

**State of Georgia
Clean Water State Revolving Loan Program,
Additional Supplemental Appropriations for Disaster Relief Act
State Fiscal Year 2024 Annual Report**



**Prepared by the
Georgia Environmental Finance Authority
for the
U.S. Environmental Protection Agency, Region IV
September 30, 2024**

PLEASE NOTE that this report does not constitute nor is it suitable for use as an official financial statement. This report is not prepared by an independent auditor or accountant, and is provided for informational purposes only.

**Clean Water State Revolving Fund Annual Report,
Additional Supplemental Appropriations for Disaster Relief Act
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Introduction

The Clean Water State Revolving Fund (CWSRF) provides assistance to wastewater and nonpoint source projects that improve water quality in Georgia as identified in the amended Clean Water Act of 1972. A range of water quality and wastewater treatment projects are covered by the program, including:

- Stormwater and flood control projects,
- Projects for the construction or expansion of wastewater treatment facilities and installation of sewer lines and sewer rehabilitation,
- Projects that support the state's nonpoint source management plan, and
- Projects that reduce energy costs, such as solar, wind, and biogas projects.

On June 6, 2019, the "Additional Supplemental Appropriations for Disaster Relief Act, 2019" (ASADRA) was signed into law. According to ASADRA, Georgia is eligible to apply for supplemental funding under the Clean Water State Revolving Fund (CWSRF) for the purpose of addressing impacts of Hurricane Michael. As required by the Code of Federal Regulations, Title 40, Part 35, Subpart K, Section 35.3165; Section 606, Paragraph (d) of the Clean Water Act; and Chapter 6 of the CWSRF Management Manual of December 1988, the Georgia Environmental Finance Authority (GEFA) submits this annual report for the state fiscal year ending June 30, 2021 (FY2021). This report provides detailed information concerning the management and fiscal integrity of the ASADRA program, changes to the program, and updates to the program's goals and objectives relating to the 2020 Supplemental ASADRA CWSRF Intended Use Plan (IUP).

GEFA was created by the Georgia General Assembly in 1986 as the successor agency to the Georgia Development Authority Environmental Facilities Program. GEFA assists local governments in financing the construction, extension, rehabilitation, 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. The Georgia Environmental Protection Division (EPD) provides certain professional services for the CWSRF. These services include:

- Project reviews and approvals;
- Planning and project development;
- Information tracking;
- Information gathering and assistance with the National Needs Survey;
- Issuing 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.

Executive Summary

In August 2020, GEFA submitted an IUP and application for the 2020 CWSRF ASADRA grant. The 2020 grant was awarded on September 17, 2020, for \$2,655,000. In April 2021, the 2020 revised ASADRA grant application and revised IUP were submitted to the U.S. Environmental Protection Agency (EPA) to request a transfer of \$11,088,000 from the Drinking Water State Revolving Fund (DWSRF) ASADRA program for a new federal total of \$13,743,000. The grant modification was awarded on August 30, 2021. Georgia's required state match for the CWSRF ASADRA grant is \$531,000.

Attachment 1 shows the total sources of funds by quarter during state FY2024 including federal grant funds, state match

contributions, repayments from direct federal loans, and interest earnings generated from these accounts. Attachment 1 also shows the closing fees collected by quarter identified as Program Income and Non-Program Income. Georgia reports the collection of Program Income and Non-Program Income separately in accordance with the EPA Fee Guidance released in October 2005. Attachment 1 also shows the uses of funds by quarter. Attachment 2 shows the balances within these accounts as of June 30, 2024.

There were no new loan commitments during state FY2024.

Meeting Intended Use Plan (IUP) Goals and Objectives

The 2020 CWSRF ASADRA IUP listed four goals for the program.

1. Long-term Program Goal: Manage the ASADRA program in a fiscally responsible manner.

Status: GEFA will continue to ensure all Clean Water ASADRA projects are managed in a fiscally responsible manner. GEFA will continue to manage the current loans to ensure the projects are completed by the end of the capitalization grant period.

2. Long-term Program Goal: Promote and educate communities on 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.

Status: In 2019, GEFA entered a contract with Wood Environment and Infrastructure Solutions, Inc. Their objective was to conduct an extensive assessment of water supply sources across the state of Georgia. The primary aim of this endeavor, known as the Water Supply Redundancy Study, was to enhance the stability and dependability of Georgia's water supply. This comprehensive study encompassed an evaluation of various aspects, including drinking water supply, demand, treatment, storage, distribution, and interconnectivity. Its goal was to pinpoint redundant water supply sources capable of serving as backup for qualified water systems beyond the jurisdiction of the Metropolitan North Georgia Water Planning District.

Wood diligently undertook three distinct tasks as part of this initiative. Firstly, they conducted initial data summaries for all ten water planning regions (Task 1). Subsequently, they identified ample water supply sources for these regions (Task 2). Finally, based on the information they meticulously gathered and analyzed for each of the ten regions, Wood compiled a list of potential projects (Task 3). Remarkably, all three tasks were successfully completed for all ten regions within the first quarter of FY2022. The water council has received the information and intends to incorporate the findings into their existing emergency preparedness strategies and resilience goals throughout the regions.

3. Long-term Program Goal: Assure the fiscal, technical, and managerial integrity of ASADRA by preventing waste, fraud, and abuse.

Status: GEFA works to prevent waste, fraud, and abuse in the ASADRA program by closely monitoring construction progress and project documentation. Project managers work with engineers and borrowers to ensure that projects are complying with federal requirements. Additionally, all requests for payment are reviewed by multiple staff members to confirm invoices are appropriate and accurate.

4. Short-term Program Goal: Award ASADRA funds to maximize the use of the available allotment to support wastewater infrastructure.

Status: GEFA has committed all of the ASADRA funds and is working to ensure the loans close by the end of the

grant period.

5. Short-term Program Goal: Utilize marketing and outreach strategies that publicize and promote awareness of ASADRA assistance options.

Status: The water resources division and the public affairs team created marketing and outreach campaigns to publicize and promote awareness of ASADRA assistance options. Communities were alerted through email, GEFA's website, social media channels, and various webinars regarding the availability of ASADRA funds. As a result, GEFA received 23 preapplications for CWSRF ASADRA projects, collectively requested over \$30 million in assistance. GEFA is no longer marketing this program because all funds have been committed.

Program Administration (4 Percent)

GEFA does not intend to use any of the four percent set-aside for administrative purposes. GEFA has sufficient funds in its non-program fee account to cover the administrative costs.

CWSRF ASADRA Non-Program Income

In state FY2024, no non-program fees were allocated.

Disadvantaged Business Enterprise (DBE) Participation

Within GEFA's agreement, recipients are required to encourage participation of small minority and women owned businesses in all project subcontracts. The state's CWSRF percentage goals through September 30, 2023, are four percent for Minority Business Enterprises (MBE) and four percent for Women Business Enterprises (WBE). There was no DBE utilization of DBE subs reported for period of October 1, 2022, through September 30, 2023, representing the most recent full fiscal year of data.

GEFA makes every effort to comply with the EPA's Six Good Faith Efforts. Telephone calls and emails are regularly made to DBE subcontractors to encourage their participation in both the CWSRF and DWSRF projects. DBEs are alerted to GEFA-approved projects as soon as they appear in the database, allowing subcontractors to inquire and prepare for these projects prior to the bid date. Subcontractors are additionally urged to pursue EPA/Georgia Department of Transportation (GDOT)/Small Business Administration (SBA) certification. GEFA staff are available to answer questions and assist subcontractors in the application process. GEFA also maintains an in-house bidder's list of certified DBE prime contractors and subcontractors. The data for the bidder's list is collected and forwarded to loan recipients with compliance approval. The bidder's list also serves as a database of MBEs and WBEs and non-MBE/WBE prime contractors and subcontractors.

In considering whether firms could subcontract with DBEs, GEFA encourages prime contractors to follow the Six Good Faith Efforts to solicit the services of MBEs and WBEs. Project approval is withheld if DBE documentation is insufficient. Prime contractors are also provided with an example of an EPA-approved newspaper advertisement and an example of a solicitation letter to help eliminate generic newspaper advertisements and poorly written letters. GDOT, city of Atlanta, SBA, and Metropolitan Atlanta Rapid Transit Authority (MARTA) are resources for prime contractors for identifying DBE-certified subcontractors. In addition, an EPA bidder's list is available upon request from GEFA. Guidance is provided in all related construction contracts to encourage prime contractors to divide work when feasible.

CWSRF ASADRA Loan Disbursements

The CWSRF disbursed funds to eight active projects during state FY2024. Attachment 3 shows the projects that received

funds by quarter in state FY2024. The CWSRF ASADRA disbursed a total of \$3,100,437.69 in state FY2024.

CWSRF State Match

Under the provisions of the Federal Water Pollution Control Act (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. The 2020 CWSRF ASADRA capitalization grant award was \$2,655,000 and the required state match was \$531,000. GEFA will draw down federal dollars exclusively while applying \$531,000 of state match. At the start of FY2024, there was \$7,296,251 remaining of overmatch credit. Therefore, Attachment 1 shows a state match of zero due to the overmatch being reported in the year it was deposited.

CWSRF ASADRA Loan Repayment

One CWSRF ASADRA project closed during state FY2024 (Attachment 4). The total dollar value awarded to this project equaled \$200,000 of which \$199,600 or 99.80 percent, was disbursed.

Water Resources Reform and Development Act (WRRDA) Implementation

GEFA will be submitting the following loans that will meet the equivalency requirement:

- City of Ashburn - \$1,680,000
- Cit of Hawkinsville - \$1,377,500
- City of Ochlocknee - \$118,000
- City of Leesburg - \$590,000
- City of Camilla - \$200,000
- Unified Government of Georgetown-Quitman County - \$225,000
- City of Boston - \$1,500,000
- City of Doerun - \$750,000
- City of Pelham - \$644,000
- City of Cairo - \$800,000
- City of Sylvester - \$1,925,000
- City of Dublin - \$4,880,400

Assurances and Specific Proposals

The CWSRF will adhere to all the certifications covered in the Clean Water Act as well as those within Georgia's Operating Agreement with the Regional EPA office. 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. Limitation 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 30 Percent of Grant Amount Between Programs
25. NIMS
26. Clean Water Benefits Reporting System

A copy of GEFA's FY2024 unaudited financial data is provided under separate cover.

Attachment 1
Sources and Uses of Funds by Quarter
Clean Water State Revolving Fund - ASADRA
FY 2024
July 1, 2023 - June 30, 2024

	Quarter 1 07/2023 - 09/2023	Quarter 2 10/2023 - 12/2023	Quarter 3 01/2024 - 03/2024	Quarter 4 04/2024 - 06/2024	Total
Sources					
Direct Capitalization Grant Funds (Accrual Basis)	809,757.96	203,180.70	1,379,794.00	525,019.57	\$ 2,917,752.23
State Match Funds (Accrual Basis)	-	-	-	-	\$ -
Repayments Collected (Cash Basis)					
CWSRF Federal & State Principal Repayments	12,625.26	13,955.92	14,621.25	14,621.25	\$ 55,823.68
CWSRF Federal & State Interest Repayments	-	-	-	-	\$ -
Fees Collected (Cash Basis)					
Closing fee payments (program)	-	-	-	-	\$ -
Closing fee payments (non-program)	-	-	-	-	\$ -
Investment Earnings (Short & Long-term)					
CWSRF Federal & State Match Repayment Fund	-	-	-	-	\$ -
Closing fee payments (program)	-	-	-	-	\$ -
Closing fee payments (non-program)	-	-	-	-	\$ -
Total Sources	\$ 822,383.22	\$ 217,136.62	\$ 1,394,415.25	\$ 539,640.82	\$ 2,973,575.91
Uses					
CWSRF Disbursements - Cap Grant (Accrual Basis)	809,757.96	203,180.70	1,379,794.00	525,019.57	\$ 2,917,752.23
CWSRF Disbursements - State Match (Accrual Basis)	-	-	-	-	\$ -
CWSRF Disbursements - Repayments (Accrual Basis)	-	-	-	-	\$ -
CWSRF Administration (4%)	-	-	-	-	\$ -
CWSRF Administration (Repayments)	-	-	-	-	\$ -
CWSRF Program Income	-	-	-	-	\$ -
CWSRF Non-Program Income	-	-	-	-	\$ -
Total Uses	\$ 809,757.96	\$ 203,180.70	\$ 1,379,794.00	\$ 525,019.57	\$ 2,917,752.23

Attachment 2
CWSRF Repayment Accounts
Clean Water State Revolving Fund - ASADRA
FY 2024
July 1, 2023 - June 30, 2024

Account	Balance*	Investment Earnings	Expected Uses of Funds
CWSRF State Revolving Repayment Fund	-	-	Project Funding
CWSRF Closing Fee (Program Income)	-	-	Project Funding
CWSRF Closing Fee (Non-program Income)	-	-	Water Quality Related Activities
Total	\$ -	\$ -	

Attachment 3
Disbursements of CWASADRA Funds by Quarter
Clean Water State Revolving Fund
FY 2024
July 1, 2023 - June 30, 2024

Community	Project Number	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
		7/2023 - 9/2023	10/2023 - 12/2023	1/2024 - 3/2024	4/2024 - 6/2024	
Ashburn CW2020001	CW2020001	\$37,098.00	\$0.00	\$39,571.20	\$274,444.05	\$351,113.25
Boston, City of	CWDRA20009	\$374,360.95	\$0.00	\$1,033,859.25	\$0.00	\$1,408,220.20
Cairo, City of	CWDRA20014	\$0.00	\$0.00	\$0.00	\$314,029.69	\$314,029.69
Camilla, City of	CWDRA20007	\$186,600.00	\$0.00	\$0.00	\$0.00	\$186,600.00
Dublin, City of	CWDRA20018	\$201,660.50	\$97,440.00	\$38,409.50	\$93,869.80	\$431,379.80
Leesburg, City of	CWDRA20005	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00
Ochlocknee, City of	CWDRA20002	\$0.00	\$105,740.70	\$0.00	\$0.00	\$105,740.70
Pelham, City of	CWDRA20011	\$20,400.00	\$0.00	\$267,954.05	\$0.00	\$288,354.05

Attachment 4
Projects Closed
Clean Water State ASADRA Revolving Fund
FY 2024
July 1, 2023 - June 30, 2024

Community	Project Number	CWSRF Assistance Amount	Assistance Amount Used	Percentage Used	Loan Execution Date	Final Close Date	Loan Interest Rate
Camilla, City of	CWDRA20007	200,000.00	199,600.00	99.80%	2/22/2021	10/1/2023	0.00%
Total		\$ 200,000.00	\$ 199,600.00	99.80%			