

**State of Georgia  
Drinking Water State Revolving Fund  
Additional Supplemental Appropriations for Disaster Relief Act Program  
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.

**Drinking Water State Revolving Fund Annual Report  
Additional Supplemental Appropriations for Disaster Relief  
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**State of Georgia**  
**Drinking Water State Revolving State Fund**  
**Additional Supplemental Appropriations for Disaster Relief Program**  
**State Fiscal Year 2024 Annual Report**

## **Introduction**

The Drinking Water State Revolving Fund (DWSRF) program provides assistance to public water systems for capital improvement projects in Georgia to protect public health through regulatory compliance, ensure adequate water supply, and promote the goals of the federal Safe Drinking Water Act of 1974 (SDWA), as amended. The 1996 amendments to the SDWA (Pub. L. 104-182) authorized the administrator of the U.S. Environmental Protection Agency (EPA) to establish a DWSRF loan program to assist states in financing local public water system infrastructure needed to achieve or maintain compliance with SDWA requirements in order to protect public health. In accordance with the DWSRF Program Guidelines published by the EPA Office of Water (816-R-97-005) in February 1997, each capitalization grant recipient must submit a biennial report on the activities of the DWSRF.

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 Drinking Water State Revolving Fund (DWSRF) for the purpose of addressing community needs impacted by the aftermath of Hurricane Michael. Section 1452(b) of the Safe Drinking Water Act (SDWA) Amendments of 1996 requires each state to prepare an Intended Use Plan (IUP) identifying the use of funds from the DWSRF and how those uses support DWSRF goals. This ASADRA report outlines Georgia’s proposed uses of the ASADRA allotment of \$33,600,000, which is a one-time injection of funding to promote resiliency. To maximize efficiency, states will carry out ASADRA program funding throughout their existing SRF programs. This DWSRF ASADRA program annual report covers both the program and set-aside activities for the state fiscal year ending June 30, 2024 (FY2024), and comparisons between these activities and those outlined in the 2020 DWSRF Supplemental ASADRA Intended Use Plan (IUP).

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, 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 of Georgia. Under an interagency agreement, the Georgia Environmental Protection Division (EPD) provides professional services for the DWSRF.

The services include, but are not limited to:

- Project reviews and approvals;
- Planning and project development;
- Information tracking;
- Information gathering and assistance with the National Needs Survey;
- Issuing and approving Notices of No Significant Impacts (NONSI) and Categorical Exclusions (CE);
- Assistance with the National Information Management System (NIMS);
- Administration of EPD's set-aside activities; and
- The management of the Drinking Water Public Benefit Reporting (PBR) database.

## Executive Summary

In August 2020, GEFA submitted an IUP and application for the 2020 DWSRF ASADRA grant. The 2020 grant was awarded on September 29, 2020, for \$33,600,000. In April 2021, the 2020 ASADRA grant application and IUP were revised and submitted to the EPA to transfer \$11,088,000 or 33% of the funding from the Drinking Water State Revolving Fund (DWSRF) ASADRA program to the Clean Water State Revolving Fund (CWSRF) ASADRA program. The grant modification was awarded on May 12, 2021, for a new federal total of \$22,512,000. With Georgia's required state match of \$6,720,000, there is a total of \$29,232,000 available for DWSRF ASADRA assistance.

Attachment 1 shows the total sources of funds by quarterly during state FY2024 including federal grant funds, state match contributions, repayments from direct federal loans, repayments from state match loans, interest earnings generated from these accounts, and closing fees collected quarterly. Attachment 2 shows the balances within these accounts as of June 30, 2024.

Under the DWSRF ASADRA program, no new loans were executed as of June 30, 2024. GEFA and EPD have entered all necessary information into the Drinking Water Public Benefits Reporting (PBR) database for projects funded through state FY2024. Additionally, the program funding is scheduled to end on June 30, 2025.

All eligible projects will be on the fundable list and are eligible public water systems. All commitments will be made to qualified local governments or water and sewerage authorities according to the requirements of the Georgia Department of Community Affairs (DCA), and all will have a verified Service Delivery Strategy approved by DCA. Additionally, all loans recipients will have the technical, managerial, and financial capability to operate a water system. Each project will also be reviewed in accordance with the EPA approved State Environmental Review Process and was issued a NONSI or a CE.

## Meeting DWSRF Supplemental ASADRA IUP Goals and Objectives

The 2020 DWSRF Supplemental ASADRA IUP listed 6 goals for the program.

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

**Status:** Although GEFA did not execute any new Drinking Water ASADRA loans during FY2024, GEFA remains a vital support to disadvantaged communities increase their resiliency in the face of natural disasters. GEFA will continue accept ASADRA eligible projects and bring those projects to upcoming board meetings for approval. GEFA will continue to ensure all Drinking Water ASADRA projects get underway and funded in a fiscally responsible manner to further help communities impacted by Hurricane Michael.

### 2. Long-Term Program Goal: 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.

**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.

As of now, GEFA is in the process of determining the availability of funding incentives for communities based on the projects recommended through this comprehensive study.

3. **Long-Term Program Goal:** Utilize ASADRA funds to make Georgia's water systems and treatment works more resilient in the face of natural disasters.

**Status:** All eligible loan funded through this program will increase resilience in the event of natural disasters. GEFA remains dedicated to collaborating with communities that have ASADRA-eligible projects, by presenting projects for approval board meetings and ensuring program requirements are adhered to and met. GEFA will continue to initiate and fund all eligible Drinking Water ASADRA projects, further aiding communities affected by Hurricane Michael.

4. **Short-Term Program Goal:** Award ASADRA funds to maximize use of the available allotment to support Georgia water infrastructure resiliency.

**Status:** GEFA will work closely with any remaining communities listed on the IUP to get loan agreements executed so the full allotment can be utilized.

5. **Short-Term Program Goal:** Increase the scope of on-site technical assistance provided to small water systems to include a focus on resiliency and preparedness for natural disasters.

**Status:** The Georgia Environmental Protection Division initiated a third-party contract with the Georgia Rural Water Association (GRWA) to develop fifteen Resiliency and Vulnerability Assessments, Power Redundancy Assessments, and Emergency Response Plans for small municipal water systems serving populations of 3,300 or fewer, which had been affected by Hurricane Michael. The Resiliency and Vulnerability Assessments conducted by GRWA identified vulnerabilities to various threats, including natural water events, and implemented strategies to mitigate hazards such as flooding, power outages, power redundancy, infrastructure damage from wind or water, well pump maintenance and damage prevention, water treatment chemical supply shortages during hurricanes, fuel supply planning, and mutual aid and resource assistance during hazardous natural water events.

The final Resiliency and Vulnerability Assessments have been received and are now available for small systems to incorporate the findings into their existing emergency preparedness strategies and resilience objectives across their respective regions. GRWA will utilize the National Rural Water Association Vulnerability Assessment Tool to accomplish this task. Additionally, GRWA will either revise or develop new Emergency Response Plans (ERPs) for the fifteen systems based on the vulnerabilities identified in the assessments.

6. **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 notified via email, through GEFA's website, social media platforms, and on various webinars about the availability of ASADRA funds. GEFA received 22 preapplications for DWSRF ASADRA projects totaling over \$25,450,850 million in assistance.

### **DWSRF ASADRA Loan Disbursements**

The DWSRF ASADRA disbursed funds to 12 active projects during state FY2024. Attachment 5 shows projects that received funds quarterly in state FY2024. The DWSRF ASADRA disbursed a total of \$2,439,213.30 in state FY2024. Attachment 6 compares the projected disbursement schedules indicated within the 2020 IUP for state FY2024 against the actual disbursements made in state FY2024. The DWSRF disbursed 100 percent of projected disbursements in state FY2024.

### **DWSRF ASADRA State Match**

During state FY2024, projects that received federal capitalization grant dollars used a cash draw ratio of 76.47 percent federal dollars and 23.53 percent state match dollars. GEFA received general obligation bond funds in the amount of \$728,391.48 for the state to match the DWSRF ASADRA program at 20 percent. These bond funds will be deposited into the same DWSRF fund as grant payments are made. Attachment 1 shows the amount of state match funds provided during state FY2024 by quarter.

### **DWSRF ASADRA Loan Repayments**

In state FY2024, 3 projects closed in the DWSRF ASADRA for a total of \$1,782,250.00 in commitments (Attachment 7). The total dollar value disbursed to these three projects within state FY2024 was \$1,064,932.01, which equals 59.8 percent of the contracted amount. All projects completed the construction phase and entered the repayment phase of the DWSRF loan process. To maintain the revolving nature of the DWSRF, repayments including the principal, interest, and fees are credited to the DWSRF. The repayments credited to the DWSRF from federal and state match projects along with the interest earnings from these accounts totaled \$4,182.78 (Attachment 1).

### **Assurances and Specific Proposals**

The DWSRF ASADRA adheres to the certifications covered in the SDWA and 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 Expenditures
6. Enforceable Requirements of the Safe Drinking 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. Public Benefits Reporting System

A copy of the state FY2024 unaudited financial data is provided under separate cover.

### **Disadvantage 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 DWSRF percentage goal through September 30, 2024, is four percent for Minority Business Enterprises (MBE) and four percent for Women Business Enterprises (WBE). However, Georgia reached an actual percentage of 61.55% of DBE participation within state FY2024. A summary of GEFA's DBE utilization within state FY2024 is detailed within Attachment 9. The data provided in Attachment 9 is for the reporting 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 within the DWSRF projects. DBE's are alerted to GEFA-approved projects as soon as they appear in our database, which allows subcontractors to inquire and prepare for these projects prior to the bid date. Subcontractors are 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 MBE and WBE and non-MBE/WBE prime contractors and subcontractors.

In considering whether firms could subcontract with DBE's, GEFA encourages prime contractors to follow the Six Good Faith Efforts to solicit the services of MBE's and WBE's. Project approval is withheld if DBE documentation is insufficient. Prime contractors are provided 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. The city of Atlanta, GDOT, SBA, and the Metropolitan Atlanta Regional Rapid Transit Authority are all resources for prime contractors to identify DBE certified subcontractors. In addition, an EPA bidder's list is available upon request from GEFA. To encourage prime contractors to divide work when feasible, guidance is provided in all related construction contracts.

### **Program Administration (4 percent)**

Georgia 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.

## **ASADRA Set-Aside Work Plan (2 percent)**

During state FY2024, Georgia spent \$312,122.26 on small system technical assistance from the DWSRF ASADRA cap grant.

Nathan Jennings assumed the role of the second Emergency Response Coordinator (ESF-3 Lead) within the GA EPD Drinking Water Compliance Unit on December 15, 2023. As of July 1, Ahmed Bakr is no longer part of the GA EPD team. In his absence, Cassandra Nickle has taken on Emergency Response responsibilities, effective from August 10, 2023.

The GA EPD has successfully conducted 5 workshops dedicated to Drinking Water Resiliency Training, along with 5 small group technical assistance site visits. In parallel, GRWA has carried out 15 small systems assistance visits with a focus on Resiliency and Vulnerability Assessments, as well as the development of Emergency Response Plans.

GRWA identified 15 small systems within the Hurricane Michael impacted region to conduct Risk and Resiliency Assessments and Emergency Response Plans to enhance the drinking water system resiliency. Identified systems for RRA, and ERPs were completed: GRWA worked with the appropriate staff to include the managers, clerks and water operators to ensure system resiliency and prepare systems to better respond to negative system impacts. The systems were assisted over a period of time to identify risk and ways to enhance resiliency through the ERPs.

GA EPD has successfully completed 5 workshops on Drinking Water Resiliency Training and 5 small group technical assistance site visits. GRWA has completed 15 small systems assistance visits, focusing on Resiliency and Vulnerability Assessments, and the development of Emergency Response Plans. GRWA worked with various cities and municipalities to enhance their drinking water system resiliency through Risk and Resiliency Assessments and Emergency Response Plans.

A State of Georgia Emergency Response Plan for Public Water Systems was developed and finalized in March 2023. There was a presentation on emergency preparedness at the 2022 GRWA Fall Conference. Standard Operating Procedures (SOPs) were expanded to include various aspects of program function, training, assessment assistance, and more. Collaboration with EPA resulted in the development of a tracking tool for water and wastewater system assessments after emergency events. Nathan Jennings attended the 2023 Emergency Management Summit in Savannah, GA.

## **EPA Program Evaluation Report – State FY2023**

In accordance with the State FY2023 EPA Program Evaluation Report (PER), the following updates and recommendations were made for the DWSRF ASADRA program.

### **SECTION VI: ENVIRONMENTAL BENEFITS REPORTING:**

GEFA has duly entered information in the OWSRF Data System for all projects receiving Drinking Water ASADRA assistance, not all projects have been properly assigned to the ASADRA capitalization grant in that system. GEFA indicates in its FY23 annual report that Drinking Water ASADRA assistance was disbursed to 15 active projects during the state fiscal year. However, EPA notes that four of those projects are not assigned to ASADRA funding in the OWSRF Data System: Camilla, Cuthbert, Dudley, and Warwick.

**Status:** GEFA has assigned ASADRA funding in the OWSRF Data System to the cities of Camilla, Cuthbert, Dudley, and Warwick.



## SECTION VIII: RECOMMENDATIONS:

1. EPA recommends that GEFA work to increase expenditures of ASADRA funds to ensure expeditious and timely use of those funds.
2. EPA recommends that GEFA ensure that all relevant data for Drinking Water ASADRA assistance agreements are consistently entered in the OWSRF Data System, including assigning all projects to "ASADRA" in the "Special Appropriation" field in the system.

**Status:** Presently, GEFA is communicating with communities in efforts to increase ASADRA expenditures and ensure the expeditious and timely use of the funding. Additionally, GEFA staff is ensuring that all ASADRA assistance agreements are consistently entered into the OWSRF Data System, as well as assigning all projects to "ASADRA" in the "Special Appropriation" field within the data system.

There were no findings associated with the EPA Region 4's annual review of Georgia's Drinking Water SRF ASADRA program for State FY2023 in accordance with EPA's SRF Annual Review Guidance. Attachment 11 references the annual review updates and recommendations listed above.

**Attachment 1**  
**Sources And Uses of Funds By Quarter**  
**Drinking 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
<b>Sources</b>					
Direct Capitalization Grant Funds (Accrual Basis)	430,261.32	927,737.08	396,784.78	1,068,584.41	\$ 2,823,367.59
State Match Funds (Accrual Basis)	164,309.38	285,466.90	35,897.87	242,717.33	\$ 728,391.48
Repayments					
DWSRF Federal & State Principal Repayments	-	-	1,491.39	2,691.39	\$ 4,182.78
DWSRF Federal & State Interest Repayments	-	-	-	-	\$ -
DWSRF Federal & State Penalties	-	-	-	-	\$ -
Fees Collected					
Closing Fee (program income)	-	-	-	-	\$ -
Investment Earnings (Short & Long Term)					
DWSRF Federal Fund	-	-	-	-	\$ -
Closing Fee (program)	-	-	-	-	\$ -
Closing Fee (non-program)	-	-	-	-	\$ -
<b>Total Sources</b>	<b>\$ 594,570.70</b>	<b>\$ 1,213,203.98</b>	<b>\$ 434,174.04</b>	<b>\$ 1,313,993.13</b>	<b>\$ 3,555,941.85</b>
<b>Uses</b>					
DWSRF Disbursements - Cap Grant	430,261.32	927,737.08	116,664.29	1,036,582.64	\$ 2,511,245.33
DWSRF Disbursements - State Match	164,309.38	285,466.90	35,897.87	242,717.33	\$ 728,391.48
DWSRF Disbursements - Repayments	-	-	-	-	\$ -
DWSRF Program Income	-	-	-	-	\$ -
DWSRF Non-Program Income	-	-	-	-	\$ -
DWSRF Set-aside (2%)	-	-	280,120.49	32,001.77	\$ 312,122.26
DWSRF Administration (4%)	-	-	-	-	\$ -
DWSRF Set-aside (10% & 15%)	-	-	-	-	\$ -
<b>Total Uses</b>	<b>\$ 594,570.70</b>	<b>\$ 1,213,203.98</b>	<b>\$ 432,682.65</b>	<b>\$ 1,311,301.74</b>	<b>\$ 3,551,759.07</b>

**Attachment 2**  
**DWSRF Repayment Accounts**  
**Drinking Water ASADRA State Revolving Fund**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

Account	Balance*	Investment Earnings	Expected Uses of Funds
DWSRF State Revolving Repayment Fund	-	-	Project Funding
Closing Fee Account (Program)	-	-	DWSRF Activities
Closing Fee Account (Non - Program)	-	-	Water Supply Related Activities
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	

\*Balance as of 06/30/2024

**Attachment 3**  
**Communities Receiving DWASADRA Financial Assistance**  
**Drinking Water State Revolving Fund**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

Community	Project Number	Population	Zip Code	Project Type	Total Assistance Agreements	Loan Amount	Principal Forgiveness Amount	Binding Commitment Date	Projected Loan Closeout Date	Loan Interest Rate	Fees (%) Collected Outside the Principal of the Loan
<b>Total: 0</b>					<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>				

**Attachment 4**  
**Binding Commitments By Category, Population, and Dollar Value**  
**Drinking Water ASADRA State Revolving Fund**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

Commitment by Category	# of Binding Commitments*	Assistance Amount (\$)	Commitment by Population Size	# of Binding Commitments	Assistance Amount (\$)
Planning and Design Only			Less Than 500		\$0.00
<b>Construction:</b>			501 to 3,300		\$0.00
Treatment			3,301 to 10,000		\$0.00
Transmission & Distribution			10,001 to 100,000		
Source			100,001 and above		
Storage			Total: 0	0	\$0.00
Purchase of System					
Restructuring					
Land Acquisition					
Other					
<b>Total: 0</b>	0	\$0.00			

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

**Attachment 5**  
**Disbursement of Funds By Quarter**  
**Drinking Water ASADRA State Revolving Fund**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

Community	Project Number	Quarter 1 7/2023 - 9/2023	Quarter 2 10/2023 - 12/2023	Quarter 3 1/2024- 3/2024	Quarter 4 4/2024 - 6/2024	Total
Attapulgus, City of	DWDRA20011	\$36,347.55	\$47,070.60	\$13,000.00	-	\$96,418.15
Byromville, Town of	DWDRA20012	-	-	\$14,580.00	\$523,400.20	\$537,980.20
Camilla, City of	DWDRA20010	-	-	\$38,112.16	-	\$38,112.16
Cuthbert, City of	DWDRA20004	-	\$631,353.66	-	\$106,171.58	\$737,525.24
Damascus, City of	DWDRA20013	-	\$9,900.00	-	\$80,086.42	\$89,986.42
Doerun, City of	DWDRA20015	\$3,500.00	-	\$49,770.00	-	\$53,270.00
Leesburg, City of	DWDRA20007	-	-	-	\$14,299.20	\$14,299.20
Montezuma, City of	DWDRA20002	\$27,396.00	\$76,836.00	\$12,000.00	\$61,452.55	\$177,684.55
Pelham, City of	DWDRA20016	\$43,200.00	-	\$196,524.90	-	\$239,724.90
Poulan, City of	DWDRA20021	\$152,005.56	\$229,331.49	-	-	\$381,337.05
Stewart County Water and Sewer Authority	DWDRA2020014	-	-	\$25,100.00	-	\$25,100.00
Warwick, City of	DWDRA20003	\$25,328.48	\$22,446.95	-	-	\$47,775.43
<b>Total: 12</b>		<b>\$287,777.59</b>	<b>\$1,016,938.70</b>	<b>\$349,087.06</b>	<b>\$785,409.95</b>	<b>\$2,439,213.30</b>

**Attachment 6**  
**Comparison of Projected Versus Actual Disbursements**  
**Drinking Water ASADRA State Revolving Fund**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

<b>Projected Disbursements</b>	<b>Quarter 1 7/2023 - 9/2023</b>	<b>Quarter 2 10/2023 - 12/2023</b>	<b>Quarter 3 1/2024 - 3/2024</b>	<b>Quarter 4 4/2024 - 6/2024</b>	<b>Total</b>
Projected FY 2024 ASADRA Disbursements	\$ 287,777.59	\$ 1,016,938.70	\$ 349,087.06	\$ 785,409.95	\$ 2,439,213.30
Total Projected Disbursements for FY 2024	\$ 287,777.59	\$ 1,016,938.70	\$ 349,087.06	\$ 785,409.95	\$ 2,439,213.30
Actual FY 2024 DWSRF Disbursements	\$ 287,777.59	\$ 1,016,938.70	\$ 349,087.06	\$ 785,409.95	\$ 2,439,213.30
Percent Disbursed of Projected	100%	100%	100%	100%	100%

Attachment 7  
Projects Closed  
Drinking Water ASADRA State Revolving Fund  
FY 2024  
July 1, 2023 - June 30, 2024

Community	Project Number	DWSRF Assistance Amount	Assistance Amount Used	Percentage Used	Loan Execution Date	Final Close Date	Loan Interest Rate
City of Warwick	DWDRA20003-L	\$ 341,600.00	\$ 158,469.51	46.39%	4/1/2021	12/1/2023	0.00%
City of Attapulgus	DWDRA20011-L	\$ 240,000.00	\$ 240,000.00	100.00%	7/26/2021	2/1/2024	0.00%
City of Dudley	DW2018001-L	\$ 1,200,650.00	\$ 666,462.50	55.51%	2/18/2021	6/1/2024	0.00%
<b>Total: 3</b>		<b>\$1,782,250.00</b>	<b>\$1,064,932.01</b>	<b>59.8%</b>			

**Attachment 8**  
**Administrative & Set-Aside Expenses By Category**  
**Drinking Water State Revolving Fund - ASADRA**  
**FY 2024**  
**July 1, 2023 - June 30, 2024**

Set-aside Category		SRF Amount Expended
Small System Tech Assistance Setaside		
ASADRA DW Admin		312,122.26
Subtotal		\$ 312,122.26
Total		\$ 312,122.26



**Attachment 9**  
**DBE Utilization**  
**Drinking Water ASADRA State Revolving Fund**  
**October 1, 2022 - September 30, 2023\***

Semi-Annual Dates	Summaries		
	MBE (\$)	WBE (\$)	TOTAL (\$)
(October 1, 2022 - September 30, 2023)		1,501,328.33	\$ 1,501,328.33
<b>TOTAL</b>	\$ -	\$ 1,501,328.33	\$ 1,501,328.33
<b>PERCENTAGE GOAL</b>	4.00%	4.00%	8.00%
<b>PERCENTAGE ACTUAL**</b>	<b>0.00%</b>	<b>61.55%</b>	<b>61.55%</b>

\*DBE information is provided on an annual basis to EPA

\*\*Percentage Actual is calculated by dividing the DBE funds disbursed by the total DWSRF funds disbursed in the same period

**Attachment 10**  
**DWSRF Capitalization Grants Available & Spent**  
**Drinking Water State Revolving Fund - ASADRA**  
**As of June 30, 2024**

<b>Capitalization Grant</b>	<b>Project Funds</b>	<b>2% Set-aside</b>	<b>4% Set-aside</b>	<b>10% Set-aside</b>	<b>15% Set-aside</b>	<b>Total Funds</b>
2020 Funds Available	21,840,000.00	672,000.00	-	-	-	22,512,000.00
2020 Funds Spent	6,743,769.40	455,415.26	-	-	-	7,199,184.66
% of Funds Spent	30.88%	67.77%	0.00%	0.00%	0.00%	31.98%
<b>Total Funds Available</b>	<b>\$ 21,840,000.00</b>	<b>\$ 672,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,512,000.00</b>
<b>Total Funds Spent</b>	<b>\$ 6,743,769.40</b>	<b>\$ 455,415.26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,199,184.66</b>
<b>Total % of Funds Spent</b>	<b>30.88%</b>	<b>67.77%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>31.98%</b>



**U. S. ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
PROGRAM EVALUATION REPORT  
SEPTEMBER 12, 2024**

Georgia Drinking Water  
Additional Supplemental Appropriations for Disaster Relief Act  
State Fiscal Year 2023  
July 1, 2022 – June 30, 2023

## EXECUTIVE SUMMARY

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This Program Evaluation Report (PER) reviews the performance of the Georgia Environmental Finance Authority's Drinking Water Additional Supplemental Appropriations for Disaster Relief Act (ASADRA) grant award for GEFA fiscal year (FY) 2023, which runs from July 1, 2022, to June 30, 2023. On June 6, 2019, the ASADRA was signed into law. According to ASADRA, GEFA was eligible to apply for supplemental funding under the Drinking Water State Revolving Fund (DWSRF) for the purpose of addressing impacts of Hurricane Michael. ASADRA is a one-time injection of funding to promote resilience and is not revolving in nature. To maximize efficiency, states will carry out ASADRA through their existing SRF programs.

The U.S. Environmental Protection Agency (EPA) is required by 40 CFR § 35.3570 to annually assess the success of GEFA's performance of activities to determine compliance with the terms of the capitalization grant agreement. In part, the EPA utilized GEFA's FY20 Drinking Water ASADRA Intended Use Plan (IUP) and FY23 annual report in its review.

The 2020 ASADRA congressional appropriation provided GEFA with an allotment of \$33,600,000 in drinking water assistance. GEFA's required state match for the Drinking Water ASADRA grant was \$6,720,000.

During FY21, GEFA requested to transfer 33 percent of the Drinking Water ASADRA grant to the Clean Water ASADRA grant to address the devastating impact that Hurricane Michael had on drinking water systems. The transfer was completed in FY21 on May 12, 2021. The new total federal amount available for Drinking Water ASADRA assistance following the transfer is \$22,512,000. With Georgia's required state match of \$6,720,000, there is a total of \$29,232,000 available for Drinking Water ASADRA assistance.

The DWSRF ASADRA disbursed funds to fifteen active and ongoing projects during state FY23. Attachment 5 of the GEFA DWSRF ASADRA 2023 annual report shows the projects that received funds by quarter in state FY23. The DWSRF ASADRA disbursed a total of \$3,249,387.08 in state FY23.

During FY23, GEFA made zero new binding commitments with ASADRA funds. The Georgia Drinking Water ASADRA program has been administered in accordance with Section 1452 of the SDWA as amended. The program is following all terms, schedules, provisions/assurances of the IUP, the operating agreement between GEFA and the EPA and the conditions of the grant award agreement.

## SECTION I: PURPOSE AND SCOPE

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The EPA Region 4 conducted the FY23 annual review of the Georgia Environmental Finance Authority Drinking Water ASADRA program as part of the annual oversight review of the State Revolving Fund program. The EPA Region 4 began the FY23 annual review of the Georgia DWSRF with an opening meeting on December 12, 2023. The review concluded with a closing conference on July 17, 2024. This review process was conducted as prescribed in Section 1452 of the SDWA, 40 CFR § 35.3575 and in the Annual Review Guidance issued October 2023. The review was conducted in a hybrid approach, both virtually and in person.

The purposes of the annual review are to:

1. Evaluate the success of the state's performance in achieving goals and objectives identified in the IUP, and the state's annual report.
2. Evaluate the state's compliance with regulations and requirements of the grant agreement.
3. A statistical sample of disbursements made to recipients of grant award were chosen by EPA Headquarters and reviewed by EPA Headquarters Contractors.

In attendance at the on-site opening conference for GEFA were Jenerrah Byron, Amanda Carroll, Kelvin Castro, Benoit Causse, Jill Causse, Jamelle Cherry, James Fletcher, David Gipson, Lisa Golphin, Jammie Harden, Vince Harvey, Hunter Hill, Susan Lucki, Peter Nwogu, Manny Patel, Virginia Thom, and Brian Woodham. Attending from the EPA Region 4 were Chris Bruegge, Rose Degner, Amy Kuhs, Matthew Lagod, Mara Lindsley, Brooke Pine, Tracy Williams, and Monique Wyatt.

The EPA review team interviewed staff and reviewed the following areas: project files, loan agreements, loan payment records (conducted by EPA Headquarters contractor), financial records, and any additional documents GEFA utilizes to manage the program. During the review period, EPA Region 4 examined project files, reviewed supporting documents and met with GEFA to better understand issues and exchange information.

At the completion of the review, a virtual exit briefing was held to review the observations made by the EPA and EPA Headquarters to clarify any outstanding issues. Attending the exit conference for GEFA were Hunter Hill, Judy Adler, Amanda Carroll, Jammie Harden, Lisa Golphin and Susan Lucki. Attending from the EPA Region 4 were Katie Butler, Johnnie Purify, Mara Lindsley, Chris Holliday, Chris Bruegge, Amy Kuhs, Matthew Lagod, Tracy Williams, Jill Causse, and Ronekisha Oliver.

## SECTION II: COMPLIANCE REQUIREMENTS

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GEFA provided the EPA with a financial audit for the year ending June 30, 2023. This audit, dated October 5, 2023, contained no findings.

GEFA is in compliance with the Disadvantaged Business Enterprise (DBE) requirement detailed in their capitalization grant award. GEFA's Disadvantaged Business Enterprise (DBE) goal for FY23 was 8 percent. GEFA's DBE participation in the Drinking Water ASADRA State Revolving Fund for the most recent reporting year (FY 2022) was 4.76 percent. GEFA provides assurances that borrowers follow the six affirmative steps for DBE participation.

GEFA is in compliance with the 13 assurances stated in the grant agreement, including capacity development and operator certification requirements. These assurances have their basis in 40 CFR § 35.3550. Based on the review, the following items describe the activities and observations of interest:

1. Assurance that the state has the authority to establish a fund and to operate the DWSRF ASADRA program in accordance with the SDWA.

*Status: GEFA provided the required Attorney General certification with the grant application.*

2. Assurance that the state will comply with state statutes and regulations and abide by state law.

*Status: GEFA certified this in the FY20 IUP.*

3. Assurance that the state has the technical capability to operate the program.

*Status: GEFA has provided an assurance to this effect in its Operating Agreement, which recalls that Georgia has authorized GEFA to administer a state revolving fund in compliance with Title XIV of the Safe Drinking Water Act, and that GEFA has established an agreement with the Environmental Protection Division for technical and environmental management services. GEFA is in compliance with this assurance.*

4. Assurance that the state will accept capitalization grant funds in accordance with a payment schedule.

*Status: GEFA certified this in the FY20 IUP.*

5. Assurance that the state will deposit all capitalization grant funds in the fund or set-aside account.

*Status: GEFA has deposited the capitalization grant appropriately.*

6. Assurance that the state will provide an amount at least equal to 20 percent of the capitalization grant (state match) in the fund.

*Status: The FY20 ASADRA allotment was \$22,512,000. The 20 percent state match amount of \$6,720,000 was provided through state appropriation funds.*

7. Assurance that the state will deposit net bond proceeds, interest earnings and repayments into the fund.

*Status: GEFA did not leverage. All repayments and interest earnings are credited to the fund.*

8. Assurance that the state will utilize Generally Accepted Accounting Principles.

*Status: As noted in the FY23 state audit, GEFA has complied with this assurance.*

9. Assurance that the state will have the fund and set-aside account audited annually in accordance with Generally Accepted Government Auditing Standards.

*Status: The DWSRF is audited annually. 40 CFR § 35.3570(b) states that audits are due within one year after the end of the FY.*

10. Assurance that the state will adopt policies and procedures to assure that borrowers have a dedicated source of revenue for repayments (or in the case of a privately-owned system, demonstrate that there is adequate security).

*Status: GEFA has complied with this assurance in loan agreements to borrowers.*

11. Assurance that the state will commit and expend funds as efficiently as possible and in an expeditious and timely manner.

*Status: The overall pace percentage for GEFA's DWSRF program for FY23 is 100 percent, a decrease from GEFA's FY22 program pace of 109 percent. GEFA disbursed a total of \$3,249,387 during state FY23 for the Drinking Water ASADRA Program.*

12. Assurance that funds will be utilized in accordance with the IUP.

*Status: The annual report documents that GEFA is in compliance with this assurance.*

13. Assurance that the state will provide the EPA with a Biennial Report.

*Status: GEFA has elected to provide an annual report to the EPA. The annual report for GEFA's Drinking Water ASADRA program was received by September 30, 2023, for the state FY ending June 30, 2023. The report contained adequate and accurate information.*

### SECTION III: PROGRAM GOALS

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GEFA has a number of short-term and long-term goals in their IUP. EPA evaluated one long-term and one short-term goal. GEFA is working toward meeting each of the goals evaluated. GEFA's status in meeting these goals is discussed in the Drinking Water ASADRA annual report. The goals and accomplishments reviewed for the FY23 PER, include:

Long-term goal and status:

*Goal:* Manage the ASADRA program in a fiscally responsible manner.

*Status:* Although GEFA did not execute any new Drinking Water ASADRA loans during FY2023, GEFA remains a vital support for disadvantaged communities in efforts to increase their resiliency in the face of natural disasters. GEFA will continue to accept ASADRA eligible projects and bring those projects to upcoming board meetings for approval. GEFA will continue to ensure all Drinking Water ASADRA projects get underway and funded in a fiscally responsible manner to further help communities impacted by Hurricane Michael.

Short-term goal and status:

*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 notified via email, through GEFA's website, social media platforms, and on various webinars about the availability of ASADRA funds. GEFA received 22 preapplications for DWSRF ASADRA projects totaling over \$25,450,850 million in assistance.



## SECTION IV: SET ASIDE PERFORMANCE

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Section 1452(g)(2) of the SDWA authorizes states to provide funding for certain non-project activities through a mechanism known as the DWSRF set asides. Similarly, ASADRA authorized states to take set-asides to fund non-project activities that support the aims of ASADRA, including the reduction of flood or fire damage risk and vulnerability, or to enhance resiliency to rapid hydrologic change or natural disasters at treatment works or water systems. For the FY20 Drinking Water ASADRA capitalization grant, GEFA reserved \$450,240 for set-aside activities, all of which was intended for the two percent Small Systems Technical Assistance set-aside.

### **Small System Technical Assistance – 2 percent**

For the FY20 capitalization grant, GEFA obligated \$450,240 for this set-aside, primarily for a contract with the Georgia Environmental Protection Division (EPD) to finance personnel costs for employees to provide technical assistance to small systems, and to purchase equipment for EPD's and Georgia Emergency Management Agency's facilities. During state FY23, GEFA disbursed \$118,601 for activities through this set-aside, including for the organization of five training workshops dedicated to Drinking Water Resiliency, five small group technical assistance site visits, 15 small systems assistance visits with a focus on Resiliency and Vulnerability Assessments, and the development of Emergency Response Plans.

## SECTION V: PROJECT FILES REVIEWED

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GEFA made zero binding commitments for repair and rehabilitation projects with Drinking Water ASADRA funding during FY23. There were no new project files at the time of review.

## SECTION VI: ENVIRONMENTAL BENEFITS REPORTING

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There were zero binding commitments made for projects on GEFA's Drinking Water ASADRA funding list during FY23. While GEFA has duly entered information in the OWSRF Data System for all projects receiving Drinking Water ASADRA assistance, not all projects have been properly assigned to the ASADRA capitalization grant in that system. GEFA indicates in its FY23 annual report that Drinking Water ASADRA assistance was disbursed to 15 active projects during the state fiscal year. However, EPA notes that four of those projects are not assigned to ASADRA funding in the OWSRF Data System: Camilla, Cuthbert, Dudley, and Warwick.

## **SECTION VII: CASH DRAWS**

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<b>Draw ID Number</b>	<b>Draw Date</b>	<b>Draw Amount</b>
23AS1451217	06-08-2023	\$227,225.50

One cash draw that occurred in the state's FY was reviewed by EPA Headquarters contractors. All invoices reviewed in the selection were found to be properly made for eligible DWSRF ASADRA expenditures and were appropriately recorded. No improper payments were identified.

## **SECTION VIII: RECOMMENDATIONS**

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1. EPA recommends that GEFA work to increase expenditures of ASADRA funds to ensure expeditious and timely use of those funds.
2. EPA recommends that GEFA ensure that all relevant data for Drinking Water ASADRA assistance agreements are consistently entered in the OWSRF Data System, including assigning all projects to "ASADRA" in the "Special Appropriation" field in the system.

## **SECTION IX: FINDINGS**

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There are no findings.

## **SECTION X: STATEMENT OF COMPLIANCE WITH SRF ANNUAL REVIEW GUIDANCE**

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EPA Region 4 has conducted an annual review of Georgia's Drinking Water ASADRA for FY23 in accordance with EPA's SRF Annual Review Guidance.