

2020  
Intended Use Plan  
Clean Water  
State Revolving Fund

Prepared by the  
Georgia Environmental Finance Authority

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**2020 Intended Use Plan  
Georgia Environmental Finance Authority  
Clean Water State Revolving Fund**

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# Clean Water State Revolving Fund Intended Use Plan 2020

## Introduction

Section 606(c) of the Water Quality Act of 1987 requires each state to annually prepare an Intended Use Plan (IUP) identifying the use of funds from the Clean Water State Revolving Fund (CWSRF). Section 606 also requires capitalization grant recipients to describe how they will support the goals of the CWSRF. This IUP outlines Georgia's proposed uses of the FY2019 CWSRF allotment of \$26,869,000.

The Georgia Environmental Finance Authority (GEFA) was created by the Georgia General Assembly in 1986 as the successor agency to the Georgia Development Authority Environmental Facilities Program. GEFA serves as the central state agency for assisting local governments in financing the construction, extension, rehabilitation and replacement, and securitization of public works facilities. The GEFA board of directors consists of three ex-officio members and eight members appointed by the governor. Under an interagency agreement, the Georgia Environmental Protection Division (EPD) provides professional services to administer the CWSRF. These services include, but are not limited to:

- Project reviews and approvals;
- Planning and project development;
- Information tracking;
- Updating files;
- Information gathering and development of National Needs Survey;
- Issuing and approving Notices of No Significant Impacts (NONSI) and Categorical Exclusions (CE);
- Assistance with the National Information Management System (NIMS); and
- The Clean Water Benefits Reporting (CBR) database.

## CWSRF Project Solicitation Process

Developing the CWSRF comprehensive list involves an online pre-application process where all communities requesting funding provide project-related information. GEFA initiated the project solicitation process on September 3, 2019, allowing prospective applicants to submit pre-applications until January 31, 2020. GEFA emailed the solicitation notice to its stakeholder list and coordinated with relevant trade and local government associations to further disseminate the project solicitation. GEFA also designated a section of its website to announce the solicitation for new projects. GEFA made available project solicitation packets that contained detailed information about financing terms, available funding, and the scoring system for project prioritization. GEFA accepted CWSRF pre-applications through an online pre-application form available on the GEFA website. GEFA used the pre-application information to score and rank all submitted projects. Fifty-eight clean water projects were submitted with a total need of \$311,806,840. The CWSRF comprehensive list includes all clean water projects in descending order based upon project score.

## **CWSRF Comprehensive List**

The CWSRF comprehensive list (Attachment 1) includes clean water projects submitted during the pre-application solicitation period. The comprehensive list is comprised of the community, the project score, the population, the total project cost, whether or not the borrower is eligible for principal forgiveness, and a description of the project. The GEFA board of directors reserves the right to fund lower priority projects over higher priority projects if, in the opinion of GEFA, a higher priority project has not taken the necessary steps to prepare for funding and initiation of construction (i.e., GEFA has not received a complete and approvable financial application, the project is not ready to proceed, or the community withdraws its project from consideration). Additionally, if a qualified project becomes viable within the funding year, Georgia may amend its comprehensive list. To accommodate those communities that decide to participate in the CWSRF after the capitalization grant has been awarded, GEFA will hold quarterly meetings to include any new projects on the comprehensive list. This same process of public review and comment will be followed for any substantive change in the priority of the CWSRF.

## **CWSRF Fundable List and Estimated Disbursement Schedule**

The CWSRF fundable project list with an estimated disbursement schedule is located in Attachment 2. The fundable list contains projects GEFA has identified as ready to move forward, which can be seen in the score column in Attachment 1. Projects qualify for the fundable list by meeting conditions such as: consent order issued by Georgia EPD, CE or NONSI issuance or approval, and/or are needed to maintain compliance with an applicable permit. Projects on the fundable list are projected to draw down the 2020 grant funds. GEFA created this disbursement schedule based on the eight quarters identified in the 2020 CWSRF payment schedule located in Attachment 3, which indicates the timeframe for requesting the CWSRF capitalization grant allotment from U.S. Environmental Protection Agency's (EPA) Automated Standard Application for Payments (ASAP) System. Some of the projects listed on the disbursement schedule are one phase of a larger project and some of the projects may have a construction schedule longer than the eight quarters identified in the CWSRF payment schedule.

CWSRF assistance includes loan financing and any identified principal forgiveness as outlined in the applicable appropriations language. Assistance will also be provided to municipalities, water/sewer authorities, and any other entity created by the Georgia legislature and non-governmental organizations (NGO) for the purpose of land conservation loans. Eligible activities consist of construction, expansion, and improvements to publicly-owned wastewater treatment facilities; implementation of a non-point source pollution control projects; installation of solar arrays at wastewater treatment facilities; and purchase of land within Georgia resulting in the improvement of water quality. All borrowers must designate a repayment source(s) for each loan agreement signed with GEFA. All projects must be designed to meet current National Pollutant Discharge Elimination System (NPDES) permit limits and all other requirements needed to maintain water quality standards. All construction projects will meet the requirements of the Federal Water Pollution Control Act (FWPCA) with respect to Davis-Bacon requirements in section 513 and American Iron and Steel (AIS) requirements in section 608.

## Terms and Conditions of Financing

### *Standard CWSRF Financing Terms*

GEFA's benchmark interest rate is the true interest cost (to the nearest hundredth of one percent) received by the state on its competitively-bid, general obligation bond issue. GEFA currently offers CWSRF loans to local governments and authorities at an interest rate of 50 basis points (0.50 percent) below the benchmark rate.

CWSRF loans are available with terms as short as five years and not exceeding 30 years or the useful life of the project.

GEFA charges a one-time origination fee that is one percent of the total CWSRF financing provided for the project. The origination fee is charged on each commitment when the contract is executed and paid in the second month following contract execution. GEFA deposits origination fees into a separate non-project account. Program income, generated from direct capitalization grant funds, and non-program income, generated from repayment funds, will be collected and accounted for separately. Program income and non-program income can be seen as a source and use of funds in the Estimated Sources and Uses of Funds in Attachment 4.

### *CWSRF Conservation Financing Terms*

CWSRF-eligible conservation projects receive an interest rate reduction.

The following types of water conservation projects are eligible:

- 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;
- Inflow and infiltration correction;
- Installing water meters in previously unmetered areas;
- Replacing broken/malfunctioning water meters or upgrading existing water meters;
- Water recycling and reuse projects that replace potable sources with non-potable sources; and
- Projects that eliminate septic tanks.

The following types of energy production and energy conservation projects are eligible:

- Energy production projects at a publicly-owned treatment facility via wind, solar, geothermal, or biogas combined heat and power projects;
- Inflow and infiltration projects that reduce power consumption;
- Projects that replace pumps and motors to reduce power consumption;
- Projects that eliminate pumps and pumping stations; and
- Projects that install energy efficient treatment equipment or processes.

The following types of land conservation projects are eligible:

- Water quality protection for rivers, streams, and lakes;
- Flood protection;

- Wetlands protection;
- Reduction of erosion through protection of steep slopes, erodible soils, and stream banks;
- Protection of riparian buffers and other areas that serve as natural habitat and corridors for native plant and animal species;
- Protection of prime agricultural and forestry lands;
- Protection of cultural sites, heritage corridors, archaeological and historic resources;
- Scenic protection;
- Provision of passive recreation; and
- Connection of existing or planned areas contributing to the aforementioned goals.

***Principal Forgiveness***

The terms and conditions of the grant award allow subsidy in the form of principal forgiveness to borrowers of the CWSRF loan program. Exactly ten percent of the capitalization grant must be provided as additional subsidization and between zero percent and 30 percent of the capitalization grant may be provided as additional subsidization. Therefore, principal forgiveness will be provided to eligible projects until it is exhausted and not to exceed 40 percent of the capitalization grant. Both the project score and the affordability score will be considered.

GEFA contracted with the Environmental Finance Center at the University of North Carolina to develop a tool for evaluating and scoring communities to determine principal forgiveness eligibility. For each criterion, a borrower will be categorized into one of four percentiles - 25 percent, 50 percent, 75 percent, or 100 percent. A score of one through four is given for each criterion, based on the percentile. A maximum of 40 points is possible. If a community has multiple projects on the CWSRF comprehensive list, only one project can receive principal forgiveness. The affordability score for each applicant can be found in Attachment 1 and the ten criteria are listed below.

**1. Median Household Income (MHI)**

State Percentiles	25th Percentile (4 points)	50th Percentile (3 points)	75th Percentile (2 points)	100th Percentile (1 point)
MHI	\$31,701	\$40,155	\$52,234	\$52,235 and higher

**2. Unemployment Percent**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Unemployment Percent	2.20%	3.60%	5.10%	5.11% and higher

**3. Percentage Not in Labor Force**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Percentage Not in Labor Force	36.6%	43.80%	50.90%	50.91% and higher

4. **Poverty Rate**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Poverty Rate	13.20%	21.20%	28.70%	28.71% and higher

5. **Percentage on Social Security**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Percentage on Social Security	28.90%	35.70%	42.60%	42.61% and higher

6. **Percentage on SSI**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Percentage on SSI	3.90%	6.80%	9.90%	9.91% and higher

7. **Percentage with Cash Public Assistance**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Percentage with Cash Public Assistance	0.50%	1.30%	2.50%	2.51% and higher

8. **Percentage with SNAP**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Percentage with SNAP	11.60%	18.80%	26.00%	26.01% and higher

9. **Age Dependency Ratio**

State Percentiles	25th Percentile (1 point)	50th Percentile (2 points)	75th Percentile (3 points)	100th Percentile (4 points)
Age Dependency Ratio	57.80	67.00	77.30	77.31 and higher

10. **Population Trend**

The following categories will be used to determine the score for change in population from 2011 to 2018.

- Positive growth or no growth (1 point)

- Between -0.01 percent and -1 percent (2 points)
- Between -1.01 percent and -2 percent (3 points)
- Greater than -2 percent (4 points)

The following list shows the affordability score and potential principal forgiveness percentage for the FY2020 grant year:

- Score of 38 - 40 will receive 60 percent, not to exceed \$1,500,000
- Score of 35 - 37 will receive 55 percent, not to exceed \$1,300,000
- Score of 32 - 34 will receive 50 percent, not to exceed \$1,100,000
- Score of 29 - 31 will receive 45 percent, not to exceed \$900,000
- Score of 26 - 28 will receive 40 percent, not to exceed \$700,000
- Score of 25 or less will not receive principal forgiveness

#### **4 Percent Administration**

Georgia intends to use repayment dollars in the amount of \$1,074,760 for administrative purposes. A detailed account of the personnel costs associated with the administration of the CWSRF are found in Attachment 5.

#### **Criteria and Method for Distribution of Funds**

Attachment 6 explains Georgia's criteria and method used to score and distribute funds for CWSRF projects. Only those cities and counties that have been designated as a "Qualified Local Government" and are in compliance with O.C.G.A. Section 36-70-20 and appear on the comprehensive list may receive a CWSRF loan commitment. Lastly, only those communities that are in compliance with plumbing code standards as codified in O.C.G.A. Section 12-5-4 will be eligible for financing through GEFA. Eligible project costs include planning, design, engineering, construction, and in some limited cases, land acquisition costs attributed to the project. No loan will be executed until environmental approval has been issued and financial requirements have been met.

#### **WRRDA Implementation**

Several changes were made to the CWSRF through the Water Resources Reform and Development Act (WRRDA) on June 10, 2014. Outlined below is one of the changes and GEFA's strategy and procedure for its implementation.

##### ***Fiscal Sustainability Plans (FSP)***

According to the January 6, 2015, EPA guidance, Federal Water Pollution Control Act (FWPCA) Section 603(d)(1)(E) requires a recipient of a loan for a project that involves the repair, replacement, or expansion of a publicly owned treatment works to develop and implement an FSP or certify that it has developed and implemented an FSP. This provision applies to all loans for which the loan recipient submitted an application on or after October 1, 2014.

GEFA has developed a certification form for signature all CWSRF loan recipients that certifies that the recipient has developed and implemented and will continuously utilize an FSP. GEFA requires



this certification from each recipient in accordance with FPWCA (603)(d)(1)(E)(i) as a condition of the loan agreement.

GEFA reserves the right to review the FSP certified by the loan recipient at any time to ensure compliance with FWPCA 603(d)(1)(E)(i). Elements of GEFA's review can include, but are not limited to, ensuring that the loan recipient developed an FSP, ensuring that the developed FSP contained the appropriate level of depth and complexity, ensuring that the FSP is implemented, and ensuring that the FSP appropriately integrates required water and energy conservation efforts as part of the plan.

### ***Architectural and Engineering (A/E) Services Procurement***

For any capitalization grant awarded after October 1, 2014, the state must ensure that all A/E contracts for projects using funds "directly made available by" a capitalization grant, i.e., equivalency projects, comply with the elements of the procurement processes for A/E services as identified in 40 U.S.C. 1101 et seq., or an equivalent state requirement.

O.C.G.A Section 50-22-6 outlines Georgia's managerial control over acquisition of professional services and the selection through contract negotiations. O.C.G.A Section 50-22-2(5) defines a Project as any activity requiring professional services estimated by the state agency to have a cost in excess of \$1,000,000 and costs for professional services in excess of \$75,000. Using this criteria GEFA will require borrowers to go through a one-step selection process if project costs are between \$1,000,000 and \$3,000,000 and A/E services exceed \$75,000. The one-step A/E selection process consists of the following:

1. Selection manager and selection committee appointment.
2. Development of a request for qualifications (RFQ) document.
3. Advertisement of the RFQ.
4. Evaluation of the statements of qualifications (SOQs).
5. Selection of highest-scoring firm for negotiation for possible contract.

GEFA will require borrowers to go through a two-step selection process if project costs are above \$3,000,000 and A/E services exceed \$75,000. The two-step A/E selection process consists of the following:

First step:

1. Selection manager and selection committee appointment.
2. Development of a request for qualifications (RFQ) document.
3. Advertisement of the RFQ.
4. Evaluation of the statements of qualifications (SOQs).

Second step:

5. Interview of 3 to 5 highest scoring finalist firms.
6. Evaluation of interviews.
7. Selection of highest final scoring firm for negotiation of possible contract.

For project with costs below \$1,000,000 and costs for A/E services below \$75,000 no competitive procurement is required. GEFA will have RFQ templates of both one-step and two-step selection processes available by June 2019 for borrowers to use in anticipation of the FY2021 call for projects process that begins in September 2020.

## CWSRF Goals and Objectives

### Long-term Goals

1. Explore the viability of regionalization and/or consolidation of systems to take advantage of economies of scale and to address the technical, managerial, and financial capacity issues experienced by disadvantaged communities.
2. Coordinate activities with other state and federal agencies to enhance borrowers' understanding of the range of funding options. Seek opportunities to leverage funds so that borrowers can benefit from the maximum level of public assistance available.
3. Maintain and improve database management systems that integrate Clean Water project data with program management data.
4. GEFA will continue to administer the CWSRF in a fiscally responsible manner that will ensure its revolving nature in perpetuity.

### Short-term Goals

1. Improve SRF outreach and training to borrowers, project administrators, Area Development Districts, and engineers.
2. Hone GEFA's affordability assessment to possibly add new criteria that make sense for evaluating Georgia communities fairly and transparently.
3. Waive the maximum loan amount of \$25,000,000 per year on a case by case basis to significantly reduce cash balances and increase pace.

## 20 Percent State Match Requirement

Under the provisions of the FWPCA Section 602(b)(2), the state is required to deposit an amount equal to 20 percent of the total capitalization grant into the CWSRF. Based on the potential FY2020 allotment of \$26,869,000, the amount of state match required amounts to \$5,373,800. The Georgia Legislature has been requested to provide sufficient general obligation bonds to GEFA to cover this requirement. GEFA will disburse these state bond funds along with federal direct capitalization grant funds in a manner that is proportionate to ensure the proper match on each loan disbursement. Each project which receives direct federal grant funds will receive a portion of the disbursement in federal funds (83.33 percent) and a portion of the disbursement in state match funds (16.67 percent). These state match funds will be held outside the CWSRF until the disbursement is made. Once these state dollars are disbursed to a project, those funds and the interest paid on those funds will become CWSRF funds and returned to the program.

## Assurances and Specific Proposals

In addition to the assurances that accompany the capitalization grant application (Standard Form 424) for 2020 funds, GEFA further agrees to adhere to all the certifications covered within the Operating Agreement with EPA Region 4. The specific certifications are:

1. Capitalization grant agreement
2. Payment schedule
3. State matching funds

4. Commitment of 120 percent in one year
5. All Funds - timely expenditure
6. Enforceable requirements of the Clean Water Act
7. Cross cutting issues
8. State law and procedures
9. State accounting and auditing procedures
10. Recipient accounting and auditing procedures
11. Annual report
12. Limitations on eligibility
13. Environmental review process
14. Maintain the fund
15. Perpetuity
16. Types of assistance
17. Priority list
18. Limitations of double benefits
19. Consistency with planning requirements
20. Annual audit
21. Intended use plan
22. Annual federal oversight review and technical assistance
23. Dispute resolution
24. Reserve the right to transfer up to 33 percent of grant amount between programs
25. NIMS
26. CBR

As in previous years, CWSRF program managers will continue to coordinate with the EPA Region 4 office on items such as quarterly and annual reports, annual reviews, National Needs Surveys, collection of NIMS data, training opportunities, attendance at regional and national conferences, workshops, and various administrative program efforts.

### **Public Participation**

This IUP is subject to review and comment by the public prior to incorporation into the 2020 capitalization grant application. A public notice was placed in the *Fulton Daily Report* on Friday, May 15, 2020, announcing a public meeting on the CWSRF IUP on Friday, May 29, 2020, at 10:00 a.m. via conference call. A summary for the public meeting can be found within Attachment 8.

Attachment 1  
Clean Water State Revolving Fund  
2020 Comprehensive List

Community	Score	2018 Pop.	Total Project Cost	Affordability Score	Potential Principal Forgiveness	Est. Interest Rate	Est. Term	Project Description	Wastewater Treatment	Sewer Construction	Sewer Rehabilitation	Stormwater Projects	Land Conservation	Energy Projects	Water Conservation	Water Reuse
City of Norman Park	88	1,024	\$5,000,000	20		0.94%	20	Rehabilitate the existing sewage collection system. Use CIPP, pipe bursting, or replacement to rehabilitate portions of the system in need of repair. Repair, rehabilitate or replace existing brick manholes, rehabilitate one lift station, and replace one lift station. Rehabilitate the existing WPCP. Rehabilitate or improve the headworks, aeration basin, clarifier, disinfection and sludge handling system.			X					
City of Baldwin	86	3,482	\$4,750,000	21		1.94%	20	Improve the wastewater treatment facility to improve operations at the plant.	X							
City of Summerville	84	4,339	\$3,000,000	38	\$1,500,000	0.94%	20	Rehabilitate and upgrade the gravity collection system to reduce inflow and infiltration. Improvements will include rehab, repair, or replacement of sewer mains and manholes. The project will significantly reduce inflow/infiltration, reduce energy consumption at the wastewater plant, and address regulatory compliance orders.			X					
City of Thomaston	82	8,802	\$2,000,000	32	\$1,000,000	1.94%	20	Replace equipment and install new equipment at the Bell Creek WWTF and the Town Branch WWTF. At Bell Creek, electrical components will be relocated and replaced. At Town Branch, the oxidation ditch weir gate will be replaced, the oxidation ditch will be dredged, a new clarifier will be constructed, and a trailer-mounted belt press will be installed.	X							
Gilmer Co. Board of Commissioners	76	29,922	\$755,000	25	\$264,250	1.94%	20	Replace aging leachate pumps and a leaking transmission main in an inactive landfill to the EGCWSA sanitary sewer system for treatment. The existing pumps are operating outside the manufacturers recommended range, causing them to run at low efficiency and to wear-out prematurely. Furthermore, the carrier main has ruptured on multiple occasions due to bio-fouling and cross-sectional constrictions. A long-term fix is necessary to safeguard an adjacent stream and the public water supply downstream. The project site is approximately 1 mile upstream of an impaired segment of the Ellijay River.			X					
City of Hawkinsville	62	5,310	\$1,030,000	25	\$360,500	1.94%	20	Perform mechanical improvements at the city's North WPCP. Renovations will replace original equipment that has become inoperable or reached the end of its useful life with new equipment for better treatment quality. Work will also include replacement of existing lift stations pumps because the pumps have reached the end of their useful life.	X							

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2020 Comprehensive List

City of Waycross	60	13,836	\$2,500,000	34	\$1,100,000	1.94%	20	Replace equipment and construct improvements at the Waycross Wastewater Treatment Plant (WWTP) on Lakeview Drive. All pipes, pumps, structures, and appurtenances to be rehabilitated or replaced are located on the existing WWTP site.	X								
City of Dublin	44	15,869	\$2,056,770.31	31	\$900,000	0.94%	20	Rehabilitate approximately 7,400 LF of existing 10 and 12-inch clay and PVC gravity sewer main that runs through residential and commercial areas prior to its outfall into the Alabama Road lift station. Manholes along this sewer system will be rehabilitated using pressure grouting of existing penetrations and field application of interior lining systems. Construction will be performed primarily by pipe-bursting the existing clay and PVC pipe with new High Density Polyethylene (HDPE) pipe. Open trench removal and replacement of existing sewer piping will only be performed on an as needed basis. Additionally, sewer service lines will be rehabilitated, removed and replaced as needed.			X						
Dekalb County	44	743,187	\$50,000,000.00	18		2.67%	30	Rehabilitate and repair the wastewater collection and treatment system.			X						
City of Oglethorpe	42	1,288	\$2,226,900	34	\$1,100,000	1.94%	20	Dredge, replace mat covering, and replace all electrical equipment and motors.	X								
Fort Valley Utility Commission	40	8,740	\$2,500,000	33	\$1,100,000	1.94%	20	Extend the sanitary sewer system to serve the new Peach County High School. A new lift station will be constructed on what is now property of the Peach County BOE. Nearly 14,000 feet of 8-inch force main will be installed to connect the new lift station to an existing manhole which feeds into the existing Lane Lift Station. The force main installation will include jack and bore crossings with 20-inch casings underneath S.R. 49 and the Norfolk Southern Railroad. A directional bore under Mossy Creek will also be required.			X						
City of Toccoa	34	8,274	\$5,920,000	31	\$900,000	1.94%	20	Replace aging mechanical equipment for biological treatment, pumping systems, clarification, disinfection, and solids dewatering. Upgrade the chemical handling systems, electrical system, and miscellaneous building systems.	X								

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2020 Comprehensive List

City of Hinesville	32	33,258	\$3,448,170	17		1.94%	20	Construct an SBR treatment train to prepare for new discharge requirements. The plant is a four basin SBR process permitted for 7.15 MGD. The city has been notified that the NPDES permit currently being reissued will include more stringent discharge parameters as a result of EPA environmental concerns related to the Rainbow Mussel. The existing plant can meet the projected permit limits as long as all reactors remain in service. If, however, one of the reactors is taken out of service for maintenance or if equipments fails, the new permit limits would likely be exceeded. In order to prepare the plant for the new limits, a fifth SBR treatment train is needed. Existing tankage on site would be used to create the new treatment train.	X								
City of Camilla	26	5,000	\$1,900,000	32	\$950,000	1.94%	20	Improve several processes at the existing wastewater treatment facility and within the wastewater collection system. The project will include the upgrade and the replacement of existing equipment at the pre-treatment facility for its Land Application System wastewater treatment facility. The project will also include the dewatering, removal, and disposal of sludge from the existing lagoons and the rehabilitation of multiple lift stations within the city's wastewater collection system. The failing lift station is resulting in sanitary sewer overflows within the collection system. Finally, the project will include SCADA components that will make the wastewater collection/conveyance & treatment systems more efficient.	X		X						
City of Thomson	26	6,603	\$8,361,000	34	\$1,100,000	1.94%	20	Improve the wastewater treatment facility. Plant improvements include rehabilitation and repair of existing digesters and clarifiers, addition of new blowers and a new backup generator, headworks improvements, upgrades to the existing laboratory, modifications inside the existing blower building, and SCADA improvements.	X								
City of Thomasville	24	18,546	\$7,890,000	29		1.94%	20	Improve the city's wastewater treatment facility. Improvements include retrofitting an existing aeration basin with a new process, modifying an existing effluent structure, adding chemical feed equipment, and rehabilitating existing pump station wet wells on site. Work also includes the related electrical and ancillary work.	X								
City of Cleveland	22	3,834	\$12,600,000	24		1.94%	20	Upgrade and expand the existing wastewater treatment plant from 0.75 MGD to 1.5 MGD.	X								



Attachment 1  
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2020 Comprehensive List

City of Baldwin	4	3,482	\$2,500,000	21	0.94%	20	Upgrade and replace approximately 3.5 miles of aged and undersized outfall and interceptor sewers including manholes and lift stations.			X								
City of Baldwin	4	3,482	\$425,000	21	1.94%	20	Rehabilitate an existing failing lift station.	X										
Bartow County	4	103,620	\$2,000,000	21	1.94%	20	Relocate existing sanitary infrastructure to maintain sewer service to Woodland High School and numerous residential customers in several residential subdivisions, including Carter Grove during the re-construction and widening of Old Alabama Road from State Route 113 to Emerson. Construct 14,750 LF of 8-inch and 4-inch forcemain, 1,552 LF of 15-inch gravity sewer, and 8 manholes.			X								
Town of Braselton	4	10,509	\$1,200,000	15	1.94%	20	Rehabilitate an aged and undersized wastewater pumping station to reduce potential overflows and failures.	X										
City of Port Wentworth	4	7,946	\$2,400,000	13	1.94%	20	Replace approximately 17,700 LF of 8 and 10-inch forcemain with 12-inch force main to assist in relieving the stress on Cold Stream lift station No. 2, thereby greatly reducing the probability of future back-ups and sewer spills in the sewer collection system.			X								
City of Dillard	4	372	\$750,000	22	0.94%	20	Rehabilitate and replace approximately 4,300 LF of sewer line that is experiencing inflow and infiltration problems.				X							
City of Gainesville	4	38,624	\$26,400,000	22	1.94%	20	Replace an existing sanitary sewer pump station and expand the city's sewer service area in the Squirrel Creek Basin. New infrastructure will include gravity sewer, forcemain and a pump station that will serve as a regional station for future sanitary sewer flows.			X								
City of Gainesville	4	38,624	\$20,000,000	22	1.94%	20	Construct a new sanitary sewer pump station along Athens Highway (U.S. 129) and expand the city's sewer service area. New infrastructure will include gravity sewer, forcemain and pump station that will serve as a regional station for future sanitary sewer flows.			X								
City of Helen	4	390	\$1,100,000	24	1.94%	20	Replace the main lift station, which is aged and undersized, to reduce potential overflows and failures.	X										
City of Hoschton	4	1,567	\$500,000	23	0.94%	20	Upgrade and replace existing gravity sewer to reduce inflow and infiltration.				X							
City of Jefferson	4	10,693	\$2,250,000	19	1.94%	20	Replace the westside wastewater pumping facility that serves most of the western sector of the city. The existing facility is undersized, as is the existing forcemain. The location of the forcemain route is proposed for relocation into another outfall line that is more capable of handling the existing and anticipated flows.	X		X								



Attachment 1  
Clean Water State Revolving Fund  
2020 Comprehensive List

City of Jefferson	4	10,693	\$1,420,000	19	1.94%	20	Replace three aged and undersized wastewater pumping stations to reduce potential overflows and failures.	X										
City of Jefferson	4	10,693	\$900,000	19	1.94%	20	Replace an existing gravity sewer outfall line to provide adequate capacity to the growing sewer collection basin area.		X									
Rabun County Water and Sewer Authority	4	16,457	\$12,000,000	26	0.94%	20	Improve the sanitary sewer system and expand it into the southern portion of the County, where currently no public sewer is provided.		X	X								
City of Slatham	4	2,633	\$1,900,000	20	0.94%	20	Rehabilitate and replace sewer line that is experiencing inflow and infiltration problems.			X								
City of Union Point	4	1,837	\$2,000,000	30	0.94%	20	Rehabilitate and replace sewer line that is experiencing inflow and infiltration problems.			X								
City of Woodbury	4	1,203	\$2,000,000	25	0.94%	20	Rehabilitate and replace sewer line that is experiencing inflow and infiltration problems.			X								
Banks County	2	18,510	\$20,000,000	23	1.94%	20	Construct a 0.50 million gallon per day (MGD) water pollution control plant with the following unit processes: raw sewage pump station, mechanical bar screen, vortex grit separator, influent flow metering, sequencing batch reactors, post-equalization, tertiary filtration, ultraviolet disinfection, effluent flow metering, post-aeration, aerobic sludge digestion and sludge dewatering. In addition, bulk chemical storage will be provided to aid in the treatment process and a plant pump station will be constructed to return plant underflows to the treatment process. Several buildings will be constructed at the WPCP including a control building, a blower/electrical building and a sludge dewatering/maintenance building. A stand-by generator will also be provided to power the WPCP during power failures. The project will also include a 21,500 LF gravity sewer main to connect the existing sanitary sewer system to the proposed WPCP, 2 new lift stations, and 20,000 LF of forcemain to provide sewer service to the waste management facility. Additional items to be included in the project are underground piping, grading, SCADA, and site work.	X	X									
Town of Braselton	2	10,509	\$2,200,000	15	1.94%	20	Redirect wastewater flow in the northwest section of the service area and add a central pumping facility to move wastewater to the new northeast relief sewer basin.	X										
Town of Braselton	2	10,509	\$1,500,000	15	1.94%	20	Stabilize approximately 1 mile of the Mulberry River to protect existing utilities and allow the stream segment currently listed as "non-attaining of designated use" due to TSS on the 303(d) list to meet its designated use.					X	X					

Attachment 1  
Clean Water State Revolving Fund  
2020 Comprehensive List

Braselton Public Facilities Authority	2	10,509	\$450,000	15	0.94%	20	Construct green infrastructure, including wet ponds and associated land acquisition to manage stormwater runoff from downtown Braselton. The project will improve water quality in local streams by capturing, treating, and reducing stormwater runoff and provide a source of passive recreation for the community. The area will also serve as a new park for downtown residents and visitors.													X	
City of Blue Ridge	2	1,242	\$3,500,000	27	1.94%	20	Rehabilitate and upgrade two existing sewage lift stations that are both over 30 years old and are causing continuous maintenance problems for the city. There are also 2 other existing lift stations that feed the others that will be taken out of service by extending gravity sewer lines approximately 5,000 LF and rerouting a forcemain for approximately 3,500 LF. The project will also include SCADA improvements, grinders, backup generators, and other improvements on the sewage lift station sites.	X	X												
City of Pooler	2	23,102	\$23,000,000	12	1.94%	20	Expand of the city's wastewater treatment plant from 3.3 MGD to 6.23 MGD.	X													
City of Dillard	2	372	\$800,000	22	1.94%	20	Construct approximately 8,400 LF of sanitary sewer main in the Betty Creek area.			X											
City of Hoschton	2	1,567	\$500,000	23	1.94%	20	Upgrade the main sewer outfall to provide adequate flow for existing and future customers.			X											
Lincoln County	2	7,799	\$3,992,000	24	0.94%	20	Extend the wastewater collection system to provide sanitary sewer to an unserved area that is experiencing failing septic systems.			X											
Lincoln County	2	7,799	\$2,080,000	24	0.94%	20	Extend the wastewater collection system to provide sanitary sewer to the Ashmore-Barden area, which is currently unserved, and is experiencing failing septic systems.			X											
McDuffie County Board of Commissioners	2	21,498	\$1,627,000	28	0.94%	20	Extend the existing sewer collection system to serve the sewage disposal needs of McDuffie County residents currently served by failing, private septic systems. The new facilities will include 9,900 LF of 8-inch gravity sewer, a sewage pump station, and 5,100 LF of 4-inch force main. The work will include connection of residents' home plumbing to the new sewer mains and decommissioning of their septic systems.			X											
City of Sky Valley	2	328	\$4,305,000	22		20	Address sewer system on-site septic problems.														X
City of Flowery Branch	2	7,151	\$23,300,000	13	1.94%	20	Expand and upgrade the water reclamation plant.	X													
Barrow County	0	76,887	\$5,000,000	17	1.94%	20	Improve and upgrade the Barber Creek wastewater treatment facility to provide improved treatment and increased capacity.	X													
Barrow County	0	76,887	\$1,200,000	17	1.94%	20	Improve and upgrade the Tanners Bridge wastewater treatment facility to provide improved treatment and increased capacity.	X													



Attachment 2  
Clean Water State Revolving Fund  
Estimated Disbursement Schedule

Project	Loan Amount	Notice To Proceed	Constr. Start Date	Target Compl. Date	1st Qtr 7/20-9/20	2nd Qtr 10/20-12/20	3rd Qtr 1/21-3/21	4th Qtr 4/21-6/21	1st Qtr 7/21-9/21	2nd Qtr 10/21-12/21	3rd Qtr 1/22-3/22	4th Qtr 4/22-6/22	Total Disburs.
City of Norman Park	\$5,000,000	12/1/2020	1/1/2021	1/1/2022			\$900,000	\$1,350,000	\$1,400,000	\$1,300,000	\$50,000		\$ 5,000,000
City of Baldwin	\$4,750,000	8/1/2021	9/1/2021	7/1/2022					\$800,000	\$1,500,000	\$1,200,000	\$1,000,000	\$ 4,500,000
City of Summerville	\$3,000,000	1/1/2021	2/1/2021	1/1/2022			\$750,000	\$750,000	\$1,000,000	\$500,000			\$ 3,000,000
City of Thomaston	\$2,000,000	7/1/2020	8/1/2020	1/1/2021	\$900,000	\$1,000,000	\$100,000						\$ 2,000,000
Gilmer County Board of Commissioners	\$755,000	9/30/2020	11/30/2020	10/1/2021		\$100,000	\$200,000	\$300,000	\$100,000	\$55,000			\$ 755,000
City of Hawkinsville	\$1,030,000	8/10/2020	8/10/2020	9/1/2021	\$200,000	\$350,000	\$300,000	\$100,000	\$80,000				\$ 1,030,000
City of Waycross	\$2,500,000	6/1/2020	8/1/2020	7/1/2021	\$300,000	\$600,000	\$800,000	\$600,000	\$200,000				\$ 2,500,000
City of Dublin	\$2,056,771	11/1/2020	11/1/2020	6/1/2021		\$300,000	\$1,000,000	\$756,771					\$ 2,056,771
City of Ogelthorpe	\$2,226,900	7/1/2020	8/1/2020	12/1/2021	\$300,000	\$400,000	\$500,000	\$500,000	\$300,000	\$226,900			\$ 2,226,900
Fort Valley Utilities Commission	\$2,500,000	8/1/2020	8/1/2020	2/1/2021	\$500,000	\$1,000,000	\$1,000,000						\$ 2,500,000
City of Toccoa	\$5,920,000	7/1/2021	11/1/2021	12/1/2022						\$300,000	\$1,000,000	\$1,000,000	\$ 2,300,000
<b>TOTAL</b>	<b>\$ 31,738,671</b>				<b>\$ 2,200,000</b>	<b>\$ 3,750,000</b>	<b>\$ 4,650,000</b>	<b>\$ 3,006,771</b>	<b>\$ 1,680,000</b>	<b>\$ 1,081,900</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 27,868,671</b>

**Attachment - ASAP CWSRF Payment Schedule  
Clean Water State Revolving Fund**

<b>Attachment 3 ASAP Payment Schedule Clean Water State Revolving Fund</b>			
<b>Payment No.</b>	<b>Federal Fiscal Year</b>		<b>Amount (\$)</b>
	<b>Quarter</b>	<b>Date</b>	
1	3rd	7/2020 - 9/2020	\$26,869,000
2	4th	10/2020 - 12/2020	\$0
3	1st	1/2021 - 3/2021	\$0
4	2nd	4/2021 - 6/2021	\$0
5	3rd	7/2021 - 9/2021	\$0
6	4th	10/2021 - 12/2021	\$0
7	1st	1/2022 - 3/2022	\$0
8	2nd	4/2022 - 6/2022	\$0
<b>TOTAL</b>			<b>\$26,869,000</b>

Attachment 4 - Estimated Sources and Uses  
 GEFA  
 Clean Water State Revolving Fund

Attachment 4 Clean Water State Revolving Fund (CWSRF) Sources and Uses Administered by GEFA State Fiscal Year July 1, 2020 - June 30, 2021				
Sources & Uses	Federal Contribution	State Contribution	CWSRF Fund	Total
<b>Funding Sources</b>				
Loan Repayments (P&I)			62,331,960	62,331,960
Investment Income			1,500,000	1,500,000
FFY 2020 Capitalization Grant	26,869,000	5,373,800		32,242,800
<b>Total Funding Sources</b>	<b>\$26,869,000</b>	<b>\$ 5,373,800</b>	<b>\$ 63,831,960</b>	<b>\$ 96,074,760</b>
<b>Funding Uses</b>				
Project Disbursements	26,869,000	5,373,800	62,757,200	95,000,000
FFY 2020 Administration			1,074,760	1,074,760
<b>Total Uses</b>	<b>\$ 26,869,000</b>	<b>\$ 5,373,800</b>	<b>\$ 63,831,960</b>	<b>\$ 96,074,760</b>

**Attachment 5 - CWSRF Administration from Repayment Dollars**

GEFA is using repayment dollars to satisfy the administrative costs for the CWSRF. The costs are capped at \$1,074,760, which is 4 percent of the allotment. The table below displays how \$1,074,760 will be spent to administer the fund as well as ongoing projects.

**4 Percent Administration (2020 - \$1,074,760)**

<b>Activity</b>	<b>Activity</b>	<b>Cost</b>
CWSRF Administration	Activities include project reviews and approvals; planning; project development; information tracking; information gathering and development of the National Needs Survey; project ranking; issuing Notices of No Significant Impacts (NONSI); Categorical Exclusions (CE); construction management; MBE/WBE requirements; project inspections; and assistance with the National Information Management System (NIMS).	Engineering and Technical Support Contract: \$288,520  GEFA staff: \$786,240
	<b>Total</b>	<b>\$1,074,760</b>

## Attachment 6 - 2020 CWSRF Affordability Criteria



### Clean Water State Revolving Fund Affordability Criteria

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GEFA’s affordability criteria uses data on median household income, unemployment rate, and population trends from the U.S. Census Bureau’s American Community Survey. The borrower’s data is categorized in percentiles. GEFA will award principal forgiveness to Georgia’s most disadvantaged communities.

**1. Median Household Income (MHI)**

State Percentiles	25th Percentile	50th Percentile	75th Percentile
MHI	\$31,701	\$40,155	\$52,234

**2. Unemployment Percent**

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Unemployment Percent	2.20%	3.6%	5.10%

**3. Percentage not in the Labor Force**

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Percentage not in Labor Force	36.6%	43.8%	50.9%

**4. Poverty Rate**

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Poverty Rate	13.2%	21.2%	28.7%

**5. Percentage on Social Security**

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Percentage on Social Security	28.9%	35.7%	42.6%



6. Percentage on SSI

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Percentage on SSI	3.9%	6.8%	9.9%

7. Percentage with Cash Public Assistance

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Percentage with Cash Public Assistance	0.5%	1.3%	2.5%

8. Percentage with SNAP

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Percentage with SNAP	11.6%	18.8%	26%

9. Age Dependency Ratio

State Percentiles	25th Percentile	50th Percentile	75th Percentile
Age Dependency Ratio	57.8	67	77.3

10. Population Trend

The following will be the categories used for determining scoring for change in population from 2011 to 2018.

- Positive growth or no growth
- Between -0.01% to -1%
- Between -1.01% and -2%
- Greater than -2%

**Attachment 7 - Ranking Criteria for CWSRF Projects**  
**Georgia Environmental Finance Authority**  
**2020 CWSRF Call for Projects**  
**Project Ranking Criteria**

Projects will be rated in three categories to determine eligibility and selection for funding through the Clean Water State Revolving Fund (CWSRF) Program.

**CLEAN WATER SRF**

**Clean Water State Revolving Fund Scoring System (maximum 100 points)**

1. Readiness to proceed
2. Compliance benefit
3. Project benefits (select all benefits that apply from each category)
  - a. Stormwater management, nonpoint source, and sourcewater protection benefits
  - b. Energy conservation, efficiency, and production benefits
  - c. Wastewater collection, conveyance, and treatment benefits

**CWSRF Scoring System – Detailed Breakdown**

**1. Readiness to Proceed**

- |  |        |
|--|--------|
| a. State Environmental Review Process (SERP) complete (if selected, you must attach the NONSI or CE) | 40 pts |
| b. Compliance with State Nonpoint Source Management Plan verified                                    | 40 pts |

**2. Compliance Benefits**

*CHECK HIGHEST LEVEL THAT APPLIES (only one option can be selected)*

- |  |        |
|--|--------|
| a. Project is needed to fully address deficiencies documented in Emergency or Administrative Order from EPA or EPD (Order #: _____)    | 40 pts |
| b. Project will support implementation of a Total Maximum Daily Load (TMDL) plan (applicable TMDL, water body name, and water body ID) | 30 pts |
| c. Project is needed to achieve/maintain compliance with applicable permit (NPDES, LAS, MS4) (Permit #: _____)                         | 20 pts |

**3. Project Benefits**

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

- |   |       |
|---|-------|
| a. Project involves the permanent protection of a wellhead protection or groundwater recharge area or land within a designated Source Water Protection Area.          | 2 pts |
| b. Project will reduce nonpoint source pollution and provide passive recreation facilities open for public access.  | 2 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. | 2 pts |
| d. Project includes permanent protection of stream buffer zones and/or wetlands.  | 2 pts |

**Energy Conservation, Efficiency, and Production Benefits**

- a. Project will reduce energy consumption at a wastewater treatment facility and/or collection system by 20 percent or more. 2 pts
- b. Project designed to reduce energy consumption by the utility through the replacement of pumps and/or motors, blowers, SCADA equipment, inflow and infiltration correction, lighting upgrades, or other energy savings products or processes. 2 pts
- c. Energy management planning projects, including energy assessments, energy audits, optimization studies, and other projects designed to determine high energy use areas. 2 pts

**Wastewater Collection, Conveyance, and Treatment Benefits**

- a. 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) 2 pts
- b. Project will reduce sanitary sewer overflows (SSO). 2 pts
- c. Project will eliminate faulty septic systems 2 pts

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

## Attachment 8 - Public Meeting Summary IUP



Georgia Environmental Finance Authority  
IUP Meeting Minutes  
Atlanta, Georgia 30303  
Friday, May 29, 2020  
10:00 a.m.

### **Call to Order**

The meeting was held on Friday, May 29, 2020, at 10:00 a.m. via conference call. In accordance with safety precautions regarding COVID-19 virus and in keeping with the Governor's Declaration of a Public Health State of Emergency, members of the public who want to participate in the public meeting must do so via conference call.

GEFA staff present at the meeting were:

Amanda Carroll  
Ansley Jones  
Sarah Oken  
Stephen Gray  
Oshebar Hardman

Public participants present at the meeting were:

None

Amanda Carroll welcomed everyone and introduced the staff in attendance. After discussing the purpose for the public meeting was to present and receive comments on the drafted 2020 Clean Water and Drinking Water State Revolving Funds IUP, she opened the floor for comments.

### **Comments from Speakers**

No other comments were made.

The meeting was adjourned at 11:00 a.m.

## Attachment 9 - Loan Program Policies

May 2020



### GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

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#### 1. PURPOSE

The Georgia Environmental Finance Authority (GEFA) provides affordable financing to local governments throughout Georgia to develop environmental infrastructure that protects public health, preserves natural resources, and promotes economic development. GEFA sustains this mission through effective, efficient, and prudent management of these public resources.

#### 2. APPLICABILITY

Loan program policies govern the use of funds managed within the:

- Georgia Fund,
- Georgia Reservoir Fund,
- Clean Water State Revolving Fund (CWSRF), and
- Drinking Water State Revolving Fund (DWSRF).

#### 3. SUB-PROGRAMS

##### Georgia Fund

- **Emergency Loan Program** – The GEFA executive director has the authority to approve emergency loans to assist communities with financing improvements that are necessary to eliminate actual or potential public health hazards. Emergency loans are ratified at the next scheduled board meeting. The applicant must determine and document the emergency nature of the project and apply O.C.G.A. Section 36-91-22(e), which outlines the local government actions needed to classify a project as an emergency. Relevant terms are addressed in these policies.

#### 4. ELIGIBLE RECIPIENTS

##### Type of Entity

- GEFA can provide financing to the following entities:
  - Local governments and instrumentalities of the state,
  - Municipal corporations,
  - County or local water, sewer, or sanitary districts,

- State or local authorities, boards, or political subdivisions created by the General Assembly or pursuant to the Constitution and laws of the state, and
- Nongovernmental entities with an approved land conservation project.

### Minimum Recipient Qualifications

- **Qualified Local Government** – Municipalities and counties must be certified as Qualified Local Governments by the Georgia Department of Community Affairs (DCA).
- **Service Delivery Strategy** – Municipalities, counties, and authorities must be included in a DCA-verified Service Delivery Strategy. The project for which an applicant seeks financing must be consistent with the verified strategy.
- **State Audit Requirements** – Municipalities, counties, authorities, and nongovernmental entities must be in compliance with state audit requirements.
- **Metro Plan Compliance** – Municipalities, counties, and authorities located within the Metropolitan North Georgia Water Planning District (MNGWPD) can receive GEFA financing if the director of the Georgia Environmental Protection Division (EPD) has certified that the applicant/recipient is in compliance or is making a good faith effort to comply with all MNGWPD plans and/or enforcement measures.
- **Updated Building Codes** – Municipalities and counties must adopt and enforce O.C.G.A. Section 8-2-3 relating to the installation of high-efficiency plumbing fixtures.
- **Current Loan Agreements** – A current GEFA borrower can receive additional GEFA financing only if the borrower is in compliance with the existing credit documents, e.g., loan agreement and promissory note.
- **Nongovernmental Entities** – Nongovernmental entities must be a nonprofit organization with a primary purpose of permanently protecting or conserving land and natural resources, as evidenced by their organizational documents and consistent with O.C.G.A. Section 12-6A-2(9.1).

## 5. ELIGIBLE PROJECTS

GEFA's loan programs provide financing for a broad range of water, wastewater, sewer, stormwater, nonpoint source pollution prevention, land conservation, and solid waste projects. Specific project eligibility varies by program. The types of projects eligible for financing in each program and the minimum project requirements are listed below.

- **Georgia Fund** – May finance projects consistent with O.C.G.A. Section 50-23-4 to:
  - Supply, distribute, and treat water
  - Collect, treat, or dispose of sewage or solid waste
- **Georgia Reservoir Fund** – May finance projects consistent with O.C.G.A. Section 50-23-28 to:
  - Expand the capacity of existing reservoirs or other sources for water supply
  - Establish new reservoirs or other sources for water supply
- **CWSRF** – May finance projects consistent with the federal Clean Water Act to:
  - Construct municipal wastewater facilities
  - Control nonpoint source pollution, including projects that permanently protect conservation land as defined by O.C.G.A. Section 12-6A-2(5)

- **DWSRF** – May finance projects consistent with the federal Safe Drinking Water Act to:
  - Install or upgrade facilities to improve drinking water quality or pressure, protect water sources, and provide storage create or consolidate water systems

### Minimum Project Eligibility Requirements Under the Federal State Revolving Fund Programs

In addition to meeting the other applicable eligibility requirements outlined in these policies, projects receiving funding through the CWSRF or DWSRF must comply with applicable federal statutes, rules, and regulations. These requirements include, but are not limited to:

- Each project must be included in an Intended Use Plan submitted by GEFA to the U.S. Environmental Protection Agency (EPA).
- Each project must successfully complete the State Environmental Review Process, which is administered by EPD, and receive a Notice of No Significant Impact or Categorical Exclusion.
- Each recipient must certify compliance with Title VI of the Civil Rights Act by completing EPA Form 4700-4.
- Each DWSRF project and CWSRF treatment works project must comply with applicable federal procurement and labor rules, including Disadvantaged Business Enterprise utilization, Equal Employment Opportunity, the Davis Bacon Act, and requirements that may arise in future federal law or future federal assistance agreements.
- Each DWSRF project and CWSRF treatment works project must incorporate iron and steel products produced in the U.S. (“American Iron and Steel Requirement”).
- Each CWSRF treatment works project must certify that a Fiscal Sustainability Plan has been developed and is being implemented for the project or certify that a Fiscal Sustainability Plan will be developed and implemented for the project.

## 6. ELIGIBLE ACTIVITIES

Recipients of GEFA financing may use GEFA funds for the following activities related to an eligible project:

- Feasibility analysis
- Project design
- Construction, grading, site preparation, dredging, etc.
- Land and easement acquisition needed for project implementation
- Stream or wetland mitigation
- Administrative and/or legal services
- System purchase

**Engineering, Legal, and Administrative Costs** – GEFA funds may be utilized for engineering, design, administrative costs, facilities planning, and land acquisition provided that these costs are necessary for the completion of the project defined by the scope of work and identified in the budget of the approved loan agreement. Such eligible costs incurred prior to the execution of a loan agreement are eligible for reimbursement with a GEFA loan. GEFA also offers engineering-only loans for these preliminary soft costs needed to facilitate the construction of an eligible project. GEFA will review and apply a standard to all project budgets.

**Purchase of Existing Systems** – An application that proposes to purchase an existing water and/or wastewater system must be accompanied by a certification of the value of the system by a registered professional engineer. GEFA will require other information as needed to document the content and costs of the purchase.

GEFA's loan agreement provides additional information about activities for which a borrower may or may not use GEFA funds.

## 7. PROGRAM MAXIMUMS

Loans available from GEFA are subject to the following maximums.

### Georgia Fund

- The maximum loan amount is \$3,000,000 per borrower per year.
- The maximum loan amount for emergency loans is \$500,000 per project.
- The standard amortization period is 20 years or the useful life of the project.

### Georgia Reservoir Fund

- The maximum loan amount will be determined based on availability of funds.
- The length of the amortization period shall be determined on a case-by-case basis consistent with O.C.G.A. Section 50-23-28.
- The maximum amortization period is 40 years.

### CWSRF

- The maximum loan amount is \$25,000,000 per borrower per year.
- The maximum loan amount for engineering loans is \$2,000,000 per project.
- The maximum amortization period is 30 years not to exceed the useful life of the project.

### DWSRF

- The maximum loan amount is \$25,000,000 per borrower per year.
- The maximum loan amount for engineering loans is \$2,000,000 per project.
- The maximum amortization period is 40 years for communities designated as "disadvantaged" based on GEFA's affordability criteria not to exceed the useful life of the project.

## 8. INTEREST RATES

GEFA indexes its interest rates to the true interest cost (to the nearest hundredth of one percent) received by the state on its 20-year, competitively-bid, general obligation bond issue. This is GEFA's benchmark rate; however, the interest rate adjustments described below may apply.

**Federal Loans** – For CWSRF and DWSRF loans, GEFA will charge an interest rate that is 50 basis points (0.50



percent) below GEFA's benchmark rate.

**Interest Rate Concessions** – GEFA provides the following interest rate concessions for eligible borrowers or eligible projects under the specified funding programs. Interest rate concessions shall not be used in combination.

- **WaterFirst** – Communities that receive the WaterFirst designation may receive an interest rate 100 basis points (1 percent) below the prevailing interest rate for the program through which it is to be funded.
- **PlanFirst** – Communities designated as a PlanFirst Community may receive an interest rate 50 basis points (0.50 percent) below the prevailing interest rate for the program through which it is to be funded.
- **Conservation** – Communities seeking financing for eligible energy, land, or water conservation projects may receive an interest rate 100 basis points (1 percent) below the prevailing interest rate for the program through which it is to be funded as outlined in GEFA's Water Conservation Financing guidance.
- **Special Loan Terms** – The GEFA board may approve loans with different interest rates or specialized terms, e.g., principal forgiveness, consistent with specific program objectives and/or relevant federal requirements.

## 9. FEES

GEFA may assess certain fees to loan recipients.

**Origination Fee** – GEFA will charge an origination fee of 1 percent pursuant to the loan agreement.

**Loan Servicing Fees** – Under specific circumstances, GEFA may charge the following loan servicing fees:

- GEFA may assess a non-sufficient funds fee (NSF) if the borrower fails to have sufficient funds in its designated bank account at the time the payment is drafted. The payment due may be for any type of payment due under the credit documents including origination fees, construction interest, monthly principal and interest payments, or any other fee. GEFA will charge the NSF fee to the borrower for each loan for which payment is due and not available.
- GEFA may assess a late fee for any payment not received by the 15th of the month in which the payment is due. This will be in addition to any NSF fees assessed in the same month.
- GEFA may assess a monthly Loan Continuation Fee in the event the borrower fails to draw funds within six months (180 days) of loan agreement execution.

For details about the fees, refer to the Loan Servicing Fee Schedule available at [gefa.georgia.gov/loan-documents](http://gefa.georgia.gov/loan-documents).

## 10. LOAN SECURITY

GEFA requires a revenue and full-faith-and-credit pledge of each borrower and any other special loan condition it may deem necessary, e.g., debt service reserve, etc.

For borrowers, such as authorities, that lack taxation powers or lack adequate taxation capacity to provide a full-faith-and-credit pledge equal to the value of the loan, the following requirements will need to be fulfilled prior to

execution of loan:

- A debt service coverage ratio of 1.25x or greater.
- A debt service coverage ratio of less than 1.25x, but equal to or greater than 1.05x – a reserve in the amount of one year's debt service on the proposed debt must be deposited into a separate bank account that names GEFA as the beneficiary, prohibits the borrower from withdrawing funds without GEFA's written consent, and requires the bank to submit quarterly statements of activity and account balance information directly to GEFA.
- A debt service coverage ratio of less than 1.5x – additional security through an agreement with the authority's local government that is willing and able to provide a full-faith-and-credit pledge to back the loan.

### **13. RELEASE OF GEFA FUNDS DURING CONSTRUCTION**

GEFA monitors construction and endorses GEFA payments in accordance with the loan agreement. To allow monitoring, the loan or grant recipient must notify GEFA prior to commencing construction.

### **14. LOAN EXECUTION DEADLINE**

If the loan agreement is not fully executed within six months (180 days) from the date of board approval, GEFA reserves the right to terminate its commitment.

### **15. LOAN RESTRUCTURING**

Loan restructuring is the changing of terms and/or conditions of an existing loan. The range of restructuring options may include adjusting the interest rate of a loan, changing the amortization period of a loan, or changing the repayment schedule to adjust allocation between interest and principal. GEFA will consider a borrower's request to restructure its existing GEFA loan(s) on a case-by-case basis if the borrower is experiencing financial hardship. In evaluating a restructuring request, GEFA will consider at a minimum the following indicators of financial hardship:

- The borrower's debt service coverage ratio history.
- The type and extent of efforts undertaken by the borrower to improve its financial condition, including enhancing revenues from rate increases or raising of ad valorem taxes and/or reducing costs.
- Emergency or exigent circumstances beyond the control of the borrower that impose a long-term and severe financial hardship.

Under no circumstances will loan principal be forgiven.

### **16. LOAN REFINANCING**

Loan refinancing uses loan funds to pay off an existing debt obligation, thereby satisfying the terms of the existing debt agreement and cancelling the existing obligation. GEFA will consider requests to refinance existing GEFA debt on a case-by-case basis if one of the following conditions is met:

- The community is requesting a loan from GEFA to finance an eligible, time-sensitive, and critical project, but needs to consolidate existing GEFA debt into the new loan to afford the new project.
- The community has an engineering loan it would like to refinance with the proceeds of a construction loan from GEFA, thereby combining the engineering loan and the construction loan into one loan.

## 17. CREDIT ANALYSIS

GEFA requires a minimum debt service coverage of 1.05 times in the first year of repayment and each subsequent year of the outstanding GEFA debt.