower **will not** complete a project that will implement a process, material, technique, or technology listed on the GEFA Conservation document, **zero** points will be awarded.

Principal forgiveness funds will be allocated to those projects that receive the highest score based upon the project ranking criteria used in the CWSRF 2017 project solicitation process **and** projects completed by an applicant that scores at least **10** points on the CWSRF affordability criteria.

**Georgia Environmental Finance Authority  
2017 CWSRF Project Solicitation  
Project Ranking Criteria  
(Maximum Point Total – 100 Points) \***

Projects will be rated in four categories to determine their eligibility and selection for funding under the CWSRF program.

**CLEAN WATER SRF**

**CLEAN WATER STATE REVOLVING FUND SCORING SYSTEM**

1. Readiness to proceed (maximum of 30 points)
2. Compliance benefit (maximum of 20 points)
3. Project benefits (Select all benefits that apply from each category)
  - a. Stormwater management, nonpoint source and sourcewater protection benefits (maximum of 40 points)
  - b. Energy conservation, efficiency and production benefits (maximum of 40 points)
  - c. Wastewater collection, conveyance and treatment benefits (maximum of 40 points)
4. Other applicant or project attributes (maximum of 10 points)

**CLEAN WATER STATE REVOLVING FUND SCORING SYSTEM – DETAILED BREAKDOWN**

1. **Readiness To Proceed**  
*CHECK ALL THAT APPLY* (maximum of 30 points)
  - a. State Environmental Review Process complete – NONSI or CE approved 30 pts
  - b. State Environmental Review Process in progress – NONSI or CE issued 20 pts
  - c. Compliance with State Nonpoint Source Management Plan verified 30 pts
  
2. **Compliance Benefits**  
*CHECK HIGHEST LEVEL BELOW THAT APPLIES* (maximum of 20 points)
  - a. Project is needed to fully address deficiencies documented in Emergency or Administrative Order from EPA or EPD (Order #: \_\_\_\_\_) 20 pts
  - b. Project will support implementation of a Total Maximum Daily Load (TMDL) plan (applicable TMDL, water body name and water body ID) 15 pts
  - c. Project is needed to achieve / maintain compliance with applicable permit (NPDES, LAS, MS4) (Permit #: \_\_\_\_\_) 10 pts
  
3. **Project Benefits** – Please select all benefits that apply within each category—stormwater management, nonpoint source and sourcewater protection benefits, energy conservation, efficiency and production benefits, and wastewater collection, conveyance and treatment benefits (maximum of 40 points available for Project Benefits category)

**Stormwater Management, Nonpoint Source and Sourcewater Protection, Benefits**

- CHECK ANY BELOW THAT APPLY* (maximum of 40 points)
- a. Project involves the permanent protection of a wellhead protection or groundwater recharge area or land within a designated Source Water Protection Area. 10 pts
  - b. Project will reduce nonpoint source pollution and provide passive recreation facilities open for public access. 10 pts
  - c. Project will allow a stream segment currently listed as “non-attaining of designated use” on either the 303(d) list or the 305(b) list to meet its designated use. 10 pts
  - d. Project includes permanent protection of stream buffer zones and/or wetlands. 10 pts

**Energy Conservation, Efficiency and Production Benefits**

*CHECK ANY BELOW THAT APPLY* (maximum of 40 points)

- a. Project will create renewable energy from wind, solar, geothermal, biogas, or micro-hydroelectric and provide power to the utility. Power must feed into the grid in which the utility draws from and/or directly connects to the utility. 10 pts
- b. Project will reduce energy consumption at a wastewater treatment facility and/or collection system by 20 percent or more. 10 pts
- c. Project designed to reduce energy consumption by the utility via the replacement of pumps and/or motors, blowers, SCADA equipment, inflow and infiltration correction, lighting upgrades or other energy savings products or processes. 10 pts
- d. Energy management planning projects, including energy assessments, energy audits, optimization studies, and other projects designed to determine high energy use areas. 10 pts

**Wastewater Collection, Conveyance and Treatment Benefits**

*CHECK ANY BELOW THAT APPLY* (maximum of 40 points)

- a. Project will allow a stream segment currently listed as “non-attaining of designated use” on either the 303(d) list or the 305(b) list to meet its designated use. 10 pts
- b. Project will allow a facility to attain a level of treatment that is more stringent than secondary treatment or produces a significant reduction in non-conventional or toxic pollutants. (BOD, Nitrogen, Phosphorus, Ammonia, Metals, Synthetic Organic Chemicals) 10 pts
- c. Project will reduce sanitary sewer overflows (SSO). 10 pts
- d. Project will eliminate leaking / failing septic systems. 10 pts

**4. Other Applicant or Project Attributes**

*CHECK ANY BELOW THAT APPLY* (maximum of 10 points)

- a. Project will increase system operating revenues or decrease system operating expenses by more than 10 percent leading to the greater financial integrity of the utility. 5 pts
- b. Project benefits more than one system or community, e.g. interconnection of two or more public utilities. 5 pts
- c. Project entails the use of new, promising technology or represents an innovative approach to ensuring water quality and protecting human health. 5 pts

\* GEFA reserves the right to verify any information submitted within the pre-application.