

**State of Georgia
Clean Water State Revolving Loan Program,
Emerging Contaminants
State Fiscal Year 2024 Annual Report**



**Prepared by the
Georgia Environmental Finance Authority
for the
U.S. Environmental Protection Agency, Region IV
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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,
Emerging Contaminants
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State Fiscal Year 2024**

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State of Georgia Clean Water State Revolving Fund Program, Emerging Contaminants State Fiscal Year 2024 Annual Report

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, such as stormwater and flood control, expansion of wastewater treatment plants and installations of sewer lines.

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.

With the Bipartisan Infrastructure Law (BIL) signed on November 15, 2021, by President Biden, funding has been allocated to reduce exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants through water quality priorities. The sole purpose of this funding is for addressing PFAS, and in general, may not be used for traditional CWSRF projects as mentioned above.

Executive Summary

In September 2022, the 2022 Clean Water State Revolving Fund Emerging Contaminants (CWSRF-EC) grant application and IUP were submitted to the U.S. Environmental Protection Agency (EPA) for \$1,581,000 and was awarded on November 9, 2022.

In July 2023, the 2023 CWSRF-EC grant application and IUP were submitted to the U.S. Environmental Protection Agency (EPA) for \$3,596,000 and was awarded on December 7, 2023.

Attachment 1 shows the total sources of funds by quarter during state FY2024.

One grant agreement was executed in state FY2024 for a total of \$1,581,000 and is funded from the 2022 CWSRF-EC capitalization grant. This execution can be found in Attachment 3. Attachment 4 shows information for this project in the NIMS format. Lastly, GEFA and EPD collectively entered all necessary information into the Clean Water Benefits Reporting database for all projects funded through state FY2024.

GEFA intends to enter into another grant agreement with Dalton Utilities for the 2023 CWSRF-EC capitalization grant amount of \$3,596,000 in state FY2025.

All new grant agreements will be made to qualified local governments or water and sewer authorities according to the requirements of the Georgia Department of Community Affairs (DCA), which includes a verified Service Delivery Strategy. Additionally, all grant recipients have the technical, managerial, and financial capability to operate a sewer system. Each project will be reviewed in accordance with the EPA approved State Environmental Review Process (SERP) and will be issued a Notice of No Significant Impact (NONSI) or a Categorical Exclusion (CE). Below is a short description for each of the projects funded in state FY2024.

Projects

Dalton Utilities (ECCW2022001)

On August 8, 2023, Dalton Utilities signed a \$1,581,000 grant. This project includes a pilot project for the treatment and destruction of PFAS in wastewater. Pretreatment, PFAS removal, PFAS destruction, and PFAS stabilization technologies will be assessed. As of the end of state FY2024, \$116,688.45 has been drawn.

Meeting Intended Use Plan (IUP) Goals and Objectives

The 2023 CWSRF Emerging Contaminants IUP listed four goals for the program.

1. Long-term Program Goal: Ensure PFOS/PFOA impacted communities have the funding needed to implement remediation strategies.

Status: GEFA continues to work with communities with emerging contaminate eligible projects to ensure that those communities with the greatest need will have funding available. GEFA will work with these communities to ensure projects get underway and the funds are spent in a fiscally responsible manner to further the program goal of helping communities impacted by PFAS (or other emerging contaminant).

2. **Short-term Program Goal:** Collaborate with the Georgia Environmental Protection Division (EPD) to determine PFOS/PFOA impacted communities.

Status: GEFA works closely with the EPD to identify communities with elevated levels of PFAS or other emerging contaminants. PFAS sampling is not a requirement in National Pollutant Discharge Elimination System (NPDES) permits and is done on a case-by-case basis. Therefore, it is unclear what the future need will be for clean water PFAS funding. However, as more communities are identified, GEFA will continue to reach out to ensure these communities are aware of their funding options.

3. Short-term Program Goal: Collaborate with other agencies to determine funding options for impacted communities.

Status: The water resources division works in partnership with the Georgia Rural Water Association and the Georgia Association of Water Professionals to help inform impacted communities of grant and other funding opportunities available through GEFA.

4. **Short-term Program Goal:** Expand the outreach activities to ensure that systems are aware of and understand CWSRF assistance options and the application process by presenting at statewide workshops and conferences to publicize the CWSRF program.

Status: GEFA's water resources division worked closely with the public affairs division to increase awareness around the SRF program. Both divisions participated in conference presentations, workshops, training sessions, and meetings with potential borrowers.

GEFA presented at the Georgia Associations of Water Professionals technical conference in Rome Georgia. The

title of the presentation was “Financing Emerging Contaminant Projects in Georgia”. The presentation discussed the CWSRF-EC program, eligible projects, and how to receive funding through GEFA. The Georgia Environmental Protection Division (EPD) also suggests GEFA funding through the CWSRF-EC program when speaking with communities that have contaminant issues.

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 EC 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).

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 EC Grant Disbursements

The CWSRF disbursed funds to one active project during state FY2024. Attachment 5 shows the project that received funds by quarter in state FY2024. The CWSRF disbursed a total of \$116,688.45 in state FY2024.

CWSRF EC State Match

The CWSRF EC Grant does not require a State Match.

Water Resources Reform and Development Act (WRRDA) Implementation

Some projects listed on the IUP still need to submit applications and move forward with funding. Therefore, we do not currently have projects to list that will meet the equivalency requirement.

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

Attachment 1
Sources and Uses of Funds by Quarter
Clean Water State Revolving Fund - Emerging Contaminants
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)	-	38,896.15	217,123.46	361,755.64	\$ 617,775.25
State Match Funds (Accrual Basis)	-	-	-	-	\$ -
Repayments Collected (Cash Basis)					
CWSRF Federal & State Principal Repayments	-	-	-	-	\$ -
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 Repayment Fund	-	-	-	-	\$ -
Closing fee payments (program)	-	-	-	-	\$ -
Closing fee payments (non-program)	-	-	-	-	\$ -
Total Sources	\$ -	\$ 38,896.15	\$ 217,123.46	\$ 361,755.64	\$ 617,775.25
Uses					
CWSRF Disbursements - Cap Grant (Accrual Basis)	-	38,896.15	217,123.46	361,755.64	\$ 617,775.25
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	\$ -	\$ 38,896.15	\$ 217,123.46	\$ 361,755.64	\$ 617,775.25

Attachment 2
CWSRF Repayment Accounts
Clean Water State Revolving Fund - Emerging Contaminants
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
Communities Receiving CWSRF Financial Assistance
Clean Water State Revolving Fund - Emerging Contaminants
FY 2024
July 1, 2023 - June 30, 2024

Community	Project Number	Population Served by Project	Population	Zip Code	Project Type	Total Assistance Agreement	Loan Amount	Principal Forgiveness Amount	Green Project Reserve Amount	Binding Commitment Date	Projected Loan Closeout Date	Loan Interest Rate
Dalton Utilities	ECCW2022001	102,599	102,599	30705	Advanced Treatment	\$1,581,000.00	\$0.00	\$1,581,000.00	\$0.00	8/8/2023	12/1/2024	0.00%
						\$1,581,000.00	\$0.00	\$1,581,000.00	\$0.00			

Attachment 4
Binding Commitments by Category, Population, and Dollar Value
Clean Water State Revolving Fund
FY 2024
July 1, 2023 - June 30, 2024

Project Type	Number of Projects*	Dollar Value (\$)	Assistance by Population Size	Number of New Assistance Agreements	Dollar Value (\$)
Secondary Treatment (I)	0	\$0.00	Less than 3,500:	0	\$0.00
Advanced Treatment (II)	1	\$1,581,000.00	3,500 to 10,000:	0	\$0.00
Infiltration/Inflow (IIIA)	0	\$0.00	10,001 to 100,000:	0	\$0.00
Sewer System Rehab (IIIB)	0	\$0.00	100,001 & above:	1	\$1,581,000.00
New Collector Sewers (IVA)	0	\$0.00	Total	1	\$1,581,000.00
New Interceptors (IVB)	0	\$0.00			
CSO Correction (V)	0	\$0.00			
Storm Sewers - Gray Infrastructure (VI)					
Storm Sewers - Green Infrastructure (VI)					
Recycled Water Distribution (X)					
Energy Efficiency					
Renewable Energy					
Water Efficiency					
Water Reuse					
Agricultural Cropland (VII-A)					
Agricultural Animals (VII-B)					
Silviculture (VII-C)					
Urban, Excluding Decentralized Systems (VII-D)					
Groundwater, Unknown Source (VII-E)					
Marinas (VII-F)					
Resource Extraction (VII-G)					
Brownfields (VII-H)					
Storage Tank (VII-I)					
Sanitary Landfills (VII-J)					
Hydromodification (VII-K)					
Individual/Decentralized Systems (VII-L)					
Other-Planning					
Land Conservation					
Total	1	\$1,581,000.00			

*Assistance Agreements may be counted in more than one category when they fund more than one category.

Attachment 5
Disbursements of CWSRF Funds by Quarter
Clean Water State Revolving Fund
FY 2024
July 1, 2023 - June 30, 2024

Community	Project Number	Quarter 1 7/2022 - 9/2022	Quarter 2 10/2022 - 12/2022	Quarter 3 1/2023 - 3/2023	Quarter 4 4/2023 - 6/2023	Total
Dalton Utilities	ECCW2022001	\$0.00	\$38,896.15	\$38,896.15	\$38,896.15	\$116,688.45
Total Disbursements		\$0.00	\$38,896.15	\$38,896.15	\$38,896.15	\$116,688.45