



DOUGLASSVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY

P.O. Box 1157 | Douglasville | Georgia | 30133

WORK SESSION AGENDA AUGUST 25, 2025

- | | | |
|----|---|-----------|
| 1. | Opening Remarks | Fedack |
| 2. | Public Comment | Fedack |
| 3. | Items for Discussion | Shearouse |
| | a. Workers Compensation Insurance - Renewal
b. Cogsdale Billing System Maintenance - Renewal
c. Dog River Reservoir Expansion Project | |
| 4. | Adjourn | Fedack |

Workers Compensation History

Calendar Year	Premium Cost	Audited Adjustment Amount	Number of Claims	Insurance Company Claim Payout
2020	\$127,776.00	(\$27,778.00) Premium Adjustment Credit & Covid Credit	0	\$2,310.00
2021	\$127,338.00	\$6,071.00	2	\$36,070.00
2022	\$120,970.00	\$16,187.00	7	\$116,630.00
2023	\$114,018.00	\$6,294.00	2	\$43,349.00
2024	\$120,386.00	\$1,353.00	4	\$35,421.29
2025	\$113,291.00	TBD	3 (4 with carryover from 2024)	Year To Date: \$86,773.23

Annual Maintenance and Support of the Billing Software

Cogsdale Software Corporation

Year	Expenditures
2021	\$72,703.31
2022	\$80,022.95
2023	\$82,794.83
2024	\$89,606.91
2025	\$99,576.37

Fiscal Year 2026 Quote

DOUG100 CSM	\$94,621.68
DOUG101 Geolocation Management	\$4,238.36
DOUG102 Mobile Work	\$4,238.36
CSM Existing Add-On Locations 2000	\$3,920.01
DOUG107 CSM New Add-On Locations 500	\$604.62
DOUG-HCTC HCTC Exclusive Pricing for 2026 Admission	\$1,000.00
Total:	\$108,623.03



Renewal Estimate

Client	Douglasville Water & Sewer
Renewal Date	Thursday, January 1, 2026
Start date	Thursday, January 1, 2026
End date	Thursday, December 31, 2026

Join us with continued Support on your Cogsdale products

Dear Anthony,

We're beginning to prepare Support and Maintenance renewal estimates for the upcoming term and wanted to share this early to assist with your budgeting process. These estimates are provided as a planning tool and may be subject to change. Our goal is to support your budgeting efforts as proactively as possible, help us help you by letting us know your fiscal year timeline, so we can send these estimates at the right time for your planning cycle.

Additional Information:

HCTC (Harris Customer Training Conference) is now included in the renewal estimate. This change simplifies budgeting and provides valuable training to improve system use and ROI. Includes one discounted admission; registration is still required.

Requests to renegotiate contract terms will not affect the payment due date, as the total outstanding amount remains unchanged.

30 days before your renewal date, we should have received your full payment, allowing time for new licenses to be generated, delivered, and installed before the renewal date. Cogsdale will not be responsible for payment to third-party vendors or producing new licenses until your invoice is paid. CSM popup notifications will begin – this does not affect functionality.

Description	Total USD
DOUG100 CSM (01/01/2026 - 12/31/2026)	\$ 94,621.68
DOUG101 Geolocation Management (QUO-3525) (01/01/2026 - 12/31/2026)	\$ 4,238.36
DOUG102 Mobile Work (QUO-3861) (01/01/2026 - 12/31/2026)	\$ 4,238.36
DOUG103 500 CSM Locations (QUO-6183) (01/01/2026 - 12/31/2026)	\$ 1,126.97
DOUG104 500 CSM Locations (QUO-8135) (01/01/2026 - 12/31/2026)	\$ 956.86
DOUG105 500 CSM Locations (QUO-6740) (01/01/2026 - 12/31/2026)	\$ 944.70

DOUG106 500 CSM Locations (QU0-6924) (01/01/2026 - 12/31/2026)	\$ 891.48
DOUG107 500 CSM Locations (QU0-16034 (04/01/2026 - 12/31/2026)	\$ 604.62
DOUG-HCTC HCTC Exclusive Pricing for 2026 Admission (01/01/2026 - 12/31/2026)	\$ 1,000.00
Total	\$ 108,623.03

Payment Terms:

Please note: This renewal estimate is being provided in advance to support your budgeting process. If you have any questions or notice discrepancies, we kindly ask that you let us know within one week of receiving this estimate so we can address any concerns prior to finalizing and issuing the invoice.

Timely payment is essential to ensure the renewal of third-party licenses. Failure to pay by the due date may result in service interruption.

To avoid any disruption to support and services, please ensure payment is made promptly as specified.

Cogsdale, your trusted partner

CLEARING AT THE DAM



CLEARING AT THE DAM



INTAKE GRADING AND BLASTING



Douglasville-Douglas County W&S Authority

Series 2025 Water and Sewerage Revenue Bonds

Draft Financing Schedule



June 2025							July 2025						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7			1	2	3	4	5
8	9	10	11	12	13	14	6	7	8	9	10	11	12
15	16	17	18	19	20	21	13	14	15	16	17	18	19
22	23	24	25	26	27	28	20	21	22	23	24	25	26
29	30						27	28	29	30	31		

August 2025							September 2025						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1	2						
3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	31						

Board Meeting

Board Work Session

Holiday

Working Group

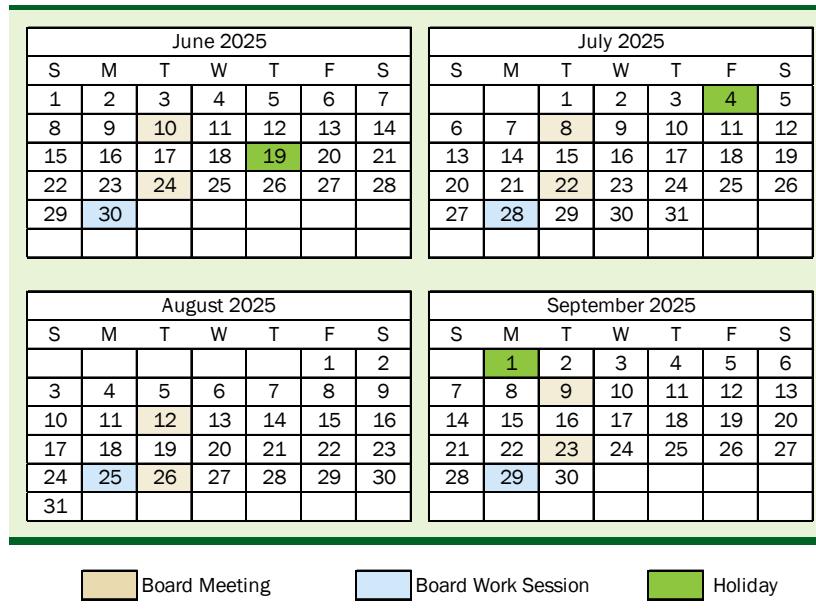
Role	Entity	Defined
Issuer	Douglasville-Douglas County W&S Authority	DDCWSA
Authority Attorney	Hartley, Rowe & Fowler, P.C.	HRF
Bond & Disclosure Counsel	Murray Barnes Finister LLP	MBF
Financial Advisor	Davenport & Company LLC	DAV
Auditor	Nichols, Cauley & Associates	NCA
Engineer	R.J. Wood & Company	RJW

Date	Task	Party
Completed	<u>Regularly Scheduled Board Work Session</u> – Board made aware of Borrowing Plan / Financing Scenarios and gives informal permission to proceed.	DAV/DDCWSA
Completed	Draft Financing Schedule and Distribution List sent to working group	DAV
Completed	Kick-Off Conference Call to discuss Financing Schedule, POS and other related financing matters	ALL
Week of May 26	Initial Draft of Parameters Bond Resolution	MBF
Week of May 26	Initial Draft of the Engineer's Report	RJW
Week of June 2	Comments Due on Parameters Bond Resolution & Engineer Report	ALL
Week of June 9	Revised Draft Parameters Bond Resolution & Engineer's Report	MBF/RJW
Week of June 16	Parameters Bond Resolution Finalized	ALL
Week of June 23	Near Final Draft of Engineers Report	RJW

Douglasville-Douglas County W&S Authority

Series 2025 Water and Sewerage Revenue Bonds

Draft Financing Schedule

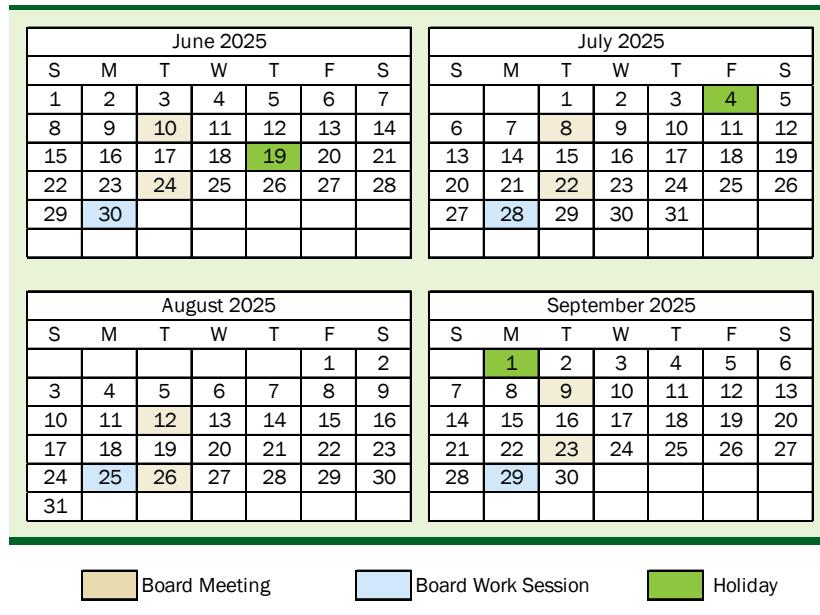


Date	Task	Party
June 24	Agenda Deadline for June 30 Work Session	DDCWSA
June 30	Regular Authority Work Session – Parameters Bond Resolution and other necessary documents discussed with Board.	DDCWSA
Week of June 30	Fourth of July Week – No Deliverables Contemplated	ALL
TBD	Tax Due Diligence Call [If Necessary]	MBF/DDCWSA
July 8	Regular Authority Board Meeting – Authority Board to consider approval of Parameters Bond Resolution and other necessary documents.	ALL
Week of July 7	Initial Draft of the Preliminary Official Statement (“POS”) distributed	MBF
Week of July 7	Initial Draft of Credit Package Distributed	DAV
July 9/10/11	Initiate Validation Proceedings	HRF/MBF
Week of July 14	Comments Due on Initial Draft of POS / Credit Package	ALL
July 12	First Publication of Validation Notices (Note: HRF to Confirm with Newspaper)	HRF/MBF
July 19	Second publication of Validation Notice (Note: HRF to Confirm with Newspaper)	HRF/MBF
Week of July 21	Revised Drafts of POS / Credit Package Distributed	MBF/DAV
July 22/23	Bond Validation Hearing	HRF/MBF
Early August	Preliminary Unaudited FY 2025 Stubs Developed	DDCWSA
Week of August 4	Final Comments due on POS and Credit Package	ALL

Douglasville-Douglas County W&S Authority

Series 2025 Water and Sewerage Revenue Bonds

Draft Financing Schedule



Board Meeting

Board Work Session

Holiday

Date	Task	Party
August 8	Deadline to send Draft POS, Credit Package and Engineering Report sent to Rating Agencies	DAV
Week of August 11/18	Rating Agency Discussion(s)	DAV/DDCWSA
August 19	Agenda Deadline for August 25 Work Session – Form Pricing Resolution	ALL
Week of August 25	Ratings Received	DAV/DDCWSA
August 25	Regular Authority Work Session: Form of pricing resolution introduced to the Board.	DDCWSA
August 29	Print POS and Notice of Sale	ALL
September 9 (+/- 10:30 AM)	Competitive Bond Sale	DAV/DDCWSA
September 9 (5:30 PM)	Regular Authority Board Meeting – Davenport to present pricing results / recommendation. Authority Board approves pricing resolution with results.	ALL
Weeks of September 15 / September 22	Bond Counsel finalizes necessary documents	MBF
September 30	Bond Closing	ALL

SUPPLEMENTAL PARITY BOND RESOLUTION

WHEREAS, the Douglasville-Douglas County Water and Sewer Authority, a public body corporation of the State of Georgia (the “Authority”) adopted its Series 2025 Bond Resolution on July 8, 2025 (the “Original 2025 Parity Resolution”) authorizing the issuance of its Water and Sewerage Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) for the purpose of financing a portion of the costs of acquiring, constructing and equipping the Series 2025 Project (as defined in the Original 2025 Parity Resolution), refunding all or a portion of the outstanding Series 2015 Bonds (as defined in the Original 2025 Parity Resolution, and referred to therein as the “Refunded Bonds”) if economically feasible and desirable as determined by staff and the Financial Advisor (as defined in the Original 2025 Parity Resolution), and paying costs of issuance of the Series 2025 Bonds; and

WHEREAS, capitalized terms used in this Supplemental Series 2025 Bond Resolution (“this Supplemental Resolution”), but not defined herein, shall have the meanings assigned to them in the Original 2025 Parity Resolution; and

WHEREAS, the Original 2025 Parity Resolution provides that the Series 2025 Bonds (1) may be issued in an aggregate principal amount not to exceed \$240,000,000 (of which not to exceed \$210,000,000 is authorized to be applied to the financing of the Series 2025 Project and not to exceed \$30,000,000 is authorized to be applied to the refunding of the Refunded Bonds), which amounts are to be specified in a Supplemental Resolution, (2) shall bear interest at the rates per annum to be specified in a Supplemental Resolution to be adopted by the Authority (but which shall not in any event exceed a maximum per rate of interest of 6.000%), computed on the basis of a 360-day year consisting of twelve 30-day months, payable on each June 1 and December 1 of each year commencing on the June 1 or December 1 specified in a Supplemental Resolution and shall mature on June 1 in the years (with a final maturity not in excess of 32 years from the date of issuance and delivery of the Series 2025 Bonds), and mature in the principal amounts to be specified in a Supplemental Resolution to be adopted by the Authority (provided the principal of and interest in any Fiscal Year shall not in any event exceed a maximum of \$20 million), unless earlier called for redemption, and (3) will be subject to optional and mandatory redemption prior to maturity as specified in a Supplemental Resolution to be adopted by the Authority (collectively, the “Parameters”); and

WHEREAS, the Original 2025 Parity Resolution further provides that (1) the Series 2025 Bonds are authorized to be sold by competitive sale, (2) a Notice of Sale and a Preliminary Official Statement be prepared and distributed to all securities dealers deemed to have an interest in purchasing all, but not a part of, the Series 2025 Bonds, and (3) once the bids are received for the sale of the Series 2025 Bonds pursuant to such Notice of Sale, the Chairman is authorized to accept the bid with the lowest total interest cost and the Authority will adopt a Supplemental Resolution ratifying the acceptance of the winning bid for the Series 2025 Bonds, and setting forth, among other things, the final interest rates on, maturities, redemption provisions and principal amount of the Series 2025 Bonds, which interest rates and principal amounts shall be within the Parameters set forth in the Original 2025 Parity Resolution; and

WHEREAS, pursuant to an Official Notice of Sale with respect to the Series 2025 Bonds, dated September ___, 2025 (the “2025 Notice of Sale”), circulated by the Authority, providing for receipt by the Authority of electronic bids submitted via PARITY for the purchase of the Series 2025 Bonds on September ___, 2025, the Authority has received electronic bids submitted via PARITY for the purchase of the Series 2025 Bonds; and

WHEREAS, the 2025 Notice of Sale provided that the Series 2025 Bonds would be sold to the responsible bidder whose bid complies with the terms of the 2025 Notice of Sale and specifies interest rates and prices that would result in the lowest true interest cost to the Authority; and

WHEREAS, the bid of the responsible bidder resulting in the lowest true interest cost to the Authority and within the parameters set forth in the Original 2025 Parity Resolution was submitted by [_____] (the “Purchaser”), and a copy of such bid is attached to this Supplemental Resolution as Exhibit A and incorporated herein by reference (the “Bid”); and

WHEREAS, after due consideration, it is deemed advisable and in the best interest of the Authority that the Series 2025 Bonds be sold to the Purchaser, the Purchaser having in all respects complied with the terms of the 2025 Notice of Sale; and

WHEREAS, the Authority also proposes to ratify the use and distribution of a Preliminary Official Statement, dated as of August [__], 2025 (the “Preliminary Official Statement”) and authorize the execution, use and distribution of an Official Statement, dated the date hereof (the “Official Statement”) relating to the Series 2025 Bonds; and

WHEREAS, it is also proposed that the Authority approve the execution and delivery of a Paying Agent and Registrar Agreement, dated as of September 1, 2025 (the “Series 2025 Paying Agent and Bond Registrar Agreement”), between the Authority and Regions Bank, as bond registrar and paying agent with respect to the Series 2025 Bonds;

WHEREAS, it is also proposed that the Authority approve the execution and delivery of a Custodial Agreement, dated as of September 1, 2025 (the “Series 2025 Custodial Agreement”), between the Authority Regions Bank, as bond registrar and paying agent with respect to the Series 2025 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Douglasville-Douglas County Water and Sewer Authority, and it is hereby resolved by authority of the same, as follows:

Section 1. Terms of the Series 2025 Bonds. The Series 2025 Bonds shall be issued in a single series in the original aggregate principal amount of \$[____], and shall be applied to the Costs of the Series 2025 Project. The Series 2025 Bonds (a) shall mature on June 1 in the years and amounts set forth on Exhibit B hereto, unless earlier called for redemption, (b) shall bear interest at the rates per annum set forth on Exhibit B hereto, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on June 1, 2026, and semiannually thereafter on June 1 and December 1 of each year, and (c) shall be subject to optional and mandatory redemption as set forth on Exhibit B hereto, which Exhibit B by this reference thereto

is incorporated herein and hereby approved. Such terms of the Series 2025 Bonds are within the Parameters.

Section 2. Acceptance of Bid. The Bid submitted by the Purchaser to purchase the Series 2025 Bonds, attached hereto as Exhibit A, is hereby accepted, and all other bids so received are hereby rejected, and the actions of the Chairman, for and on behalf of the Authority, are hereby ratified and approved relating to her earlier notification to all bidders of the acceptance and rejection of such bids by the Authority. The purchase price for the Series 2025 Bonds is equal to \$[_____][(\$[_____]) plus net premium of \$[_____]) and less Purchaser's discount of \$[_____]). The Series 2025 Bonds shall, in due course, be delivered to the Purchaser against payment for the Series 2025 Bonds in accordance with the 2025 Notice of Sale and the Purchaser's bid accepted by the Authority.

Section 3. Authorization of Offering Documents. The use and distribution of the 2025 Notice of Sale and the Preliminary Official Statement are hereby ratified. The distribution, execution and delivery of the Official Statement are hereby authorized, ratified, confirmed and approved. The Official Statement shall be executed by the Chairman of the Authority. The Official Statement shall be in substantially the form as the Preliminary Official Statement presented at this meeting, subject to such changes, insertions or omissions as may be approved by the person executing the same, and the execution of the Official Statement shall be conclusive evidence of any such approval. The 2025 Notice of Sale, Preliminary Official Statement and the Official Statement are by this reference thereto spread upon the minutes.

Section 4. Application of the Proceeds of the Series 2025 Bonds. The proceeds of the Series 2025 Bonds shall be deposited into the Series 2025 Capital Improvement Account and used to pay the Costs of the Series 2025 Project, including the costs of issuance of the Series 2025 Bonds.

Notwithstanding the foregoing, if the Chairman of the Authority shall determine that a different application of funds is required to carry out the intent of the Original 2025 Parity Resolution, as supplemented by this Supplemental Resolution, a different application of funds may be provided for in the authentication order to be delivered at the time of issuance of the Series 2025 Bonds.

Section 5. Authorization of Series 2025 Paying Agent and Bond Registrar Agreement and Series 2025 Custodial Agreement. The execution, delivery and performance of the Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement, relating to the Series 2025 Capital Improvement Account, are hereby authorized. The Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement shall be executed by the Chairman or Vice-Chairman of the Authority, and the Secretary of the Authority may attest the same. The seal of the Authority may be impressed on the Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement. The Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement shall be in substantially the form which has been filed with the Authority, subject to such changes, insertions or omissions as may be approved by the person executing the

same, and the execution of the Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement shall be conclusive evidence of any such approval. The Series 2025 Paying Agent and Bond Registrar Agreement and the Series 2025 Custodial Agreement by this reference thereto are spread upon the minutes.

Section 6. Ratification of Original 2025 Parity Resolution. The Authority hereby confirms, ratifies, restates and reaffirms its representations, warranties, covenants and agreements and all of the terms, conditions and provisions of the Original 2025 Parity Resolution, as supplemented and amended by this Supplemental Resolution. Except as expressly amended, modified or supplemented by this Supplemental Resolution, the provisions of the Original 2025 Parity Resolution are to be read as part of this Supplemental Resolution as though copied verbatim herein, and provisions of this Supplemental Resolution shall be read as additions to and not as substitutes for or modifications of (except as specifically provided herein) the Original 2025 Parity Resolution.

Section 7. General Authority; Ratification of Prior Acts. Any officer of the Authority is hereby authorized to execute and deliver all other documents and certificates necessary to affect the transactions contemplated by this Supplemental Resolution and to make covenants on behalf of the Authority. All actions heretofore taken by the Authority and the officers and agents of the Authority directed toward the issuance and sale of the Series 2025 Bonds be and the same are hereby ratified, approved and confirmed.

Section 8. Repealing Clause. All resolutions or parts of resolutions of the Authority in conflict with this Supplemental Resolution are, to the extent of such conflict, hereby repealed.

Section 9. Bond Resolution Constitutes a Contract. This Supplemental Resolution supplements and amends a contract with the Bondholders binding the Authority, and therefore it is proper and appropriate for the Chairman to execute the same on behalf of the Authority and for the Secretary of the Authority to attest the same.

Section 10. Execution and Attestation of Documents. The Chairman or Vice-Chairman may take any action, or execute any document, agreement or other writing, which the Chairman or Vice-Chairman is authorized to execute and deliver pursuant to this Supplemental Resolution. The Secretary or Assistant Secretary of the Authority may attest any execution of any document, agreement or writing by the Chairman or Vice-Chairman.

Section 11. Effective Date. This Supplemental Resolution shall be effective immediately upon its adoption.

Adopted and approved this September 9, 2025.

**DOUGLASVILLE-DOUGLAS COUNTY
WATER AND SEWER AUTHORITY**

(SEAL)

By: _____
Cynthia A. Fedack
Chairman

Attest:

Helen McCoy
Secretary-Treasurer

EXHIBIT A

WINNING BID

(Attached)

EXHIBIT B

TERMS OF SERIES 2025 BONDS

<u>June 1 of the Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
-------------------------------	-------------------------	----------------------	--------------

Optional Redemption. The Series 2025 Bonds are subject to redemption at the option of the Authority, in whole or in part, in any order of maturity, on any date on or after June 1, 20____, at a redemption price of 100% of the principal amount of the Series 2025 Bonds to be redeemed, plus accrued interest to the redemption date, all in the manner provided in the Bond Resolution.

Mandatory Sinking Fund Redemption. The Series 2025 Bonds maturing on June 1, 20____ are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount thereof being redeemed, plus accrued interest, on June 1 of the following years and in the following amounts (the June 1, 20____ amount to be paid rather than redeemed):

<u>Year</u>	<u>Amount</u>
-------------	---------------

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date, the Authority may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2025 Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2025 Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Series 2025 Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the Authority on such scheduled mandatory redemption date and the principal amount of the Series 2025 Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

Redemption Notices. Notices of any optional redemption of the Series 2025 Bonds, identifying the Series 2025 Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be mailed, postage prepaid, not less than 30 days nor more than 60 days prior to the redemption date to all registered owners of the Series 2025 Bonds to be redeemed (in whole or in part). Such notice may state the conditions for such redemption. Any defect in the notice shall not affect the validity of the proceedings for the redemption of any Series 2025 Bond held by owners to whom notice was properly given.

SECRETARY-TREASURER'S CERTIFICATE

GEORGIA, DOUGLAS COUNTY

The undersigned Secretary-Treasurer of the Douglasville-Douglas County Water And Sewer Authority (the “Authority”), DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution adopted by the Authority on September 9, 2025, at which a quorum was present and acting throughout, the original of said resolution being duly recorded in the Minute Book of the Authority, which Minute Book is in my custody and control, and that said resolution was duly adopted by a vote of:

Aye

Nay

Abstain

WITNESS my hand and the official seal of the Authority this day of September, 2025.

Helen McCoy
Secretary-Treasurer

(SEAL)

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2025

**NEW ISSUE
(Book-Entry Only)**

**RATINGS:
Moody's: " [] "
S&P: " [] "**

See "MISCELLANEOUS – Ratings" herein.

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Series 2025 Bonds (including any original issue discount properly allocable to a holder of the Series 2025 Bonds) is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See "TAX MATTERS" herein.

\$208,555,000*

DOUGLASSVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY Water and Sewerage Revenue Bonds, Series 2025

Dated: Date of Issuance

Due: June 1, as shown on inside front cover

The Douglasville-Douglas County Water and Sewer Authority Water and Sewerage Revenue Bonds, Series 2025 (the "Series 2025 Bonds") are being issued in fully registered form and in denominations of \$5,000, or any integral multiple thereof, by the Douglasville-Douglas County Water and Sewer Authority (the "Authority") for the purpose of (a) paying a portion of the costs of the acquisition, construction and installation of certain additions, extensions and improvements to the water, sewer and stormwater system (the "System") owned by the Authority, including, but not limited to, an expansion of the Authority's Dog River Reservoir, and (b) paying the costs of issuing the Series 2025 Bonds. See "PLAN OF FINANCING" herein.

Interest on the Series 2025 Bonds is payable semiannually on June 1 and December 1 of each year (each such date, an "Interest Payment Date"), commencing June 1, 2026. The Series 2025 Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See "THE SERIES 2025 BONDS – Description" herein. The Series 2025 Bonds are subject to redemption prior to their maturity. See "THE SERIES 2025 BONDS – Redemption" herein.

The Series 2025 Bonds are special limited obligations of the Authority secured by and payable solely from a first and prior lien and a pledge of revenues derived by the Authority from the ownership and operation of the System remaining after the payment of certain expenses of operating, maintaining and repairing the System. The Series 2025 Bonds will be issued and secured on a parity with the Prior Bonds (as defined herein) and any additional revenue bonds of the Authority hereafter issued on a parity with the Prior Bonds and the Series 2025 Bonds. The Series 2025 Bonds do not constitute a charge, lien, or encumbrance, legal or equitable, on any other property of the Authority. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS" herein.

The Series 2025 Bonds will be issued in book-entry form registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"). Payment of the principal of and interest on the Series 2025 Bonds will be made by Regions Bank, Atlanta, Georgia, as Paying Agent (the "Paying Agent"), directly to Cede & Co., as nominee for DTC, as registered owner of the Series 2025 Bonds, and will subsequently be disbursed to DTC Participants and thereafter to Beneficial Owners (as such terms are defined herein) of the Series 2025 Bonds, all as described herein. Purchasers of beneficial ownership interests in the Series 2025 Bonds will not receive physical certificates representing their ownership interests in the Series 2025 Bonds. See "THE SERIES 2025 BONDS – Book-Entry Only System of Registration" herein.

No owner or owners of any of the Series 2025 Bonds will ever have the right to compel the exercise of any taxing power of the City of Douglasville, Douglas County, the State of Georgia or any political subdivision or municipal corporation thereof to pay any such Series 2025 Bonds or the interest thereon, nor will the Series 2025 Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City of Douglasville,

Douglas County, Georgia, the State of Georgia or upon any property of the Authority, other than the net revenues of the System pledged to the payment thereof. The Authority has no taxing power.

The Series 2025 Bonds are offered when, as, and if issued by the Authority, subject to prior sale and to withdrawal or modification of the offer without notice, and are subject to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel and Disclosure Counsel to the Authority. Certain legal matters will be passed on for the Authority by its counsel, Hartley, Rowe & Fowler, P.C., Douglasville, Georgia. Davenport & Company LLC, Atlanta, Georgia, is acting as the Authority's financial advisor. The Series 2025 Bonds in definitive form are expected to be delivered to DTC on or about _____, 2025.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered through competitive bidding on _____, 2025 (the "Bid Date"). The Authority will receive bids until _____ [a.m.] Eastern time on the Bid Date, as more fully set forth in the Official Notice of Sale.

Dated: _____, 2025

^{*}Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS⁽¹⁾

<u>Maturity</u> <u>(June 1)[*]</u>	<u>Principal</u> <u>Amount[*]</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
2031	\$ 4,135,000			
2032	4,340,000			
2033	4,560,000			
2034	4,785,000			
2035	5,025,000			
2036	5,275,000			
2037	5,540,000			
2038	5,820,000			
2039	6,110,000			
2040	6,415,000			
2041	6,735,000			
2042	7,070,000			
2043	7,390,000			
2044	7,725,000			
2045	8,070,000			
2046	8,445,000			
2047	8,835,000			
2048	9,275,000			
2049	9,740,000			
2050	10,225,000			
2051	10,740,000			
2052	11,275,000			
2053	11,840,000			
2054	12,430,000			
2055	13,050,000			
2056	13,705,000			

\$ _____ % Term Bonds due June 1, ___, Priced to Yield _____ %, CUSIP⁽¹⁾ _____

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein have been provided by CUSIP Global Services (CGS). CGS is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright © 2025 CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority, and are intended solely for the convenience of the holders of the Series 2025 Bonds. The Authority is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2025 Bonds as indicated above.

(c) Priced to call date of June 1, 20[____].

DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY

Board of Directors of the Authority

Cynthia A. Fedack	Chairman
Nia Brown	Vice Chairman
Mark Adams	Member
Edward J. Citizen	Member
John Dean	Member
Romona Jackson-Jones	Ex-Officio
Rochelle Robinson	Ex-Officio
Helen McCoy ⁽¹⁾	Secretary-Treasurer

⁽¹⁾ The Secretary-Treasurer is a non-voting officer of the Authority's Board of Directors.

Authority Management

Gilbert B. Shearouse, Executive Director
Thomas W. Alger, Deputy Director – Chief Financial Officer
Brian Keel, Deputy Director – Engineering Manager

COUNSEL TO AUTHORITY

Hartley, Rowe & Fowler, P.C.
Douglasville, Georgia

BOND COUNSEL AND DISCLOSURE COUNSEL

Murray Barnes Finister LLP
Atlanta, Georgia

FINANCIAL ADVISOR

Davenport & Company LLC
Atlanta, Georgia

CONSULTING ENGINEER

R.J. Wood & Company
Macon, Georgia

AUDITORS

Nichols, Cauley & Associates, LLC
Kennesaw, Georgia

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement including the Appendices hereto in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information contained in this Official Statement has been obtained from representatives of the Authority, public documents, records and other sources considered to be reliable, but such information is not guaranteed as to accuracy or completeness.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not representations of fact.

In making an investment decision, investors must rely on their own examination of the Authority and the terms of the offering, including the merits and risks involved. NO REGISTRATION STATEMENT RELATING TO THE SERIES 2025 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AGENCY. THE SERIES 2025 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

Any projections or forecasts contained herein are based on current expectations but are not intended as representations of fact or guarantees of results. The projections or forecasts are intended to be forward-looking statements as defined in the Securities Act of 1933, as amended (the “1933 Act”), and such projections and forecasts inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such projections. These projections and forecasts speak only as of the date of this Official Statement. The Authority disclaims any obligation or undertaking to release publicly any updates or revisions to any projections or forecasts contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such projections or forecasts are based.

The Series 2025 Bonds have not been registered under the 1933 Act, and the Bond Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: finpressllc.com. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED OR SAVED IN FULL DIRECTLY FROM THE AFOREMENTIONED WEBSITE OR THE FOLLOWING WEBSITE: www.emma.msrb.org.

This Preliminary Official Statement has been deemed final by the Authority for purposes of the U.S. Securities and Exchange Commission Rule 15c2-12, except for Permitted Omissions described in paragraph (b)(1) of Rule 15c2-12.

TABLE OF CONTENTS

INTRODUCTION	1
General	1
The Authority	1
Purpose of the Series 2025 Bonds	1
Security and Sources of Payment for the Series 2025 Bonds	1
Description of the Series 2025 Bonds	2
Tax Matters	3
Bond Registrar, Paying Agent and Construction Fund Depository	3
Professionals Involved in the Offering	3
Authority for Issuance	4
Offering and Delivery of the Series 2025 Bonds	4
Continuing Disclosure	4
Other Information	4
PLAN OF FINANCING	5
Estimated Sources and Applications of Funds	5
The Projects	5
Construction Contract	6
THE SERIES 2025 BONDS	6
Description	6
Redemption	6
Registration Provisions; Transfer and Exchange	7
Book-Entry System of Registration	7
Authority for Issuance	9
Investments	9
Debt Service Schedule	10
SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS	11
Bond Resolution	11
Funds Created By the Bond Resolution and Flow of Funds	12
Rate Covenant	14
Parity and Subordinate Bonds	15
Limited Obligations	15
Enforcement of Remedies	16
THE AUTHORITY	16
Introduction	16
Authority Administration and Officials	16
THE SYSTEM	17
System Overview	17
The System's Service Area	17
System Management	18
Water System	18
Sewer System	20
Water and Sewer Contracts	22
Stormwater System	23
Capital Assets of the System	24
Capital Improvement Projects	25
Water and Sewer Customers	25
Rates, Fee and Charges	28
Governmental Approvals and Environmental Regulation	31

Employees, Employee Relations and Labor Organizations.....	32
Employee Benefits	32
Awards and Recognition	33
SYSTEM FINANCIAL INFORMATION	33
Accounting System and Policies	33
Long Term Financial Planning.....	33
Internal Control and Budget Policies	34
Debt Management Policy.....	34
Cash Management	35
Risk Management.....	35
Five-Year Operating History.....	36
Management Comments Concerning Trends in Revenues and Expenses	37
Historical and Forecasted Debt Service Coverage Ratios	38
Historical Net Position	39
Future Debt.....	41
Funding of Capital Improvements.....	41
Operating Budget	42
Insurance Coverage	43
Category of Land Use.....	45
TAX MATTERS	50
Federal Taxes	52
State of Georgia Taxes	53
LEGAL MATTERS	53
Pending Litigation	53
Validation Proceedings and Approving Opinions	54
MISCELLANEOUS.....	54
Ratings.....	54
Competitive Sale of Series 2025 Bonds	54
Independent Auditors	54
Consulting Engineers	55
Financial Advisors.....	55
Additional Information.....	55
CERTIFICATION	56
APPENDIX A: Audited Financial Statements of the Authority for the Fiscal Years Ended June 30, 2024 and 2023	
APPENDIX B: Summary of Certain Provisions of the Bond Resolution	
APPENDIX C: Form of Opinion of Bond Counsel	
APPENDIX D: Form of Continuing Disclosure Certificate	
APPENDIX E: Engineering Report	

\$208,555,000*
DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY
WATER AND SEWERAGE REVENUE BONDS, SERIES 2025

INTRODUCTION

General

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by the Douglasville-Douglas County Water and Sewer Authority (the “Authority”) of \$208,555,000* in aggregate principal amount of its Water and Sewerage Revenue Bonds, Series 2025 (the “Series 2025 Bonds”). Definitions of certain terms used in this Official Statement and not otherwise defined herein are set forth in Appendix B to this Official Statement.

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement and of the documents summarized or described herein, if necessary. The offering of the Series 2025 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this introduction from the Official Statement or to otherwise use it without the entire Official Statement including the Appendices hereto.

The Authority

The Authority is a body corporate and politic and a public corporation of the State of Georgia (the “State”), legally created and validly existing under and by virtue of an Act of the General Assembly of the State of Georgia, known as the Douglasville-Douglas County Water and Sewer Authority Act (Ga. Laws 1985, pp. 3584, *et seq.*, as amended) (the “Authority Act”), pursuant to which the Authority has been duly activated and its members have been, and are now, performing their duties in furtherance of the purpose for which the Authority was created and in accordance with the laws of the State of Georgia. The Authority commenced operations of the water and sewer system on December 27, 1985. For more information, see “THE AUTHORITY.”

Purpose of the Series 2025 Bonds

The proceeds of the Series 2025 Bonds will be used for the purpose of (a) paying a portion of the costs of the acquisition, construction, and installation of certain additions, extensions and improvements to the water, sewer and stormwater system (the “System”) owned by the Authority, including, but not limited to, an expansion of the Authority’s Dog River Reservoir (collectively, the “Projects”), and (b) paying the costs of issuing the Series 2025 Bonds. For a more detailed summary of the Projects, see “PLAN OF FINANCING.”

Security and Sources of Payment for the Series 2025 Bonds

The Series 2025 Bonds are special limited obligations of the Authority payable solely from and secured by a first priority pledge of and lien on all income and revenues derived by the Authority from the ownership and operation of the System remaining after the payment of certain expenses of operating, maintaining and repairing the System and certain other expenses (as more particularly defined in Appendix B, the “Pledged Revenues”).

The Authority has previously issued and has outstanding (a) \$53,180,000 original principal amount of Douglasville-Douglas County Water and Sewer Authority Water and Sewerage Revenue Refunding Bond (Second Resolution), Series 2013 (the “Series 2013 Bond”), (b) \$44,215,000 original principal amount of Douglasville-Douglas County Water and Sewer Authority Water and Sewerage Revenue Refunding Bond (Second Resolution),

*Throughout this Preliminary Official Statement, an asterisk indicates that the information is preliminary and subject to change.

Series 2015A (the “Series 2015A Bond” and, together with the Series 2015B Bond, the “Series 2015 Bonds”), (c) \$29,205,000 original principal amount Series 2015B Bond, (d) \$10,500,000 original principal amount of Douglasville-Douglas County Water and Sewer Authority Water and Sewerage Revenue Refunding Bond, Series 2020 (the “Series 2020 Refunding Bond”), and (e) \$84,555,000 Douglasville-Douglas County Water and Sewer Authority Water and Sewerage Revenue Bond, Series 2020A (the “Series 2020A Bonds, and together with the Series 2013 Bond, the Series 2015 Bonds, the Series 2020 Refunding Bond, the “Prior Bonds”).

The Prior Bonds will be outstanding in the principal amount of \$[_____*] upon the issuance of the Series 2025 Bonds. The Series 2013 Bond and the Series 2015 Bonds, currently outstanding in the principal amount of \$[47,880,000*], were sold pursuant to separate private placements and are held by a single bondholder. The Series 2020 Refunding Bond is no longer outstanding. The Series 2020A Bonds, currently outstanding in the principal amount of \$77,155,000, are held by Cede & Co., as nominee for DTC, as registered owner of the Series 2020A Bonds. Upon the issuance of the Series 2025 Bonds, Cede & Co., as nominee for DTC will hold greater than 50 percent of the outstanding aggregate principal amount of the Prior Bonds and the Series 2025 Bonds (“Majority Bondholder”), permitting such Majority Bondholder to consent to supplements and amendments to the Bond Resolution and take certain actions upon an event of default while Majority Bondholder]. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Events of Default and Remedies – *Remedies* and – Supplemental Resolutions - *Supplemental Resolutions Requiring Consent of Bondholders*.” In addition, certain interest rate provisions of the Bond Resolution apply only to the Prior Bonds (relating to an increase in the interest rates on the Prior Bonds due to a Determination of Taxability). **The interest rate on the Series 2025 Bonds is not subject to adjustment if the interest on the Series 2025 Bonds is later determined to be taxable or upon a default under the Bond Resolution.** The Series 2015B Bond is subject to mandatory purchase on June 1, 2030, if not redeemed by the Authority prior thereto, and subject to an adjustment of the interest rate on the Series 2015B Bond commencing upon the mandatory purchase and remarketing of the Series 2015B Bond. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Certain Provisions of the Bond Resolution Applicable to the Prior Bonds Only.”

The Prior Bonds are payable solely from and are secured by a first priority pledge of and lien on the Pledged Revenues of the System. The Series 2025 Bonds, when issued, will be equally and ratably secured on a parity basis with the Prior Bonds and any additional revenue bonds of the Authority hereafter issued on a parity with the Prior Bonds and the Series 2025 Bonds. The Prior Bonds, the Series 2025 Bonds and any additional revenue bonds of the Authority issued on a parity therewith are collectively referred to as the “Senior Bonds” in this Official Statement. The Senior Bonds and any additional revenue bonds of the Authority hereafter issued with a right to payment expressly junior and subordinate to the Senior Bonds are collectively referred to as the “Bonds” in this Official Statement.

The Series 2025 Bonds shall not be deemed to constitute a debt of the State, Douglas County, Georgia (the “County”) or the City of Douglasville, Georgia (the “City”), nor a pledge of the faith and credit of the State, the County or the City, nor shall the State, the County or the City be subject to any pecuniary liability thereon. The Series 2025 Bonds shall not be payable from, nor shall a charge be made upon any funds other than the revenues pledged to the payment thereof, and are payable solely from the special fund provided therefor. No owner of any Series 2025 Bond shall ever have the right to enforce payment thereof against any other property of the Authority, the State, the County or the City, nor shall any Series 2025 Bond constitute a charge, lien, or encumbrance, legal or equitable, upon any other property of the Authority, the State, the County or the City. The issuance of the Series 2025 Bonds shall not directly, indirectly or contingently obligate the State, the County or the City to levy or to pledge any form of taxation whatsoever therefor or to make any appropriation for their payment. The Authority has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS” and Appendix B.

Description of the Series 2025 Bonds

Redemption. The Series 2025 Bonds are subject to redemption prior to their maturity as set forth herein.

Denominations. The Series 2025 Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

Book-Entry Bonds. The Series 2025 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2025 Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Series 2025 Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and interest on the Series 2025 Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. As long as Cede & Co. is the registered owner of the Series 2025 Bonds, as nominee of DTC, references herein to the holders of the Series 2025 Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2025 Bonds. See “THE SERIES 2025 BONDS – Book-Entry System of Registration.”

Registration, Transfers and Exchanges. The Series 2025 Bonds will be issued in fully registered form. When in book-entry form, ownership of Series 2025 Bonds may be registered as transferred and Series 2025 Bonds may be exchanged in accordance with the rules and procedures of DTC. When not in book-entry form, ownership of any Series 2025 Bond may be registered as transferred and Series 2025 Bonds may be exchanged in the manner provided in the Bond Resolution (hereafter defined). See “THE SERIES 2025 BONDS – Registration Provisions; Transfer and Exchange” and “– Book-Entry System of Registration.”

Payments. Interest on the Series 2025 Bonds will be payable semiannually on June 1 and December 1 of each year until maturity (each an “Interest Payment Date”), commencing June 1, 2026. Principal of the Series 2025 Bonds will be payable at the times and in the amounts shown on the inside front cover of this Official Statement. When in book-entry form, payment of the principal of and interest on the Series 2025 Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Series 2025 Bonds. See “THE SERIES 2025 BONDS – Book-Entry System of Registration.” When not in book-entry form, principal of and interest on the Series 2025 Bonds is payable in the manner provided in the Bond Resolution.

For a more complete description of the Series 2025 Bonds, see “THE SERIES 2025 BONDS.”

Tax Matters

In the opinion of Bond Counsel, subject to the limitations and conditions described herein and assuming compliance by the Authority with certain covenants, interest on the Series 2025 Bonds is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes (including any original issue discount properly allocable to a holder thereof), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See “TAX MATTERS” herein and Appendix C hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2025 Bonds.

Bond Registrar, Paying Agent and Construction Fund Depository

Regions Bank will act as Bond Registrar and as Paying Agent for the Series 2025 Bonds, and will also act as the Construction Fund Depository. The corporate trust office of Regions Bank is 1180 West Peachtree Street, Suite 1200, Atlanta, Georgia 30309.

Professionals Involved in the Offering

Certain legal matters pertaining to the Authority and its authorization and issuance of the Series 2025 Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel and Disclosure Counsel to the Authority. Copies of the opinion will be available at the time of delivery of the Series 2025 Bonds, and a copy of the proposed form of the opinion is attached hereto as Appendix C. Certain legal matters will be passed on for the Authority by its counsel, Hartley, Rowe & Fowler, P.C., Douglasville, Georgia. Davenport & Company LLC, Atlanta, Georgia, is acting as the Authority’s financial advisor.

The financial statements of the Authority as of June 30, 2024 and 2023 and for the years then ended, attached hereto as Appendix A, have been audited by Nichols, Cauley & Associates, LLC, Kennesaw, Georgia,

independent certified public accountants, to the extent and for the period indicated in its report thereon which appears in Appendix A hereto. See “MISCELLANEOUS – Independent Auditors.”

The Engineering Report attached hereto as Appendix E (the “Engineering Report”) has been prepared by R.J. Wood and Company (the “Consulting Engineers”). See “MISCELLANEOUS – Consulting Engineers.”

Authority for Issuance

The Series 2025 Bonds are being issued in accordance with the Constitution of the State of Georgia and laws of the State of Georgia and a Master Bond Resolution adopted by the Authority on November 26, 2013, as ratified, reaffirmed, supplemented, and amended from time to time by resolutions adopted by the Authority (collectively, the “Original Resolution”), including by a Parity Bond Resolution adopted by the Authority on July 8, 2025, and as supplemented by the Authority on _____, 2025 (as supplemented, the “2025 Resolution”). The Original Resolution and the 2025 Resolution, are collectively referred to as the “Bond Resolution” throughout this Official Statement. See “THE SERIES 2025 BONDS – Authority for Issuance.”

Offering and Delivery of the Series 2025 Bonds

The Series 2025 Bonds are offered when, as, and if issued by the Authority, subject to prior sale and to withdrawal or modification of the offer without notice. The Series 2025 Bonds in definitive form are expected to be delivered through DTC on or about _____, 2025.

Continuing Disclosure

The Authority has undertaken all responsibility for any continuing disclosure to Beneficial Owners of the Series 2025 Bonds as described below. The Authority has covenanted in a Continuing Disclosure Certificate (the “Disclosure Certificate”) for the benefit of the Beneficial Owners of the Series 2025 Bonds to provide certain financial information and operating data relating to the Authority (the “Annual Report”) by not later than 270 days after the end of each fiscal year of the Authority, commencing with the fiscal year ended June 30, 2025, and to provide notices of the occurrence of certain enumerated events (the “Event Notices”). The Annual Report and the Event Notices will be filed by the Authority with the Municipal Securities Rulemaking Board’s (the “MSRB”) Electronic Municipal Market Access (“EMMA”) system in an electronic format as prescribed by the MSRB. See Appendix D for a form of the Disclosure Certificate. These covenants have been made in order to assist the original purchaser of the Series 2025 Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The Authority has previously entered into undertakings similar to the Disclosure Certificate in connection with the issuance of other obligations (the “Prior Undertakings”). The Prior Undertakings are substantially similar to the Disclosure Certificate. During the last five fiscal years, the Authority has been in material compliance with its continuing disclosure obligations under the Prior Undertakings.

Other Information

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Authority, the Series 2025 Bonds, and the security and sources of payment for the Series 2025 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution and other documents are intended as summaries only and are qualified in their entirety by reference to such laws and documents, and references herein to the Series 2025 Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution and other documents and information are available, upon request and upon payment to the Authority of a charge for copying, mailing and handling, from Gilbert Shearouse, Executive Director, Douglasville-Douglas County Water and Sewer Authority, 8763 Hospital Drive, Douglasville, Georgia 30133, telephone (770) 949-7617. During the period of the offering of the Series 2025 Bonds, copies of such documents are available, upon request and upon payment to the Financial Advisor of a charge for copying, mailing and handling, from Davenport & Company LLC, 3350 Riverwood Parkway, 19th Floor, Atlanta, Georgia 30339, telephone (404) 825-9467.

PLAN OF FINANCING

Estimated Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Series 2025 Bonds are set forth below.

Estimated Sources of Funds:

Par Amount of Series 2025 Bonds
Plus: [Net] Original Issue Premium
Remaining Series 2020A Proceeds
Total Sources of Funds

Estimated Application of Funds:

Costs of the Projects
Costs of Issuance ⁽¹⁾
Total Application of Funds

⁽¹⁾ Includes underwriting discount, legal, consulting engineer and accounting fees, rating agency fees, printing costs, validation court costs and other costs of issuance.

The Projects

A portion of the proceeds of the Series 2025 Bonds will be used to pay the costs of the Projects as hereafter described and the costs of issuing the Series 2025 Bonds, and upon issuance of the Series 2025 Bonds, will be deposited into the Construction Fund. Moneys on deposit in the Construction Fund will be invested in Permitted Investments pending their disbursement and will be requisitioned therefrom by the Authority as needed. For a discussion of restrictions that apply to the use of the amounts held in the Construction Fund and the Renewal and Extension Fund under the Bond Resolution, see “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION– Funds Created by the Bond Resolution and Flow of Funds” in Appendix B.

The Authority’s main raw water storage and the County’s principal drinking water supply is provided by the 256-acre Dog River Reservoir (the “Reservoir”), originally constructed from 1990-1992 to hold 1.2 billion gallons of water. The Reservoir was expanded in 2009, increasing the water capacity to 1.9 billion gallons of water and was permitted for a withdrawal yield of 23 million gallons per day (“MGD”). In 2007, the County experienced a severe drought which is now the established 100-year drought of record, against which reliable water supply sufficiency is measured (the “2007 Drought”). The 2007 Drought resulted in the yield of the Reservoir falling to 9.0 MGD, well below the level needed for a reliable water supply based on the 100-year drought of record. Based on various engineering studies, the Authority determined that additional raw water storage was required to provide a reliable 100-year drought of record supply and to meet the Reservoir’s minimum downstream flow requirements. The expansion of the Reservoir, as contemplated by the Projects (hereinafter defined), will include the raising of the existing water elevation from 760 feet to 795.3 feet, providing 6.5 billion gallons of water storage, building a new intake structure, raising the Highway 166 bridge, building a new labyrinth weir spillway, constructing earthen dams, and relocating the Dog River Recreational Complex (collectively, the “Dog River Reservoir Expansion Project” and referred to herein as the “Projects”). These components of the Dog River Reservoir Expansion Project are expected to be under construction for approximately four years and a ceremonial groundbreaking took place on June 12, 2025. For a further description of the Projects and the estimated costs of each component are detailed in the Engineering Report attached hereto as Appendix E.

On September 11, 2020, the Authority received its 404 Permit from the USACE for the Dog River Reservoir Expansion Project. Land for the expansion of the Reservoir was acquired with proceeds of the Series 2020A Bonds. The Dog River Expansion Project was awarded pursuant to a Construction Manager at Risk contract to Clark Reeves Young JV (the “Joint Venturer”) on January 9, 2024, as the winning bidder. On April 22, 2025, an amendment to the Construction Manager at Risk contract was approved, modifying the guaranteed maximum price of the contract for the Project to \$389,927,058 (the “GMP Contract”). See “Construction Contract” herein for more information about the Joint Venturer and the GMP Contract.

The Authority anticipates allocating approximately \$210 million of Series 2025 Bond proceeds, along with other available funds, including approximately [\$_____] of remaining proceeds from the Series 2020A Bonds, to finance approximately the first 24 months of construction of the Dog River Reservoir Expansion Project. The Authority is contemplating issuing additional bonds during Fall 2027 (the “Series 2027 Bonds”) in order to fund the construction of the remainder of the Dog River Reservoir Expansion Project, which is estimated to cost approximately \$100 million. The 2027 Bonds, when issued, are expected to be secured by Pledged Revenues on a parity with the Prior Bonds and the Series 2025 Bonds.

See the Engineering Report attached hereto as Appendix E for more information about the Dog River Reservoir Expansion Project, including the Projects.

Construction Contract

Following the Joint Venturer’s selection as Construction Manager-at-Risk (“CMAR”) for the Project, the Authority and the Joint Venturer entered into a Standard Form of Agreement (AIA Document A133-2019 and General Conditions (AIAA Document A201-2017) for preconstruction services, to be amended upon completion of preconstruction. Following the completion of preconstruction, the contemplated amendment was approved on April 22, 2025. As amended, the GMP Contract provides for a revised total not-to-exceed contract price of \$391,475,934 (the “Guaranteed Maximum Price”) (inclusive of \$1,558,876 for preconstruction services). The Joint Venturer has guaranteed that the contract price shall not exceed the Guaranteed Maximum Price set forth in the GMP Contract, subject only to additions and deductions by change order.

Clark Construction Group is an experienced building and civil construction firm. Reeves Young is a construction company that provides a range of commercial, heavy civil, and water resource services. The GMP Contract requires the Joint Venturer to execute performance and payment bonds for the Projects in an amount equal to 100% of the Guaranteed Maximum Price.

THE SERIES 2025 BONDS

Description

The Series 2025 Bonds will be dated their date of issuance and will bear interest at the rates specified on the inside cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance). Interest will be payable semiannually on each Interest Payment Date, commencing June 1, 2026. The Series 2025 Bonds will mature at the times and in the amounts set forth on the inside cover page of this Official Statement, subject to the redemption provisions described below. Both the principal of and interest on the Series 2025 Bonds will be payable in lawful money of the United States of America.

When in book-entry form, payment of the principal of and interest on the Series 2025 Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Series 2025 Bonds. See “— Book-Entry System of Registration.” When not in book-entry form, principal of and interest on the Series 2025 Bonds is payable in the manner provided in the Bond Resolution.

Redemption

Optional Redemption. The Series 2025 Bonds are subject to redemption at the option of the Authority, in whole or in part, in any order of maturity, on any date on or after June 1, 20____, at a redemption price of 100% of the principal amount of the Series 2025 Bonds to be redeemed, plus accrued interest to the redemption date, all in the manner provided in the Bond Resolution.

Mandatory Sinking Fund Redemption. The Series 2025 Bonds maturing on June 1, 20____ are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount thereof being redeemed, plus accrued interest, on June 1 of the following years and in the following amounts (the June 1, 20____ amount to be paid rather than redeemed):

<u>Year</u>	<u>Amount</u>
-------------	---------------

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date, the Authority may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2025 Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2025 Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Series 2025 Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the Authority on such scheduled mandatory redemption date and the principal amount of the Series 2025 Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

Redemption Notices. Notices of any optional redemption of the Series 2025 Bonds, identifying the Series 2025 Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be mailed, postage prepaid, not less than 30 days nor more than 60 days prior to the redemption date to all registered owners of the Series 2025 Bonds to be redeemed (in whole or in part). Such notice may state the conditions for such redemption. Any defect in the notice shall not affect the validity of the proceedings for the redemption of any Series 2025 Bond held by owners to whom notice was properly given.

The Series 2025 Bonds designated for redemption as described above shall be payable at the redemption price specified above and interest will cease to accrue on the principal amount of such Series 2025 Bonds from and after the date of redemption unless there is a default in the payment of such Series 2025 Bonds.

Registration Provisions; Transfer and Exchange

The Series 2025 Bonds will be issued in fully registered form. Ownership of the Series 2025 Bonds will be registered on the registration books of the Authority maintained by the Bond Registrar. When in book-entry form, ownership of the Series 2025 Bonds may be registered as transferred and Series 2025 Bonds may be exchanged in accordance with the rules of DTC. See “ – Book-Entry System of Registration.” When not in book-entry form, ownership of any Series 2025 Bond may be registered as transferred and Series 2025 Bonds may be exchanged in the manner provided in the Bond Resolution. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Registration Provisions; Transfer and Exchange.”

Book-Entry System of Registration

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered Series 2025 Bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2025 Bonds and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues,

corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of Series 2025 Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all the Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Paying Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case

with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Authority or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to Series 2025 Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2025 Bonds are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2025 Bonds will be printed and delivered.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

NEITHER THE AUTHORITY NOR THE PAYING AGENT WILL HAVE ANY OBLIGATION TO THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO DTC’S PROCEDURES OR ANY PROCEDURES OR ARRANGEMENTS BETWEEN DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS AND BENEFICIAL OWNERS.

NEITHER THE AUTHORITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (1) SENDING TRANSACTION STATEMENTS; (2) MAINTAINING, SUPERVISING OR REVIEWING, THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (3) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON SERIES 2025 BONDS; (4) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OF ANY NOTICE OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO HOLDERS OR OWNERS OF SERIES 2025 BONDS; OR (5) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF SERIES 2025 BONDS.

Authority for Issuance

The Series 2025 Bonds are being issued pursuant to the authority granted by the Constitution of the State of Georgia, the Authority Act and O.C.G.A. Section 36-82-3 *et seq.* (the “Revenue Bond Law”).

The Series 2025 Bonds are being issued and secured under the provisions of the Bond Resolution.

Investments

For a description of how the proceeds of the Series 2025 Bonds that are being used to finance the Projects are to be invested pending their use, the provisions governing those investments, the conditions that must be satisfied before such proceeds of the Series 2025 Bonds may be applied to their intended use, and other provisions governing the investment of such proceeds of the Series 2025 Bonds and the amounts held to pay debt service on the Series 2025 Bonds, see “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Funds Created By the Bond Resolution and Flow of Funds – *Investment of Funds and Accounts*” in Appendix B.

Debt Service Schedule

The following table sets forth the System's annual debt service requirements for each fiscal year, assuming the issuance of the Series 2025 Bonds*.

Year Ended <u>June 30</u>	Series 2025 Bonds			Combined Total <u>Debt Service</u>
	<u>Prior Bonds</u> ^{(1)(2)*}	<u>Principal</u> *	<u>Interest</u>	
2026	\$ 9,035,000			
2027	9,300,000			
2028	9,570,000			
2029	9,845,000			
2030	10,130,000			
2031	6,910,000	\$ 4,135,000		
2032	7,125,000	4,340,000		
2033	7,340,000	4,560,000		
2034	7,535,000	4,785,000		
2035	7,735,000	5,025,000		
2036	7,940,000	5,275,000		
2037	8,150,000	5,540,000		
2038	3,650,000	5,820,000		
2039	3,720,000	6,110,000		
2040	3,795,000	6,415,000		
2041	3,875,000	6,735,000		
2042	3,950,000	7,070,000		
2043	4,030,000	7,390,000		
2044	4,110,000	7,725,000		
2045	4,190,000	8,070,000		
2046	4,275,000	8,445,000		
2047	4,365,000	8,835,000		
2048	4,460,000	9,275,000		
2049	4,555,000	9,740,000		
2050	4,650,000	10,225,000		
2051	--	10,740,000		
2052	--	11,275,000		
2054	--	11,840,000		
2055	--	12,430,000		
2056	--	<u>13,050,000</u>		
Total	<u>\$154,240,000</u>	<u>\$208,555,000</u>		

⁽¹⁾ The Prior Bonds include (a) the Series 2013 Bond bearing interest at a fixed rate of 2.80% with annual amortizing principal and a final maturity date of June 1, 2030, (b) the Series 2015A Bond bearing interest at a fixed rate of 3.10% with annual amortizing principal and a mandatory tender date of June 1, 2030, (c) the Series 2015B Bond bearing interest at a fixed rate of 3.14% until the Mandatory Purchase Date of June 1, 2030, and subject to adjustment thereafter, with annual amortizing principal from June 1, 2031 through a final maturity date of June 1, 2037, and (d) the Series 2020A Bonds, bearing interest at multiple fixed interest rates, with a yield of 2.0054% and annual amortizing principal beginning June 1, 2021 and a final maturity date of June 1, 2050.

⁽²⁾ For purposes of this table, interest on the Series 2015B Bond is assumed at the interest rate of 3.14% through final maturity of June 1, 2037.

There has never been a default in payment of the principal of or interest on any revenue bonds of the Authority secured by revenues of the System.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS

Bond Resolution

To secure its obligations under the Series 2025 Bonds, the Authority has adopted the Bond Resolution, pursuant to which the Authority has pledged the Pledged Revenues to the payment of the principal of and the interest on the Series 2025 Bonds. For a complete definition of the term “Pledged Revenues,” see “SUMMARY OF THE BOND RESOLUTION – Definitions” in Appendix B to this Official Statement. Under the terms of the Bond Resolution, the Series 2025 Bonds will be equally and ratably secured on a parity basis with the Prior Bonds, as to the lien on the Pledged Revenues of the System. The Bond Resolution provides that such pledge of Pledged Revenues (as it may be expanded for additional parity bonds) ranks superior to all other pledges that may be made of any of the Pledged Revenues, except for pledges of Pledged Revenues made by the Authority in Hedge Agreements (relating to Bonds issued under the Bond Resolution) to secure Hedge Payments thereunder (other than termination, indemnity, and expense payments), which may rank on a parity with this pledge as to the related Hedged Bonds. Currently, there are no Hedge Agreements. The Bond Resolution provides that the lien of this pledge is valid and binding against the Authority and against all parties having claims of any kind against the Authority, whether such claims arise in contract, tort, or otherwise and irrespective of whether such parties have notice of the lien created by the Bond Resolution. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Pledge of Revenues” in Appendix B.

The Prior Bonds will be outstanding in the principal amount of \$154,240,000 upon the issuance of the Series 2025 Bonds. The Series 2013 Bond and the Series 2015 Bonds, currently outstanding in the principal amount of \$77,085,000, were sold pursuant to separate private placements and are held by a single bondholder. The Series 2020 Refunding Bond is no longer outstanding. The Series 2020A Bonds, currently outstanding in the principal amount of \$77,155,000, are held by Cede & Co., as nominee for DTC, as registered owner of the Series 2020A Bonds. Upon the issuance of the Series 2025 Bonds, Cede & Co., as nominee for DTC will hold greater than 50 percent of the outstanding aggregate principal amount of the Prior Bonds and the Series 2025 Bonds (“Majority Bondholder”), permitting such Majority Bondholder to consent to supplements and amendments to the Bond Resolution and take certain actions upon an event of default while Majority Bondholder. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Events of Default and Remedies – Remedies and – Supplemental Resolutions - *Supplemental Resolutions Requiring Consent of Bondholders.*” In addition, certain interest rate provisions of the Bond Resolution apply only to the Prior Bonds (relating to an increase in the interest rates on the Prior Bonds due to a Determination of Taxability). **The interest rate on the Series 2025 Bonds is not subject to adjustment if the interest on the Series 2025 Bonds is later determined to be taxable or upon a default under the Bond Resolution.** The Series 2015B Bond is subject to mandatory purchase on June 1, 2030, if not redeemed by the Authority prior thereto, and subject to an adjustment of the interest rate on the Series 2015B Bond commencing upon the mandatory purchase and remarketing of the Series 2015B Bond. See “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Certain Provisions of the Bond Resolution Applicable to the Prior Bonds Only.”

The Authority has not granted any lien on or security interest in the System or any other assets of the Authority to secure the Series 2025 Bonds. The sole security for the repayment of the Series 2025 Bonds are Pledged Revenues.

The Authority has covenanted in the Bond Resolution that it will pay and discharge all taxes, assessments, and other governmental charges, if any, lawfully imposed upon the System or any part thereof or upon the Pledged Revenues, as well as any lawful claims for labor, materials, or supplies which if unpaid might become a lien or charge upon the System or the Pledged Revenues or any part thereof or which might impair the security for the Bonds, except when the Authority in good faith contests its liability to pay the same. See “SUMMARY OF THE BOND RESOLUTION – General Covenants – *Satisfaction of Liens*” in Appendix B to this Official Statement.

The Authority has also made certain covenants in the Bond Resolution concerning the sale or disposition of the System, insurance on the System, and the books and records relating to the System, which are described under the captions “SUMMARY OF THE BOND RESOLUTION – General Covenants – *Insurance*”, “ – *No Sales, Leases, or Encumbrances; Exceptions*”, and “ – *Books, Records and Accounts*” in Appendix B to this Official Statement.

The Bond Resolution permits the issuance of additional parity bonds which, if issued, would be equally and ratably secured on a parity basis with the Series 2025 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS – Additional Bonds.”

Funds Created By the Bond Resolution and Flow of Funds

General

Under the terms of the Bond Resolution, the Authority has established and is maintaining the following funds and accounts, and moneys deposited in such funds and accounts must be held in trust for the purposes set forth in the Bond Resolution:

- (1) the Revenue Fund, currently held and to be held by Synovus Bank (as successor to Bank of North Georgia), Douglasville, Georgia, as depository for the account of the Authority;
- (2) the Sinking Fund, currently held and to be held in trust by Regions Bank, Atlanta, Georgia, as depository for the account of the Authority, and therein an Interest Account and a Principal Account; and
- (3) the Renewal and Extension Fund, currently held and to be held by Synovus Bank (as successor to Bank of North Georgia), Douglasville, Georgia, as depository for the account of the Authority.

A Hedge Payments Account, a Capitalized Interest Account and a Debt Service Reserve Account within the Sinking Fund are not required to be established until needed, and have not been established with respect to the Series 2025 Bonds.

The Bond Resolution also provides for a Construction Fund, under which proceeds of Bonds that are issued to finance improvements to the System are deposited. Proceeds of the Series 2025 Bonds will be deposited into the Capital Improvement Account of the Construction Fund. The Authority has covenanted in the Bond Resolution that it will continue to maintain the Revenue Fund and the Renewal and Extension Fund separate and apart from all other funds of the Authority so long as any Bonds remain outstanding.

Revenue Fund

The Bond Resolution requires the Authority to deposit and continue to deposit all Operating Revenues in the Revenue Fund from time to time as and when received. Under the terms of the Bond Resolution, moneys in the Revenue Fund are to be applied by the Authority from time to time to the following purposes and in the following order of priority: (a) to pay Expenses of Operation and Maintenance, (b) to deposit monthly into the Interest Account the amounts described below, (c) to deposit monthly into the Principal Account the amounts described below, (d) to pay monthly any amounts due to any Financial Facility Issuer securing Senior Bonds all amounts required to be paid to such Financial Facility Issuer as compensation for the Financial Facility securing Senior Bonds and as satisfaction of any other amounts due under the Financial Facility Agreement that are not considered to be subrogated payments of principal and interest on Senior Bonds, including Additional Interest on Senior Bonds, (e) to pay monthly repayments of any draw-down on any Reserve Account Credit Facility (other than repayments that reinstate the Reserve Account Credit Facility) and any interest or fees due the Reserve Account Credit Facility Provider under such Reserve Account Credit Facility, (f) to deposit monthly the amounts required to be deposited into the funds and accounts created by any Series Resolution authorizing the issuance of Subordinate Bonds, (g) to pay monthly any amounts required to be paid with respect to any Other System Obligations, (k) to deposit monthly into the Renewal and Extension Fund all remaining moneys and securities held in the Revenue Fund after all of the other transfers set forth in this paragraph have been made, except for such amount as the Authority in its discretion deems appropriate to retain in the Revenue Fund to pay Expenses of Operation and Maintenance.

Sinking Fund

Interest Account. Under the terms of the Bond Resolution, there must be paid into the Interest Account monthly from moneys in the Revenue Fund, on or before the 25th day of the month, an installment equal to 1/6th of the amount of interest (excluding Additional Interest) falling due and payable on all Outstanding Senior Bonds on the next Interest Payment Date, adjusted to give credit for any other available moneys then in the Interest Account and further adjusted if necessary to assure the timely accumulation of the required amount in approximately equal installments. To the extent that any of the Senior Bonds bear interest at a Variable Rate, this requirement will be deemed satisfied with respect to such Senior Bonds if the installment paid into the Interest Account in each month is sufficient to accumulate for such Senior Bonds an amount equal to 1/6th of the Projected Interest Payment multiplied by the number of months and fractions of months expired since delivery of such Senior Bonds or the most recent Interest Payment Date. Notwithstanding the foregoing, any Series Resolution that authorizes the issuance of Additional Bonds which pay interest other than semiannually may establish a different method of accumulating money in the Interest Account to pay interest on such Additional Bonds, so long as such method provides for the accumulation, in equal installments of no greater frequency than monthly, of sufficient funds to pay interest due on such Additional Bonds on each Interest Payment Date established for such Additional Bonds. The Authority must also deposit and continue to deposit all Hedge Receipts under Senior Hedge Agreements in the Interest Account from time to time as and when received. Moneys in the Interest Account will be used solely to pay interest (excluding Additional Interest) on the Senior Bonds when due.

Principal Account. Under the terms of the Bond Resolution, there must be paid into the Principal Account monthly from moneys in the Revenue Fund, on or before the 25th day of the month, an installment equal to 1/12th of the principal amount falling due and payable on all Outstanding Senior Bonds on the next Principal Maturity Date plus whatever additional amounts may be necessary in equal monthly installments to accumulate in the Principal Account the full principal amount falling due in such Sinking Fund Year. For purposes of this requirement, the amount of principal falling due in any Sinking Fund Year includes all amounts of principal maturing during the Sinking Fund Year and all amounts of principal that are subject to mandatory redemption during the Sinking Fund Year. Notwithstanding the foregoing, any Series Resolution that authorizes the issuance of Additional Bonds which pay principal other than annually may establish a different method of accumulating money in the Principal Account to pay principal on such Additional Bonds, so long as such method provides for the accumulation, in equal installments of no greater frequency than monthly, of sufficient funds to pay principal on such Additional Bonds when due. Moneys in the Principal Account will be used solely for the payment of principal of the Senior Bonds as the same become due and payable at maturity or upon redemption.

Renewal and Extension Fund

Under the terms of the Bond Resolution, in addition to the monthly deposits to be made to the Renewal and Extension Fund from moneys in the Revenue Fund as described above, the Authority must deposit in the Renewal and Extension Fund all termination payments received under any Hedge Agreements. All sums accumulated and retained in the Renewal and Extension Fund must be used first to prevent default in the payment of interest on or principal of the Senior Bonds when due and then must be applied by the Authority from time to time, as and when the Authority may determine, to the following purposes:

- (1) to the payment of Expenses of Operation and Maintenance, to the extent moneys are not available for such purpose in the Revenue Fund;
- (2) to the restoration of the Interest Account and the Principal Account to the respective amounts required at that time to be held therein;
- (3) to the restoration of the Rebate Fund to the amount required at that time to be held therein;
- (4) to the payment of any and all amounts which may then be due and owing to any Financial Facility Issuer securing Senior Bonds;

(5) to the payment of any and all amounts that may then be due and owing to any Reserve Account Credit Facility Provider;

(6) to prevent default in the payment of interest on or principal of any Subordinate Bonds when due;

(7) to the restoration of the funds and accounts relating to any Subordinate Bonds to the respective amounts required at that time to be held therein;

(8) to the payment of all amounts required to be paid to any Financial Facility Issuer securing Subordinate Bonds as compensation for the Financial Facility Issuer securing Subordinate Bonds and as satisfaction of any other amounts due under the Financial Facility Agreement;

(9) to the payment of any and all amounts that may then be due and owing under any Hedge Agreement (including termination payments, fees, expenses, and indemnity payments);

(10) to the payment of any and all governmental charges and assessments against the System or any part thereof that may then be due and owing;

(11) to the payment of any and all amounts that may then be due and owing under any Other System Obligation;

(12) to make acquisitions, betterments, extensions, repairs, or replacements or other capital improvements (including the purchase of equipment) to the System deemed necessary by the Authority (including payments under contracts with vendors, suppliers, and contractors for the foregoing purposes); and

(13) at the option of the Authority, to the acquisition of Senior Bonds by redemption or by purchase in the open market at a price not exceeding the callable price as provided and in accordance with the terms and conditions of the Bond Resolution, which Senior Bonds may be any of the Senior Bonds, prior to their respective maturities, and when so used for such purposes the moneys must be withdrawn from the Renewal and Extension Fund and deposited into the Interest Account and the Principal Account for the Senior Bonds to be so redeemed or purchased.

The Authority is not required to maintain a minimum balance in the Renewal and Extension Fund.

Construction Fund

Proceeds of the Series 2025 Bonds will be deposited in a separate account of the Construction Fund held by the Construction Fund Depository and designated "Series 2025 Capital Improvement Account" (the "Capital Improvement Account"). Moneys in the Capital Improvement Account must be applied to the payment of the Costs of the Projects, or for the repayment of advances made for that purpose in accordance or substantially in accordance with an engineering report and subject to the provisions and restrictions set forth in the Bond Resolution. The Authority covenanted in the Bond Resolution that it will not cause or permit to be paid from the Construction Fund any sums except in accordance with such provisions and restrictions; provided, however, that any moneys in the Construction Fund not presently needed for the payment of current obligations during the course of construction may be invested in Permitted Investments maturing not later than (i) the date upon which such moneys will be needed according to a schedule of anticipated payments from the Construction Fund filed with the Authority by the Independent Consulting Engineer in charge of the Projects or (ii) in the absence of such schedule, 36 months from the date of purchase, in either case upon written direction of the Authority.

Rate Covenant

The Authority has covenanted in the Bond Resolution that it will continuously own, control, operate, and maintain the System in an efficient and economical manner and on a revenue producing basis and will prescribe, fix, maintain, and collect rates, fees, and other charges for the services, facilities, and commodities furnished by the

System fully sufficient to: (a) provide for 100% of the Expenses of Operation and Maintenance and for the accumulation in the Revenue Fund of a reasonable reserve therefor to the extent required by the Bond Resolution; and (b) produce Net Operating Revenues in each Fiscal Year that (together with Investment Earnings, other than Investment Earnings on the Construction Fund):

- (i) will equal at least 110% of the Debt Service Requirement on the Senior Bonds then Outstanding for the year of computation and 100% of the Debt Service Requirement on all Subordinate Bonds then Outstanding for the year of computation;
- (ii) will enable the Authority to make all required payments, if any, into the Debt Service Reserve Account and the Rebate Fund and to any Financial Facility Issuer, any Reserve Account Credit Facility Provider, and any Qualified Hedge Provider;
- (iii) will enable the Authority to accumulate an amount to be held in the Renewal and Extension Fund as required by the Bond Resolution, and such greater amount which in the judgment of the Authority is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the System, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the System;
- (iv) will remedy all deficiencies in required payments into any of the funds and accounts mentioned in the Bond Resolution from prior Fiscal Years; and
- (v) will enable the Authority to pay all other charges or liens payable out of revenues of the System.

See "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Rate Covenant" in Appendix B.

Parity and Subordinate Bonds

Upon satisfaction of certain conditions, the Bond Resolution permits the Authority, for specified purposes, to issue additional revenue bonds without express limit as to principal amount, which will be equally and ratably secured on a parity basis with the Series 2025 Bonds and the Prior Bonds under the Bond Resolution. See "SUMMARY OF THE BOND RESOLUTION – Additional Bonds" in Appendix B hereto. The Authority may issue additional parity bonds in the future to finance part of the cost of ongoing capital improvements to the System and to refinance Senior Bonds. The issuance of additional parity bonds for such purposes may, for a period of time, dilute the security for the Senior Bonds. The Bond Resolution also allows the Authority to issue obligations secured by the Pledged Revenues that are junior and subordinate to the Senior Bonds as to lien and right of payment. Under the terms of the Bond Resolution, should revenue bonds or other obligations be issued ranking as to lien on the Pledged Revenues junior and subordinate to the lien securing the payment of the Senior Bonds, then payments to the Renewal and Extension Fund may be suspended and such money will be available to the extent necessary to pay the principal of and interest on such junior lien bonds and to create and maintain a reasonable reserve therefor, and such moneys may be allocated and pledged for that purpose.

Limited Obligations

The Series 2025 Bonds are special limited obligations of the Authority payable solely from the Pledged Revenues. The Series 2025 Bonds are not payable from and are not secured by a charge, lien, or encumbrance upon any funds or assets of the Authority other than the Pledged Revenues and the funds created and held under the Bond Resolution.

The Series 2025 Bonds shall not be deemed to constitute a debt of the State, the County or the City, nor a pledge of the faith and credit of the State, the County or the City, nor shall the State, the County or the City be subject to any pecuniary liability thereon. The Series 2025 Bonds shall not be payable from, nor shall a charge be made upon any funds other than the Pledged Revenues, and are payable solely from the special fund provided therefor from the Pledged Revenues. No owner of any Series 2025 Bond shall ever have the right to enforce payment thereof against any other property of the Authority, nor shall any Series 2025 Bond

constitute a charge, lien, or encumbrance, legal or equitable, upon any other property of the Authority, the State, the County or the City. The issuance of the Series 2025 Bonds shall not directly, indirectly, or contingently obligate the State, the County or the City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for its payment. The Authority has no taxing power.

Enforcement of Remedies

The realization of value from the pledge of the Pledged Revenues upon any default in the payment of the principal of or interest on the Series 2025 Bonds will depend upon the exercise of various remedies specified by the Bond Resolution as described in Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Events of Default and Remedies.” These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Series 2025 Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted to the extent applicable to the Series 2025 Bonds or the Authority. A court may decide not to order the specific performance of the covenants contained in the Bond Resolution.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no county, municipality, school district, authority, division, instrumentality, political subdivision, or public body corporate of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, board of commissioners, or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any authority or county created under the Constitution or laws of the State of Georgia of any petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated does not constitute a statutory covenant with the owners of any Series 2025 Bonds and may be amended or repealed at any time without the consent of any owners of the Series 2025 Bonds.

THE AUTHORITY

Introduction

The Authority is a body corporate and politic and a public corporation of the State of Georgia, legally created and validly existing under and by virtue of the Authority Act, pursuant to which the Authority has been duly activated and its members have been, and are now, performing their duties in furtherance of the purpose for which the Authority was created and in accordance with the laws of the State of Georgia. The Authority commenced operations of the water and sewer system on December 27, 1985. On September 9, 2002, the Authority entered into a contract with the City to transfer its stormwater system to the Authority with an effective date of January 1, 2003. On December 9, 2003, the Authority entered into a contract with the County that was subsequently amended on June 15, 2004, to transfer its stormwater assets to the Authority on July 1, 2004.

Pursuant to the Authority Act, the Authority has the power to construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve, equip, operate and manage a water, sewerage and stormwater system and to issue revenue bonds, payable from a pledge of the revenues derived from the water, sewerage and stormwater system, for certain purposes.

Authority Administration and Officials

The Authority is composed of seven members (the “Board of Directors”), five of whom are appointed alternately by the Mayor and Council of the City of Douglasville and the Board of Commissioners of the County. The Mayor of the City of Douglasville and the Chairperson of the Board of Commissioners of the County serve as

ex officio voting members of the Authority. Members serve for five-year staggered terms. The names and occupations of the current members of the Authority and the Secretary-Treasurer of the Authority, along with the expiration dates of their terms, are listed below.

Information concerning the current members of the Authority is set forth below.

<u>Name</u>	<u>Occupation</u>	<u>Expiration of Term</u>
Cynthia A. Fedack, <i>Chairman</i>	Retired, State of Georgia EPD	April 2028
Nia Brown, Vice Chairman	Etiquette Consultant, Business Owner	April 2026
Mark Adams, <i>Member</i>	Homebuilder, Business Owner	April 2030
Edward J. Citizen, <i>Member</i>	Office Manager, Shreenath & Associates.; Bishop/Senior Pastor	April 2029
John Dean, <i>Member</i>	Associate Director – Technology – AT&T	April 2027
Romona Jackson-Jones	County Commission Chairman	Ex-Officio
Rochelle Robinson	Mayor, City of Douglasville	Ex-Officio
Helen McCoy, <i>Secretary-Treasurer⁽¹⁾</i>	Admin Assistant, Douglasville Police Dept.	Appointed Annually

⁽¹⁾ Secretary-Treasurer is a non-voting officer of the Authority's Board of Directors.

THE SYSTEM

System Overview

The System supplies water, sewer and stormwater service to residential, commercial, industrial and other customers located within the County. For the fiscal year ended June 30, 2025, the System served approximately 90% of the residential population of the County and, in addition, serves schools, day-care facilities, one hospital, churches, and state and local governmental units. Several suburban shopping centers, including an approximate 1.2 million square-foot regional mall, numerous motels, restaurants and apartment complexes are served by the System.

The Authority is the exclusive provider of water, sewerage treatment and stormwater services in the County, except in the cities of Villa Rica and Austell, Georgia. A significant majority of the customers of the Villa Rica and Austell systems are located outside of the County in neighboring Carroll County and Cobb County, respectively. The City of Villa Rica provides sewerage services to approximately 1,000 residents of the County. The City of Austell operates a separate water and sewerage system servicing approximately 200-300 customers in the County. The Authority also serves a few retail customers located in adjacent Cobb County. At June 30, 2025, the System provided water service to 46,841 water connections, sewer service to 21,768 sewer connections and stormwater service to 47,751 billed accounts. The City conveyed its stormwater system to the Authority on January 1, 2003. The County conveyed its stormwater assets to the Authority on July 1, 2004. Such conveyances were made pursuant to intergovernmental agreements between the Authority and the City and the County, respectively, in exchange for the waiver of payment by the City and County of future stormwater service fees.

At June 30, 2025, 43,789 of the 46,841 total water connections were residential connections with the remaining 3,052 either industrial, commercial or other connections. Connections to the water system have been projected by the Authority to increase to 47,590 connections by 2026 based on recent patterns. At June 30, 2025, 20,165 of the 21,768 total sewer connections were residential connections with the remaining 1,603 either industrial, commercial or other connections. Connections to the sewer system have been projected by the Authority to increase to 22,377 connections in 2026. Since the acquisition of the County's and City's stormwater assets, the number of stormwater accounts has grown to 47,451 at June 30, 2025.

The System's Service Area

The County is part of the Atlanta metropolitan area and is located west of the Fulton County line, less than 25 miles west of downtown Atlanta. The County had an estimated population of 151,887 as of July 1, 2024. Interstate Highway I-20; U.S. Highway 78 and 278; and four state routes serve the County at the present time. There are approximately 1,012 miles of roads in the County. Atlanta's perimeter highway (Interstate 285) provides easy

access to all areas of Atlanta, including 1-75 and 1-85. The County is served by 51 interstate/intrastate trucking carriers, and by 11 carriers that are intrastate only. A major east-west bound railroad line for Norfolk Southern Railways crosses through the County with trains bringing finished goods and raw materials in and out of the County. See “THE COUNTY” for certain economic and demographic information regarding the service area of the System.

System Management

The Board of Directors appoints an Executive Director who is responsible for the daily management of the Authority. The Board of Directors adopts a balanced budget annually and establishes billing rates for the operations of the Authority. The Executive Director has the responsibility of administering operations in accordance with the Authority bylaws and directives of the Board of Directors.

Gilbert B. Shearouse, Executive Director. Mr. Shearouse was appointed as Executive Director in 2014 and is a registered Professional Engineer in Georgia and Alabama. Mr. Shearouse started with the Authority in January 2005 as Project Engineer and served as Engineering Manager through most of his tenure until 2014. Prior to his employment by the Authority, Mr. Shearouse was employed for five years by a general contractor in the water and wastewater industry as a Project Manager on numerous multi-million dollar projects in Georgia. Mr. Shearouse received his Bachelor of Science in Civil Engineering degree in 2001 from the Georgia Institute of Technology. In 2019, Mr. Shearouse was appointed by Georgia Governor Brian P. Kemp to the Georgia Board of Examiners for the Certification of Water and Wastewater Treatment Plant Owners and Laboratory Analysts, and was reappointed in 2023. Mr. Shearouse has served as Douglas County’s designee to the Metropolitan North Georgia Water Planning District Board from 2014 to the present; and was a member of the Georgia Association of Water Professionals Board from 2016 to 2021 and from 2024 to the present (currently Board President-Elect to serve as President 2026-2027).

Thomas W. Alger, CPA, CGMA, Deputy Director – Chief Financial Officer. The financial affairs of the Authority are supervised by a Chief Financial Officer, who is selected by the Executive Director. Mr. Alger has held this position since he joined the Authority in February 2016. Mr. Alger’s previous experience includes nine years in accounting in a manufacturing environment and over 17 years in public accounting, primarily in auditing. He received his Bachelor of Arts in Economics from the University of Rochester in 1981 and a Bachelor of Arts in Accounting at the University of West Florida in 1989. He is a Certified Public Accountant and a Certified Global Management Accountant.

Brian Keel, Deputy Director – Engineering Manager. The Authority’s Engineering, Inspections and Stormwater Management Departments are supervised by an Engineering Manager, who is selected by the Executive Director. Mr. Keel has been employed with the Authority for more than 14 years and was appointed as Deputy Director – Engineering Manager in 2014. Prior to his employment with the Authority, he was an engineering consultant for over 10 years. He received his Bachelor of Science in Environmental Engineering from North Carolina State University and a Master of Science in Civil Engineering from the Georgia Institute of Technology. Mr. Keel is a registered Professional Engineer in Georgia and a Certified Floodplain Manager, a member of the Georgia Association of Water Professionals, the American Water Works Association, the Association of State Floodplain Managers and the Georgia Association of Floodplain Management.

Water System

Water Sources. The Authority obtains water from four sources. The two primary sources, Bear Creek and Dog River, provide raw water to the Authority’s Bear Creek Water Treatment Plant (“WTP”). Raw water flows from Bear Creek into a 40-acre man-made reservoir prior to treatment, where withdrawals of up to 6.4 MGD are permitted by the State of Georgia, and from Dog River into the 256-acre Dog River Reservoir, where withdrawals of up to 23 MGD are permitted. Collective withdrawals from both sources are presently limited to the Bear Creek WTP’s maximum treatment capacity of 23.94 MGD.

The third source of water to the System is a wholesale connection to the Cobb County-Marietta Water Authority pursuant to a 50-year water supply contract effective January 1, 2018, and provisions adopted under the Metropolitan North Georgia Water Planning District’s Long-Term Resource Management Plan (the “District Plan”), last amended in June 2017. Pursuant to the District Plan, the Authority may make peak-day water purchases of 5.0

MGD through the year 2025 and 10.0 MGD between 2026 and 2050. The District Plan will be reviewed every five years and includes provisions to allow for quantity adjustments. The fourth source of water to the System includes up to an estimated 2 MGD provided through a retail connection to the Cobb County Water System. See "Water and Sewer Contracts" herein for a further description of the Authority's water supply contract with the Cobb County-Marietta Water Authority.

The Dog River Reservoir is the County's principal source of water. The capacity of the Dog River Reservoir was last increased in 2009 by permanently raising the dam an additional ten vertical feet to increase the reservoir's storage capacity from 1.2 billion gallons to approximately 1.9 billion gallons. Proceeds of the Series 2025 Bonds will be used to fund a portion of the Dog River Reservoir Expansion Project described in "PLAN OF FINANCING – The Projects" herein, which Dog River Reservoir Expansion Project will result in the further raising of elevation of the Dog River Reservoir to increase its water storage capacity to 6.5 billion gallons and to provide a safe reliable yield of 23 MGD, taking into account the 2007 Drought, which is now the 100-Year Drought of Record. The Dog River Reservoir Expansion Project will be funded in three phases, utilizing the proceeds from the Series 2020A Bonds, the Series 2025 Bonds and the expected proceeds from the Series 2027 Bonds. See "PLAN OF FINANCING – The Projects" herein and the Engineering Report attached hereto as Appendix E.

The Authority was neither a party to nor affected by the lawsuits and subsequent appeals concerning water rights in Georgia, Alabama, and Florida. The Authority further believes that its sources of raw and potable water will not be involved in any such litigation and will be sufficient upon completion of the Dog River Reservoir Expansion Project to meet all County water needs through 2066.

Water Treatment Facility, Water Storage and Water Distribution. The Bear Creek WTP has been in operation since 1980. The plant is located in the southern portion of the County, approximately six miles from the Dog River Reservoir and four miles from the Bear Creek Reservoir. It has been expanded four times to its present day capacity of 23.94 MGD. The most recent expansion in 2011 of the Bear Creek WTP included placing emergency generators at the Dog River Intake Pumping Station. Installation of these units enabled the Authority to treat and distribute potable drinking water to its customers during short and long-term electrical power outages. The 2011 water plant expansion also included converting from chlorine gas to on-site generation of sodium hypochlorite for disinfection.

The potable water storage of the water system consists of clear wells at the Bear Creek WTP totaling 6.775 million gallons and six elevated storage tanks throughout the County totaling 8 MGD. The total combined storage of potable water of 14.775 million gallons is 106.83% of fiscal year 2025 average day water system demand of 13,831 MGD and is 88.1% of the fiscal year 2025 maximum day water system demand of 16,758 MGD.

The water is consistently treated to meet state and federal water quality guidelines. The Authority employs conventional water treatment processes at Bear Creek WTP. Raw water is pumped to the Bear Creek WTP for preliminary chemical application, followed by flocculation, sedimentation, and filtration. Additional chemicals are added before the water flows into a clear well holding facility, before being pumped into the water distribution system.

The System is served by approximately 961 miles of distribution lines in various diameter sizes throughout the County. The majority of the System's distribution lines were installed between 1985 and 2020. The Authority has an ongoing comprehensive and systematic leak detection program to reduce the levels of lost water. The installation of water lines by outside contractors and Authority employees is performed under the Authority's supervision. The Authority believes that the meters and lines, in whole, are in good condition.

Partnership for Safe Water. In 1996, the Authority enrolled in the Partnership for Safe Water, a voluntary program established by six drinking water organizations, including the U.S. Environmental Protection Agency, and the participants comprising over 300 water utilities. The Partnership provides tools, including procedures, software and manuals, to assess the performance of water treatment plants and distribution systems and develop plans to improve performance beyond regulatory levels, including additional testing, monitoring and higher treatment thresholds. The program requires baseline data collection and self-assessment and implementation of an action plan, culminating upon a successful review of the program with receipt of a Director's Award. The Authority implemented the three required action plan phases in September 1997, and first received the Director's Award in

1998. Director's Award status is maintained through submission of annual data and is formally recognized at five-year intervals; the Authority received its 25-year Director's Award recognition in 2025.

Permits. The Bear Creek WTP and water sources are permitted by the Georgia Environmental Protection Division ("EPD"). The Bear Creek WTP has an operating permit that obligates the Authority to meet certain water quality guidelines and that imposes limits on the quantity of water that may be withdrawn and treated. The operating permit for the Bear Creek WTP expires on December 31, 2025.

The following table sets forth the water treatment limits imposed by the operating permit in effect during the fiscal year ended June 30, 2024 and the actual treatment levels during such fiscal year.

Water Treatment Plant	Permitted Treatment Capacity (MGD)	Fiscal 2024 Production of Treated Water (MGD) Average Day (FY)	Fiscal 2024 Production of Treated Water (MGD) Maximum Day	Date of Original Construction and Improvements
Bear Creek	23.94	13.831	16.658	1980, 1988, 1995, 2000, 2011

Each water source has a withdrawal permit that imposes limits on the amount of water drawn from the source. The Dog River Reservoir withdrawal permit allows for a maximum daily withdrawal and not to exceed monthly average withdrawal of 23 MGD. The Bear Creek Reservoir withdrawal permit allows for a maximum daily withdrawal of 6.4 MGD and a not to exceed monthly average of 6.0 MG. Both water withdrawal permits expire on November 14, 2032, and collectively, water withdrawn from both water sources is limited to 23 MGD. The Cobb County-Marietta Water Authority has a withdrawal permit that includes a provision for water that can be purchased by the Authority.

Management of the Authority expects the routine renewal of operating and withdrawal permits upon their expiration. The Authority is currently in compliance with all operating and withdrawal permits for the water system.

Sewer System

The System collects sewage through approximately 502 miles of sanitary sewer collection lines and force mains which lead to two major wastewater treatment plants ("WWTPs") and one smaller WWTP. Treated effluent from one of the two large facilities, the Sweetwater Creek WWTP, receives additional treatment at a 3.0 MGD side-stream facility before being provided as cooling tower make-up water for a large data processing center located in the County. Additionally, the Authority is a party to a contract with neighboring Cobb County, pursuant to which Cobb County provides sewage treatment services to fewer than 50 customers in specific areas of Douglas County for a processing fee. Also, the neighboring City of Villa Rica provides sewage treatment services to 220 customers in certain areas of Douglas County for a processing fee.

The combined treatment capacity of the Authority's sewage treatment plants is 12.6 MGD. During the fiscal year ended June 30, 2025, the total sanitary sewer flow treated at all plants averaged 6.930 MGD, which is 55% of the design capacity of the WWTPs.

Each of the WWTPs operate under NPDES permits issued by EPD. These permits limit flow and effluent pollutant concentrations that can be discharged. Specifically, the permit sets limits for conventional pollutants as well as ammonia-nitrogen, total phosphorus and total residual chlorine. The WWTPs are operated in substantial compliance with their discharge permits, and the Authority is not under any governmental regulatory agency requirements for corrective actions.

[Remainder of page intentionally left blank]

Following is a table describing each of the WWTPs, the types of discharge, NPDES permit limits and expiration dates and Fiscal Year 2025 discharge information.

Wastewater Treatment Plant	Capacity (in MGD)	Permit Limits		Fiscal 2025 Treated Wastewater (MGD)		Type/Discharge	NPDES Permit ⁽¹⁾ Expiration Date	Year Installed
		Daily Average	Weekly Max	Daily Average	Weekly Max			
New South Central	6.00	6.00	7.50	3.383	5.800	Activated sludge, extended aeration and tertiary treatment. Discharge to Chattahoochee River		2008
Sweetwater Creek ⁽²⁾	3.00	3.00	3.75	2.885	4.610	Activated sludge, extended aeration. Discharge to Chattahoochee River		1989
Northside	0.60	0.60	0.75	0.420	0.540	Activated sludge, extended aeration. Discharge to Gothards Creek		1975
South Central Water Reuse Facility	0.50	0.50	0.625	0.000	0.000	Water reuse facility with land application spray system		1999
Cobb County Contract	3.615	N/A	N/A	1.310	4.518	Wastewater Service Contract with Cobb County	N/A	2024

⁽¹⁾ National Pollutant Discharge Elimination System (“NPDES”) permit renewal packages are generally received nine months prior to permit expiration and submitted six months prior to permit expiration. [The NPDES renewal packages for New South Central, Northside WWTPs and Sweetwater Creek were submitted _____, _____, _____, _____, _____ and _____, _____, respectively. The Authority received a letter on _____, _____ from EPD stating that the _____ and _____ WWTPs were operating under administratively extended permits].

⁽²⁾ The Sweetwater Creek WWTP flow is over the permitted flow limit. To date, the Authority has purchased 0.5 MGD of capacity in the Cobb County sewer system, an adjoining county. Additionally, Cobb County has granted the Authority 0.615 MGD of capacity for Cobb County customers using the Authority's System, for a total capacity of 1.115 MGD from Cobb County. See “Water and Sewer Contracts” herein.

[Remainder of Page Intentionally Left Blank]

The Authority installs all major sanitary sewer lines, generally referred to as outfalls or interceptors, by contract, usually utilizing the services of the consulting engineer's resident inspector. These lines will generally be 10" in diameter or larger. The smaller 8" collection lines are almost always installed by land developers under the Authority's staff resident inspectors. Upon completion to Authority standards, the lines are accepted as part of the sanitary sewer system and are maintained by the Authority. The Authority believes that the lines and force mains are in very good to excellent condition. Due to growth in the County and more reliable piping for sewer applications being installed, coupled with the Authority's preventative maintenance program, the average life of the sewer lines is steadily increasing.

In December 2015, the Authority began voluntarily participating in EPD's Capacity, Management Operations and Maintenance Program ("CMOM Program"), which is regarded as a best practice for sanitary sewer collection system owners and operators. The CMOM program is an information-based program to assist in identifying where the collection system needs improvement and to fine-tune existing processes and help lower the risk of NPDES permit violations and discharge violations, and, in part, requires enhanced inspections and monitoring of collection facilities. The Authority annually reports its CMOM Program results to EPD. Specifically, inflow/infiltration is a target of improvement within the CMOM Program and is continually addressed by a complete inspection and rehabilitation of the system sanitary sewer lines. This task is accomplished with Authority crews who are trained in the use of Authority-owned television and grouting equipment.

Water and Sewer Contracts

Water Purchase Contract with Cobb County-Marietta Water Authority. Water is provided to the Authority from the Cobb County-Marietta Water Authority ("CCMWA") pursuant to a Water Supply Contract, effective as of January 1, 2018 (the "CCMWA Contract", which expires by its terms on December 31, 2067. The Authority has contracted for 3 MGD of reserved capacity in the CCMWA system (the "Initial Reserved Capacity"). The Initial Reserved Capacity may be increased or decreased from time to time as described herein, and such reserved capacity from time to time is referred to as the "Reserved Capacity". The Authority is charged a base infrastructure charge (equal to 45% of the rate charged by CCMWA to its customers that receive all of their water from CCMWA – the "Sole Source Rate") plus a variable delivery charge (equal to 55% of the Sole Source Rate). As of July 1, 2025, the variable delivery charge is \$1.93 per 1,000 gallons of water used. As of July 1, 2025, the base infrastructure charge is \$142,263 per month, based on the Initial Reserved Capacity. In consideration of the base delivery charge, CCMWA will maintain treatment and delivery infrastructure sufficient to ensure the Reserved Capacity is available to the Authority at all times during the term of the CCMWA Contract. Any water supplied above Reserved Capacity will be at increased variable delivery charges, equal to 100% of the Sole Source Rate up to 150% of the Sole Source Rate, based on usage. The Authority may request reductions in Reserved Capacity in increments of 250,000 gallons per day (with a limit of 2 MGD) at each five-year review or upon five years notice. The Reserved Capacity may be increased in blocks of 250,000 gallons per day if (a) requested by the Authority and subject to available capacity of CCMWA or (b) a determination is made following an annual review by CCMWA that the Authority has exceed its Reserved Capacity on an average daily basis during two billing cycles within any 12-month period of the preceding 24 months. If the latter, a new Reserved Capacity will be set based on the average day of the two highest billing cycles of any 12-month period of the preceding 24 months, rounded up to the next 250,000 gallons per day, and may not decrease except at the five-year review. The CCMWA may adjust its rates in amounts sufficient to efficiently operate and maintain its system, obtain sources of raw water and comply with its debt covenants. The CCMWA draws its water from the Chattahoochee River and from the Lake Allatoona reservoir which was created by the construction of the Allatoona Dam on the Etowah River.

[Remainder of Page Intentionally Left Blank]

Set forth below is a summary of water purchases by the Authority from its suppliers for the past five fiscal years of the Authority.

Summary of Water Purchases
(millions of gallons)

<u>Supplier</u>	<u>Fiscal Years Ended June 30,</u>				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Cobb County-Marietta Water Authority	0.649	2.750	15.025 ⁽¹⁾	3.530	4.572
Cobb County Water System	0.104	0.111	0.000	0.003	0.165

⁽¹⁾ The increase in water purchases in 2023 was due to severe winter weather conditions that caused water main leaks, necessitating the opening of valves to support the system to maintain stability.

Water Sale Contract with Carroll County Water Authority. Pursuant to an Intergovernmental Agreement Regarding Backup Water Supply, dated October 30, 2018, the Authority provides water to the Carroll County Water Authority on an as needed basis. The initial term of the agreement is five years and automatically renews for additional five-year terms unless either party gives notice of nonrenewal 60 days prior to the renewal date. The Authority charges a base rate for each master meter to which water is delivered at the then current base rate for a six-inch meter less 15% plus a volumetric rate at the then current Tier-1 retail rate less a 15% credit. If Carroll County Water Authority is purchasing water from the Authority when the Authority is purchasing water from the CCMWA, then the volumetric rate is increased to the rate paid by the Authority for such CCMWA water plus 10%.

Wastewater Service Contract with Cobb County. Prior to 2017, the Authority had 0.615 MGD reserved wastewater treatment capacity with Cobb County. To alleviate flows in excess of permit limits at Sweetwater Creek WWTP, the Authority, pursuant to an Intergovernmental Contract dated January 2017 between Cobb County and the Authority, contracted to reserve and purchase up to an additional 3.0 MGD wastewater treatment capacity from Cobb County. Payment for the reserved capacity is based on Cobb County's regional system development fee (\$2,400 per equivalent residential unit (ERU) in January 2017 and a total of 7,500 ERUs), which equates to a purchase price of \$18 million. The Authority purchased 0.50 MGD in 2018 as required by the agreement, for \$3 million. Additional purchases are based on the fee per ERU at the time of purchase. The Authority may purchase and use additional capacity (in excess of 3.615 MGD) provided that additional capacity is available, on the same terms as provided for purchase of the 3.0 MGD of capacity. The Authority will pay monthly for the treatment of wastewater flows at Cobb County's then current government rate. In 2021, the Authority completed the construction of infrastructure to accommodate the diversion of flows to Cobb County. The funding for the purchase of capacity is included in the Authority's capital improvement plan, summarized herein under "Capital Improvement Projects" and included in Table 8-1 of the Engineering Report attached hereto as Appendix E and referred to as Purchase of Sewer Capacity and Cobb County Sewer Division.

Stormwater System

In January 2003, the Authority acquired the City's stormwater system. The infrastructure associated with the system consisted of approximately 41 miles of non-contiguous conveyance pipes and culvert systems along with 2,048 catch basins and 272 junction boxes located within the City limits and had an estimated fair value of \$7.0 million (based on a 2005 physical inventory of assets).

In December 2003, the Authority entered into a 30-year Intergovernmental Agreement with the County, as amended June 15, 2004, with respect to stormwater management activities whereby the County agreed to transfer its stormwater assets to the Authority on July 1, 2004. The Authority had a physical inventory of the assets conducted in 2005 and it was determined that the infrastructure associated with the system consisted of approximately 103 miles of non-contiguous conveyance pipes and culvert systems along with 5,192 catch basins and 658 junction boxes located within the County. The estimated fair value of the infrastructure acquired was \$15.7 million.

A portion of the assets acquired under each of the intergovernmental contracts constituted prepayment of stormwater fees by the City and the County. The intergovernmental contracts with both the City and the County also

provide that the Authority will be held harmless from any liabilities arising from the condition of the stormwater system prior to the Authority assuming responsibility for stormwater management activities.

As of June 2025, the combined Authority stormwater system consisted of 1,715,956.05 total feet of conveyance pipe and culvert systems, 18,814 catch basins and junction boxes, and two major retention ponds. Over the next five fiscal years, approximately \$10.4 million is expected to be expended to construct improvements to the stormwater infrastructure

Capital Assets of the System

The table below sets forth the capital assets of the System for the past five fiscal years.

	<u>Indicators of Use and Volume</u>				
	Fiscal Years Ended June 30,				
	2021	2022	2023	2024	2025
Water					
Water main miles	946	947	951	958	961
Fire hydrants	7,151	7,230	7,266	7,340	7,345
Maximum daily design capacity (thousands of gallons)	23,940	23,940	23,940	23,940	23,940
Average daily water production (thousands of gallons)	11,679	11,963	12,825	12,910	13,831
Storage capacity – clear wells and water tanks (thousands of gallons)	14,775	14,775	14,775	14,775	14,775
Reservoir capacity (thousands of gallons)	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000
Sewer					
Sanitary sewer miles	479	480	484	497	502
Maximum daily design treatment capacity (thousands of gallons)	13,215	13,215	13,215	13,215	16,215
Average daily sewer flow (thousands of gallons)	6,876	6,473	6,661	6,668	6,930
Stormwater					
Storm sewer lines (miles)	124	127	128	130	131

[Remainder of Page Intentionally Left Blank]

Capital Improvement Projects

The following table summarizes the Authority's projected capital improvement projects for the next five fiscal years and the sources of funding. See the Engineering Report attached hereto as Appendix E for more detail on specific capital improvement projects within the following summary.

Source of Funding	Fiscal Years Ended June 30,				
	2026	2027	2028	2029	2030
Operations and Other Sources	\$ 18,033,933	\$ 16,951,540	\$ 16,874,803	\$ 18,740,339	\$ 22,427,540
Capital Contributions – Other	1,600,000	1,750,000	1,000,000	500,000	1,000,000
Capital Contributions – Tap Fees	8,102,697	9,165,228	9,279,793	9,395,791	9,513,238
Carryover – Water and Sewer	3,424,118	–	–	–	–
Bonds	<u>106,243,124</u>	<u>108,852,058</u>	<u>88,334,996</u>	<u>44,624,008</u>	<u>9,070,908</u>
Total Sources	\$137,403,872	136,718,826	115,489,592	73,260,138	42,011,686
Capital Improvement Program Expenses					
Water Line Replacements	\$ 1,737,500	\$ 2,760,000	\$ 3,180,000	\$ 3,660,000	\$ 2,380,000
Water Tank/Transmission Main	2,355,000	3,568,000	1,768,000	1,068,000	568,000
Water Treatment Plant	4,162,500	4,147,800	2,935,000	2,750,000	1,250,000
Additional Water Supply (Dog River Res. Exp.)	106,243,124	108,852,058	88,334,996	44,624,008	9,070,908
Water System – Miscellaneous	250,000	250,000	250,000	250,000	250,000
Wastewater Treatment Plants	1,670,500	700,000	1,650,000	1,650,000	400,000
Sewer Line Replacements	4,762,800	3,719,250	2,944,000	2,700,000	2,500,000
Purchase Sewer Capacity from Cobb County	—	—	—	1,045,980	6,655,209
Sewer Lift Station Abandonment	500,000	1,370,000	1,280,000	500,000	1,050,000
Utility Relocations and Road Improvements	2,558,500	2,048,500	1,113,000	100,000	100,000
Vehicles, Equipment and Technology	2,503,833	1,438,000	1,313,000	1,428,000	1,383,000
Outfall Rehabilitation	—	500,000	2,000,000	2,400,000	1,500,000
Total Water and Sewer Expenses	126,743,757	129,353,608	106,767,996	62,175,988	27,107,117
Stormwater Expenses	1,954,480	1,989,023	1,944,652	1,898,458	1,850,387
Reserve	300,000	300,000	300,000	300,000	300,000
Total Uses	\$128,998,237	\$131,642,631	\$109,012,648	\$64,374,446	\$29,257,504
Net Remaining Funds	\$8,405,635	\$5,376,195	\$6,176,944	\$8,885,692	\$12,754,182

Water and Sewer Customers

Set forth below is information concerning the water demand from the System for the past five fiscal years.

Water Demand

	Fiscal Years Ended June 30,				
	2021	2022	2023	2024	2025
Average Daily (MG)	11.679	11.964	12.824	12.920	13.831
Maximum Daily (MG)	14.532	16.172	23.310	17.365	16.758

Set forth below is information concerning the sewer demand from the System for the past five fiscal years.

Sewer Demand

	Fiscal Years Ended June 30,				
	2021	2022	2023	2024	2025
Average Daily (MG)	6.88	6.47	6.66	6.69	6.930
Max. Weekly (MG)	13.00	8.26	9.06	10.95	12.918

Set forth below are the number of connections to the water system, sewer system and stormwater system for the past five fiscal years.

Water System Connections

	Fiscal Years Ended June 30,				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	41,889	42,339	42,685	43,116	43,789
Commercial	2,183	2,205	2,234	2,251	2,301
Industrial	240	241	241	241	241
Other ⁽¹⁾	<u>507</u>	<u>502</u>	<u>509</u>	<u>510</u>	<u>510</u>
Total Connections	<u>44,819</u>	<u>45,287</u>	<u>45,669</u>	<u>46,118</u>	<u>46,841</u>

⁽¹⁾ Includes government buildings, schools and churches.

Sewer System Connections

	Fiscal Years Ended June 30,				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	18,714	19,069	19,251	19,557	20,165
Commercial	1,194	1,210	1,228	1,230	1,273
Industrial	127	127	127	127	126
Other ⁽¹⁾	<u>203</u>	<u>199</u>	<u>202</u>	<u>202</u>	<u>204</u>
Total Connections	<u>20,238</u>	<u>20,605</u>	<u>20,808</u>	<u>21,116</u>	<u>21,768</u>

⁽¹⁾ Includes government buildings, schools and churches.

Stormwater System Connections

	Fiscal Years Ended June 30,				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	43,433	43,914	44,222	44,697	45,328
Commercial	1,695	1,707	1,728	1,735	1,796
Industrial	181	181	181	181	181
Other ⁽¹⁾	<u>437</u>	<u>435</u>	<u>436</u>	<u>436</u>	<u>446</u>
Total Connections	<u>45,746</u>	<u>46,237</u>	<u>46,567</u>	<u>47,049</u>	<u>47,751</u>

⁽¹⁾ Includes government buildings, schools and churches.

Set forth below are the largest water, sewer and stormwater customers of the System and the System revenues derived from such customers for the fiscal year ended June 30, 2025. No independent investigation has been made of, and consequently no representation can be made as to, the stability or financial condition of any of the customers listed below or that such customers will continue to maintain their status as major water, sewer and stormwater customers of the System.

Top 10 Customers by Type
Fiscal Year Ended June 30, 2025

	<u>Water Customers</u>	<u>Water Revenue</u>	<u>% of Water Revenue</u>
1.	Douglas County Board of Education	\$ 683,926	1.88%
2.	Grove Skyview LTD	440,043	1.21
3.	Douglas County Jail	282,888	0.78
4.	Sevo Miller Inc – Crestmark Apts	233,391	0.64
5.	Value Properties – Pine Lake	216,685	0.60
6.	WellStar Douglas System	205,147	0.56
7.	Golden Estate Mobile Home Park	190,443	0.52
8.	Birch Landing Apts	186,114	0.51
9.	Morning View Communities	163,432	0.45
10.	Manchester Place Apartments – Wilwat	<u>159,218</u>	<u>0.44</u>
	Totals	<u>\$2,761,287</u>	<u>7.60%</u>
	<u>Sewer Customers</u>	<u>Sewer Revenue</u>	<u>% of Sewer Revenue</u>
1.	Douglas County Board of Education	\$ 472,307	2.30%
2.	Grove Skyview LTD	388,774	1.89
3.	Douglas County Jail	246,254	1.20
4.	Sevo Miller Inc – Crestmark Apts	201,498	0.98
5.	Birch Landing Atlanta	172,926	0.84
6.	Golden Estates Mobile Home Park	171,928	0.84
7.	WellStar Douglas System	161,203	0.79
8.	Manchester Place Apartments – Wilwat	141,902	0.69
9.	Pinnacle Homes at Rocky Ridge	141,789	0.69
10.	Brook Valley Apts	<u>137,191</u>	<u>0.67</u>
	Totals	<u>\$2,235,772</u>	<u>10.90%</u>
	<u>Stormwater Customers</u>	<u>Stormwater Revenue</u>	<u>% of Stormwater Revenue</u>
1.	Douglas County Board of Education	\$234,701	4.44%
2.	Prologis, LP	68,098	1.29
3.	Switch, LTD	46,702	0.88
4.	Medline Industries Inc.	42,047	0.79
5.	McMaster-CARR Supply Company	33,119	0.63
6.	Stitch Fix, Inc.	31,803	0.60
7.	Riverview Logistics Park	29,928	0.57
8.	Atlanta Bonded Warehouse	28,188	0.53
9.	Hunt Partners Ret. Group	25,401	0.48
10.	Bright Star LLC	<u>24,586</u>	<u>0.46</u>
	Totals	<u>\$564,573</u>	<u>10.67%</u>

Rates, Fee and Charges

General. The Authority does not provide free service to any of its customers. The Authority requires the payment of all water and sewage treatment charges by the due date set forth on each monthly bill. A 15% penalty is assessed for payments not received by the due date. The Authority may discontinue water service without notice if it does not receive payment by the due date. Customers that do not pay prior to the discontinuing of service will be charged a minimum of \$50 for the restoration of water services.

In addition to water, sanitary sewer, and stormwater rates, the Authority establishes certain other rates, including fire hydrant meter fees, fire protection charges, user fees for Dog River Reservoir, erosion control, inspection fees, penalties, deposits and water and sanitary sewer tap fees. The tap fees are assessed to each new customer based on the amount of water and/or sanitary sewer plant capacity they will use based upon meter size, as calculated by the Authority's engineering department.

Rate Setting Process. Under Georgia law, the Authority has the exclusive authority to establish rates and charges for water, sewer and stormwater services supplied by the System. The rates charged by the Authority for water, sewer and stormwater services supplied by the System are not subject to review or approval by any federal or state regulatory body. The Authority establishes the rates, which are subject to change at any time as the Authority deems advisable. The Executive Director was authorized by resolution of the Authority adopted on December 17, 2002 to annually increase rates, fees and charges of the water and sewer system by an amount not greater than the Consumer Price Index plus five percent. The Authority annually evaluates rate increases and has implemented rate increases most years. The Authority adopts rate schedules by resolution after recommendations from the staff of the Authority. The staff of the Authority make periodic reviews of the rate structure to determine if modifications are needed. See Appendix B, "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Rate Covenant" for a description of the Authority's agreements concerning the rates, fees and charges for the services, facilities and commodities to be furnished by the System. No statutory or charter procedures are required as a condition precedent to a change in rates.

Water and Sewer Rates and Charges. Effective for all bills mailed on or after December 1, 2008, the Authority implemented a three-tier rate structure in accordance with the general mandate of the Metropolitan North Georgia Water Planning District. The current rates, effective as of December 1, 2024, under this structure are as follows:

<u>Meter Size</u>	<u>Water Base</u>	<u>Sewer Base</u>	Tier 1	Tier 2	Tier 3
			(\$5.78 per 1,000 gal for Consumption Between)	(\$7.21 per 1,000 gal for Consumption Between)	(\$11.56 per 1,000 gal for Consumption Between)
Senior 5/8"	\$ 2.50	\$ 2.50	0 to 5,000	5,001 to 8,000	over 8,000
Senior 3/4"	2.50	2.50	0 to 7,500	7,501 to 12,000	over 12,000
5/8"	13.43	7.64	0 to 5,000	5,001 to 8,000	over 8,000
3/4"	13.43	7.64	0 to 7,500	7,501 to 12,000	over 12,000
1"	25.95	10.85	0 to 12,500	12,501 to 20,000	over 20,000
1-1/2"	46.50	21.70	0 to 25,000	25,001 to 40,000	over 40,000
2"	69.65	43.39	0 to 40,000	40,001 to 64,000	over 64,000
3"	319.36	65.14	0 to 75,000	75,001 to 120,000	over 120,000
4"	377.14	86.90	0 to 125,000	125,001 to 200,000	over 200,000
6"	618.22	130.29	0 to 250,000	250,001 to 400,000	over 400,000
8"	946.52	173.74	0 to 400,000	400,001 to 640,000	over 640,000
10"	946.52	173.74	0 to 575,000	575,001 to 920,000	over 920,000

Wastewater Rates. A sewer treatment charge of \$10.38 for Tier I and \$12.13 for Tier II and Tier III per 1,000 gallons is levied on 80% of water consumption for all meter sizes.

Stormwater Rates. The Authority's stormwater service fee is based on an equivalent residential unit (ERU) containing 2,543 square feet of impervious surface. All properties are converted to ERU's and are charged a flat fee of \$4.00 per month per ERU.

Impact Fees. The tap-on fee, installation cost (charged when a service line needs to be installed by the Authority), meter cost, inspection fee and required deposits are as follows:

Water Impact Fees

<u>Size</u>	<u>Tap-on Fee⁽¹⁾</u>	<u>Installation Cost⁽²⁾</u>	<u>Meter Cost⁽²⁾</u>	<u>Inspection Fee</u>	<u>Sub-Total</u>	<u>Deposit</u>	<u>Application Fee</u>	<u>Total</u>
Senior 5/8"	\$ 1,250	\$650	\$ —	\$—	\$ 1,900.00	\$ 50	\$25	\$ 1,975.00
Senior 3/4"	1,875	700	—	—	2,575.00	88	25	2,688.00
5/8"	1,250	650	—	—	1,900.00	50	25	1,975.00
3/4"	1,875	700	—	—	2,575.00	88	25	2,688.00
1"	3,125	750	—	—	3,875.00	125	25	4,025.00
1½"	6,250	—	—	—	6,250.00	200	25	6,475.00
2" Compound	10,000	—	3,170.75	—	13,170.75	275	25	13,470.75
3" Compound	18,750	—	3,985.55	50	22,785.55	425	25	23,235.55
4" Compound	31,250	—	5,606.64	50	36,906.64	575	25	37,506.64
4" Fire Line	—	—	8,529.24	—	—	—	—	—
6" Compound	62,500	—	9,682.94	50	72,232.94	900	25	73,157.94
6" Fire Line	—	—	13,454.79	—	—	—	—	—
8"	100,000	—	16,703.47	50	116,753.47	1,200	25	117,978.47
10"	143,750	—	21,966.64	50	165,766.64	1,500	25	167,291.64

Sewer Impact Fees

<u>Size</u>	<u>Tap-on Fee⁽¹⁾</u>	<u>Inspection Fee</u>	<u>Sub-Total</u>	<u>Deposit</u>	<u>Total</u>
Senior 5/8"	\$ 4,500	\$100	\$ 4,600	\$ 75.00	\$ 4,675.00
Senior 3/4"	6,750	100	6,850	112.50	6,962.50
5/8"	4,500	100	4,600	75.00	4,675.00
3/4"	6,750	100	6,850	112.50	6,962.50
1"	11,250	100	11,350	150.00	11,500.00
1½"	22,500	100	22,600	225.00	22,825.00
2"	36,000	100	36,100	300.00	36,400.00
3"	67,500	100	67,600	450.00	68,050.00
4"	112,500	100	112,600	600.00	113,200.00
6"	225,000	100	225,100	900.00	226,000.00
8"	360,000	100	360,100	1,200.00	361,300.00
10"	517,500	100	517,600	1,500.00	519,100.00

⁽¹⁾ Effective Date: December 1, 2024.

⁽²⁾ Valid until September 5, 2025 (2"-10" meter prices).

Note: Refer to the Authority Rules and Regulations for the calculation of wastewater (sewer) system tap/impact fees for multi-family residential with more than five units.

Capital Contributions. Capital contributions by source for the last five fiscal years are set forth in the table below (expressed in thousands).

	Fiscal Years Ended June 30,				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025⁽¹⁾</u>
Water tap fees	\$1,501	\$1,512	\$1,578	\$ 2,280	2,114
Sewer tap fees	5,629	4,507	3,905	6,940	6,204
Developer contributions	1,117	2,686	2,040	5,299	4,606
Contributions – Other	—	—	—	—	215
Miscellaneous – Grants	<u>20</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0</u>
Total	<u>\$8,267</u>	<u>\$8,705</u>	<u>\$7,523</u>	<u>\$14,519</u>	<u>13,139</u>

⁽¹⁾ Unaudited.

Other Fees and Charges. The Authority imposes certain other fees and charges in connection with the System as follows:

Application Fee	\$25
Fire Hydrant Meter Rental	\$1,250 deposit/\$25 per week rental fee
Trip Fee or Re-read Request	\$25
Same-Day Service Initiation Fee	\$50
Delinquent Account Restoration Fee	\$50 (after hours/same day fee \$100)
Late Payment Penalty	15% of unpaid current past due charges
Return Check Fee	\$30
Credit/Debit Card Fraud	\$50
Credit/Debit Card Use Transaction Fee	\$2.50 or \$2.95% of total dollar charges over \$400
Stormwater User Fee	\$4.00 per Equivalent Residential Unit. Fee for non-residential properties is based on the actual area of impervious surface.
Tampering with Meters	1 st offense \$100; 2 nd offense \$500; 3 rd offense \$1,000
Meter Replacement Cost	\$125 (cost is for residential size (5/8" only)
Damage to Meter Box, Lid and ARM	
End Point, Etc. (Caused by customer)	\$125 to \$500
Water usage on irrigation only meters for residential and commercial customers will be billed at the established third-tier retail rate	
Sewer Cleanout Repair Fee	\$50
For violation of the Authority's Rules and Regulations, the Authority reserves the right to charge a penalty of not more than \$1,000 per day per violation until the violation is corrected to the Authority's satisfaction.	

Comparison of Water and Sewer Rates. The following table reflects the monthly water and sewer bills, assuming a monthly volume of 5,000 gallons, for the average residential customer residing in the County and surrounding areas, based on rates in effect for each water and sewer system as of October 17, 2024. For the Authority, reflects current rates, effective as of December 2024.

<u>Service Area</u>	<u>Monthly Residential Water and Sewer Bill as of January 2023</u>
Paulding County	\$112.30
Coweta County	101.97
Rockdale County	94.94
The Authority	91.48
Forsyth County	88.08
Gwinnett County	87.75
Carroll County	85.48
DeKalb County	84.78
Fulton County	82.65
Henry County	81.62
Fayette County	77.42
Cobb County	76.30
Clayton County	75.71
Cherokee County	71.95

Source: Authority Records.

Governmental Approvals and Environmental Regulation

Wastewater Treatment. The Authority's wastewater operations are subject to the regulatory requirements imposed by the federal Water Pollution Control Act, as amended (the "Clean Water Act") and the Georgia Water Quality Control Act. The regulatory requirements are administered by the federal Environmental Protection Agency ("EPA") and the EPD. EPD has issued to the Authority five NPDES discharge permits for the treatment of wastewater. The permits specify flow limitations on the treatment capacity of the WWTPs, and specify discharge limitations for certain pollutants.

State and federal regulations applicable to the Authority's wastewater operations deal with, among other issues, the quality of effluent which may be discharged from the Authority's WWTPs, the disposal of sludge generated by the WWTPs and the nature of waste material (particularly industrial waste) discharged into the collection system.

To comply with other federal regulations concerning the industrial discharge of waste materials into the sewer system, the Authority must administer and enforce industrial pretreatment limitation standards upon the users of the sewer system. The Authority currently permits five industrial customers which collectively discharged an average of 0.0699 MGD over the 12 months ended June 30, 2025.

National Pollutant Discharge Elimination System ("NPDES") Permits. Under the Clean Water Act, an NPDES permit is generally required for discharges to surface water. Therefore, to comply with federally mandated effluent quality and disposal criteria, the Authority must operate its WWTPs according to discharge limitations and reporting requirements set forth in NPDES permits. The Authority has NPDES permits allowing discharges to Anneewakee Creek, the Chattahoochee River, Gothards Creek and Crooked Creek. The permitted treatment capacities and fiscal year 2025 treatment flow with respect to each of the treatment plants is set forth under the heading "THE SYSTEM – Sewer System". The Sweetwater Creek WWTP flow is in excess of the permitted flow limit. The Authority has purchased sewer capacity from Cobb County, an adjoining county, and, in 2021, completed construction on a project that will divert flows to the Cobb County sewer system in excess of the 3.0 MGD Sweetwater Creek permit limits. Funding for the purchase of sewer capacity is listed in the Authority's five-year capital improvement plan summarized herein in the table under "Capital Improvement Projects" and included in

Table 8-1 of the Engineering Report attached hereto as Appendix E and referred to as Purchase of Sewer Capacity and Cobb County Sewer Diversion.

Other Approvals. Pursuant to the Rules and Regulations for Water Quality Control, EPD can delegate the review and approval of certain types of system extensions to local governments that have demonstrated the capability for such review and approval. The Authority has been delegated this responsibility for all extensions within the service area with some exceptions which require EPD's project specific approval.

Issues Relating to Compliance. Except as described herein, the Authority is currently in substantial compliance with all of its environmental permits and all environmental requirements applicable to the System.

Occasional Violations of Effluent Limitations. The Authority has from time to time submitted discharge monitoring reports to EPD indicating various violations of other effluent limitations at its WWTPs. The System has also experienced occasional sewer system overflows at various locations which have necessitated reporting and other obligations on the part of the Authority. As of the date of this Official Statement, the fines or penalties for these violations or overflows were not substantial, and if any fines or penalties are imposed in the future, they are not expected to be substantial.

Employees, Employee Relations and Labor Organizations

As of June 30, 2025, the Authority employed 202 permanent full-time persons, eight part-time persons and 12 interns. No employees are represented by labor organizations or are covered by collective bargaining agreements, and the Authority is not aware of any union organizing efforts at the present time. The Executive Director believes that employee relations are good.

The System's management staff, plant operators and maintenance and repair personnel are required to be certified by the State of Georgia. The System has a continuing education program to ensure that its personnel are qualified and able to meet the State of Georgia's certification requirements.

Employee Benefits

Employee Retirement Plan and Other Pension Benefits. Full-time employees of the Authority participate in the Douglasville-Douglas County Water and Sewer Authority Employee Retirement Plan (the "Pension Plan"). The Authority, as the plan sponsor, has the sole authority to amend the provisions, including specific benefit provisions and contribution requirements of the plan as provided by the plan document. The Pension Plan is affiliated with the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. The Pension Plan is subject to minimum funding standards of the Georgia Public Retirement System Standards Law. The GMEBS Board of Trustees has adopted an independent actuarial funding policy that exceeds State law requirements and is in accordance with required contributions as defined by generally accepted accounting principles. The Pension Plan provides pension benefits and death and disability benefits for members and beneficiaries. All employees who work at least 30 hours a week are eligible to participate after 1 year of service. Benefits vest after 5 or 10 years of service, depending upon hire date. The Authority's contribution toward the Pension Plan for the fiscal year ended June 30, 2024 was 12.11% of the current year covered payroll for all participants. Total Authority contributions to the Pension Plan for the fiscal year ended June 30, 2024 were \$1,500,000. The Pension Plan was amended in 2019 to reinstate most of the benefits that had been reduced or eliminated in 2009.

As of January 1, 2024, the date of the most recent actuarial valuation, the Pension Plan had 386 total participants: 189 active participants, 121 retirees and beneficiaries currently receiving benefits, and 76 terminated employees entitled to, but not yet receiving benefits. As of the measurement date of September 30, 2023 (the most recent information available) [to be updated], the Authority's net pension liability with respect to the Pension Plan was \$8,870,394.

Note 9 of the audited financial statements of the Authority included as APPENDIX B to this Official Statement contains a detailed description of the Authority's Pension Plan.

The Authority also provides a pension benefit under a separate plan to a former executive director of the Authority, as required by the former executive director's employment contract requiring supplemental pension retirement benefits. This plan is a defined benefit pension plan based on number of years of service, includes a cost of living adjustment and is reduced by benefits paid to the former executive director under the Pension Plan. The plan is funded by a lump sum single premium life only annuity in the amount of \$1,651,197, with annual cost of living adjustments funded by the Authority. Note 10 of the audited financial statements of the Authority included as APPENDIX B to this Official Statement contains a detailed description of this pension plan.

Deferred Compensation Plan. The Authority also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Authority employees and permits them to defer income taxation of a portion of their salary to future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. As required by Federal regulations, these plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. The Authority has no fiduciary relationship with the trust that is administered by a third party.

Note 11 of the audited financial statements of the Authority included as APPENDIX B to this Official Statement contains a detailed description of the deferred compensation plan.

OPEB Benefits. The Authority does not provide post-retirement benefits to its employees with the exception of hospitalization and medical coverage of a former executive director. The benefits are funded on a pay as you go basis and totaled \$30,280 in the fiscal year ended June 30, 2025.

Awards and Recognition

The Authority has been recognized for its operations and performance by industry peers and has received a number of awards in recent years, including the following in 2024/2025:

- Georgia Association of Water Professionals (GAWP) Water Reclamation Facility of the Year for South Central Wastewater Treatment Plant in its size category.
- Georgia Association of Water Professionals (GAWP) Best Operated Water Plant of the Year Certificate of Achievement for Bear Creek Water Treatment Plant
- Georgia Association of Water Professionals (GAWP) Bear Creek Water Treatment Plant Water Laboratory QA/QC Gold Award
- Georgia Association of Water Professionals (GAWP) Drinking Water Facility Platinum Award for Bear Creek Water Treatment Plant
- Georgia Association of Water Professionals (GAWP)

SYSTEM FINANCIAL INFORMATION

Accounting System and Policies

The accounting practices and policies of the Authority conform to generally accepted accounting principles as applied to governments. The financial statements of the Authority are prepared using the accrual basis of accounting. Its revenues are recognized when earned, and its expenses are recognized when incurred. For a detailed description of significant accounting policies, see Note 1 to the Authority's audited financial statements included as Appendix A.

Long Term Financial Planning

In order to facilitate long-term planning, the Authority maintains a five year cash flow model of its finances that includes projections of water and sewer capacity utilization, system growth and related availability of operating revenue, anticipated operating expenses, capital expenses, debt service requirements and cash flows. A Capital

Improvements Program (see “THE SYSTEM – Capital Improvement Projects”) is included as part of this planning document which is reviewed and updated annually detailing the capital projects necessary to meet the needs of system’s expansion and rehabilitation. The Authority uses this data to facilitate projections of necessary rate increases, additional capacity requirements, debt needs and proper debt service coverage.

Internal Control and Budget Policies

The Authority’s management is responsible for establishing and maintaining a system of internal accounting controls. The objectives of internal controls are to provide management with reasonable, but not absolute, assurances that the assets of the Authority are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefit likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management. Management reviews internal controls on a continuing basis.

The Authority operates under the auspices of a Board-approved annual budget. The budget which is developed on a zero-base program concept sets out allocations of anticipated operating revenues. Because the Authority has no taxing power and operates solely on its revenues, there are no appropriations. Operational and maintenance costs are funded from customer fees and charges. The Authority plans, budgets, and manages to assure that current costs are funded through current revenues. The bylaws of the Authority require the adoption of the Operating and Capital Budgets no later than 15 days prior to the start of its Fiscal Year. The budget remains in effect the entire year and is not revised, as is the case in many governments. See “– Operating Budget” below.

The Authority uses a one-year operating budget process with additional five-year cash projections included to address a longer term planning and management perspective. An analysis is presented with the budget and rate recommendation to ensure that utility revenues are sufficient to recover total cash needs for a five-year projection period. Total cash needs include annual expenditures to operate the System, principal and interest payments on debt, contributions to specific reserves, and capital replacements and improvements that are not debt-financed.

Services are provided to customers under a rate structure designed to produce revenue sufficient for operating and maintenance costs, capital outlay, debt service, reserves and debt service coverage. While the Authority prepares long-range rate projections, these projections are reviewed annually through the budgetary and rate-making process of the Authority. Rates are generally changed in December after reviewing previous year’s actual figures and estimating any changes that may have occurred since the adoption of the budget. The Executive Director has the authority to increase rates at any time up to an annual increase of 5% plus the cost of living without action by the Board of Directors.

Debt Management Policy

The Authority manages debt in accordance with all applicable laws and adopted debt management policy. In the Bond Resolution, the Authority covenants and agrees that it will, at all times, prescribe, maintain, and thereafter collect rates and charges for the services and facilities furnished by the Authority, together with other income, that will yield annual Net Operating Revenues in the fiscal year equal to at least one 110% of the sum of the annual debt service payments for all Senior Bonds outstanding (a ratio of 1.10) (the “Rate Covenant Ratio”). “Net Operating Revenues” is defined by the Bond Resolution as the net operating income of the System, adding back depreciation, and including interest income, tap fees, development fees and other non-operating revenue. The Bond Resolution obligates the Authority to review rates and to revise such rates and charges as necessary to meet the coverage test. The Authority further covenants in the Bond Resolution that it will maintain rates and charges that are at all times sufficient to provide for the payment of the Bonds; to maintain the debt service funds and any other related funding instruments related to the debt of the System; and to provide for the payment of administrative and operational expenses of the System preserving the System in good repair and working order. In order to maintain a strong ratio, the Authority has set a minimum targeted Rate Covenant Ratio of 1.70.

Cash Management

The Authority's available cash is invested in demand deposit accounts, money market accounts, U.S. Treasury Notes, U.S. Treasury Bills, and the State of Georgia Local Government Investment Pool ("LGIP" – now known as Georgia Fund I). It is the policy of the Board of Directors of the Authority that the Chief Financial Officer maintain an effective program of cash and investment management and follow the legal requirements regarding depositories and collateral requirements. The Authority's cash management program seeks to achieve three objectives with regards to investments: safety of principal, adequate liquidity to meet daily cash needs, and a reasonable yield commensurate with the preservation of principal and liquidity.

The Authority has adopted a policy which sets a minimum target of total unrestricted cash on hand equal to 270 days of budgeted operations.

Risk Management

The Authority relies on safety training, proper maintenance of equipment and facilities, prompt response to potential hazards and problems and insurance from outside sources to manage risk. The Authority is required to maintain adequate fidelity policies on its officers and employees and adequate public liability insurance, and to keep all properties of the system insured to the full insurable value thereof. The proceeds of all such insurance policies, except the public liability policies and fidelity policies, are pledged as security for the Bonds, but shall be available for, and shall, to the extent necessary and desirable, be applied to the repair and replacement of the damaged or destroyed property.

[Remainder of Page Intentionally Left Blank]

Five-Year Operating History

Set forth below is an historical, comparative summary of the revenues and expenses of the System for the past five fiscal years. For more detailed information regarding the financial results and condition of the Authority, see the audited financial statements of the Authority for the fiscal years ended June 30, 2024 and 2023 included in Appendix A. The information in the following table has been extracted from the audited financial statements of the Authority for the fiscal years ended June 30, 2021 to 2024, copies of which are available from the Authority upon request. Although the information was taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the results of operations of the Authority for the periods shown. The information presented for the fiscal year ended June 30, 2025 has been prepared by staff of the Authority without audit and in the opinion of staff of the Authority, includes all adjustments necessary for a fair statement of the operating results of the System, all of which adjustments are of a normal recurring nature.

Summary of Operating Results

	Fiscal Years Ended June 30				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	(Unaudited) <u>2025</u>
Operating Revenues					
Charges for services ⁽¹⁾	\$49,376,792	\$52,067,963	\$56,836,385	\$59,710,842	\$63,120,602
Penalties	<u>1,366,237</u>	<u>1,501,484</u>	<u>1,713,737</u>	<u>1,825,355</u>	<u>1,905,086</u>
Total operating revenues	<u>50,743,029</u>	<u>53,569,447</u>	<u>58,550,122</u>	<u>61,536,197</u>	<u>65,025,688</u>
Operating Expenses					
Employment costs	14,913,144	14,562,832	18,704,069	19,565,114	18,677,643
Repairs and maintenance	2,529,553	3,191,094	3,646,991	3,508,713	4,280,229
Supplies and materials	1,479,242	1,400,498	2,348,610	2,498,506	2,400,631
Depreciation	17,079,980	16,747,987	16,555,930	17,197,589	17,673,958
Utilities	3,150,571	3,290,641	3,675,299	3,998,782	4,100,699
Water and sewer services purchased	2,154,307	2,152,026	2,273,079	2,206,038	2,923,457
Administration	<u>1,550,750</u>	<u>1,672,764</u>	<u>1,898,620</u>	<u>2,398,656</u>	<u>2,124,983</u>
Total operating expenses	<u>42,857,547</u>	<u>43,017,842</u>	<u>49,102,598</u>	<u>51,373,398</u>	<u>52,181,600</u>
Operating Income	<u>7,885,482</u>	<u>10,551,605</u>	<u>9,447,524</u>	<u>10,162,799</u>	<u>12,844,088</u>
Non-Operating Revenues (Expenses)					
Interest and fiscal charges	(5,985,772)	(5,533,309)	(5,259,566)	(4,814,360)	(4,519,624)
Interest income	27,132	107,274	2,730,560	3,266,427	3,968,421
Gain (loss) on disposal of capital assets	43,594	101,568	405	43,626	74,839
Other income (expenses)	<u>88,273</u>	<u>(87,734)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total non-operating revenue (expenses) net	<u>(5,826,773)</u>	<u>(5,412,201)</u>	<u>(2,528,601)</u>	<u>(1,504,307)</u>	<u>(476,364)</u>
Income (loss) before capital contributions	2,058,709	5,139,404	6,918,923	8,658,492	12,367,724
Capital contributions ⁽²⁾	<u>8,267,045</u>	<u>8,704,461</u>	<u>7,523,328</u>	<u>14,519,278</u>	<u>13,138,650</u>
Change in net position	10,325,754	13,843,865	14,442,251	23,177,770	25,506,374
Total net position – beginning	<u>298,281,504</u>	<u>308,607,258</u>	<u>322,451,123</u>	<u>336,893,374</u>	<u>360,071,144</u>
Total net position – ending	<u>\$308,607,258</u>	<u>\$322,451,123</u>	<u>\$336,893,374</u>	<u>\$360,071,144</u>	<u>\$385,577,518</u>

⁽¹⁾ Net of bad debt expense of \$350,950 in 2021; \$352,610 in 2022; \$380,480 in 2023; \$352,048 in 2024; and \$371,663 in 2025.

⁽²⁾ Includes water and sewer tap fees of \$7,130,000 in 2021; \$6,852,583 in 2022; \$5,483,000 in 2023; \$9,220,000 in 2024; and \$8,317,548 (unaudited) in 2025.

Set forth below is an historical, comparative summary of operating revenues of the System by source for the past five fiscal years.

Operating Revenue by Source

	<u>2021</u>	Fiscal Years Ended June 30			(Unaudited) <u>2025</u>
		<u>2022</u>	<u>2023</u>	<u>2024</u>	
Operating Revenues					
Water Revenues	\$27,870	\$29,421	\$32,528	\$34,224	\$36,347
Sewer Revenues	15,567	16,648	17,993	19,207	20,331
Stormwater Revenues	4,880	4,914	5,091	5,179	5,255
Reuse Revenue	322	348	389	377	359
Penalties	1,366	1,501	1,714	1,825	1,905
Inspections	54	32	80	55	44
Cut Off Charges	377	433	427	338	372
Dog River Recreational Complex	27	21	17	23	19
Miscellaneous	631	604	691	660	766
Total Operating Revenues	<u>51,094</u>	<u>53,922</u>	<u>58,930</u>	<u>61,888</u>	<u>65,398</u>
Bad Debt Expense	<u>(351)</u>	<u>(353)</u>	<u>(380)</u>	<u>(352)</u>	<u>(372)</u>
Net Operating Revenues	<u><u>\$50,743</u></u>	<u><u>\$53,569</u></u>	<u><u>\$58,550</u></u>	<u><u>\$61,536</u></u>	<u><u>\$65,026</u></u>

Management Comments Concerning Trends in Revenues and Expenses

General. In determining the Authority's annual revenue requirements, a "cash needs approach" is employed whereby user charges are calculated to generate revenue adequate to recover all operating costs (excluding depreciation), debt service payments and minor capital expenditures. The Authority uses a three-tier inclining rate system, developed to adequately recover all cash needs and to encourage water conservation. In addition to user charges, the Authority assesses capital recovery charges (tap fees) to recover costs of additional System capacity. The Authority uses the "System Buy-In Methodology" to levy capital recovery charges to ensure that growth pays for growth. These charges are assessed based on meter size so that customers are charged based on the potential loading that can be placed on the System. Revenues and expenses are managed through an annual operating budget, which is adopted by the Board of Directors. Management reviews performance of revenue and expenses monthly. Major variances from budget are explained and corrective action taken if necessary.

Operating Revenues. During the period from June 30, 2021 to June 30, 2025 total operating revenues of the Authority increased from approximately \$49.3 million to \$63 million, an increase of \$13.7 million, or approximately 27.8%, representing an average annual increase of approximately 5.6%. The major factors contributing to this increase were water and sewer rate increases and an increase in customer base.

Operating Expenses. Total Operating Expenses increased during the five-year period ended June 30, 2025, from approximately \$42.9 million in fiscal 2021 to \$52.2 million in fiscal 2025, an increase of \$9.3 million, or approximately 21.7%, representing an average annual increase of approximately 4.34%. These increases are detailed below, but were primarily the result of an increase in water and sewer services and employment costs, offset by a decrease in depreciation.

Employment costs increased approximately \$3.8 million from fiscal 2021 to fiscal 2025 or approximately 25.5% over the five-year period. This increase in employment costs resulted primarily from employee raises, employee healthcare costs, employee pension plan costs and slight headcount increase. Repairs and maintenance costs increased approximately \$1.8 million, or approximately 72%, from fiscal 2021 to fiscal 2025. Supplies and materials increased approximately \$0.9 million, or approximately 60%, over the five-year period. Depreciation expenses increased approximately \$0.6 million, or 3.5%, from fiscal 2021 to fiscal 2025. Utilities expense increased \$1 million, or approximately 30%, over the five-year period. Water and sewer services purchased increased by \$0.8 million from fiscal year 2021 to 2025, or approximately 35% over the five-year period. Administration costs increased \$0.6 million, or 37%.

Historical and Forecasted Debt Service Coverage Ratios

Set forth below are the System's historical ratios of net revenues available for debt service to debt service on revenue bonds secured by revenues of the System for the past five fiscal years. There has never been a default in payment of the principal of or interest on any revenue bonds of the Authority.

	Fiscal Years Ended June 30				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	(Unaudited) <u>2025⁽¹⁾</u>
Historical Net Revenues Available for Debt Service ⁽²⁾	\$32,142,532	\$33,337,230	\$34,217,804	\$39,846,815	\$42,804,015
Historical Debt Service on Revenue Bonds	\$14,710,120	\$15,300,834	\$15,271,309	\$12,982,393	\$12,978,898
Historical Debt Service Coverage Ratio	2.18x	2.18x	2.24x	3.07x	3.297x

⁽¹⁾ Unaudited.

⁽²⁾ Operating income of the System, plus interest income (excluding construction fund), tap fees and depreciation. See " – Five-Year Operating History."

The Authority has prepared a financial forecast of the System's net revenues available for debt service, for a period of five years commencing with fiscal year 2026, based upon assumptions and estimates concerning future events and circumstances which the Authority believes to be reasonable. The Authority's financial forecast has been examined and reported on by R.J. Wood & Company, Macon, Georgia, the Authority's consulting engineer. The forecasted Debt Service Coverage Ratios set forth below are derived from the financial forecast forming a part of the Engineer's Report prepared by R.J. Wood & Company included as Appendix E to this Official Statement.

THE FINANCIAL FORECAST IS BASED SOLELY UPON ASSUMPTIONS MADE BY THE AUTHORITY, INCLUDING, WITHOUT LIMITATION, ASSUMPTIONS AS TO RATES FOR WATER AND SEWER SERVICE, STABILITY AND GROWTH OF THE CUSTOMER BASE, AND OPERATING EXPENSES. THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH SUCH ASSUMPTIONS, THAT UNCONTROLLABLE FACTORS WILL NOT AFFECT SUCH ASSUMPTIONS, OR THAT THE FORECASTED RESULTS WILL BE ACHIEVED. THE ACHIEVEMENT OF THE FINANCIAL FORECAST WILL BE AFFECTED BY ECONOMIC CONDITIONS AND OTHER UNCONTROLLABLE FACTORS AND IS DEPENDENT UPON THE OCCURRENCE OF FUTURE EVENTS WHICH CANNOT BE ASSURED. THUS, THE ACTUAL RESULTS ACHIEVED MAY VARY FROM THOSE FORECAST, AND SUCH VARIATIONS COULD HAVE AN ADVERSE EFFECT UPON THE SYSTEM'S NET REVENUES AVAILABLE FOR DEBT SERVICE. THE ASSUMPTIONS AND RATIONALE INCLUDED IN THE ENGINEER'S REPORT ARE AN INTEGRAL PART OF THE FORECAST. THE ENGINEER'S REPORT, INCLUDING ALL COMMENTS, ASSUMPTIONS, NOTES, AND DISCLAIMERS, SHOULD BE READ IN ITS ENTIRETY. See "ENGINEER'S REPORT" in Appendix E to this Official Statement.

[Remainder of page intentionally left blank]

Forecasted Debt Service Coverage Ratios

	Years Ending June 30				
	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029⁽³⁾</u>	<u>2030</u>
Forecasted Net Revenues (Including Tap Fees) Available for Debt Service ⁽¹⁾	\$45,215,528	\$49,547,921	\$52,943,603	\$56,588,448	\$60,391,726
Forecasted Net Revenues (Excluding Tap Fees) Available for Debt Service ⁽¹⁾	\$37,112,831	\$40,382,693	\$43,663,810	\$47,192,657	\$50,878,488
Forecasted Debt Service on Senior Bonds ⁽³⁾	\$20,853,898	\$23,481,153	\$27,641,339	\$28,477,318	\$28,476,618
Forecasted Debt Service Coverage Ratio (Including Tap Fees) on Senior Bonds ⁽²⁾	2.16x	2.11x	1.92x	1.99x	2.12x
Forecasted Debt Service Coverage Ratio (Excluding Tap Fees) on Senior Bonds	1.78x	1.72x	1.58x	1.65x	1.79x

⁽¹⁾ Change in net assets of the System plus (i) interest on revenue bonds and (ii) depreciation and amortization, and minus interest income earned on the Construction Fund held under the Bond Resolution.

⁽²⁾ Includes tap fees.

⁽³⁾ Includes debt service on the expected issuance of the Series 2027 Bonds in the principal amount of approximately \$100 million (preliminary) in fiscal year 2028, to provide funds necessary to complete the Projects. See “PLAN OF FINANCING – The Projects.”

Historical Net Position

Set forth below is a historical, comparative summary of the net position of the Authority as of the end of its past five fiscal years. The information for the fiscal years ended June 30, 2021, through 2024, in the following table has been extracted from the audited financial statements of the Authority for the fiscal years ended June 30, 2021, through June 30, 2024. Although the information for the fiscal years ended June 30, 2021, through June 30, 2024 was taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the capital structure of the Authority as of the end of the years shown. For more complete information, reference is made to the financial statements from which this information was extracted, copies of which are available from the Authority upon request. The information presented for the fiscal year 2025 has been prepared by staff of the Authority without audit and, in the opinion of staff of the Authority, includes all adjustments necessary for a fair statement of the operating results of the system, all of which adjustments are of a normal recurring nature.

[Remainder of Page Intentionally Left Blank]

	Fiscal Years Ended June 30				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	2025 (Unaudited)
Assets					
Current assets:					
Cash and cash equivalents	\$ 42,565,947	\$ 43,596,432	\$ 36,794,656	\$ 40,838,144	\$ 54,083,585
Accounts receivable, less allowance for doubtful accounts	5,754,239	6,942,147	7,366,064	8,159,458	8,053,494
Miscellaneous receivables	238,450	666,268	308,558	5,363,648	588,041
Inventories	1,106,814	1,486,055	1,871,840	2,277,591	2,492,469
Prepaid expenses	389,871	403,980	384,006	378,526	1,072,273
Restricted assets:	<u>73,129,215</u>	<u>69,038,996</u>	<u>65,872,373</u>	<u>66,590,159</u>	<u>46,174,775</u>
Total current assets	<u>123,184,536</u>	<u>122,133,878</u>	<u>112,597,497</u>	<u>123,607,526</u>	<u>112,464,637</u>
Non-current assets:					
Capital assets	694,661,434	714,971,726	750,812,313	776,584,449	837,757,713
Less accumulated depreciation	<u>308,469,466</u>	<u>325,109,202</u>	<u>341,527,543</u>	<u>357,955,265</u>	<u>375,629,223</u>
Net capital assets	<u>386,191,968</u>	<u>389,862,524</u>	<u>409,284,770</u>	<u>418,629,184</u>	<u>462,128,490</u>
Other assets	<u>2,484,840</u>	<u>6,248,334</u>	<u>2,240,243</u>	<u>1,408,731</u>	<u>1,254,263</u>
Total non-current assets	<u>388,676,808</u>	<u>396,110,858</u>	<u>411,525,013</u>	<u>420,037,915</u>	<u>463,382,753</u>
Total assets	<u>511,861,344</u>	<u>518,244,736</u>	<u>524,122,510</u>	<u>543,645,441</u>	<u>575,847,390</u>
Deferred Outflows of Resources					
Pensions	3,204,412	2,625,690	8,613,968	6,079,147	4,644,455
Bond defeasance costs	<u>3,357,419</u>	<u>2,777,080</u>	<u>2,175,150</u>	<u>1,719,754</u>	<u>1,310,322</u>
Total deferred outflows of resources	<u>6,561,831</u>	<u>5,402,770</u>	<u>10,789,118</u>	<u>7,798,901</u>	<u>5,954,777</u>
Total Assets and Deferred Outflows	<u>\$518,423,175</u>	<u>\$523,647,506</u>	<u>\$534,911,628</u>	<u>\$551,444,342</u>	<u>\$581,802,167</u>
Liabilities					
Current liabilities:					
Accounts payable	\$ 1,364,984	\$ 1,196,655	\$ 2,454,297	\$ 5,823,153	\$ 7,683,144
Accrued expenses and other	1,467,377	1,152,430	1,647,395	1,653,231	1,730,615
Revenue bonds, portion due within one year	10,245,000	10,515,000	8,535,000	8,780,000	9,035,000
Current liability payable from restricted assets	<u>6,730,052</u>	<u>6,432,732</u>	<u>8,445,499</u>	<u>7,755,609</u>	<u>20,693,389</u>
Total current liabilities	<u>19,807,413</u>	<u>19,296,817</u>	<u>21,082,191</u>	<u>24,011,993</u>	<u>39,142,148</u>
Non-current liabilities:					
Other long-term liabilities	6,081,699	3,083,865	12,702,233	11,975,123	6,266,937
Long-term debt:					
Revenue bonds – portion due after one year, net of unamortized (premium)/discounts	<u>183,434,664</u>	<u>172,841,759</u>	<u>164,233,830</u>	<u>155,386,082</u>	<u>146,283,334</u>
Total non-current liabilities	<u>189,516,363</u>	<u>175,925,624</u>	<u>176,936,063</u>	<u>167,361,205</u>	<u>152,550,271</u>
Total liabilities	<u>209,323,776</u>	<u>195,222,441</u>	<u>198,018,254</u>	<u>191,373,198</u>	<u>191,692,419</u>
Deferred Inflows of Resources					
Pensions	<u>492,141</u>	<u>5,973,942</u>	<u>—</u>	<u>—</u>	<u>4,532,230</u>
Total liabilities and deferred inflows	<u>209,815,917</u>	<u>201,196,383</u>	<u>198,018,254</u>	<u>191,373,198</u>	<u>196,224,649</u>
Net Position					
Net investment in capital assets	260,412,851	270,059,886	298,103,478	316,055,086	346,124,295
Amounts restricted for:					
Debt service	863,506	854,955	804,373	1,117,890	1,735,411
Renewal and expansion	1,215,065	974,805	—	—	—
Unrestricted amounts	<u>46,115,836</u>	<u>50,561,477</u>	<u>37,985,523</u>	<u>42,898,168</u>	<u>37,717,812</u>
Total net position	<u>\$308,607,258</u>	<u>\$322,451,123</u>	<u>\$336,893,374</u>	<u>\$360,071,144</u>	<u>\$385,577,518</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$518,423,175</u>	<u>\$523,647,506</u>	<u>\$534,911,628</u>	<u>\$551,444,342</u>	<u>\$581,802,167</u>

Future Debt

The Authority anticipates issuing approximately \$100 million⁽¹⁾ aggregate principal amount of its Series 2027 Bonds in fiscal year 2028 (August of 2027), which will constitute Additional Bonds, to fund the completion of the Projects (and referred to in the Engineering Report attached hereto as Exhibit E). Other than the Series 2027 Bonds, the Authority has no additional plans to issue debt in the next five years.

⁽¹⁾ Preliminary.

Funding of Capital Improvements

The following table summarizes the estimated costs of capital improvements made to the System in each year for the past five fiscal years and the funding sources for such capital improvements. See “Rates, Fees and Charges – *Capital Contributions*” for a description of capital contributions by source.

<u>Fiscal Year</u>	<u>Total Cost of Capital Improvements</u>	<u>Funding Sources</u>	
		<u>System Revenues Capital Contributions</u>	<u>Debt Proceeds and Investment Earnings</u>
2021	\$ 35,139,302	\$10,619,951	\$24,519,351
2022	18,599,696	15,356,322	3,243,374
2023	33,972,286	30,593,254	3,379,032
2024	24,732,549	21,509,854	3,222,695
2025	<u>54,709,751</u>	<u>17,406,141</u>	<u>37,303,610</u>
Total	<u>\$167,153,584</u>	<u>\$95,485,522</u>	<u>\$71,668,062</u>

[Remainder of Page Intentionally Left Blank]

Operating Budget

Pursuant to the bylaws of the Authority, the Authority adopts an Operating and Capital Works Budget no later than 15 days prior to the beginning of each fiscal year. Set forth below is a summary of the Authority's proposed budget for the fiscal year ending June 30, 2026. This budget is based upon certain assumptions and estimates of the staff of the Authority regarding future events, transactions, and circumstances. Realization of the results projected in this budget will depend upon implementation by management of the Authority of policies and procedures consistent with the assumptions. There can be no assurance that actual events will correspond with such assumptions, that uncontrollable factors will not affect such assumptions, or that the projected results will be achieved. Accordingly, the actual results achieved could materially vary from those projected in the budget set forth below.

Operating Budget for Fiscal Year Ending June 30, 2026

Operating Revenue:

Operating Revenue – Water	\$40,082,965
Operating Revenue – Sewer	21,571,872
Operating Revenue – Stormwater	5,445,156
Operating Revenue – Reuse	414,100
Penalties	2,061,226
Miscellaneous & Other Revenue	1,230,000
Total Operating Revenue	70,805,319
Bad Debt Expense	(375,000)
Net Revenue	<u>70,430,319</u>

Operating Expenses:

Employment Cost	21,149,304
Water Purchased	1,816,535
Sewer Services & Disposal	938,253
Utilities	4,227,670
Chemicals	1,900,919
Supplies	519,824
Repairs & Maintenance	4,359,731
General & Administrative	2,262,923
Total before Capitalized Expenses	37,175,159
Capitalized Wages & Expenses	(1,857,671)
Total Operating Expenses	<u>35,317,488</u>

Net Available Funds from Operations	<u>35,112,831</u>
--	--------------------------

Non-Operating Receipts & Expenses

Interest	2,000,000
Other Non-Operating Revenue	<u>25,000</u>
Total Non-Operating Revenue	<u>2,025,000</u>

Debt Service

Principal Retirement	9,035,000
Interest	<u>10,068,898</u>
Total Debt Service	<u>19,103,898</u>

Funds Available for Capital Improvements	<u>18,033,933</u>
---	--------------------------

Capital Improvements Transfers from Operations

Water and Sewer	16,079,453
Stormwater	<u>1,954,480</u>
Total Capital Improvements	<u>18,033,933</u>

Net Cash Budget Income (Loss)	<u>0</u>
--------------------------------------	-----------------

Insurance Coverage

The Authority maintains all insurance relating to the Authority's assets through the Association of County Commissioners of Georgia. Property and casualty (including equipment breakdown coverage) coverage is generally at replacement cost subject to per occurrence limits of \$10 million for earthquake and flood (and this coverage is provided for property in special hazard flood zones at increased deductibles) and is maintained on the major components of Authority assets. General liability insurance is also maintained by the Authority, with a coverage limit of \$3,000,000 for each occurrence. The deductible level for property and casualty and general liability coverage is \$5,000 per occurrence. The Authority also maintains coverage for excess liability for general liability, automobile liability and errors and omissions, crime coverage, employee benefits liability, law enforcement liability, public officials' liability, cyber, and automobile liability. Workers compensation insurance for all employees of the Authority is purchased through a fully-insured plan.

Under Georgia law, the defense of sovereign immunity is available to the Authority, except for actions for the breach of written contracts and actions for the recovery of damages for any claim for which liability insurance protection has been provided, but only to the extent of the liability insurance provided. The Authority, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the Authority in the exercise of its delegated powers. Although the matter is not entirely clear, the purchase of liability insurance may not constitute a waiver of sovereign immunity; however, if the purchase of insurance does constitute such a waiver, then the immunity is waived only to the extent of the insurance.

Cybersecurity

Cybersecurity is a significant concern for State and local authorities, including the Authority. Despite security measures, policies, and training, the Authority, like other public and private entities, is vulnerable to cyberattacks by third parties.

The Authority experienced and responded to a cybersecurity incident they became aware of on or about November 26, 2024. The Authority took immediate actions, including activating its emergency response plan, locking down systems, and notifying the Authority's insurance provider, law enforcement, and federal and state regulatory agencies. The server and network framework were rebuilt and restored into production with minimal data loss. The Authority's water and wastewater treatment plants were unaffected. Customer impact was minimal.

Additional security measures have been implemented across the Authority's network, servers, workstations, and endpoints. Monitoring and investigatory efforts are ongoing. See also BONDHOLDERS' RISKS – Risk Factors. – CYBERSECURITY

THE COUNTY

The Authority's service area is primarily located within the County. The information contained in this section is included only for purposes of supplying general information regarding the County and the Authority's service area. The Series 2025 Bonds shall not be deemed to constitute a debt of the County nor a pledge of the faith and credit thereof, nor shall the County be subject to any pecuniary liability thereon. The Series 2025 Bonds shall not be payable from, nor a charge upon, any funds, other than the Pledged Revenues of the System. No owner of a Series 2025 Bond shall ever have the right to compel the exercise of the taxing power of the County to pay the same, nor shall the Series 2025 Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the County.

General Information

By act of the Georgia Legislature, adopted October 17, 1870, the County was created from parts of Carroll County and former Campbell County, plus a small section of the original Cherokee County. Located due west and 20 miles from Atlanta on Interstate 20, the County is 200 square miles bordered on the south by the Chattahoochee

River, east by Cobb County, north by Paulding County, and west by Carroll County. The Dog River in the western portion of the County is the County's potable water source managed by the Authority. Other waterways include Sweetwater Creek, Anneewakee Creek, and Gothards Creek. The estimated population of the County as of July 1, 2024 was 151,887 (U.S. Census Bureau Annual Estimates of the Resident Population).

County Services

The County provides a range of services including judicial, law enforcement, tax collection, fire protection, emergency medical services, road construction and maintenance, solid waste disposal, code enforcement, parks and recreation programs, public transportation, libraries, planning and zoning, 911 emergency dispatching, emergency management, vehicle maintenance, tax appraisal, agricultural extension services, and general administration.

Education

County residents are served by 35 county public schools: 20 elementary schools, eight middle schools, five high schools and two specialized high school programs.

Healthcare

WellStar Douglas Hospital, containing 108 beds, offers over 60 medical services including behavioral health, imaging, surgery, cancer treatments and rehabilitation services. WellStar Douglas Hospital is part of the WellStar Health System based in neighboring Cobb County, one of the largest healthcare systems in the State of Georgia.

Transportation

The County is located on a major interstate, I-20, that runs east/west through the County between the cities of Atlanta and Birmingham. The Norfolk Southern Railway traverses Douglas County, providing easy rail access for all local industries. The County has a major multi-model transportation center which serves as the headquarters for the County's Rideshare, vanpool and express bus programs. In addition, Hartsfield-Jackson Atlanta International Airport, one of the world's busiest airports, is located 15 miles southeast of the County.

Recreation

The County's extensive Parks and Recreation Department sponsors programs at unique park facilities throughout the County, including active recreation opportunities (baseball, football, soccer fields, etc.) at Fairplay, Bill Arp, Winston, Post Road, Deer Lick, Mt. Carmel, Lithia Springs and Beulah. In addition, Deer Lick Park includes a gymnasium, skateboard park, bocce court and miniature golf course. The 500-acre Boundary Waters Recreational Complex contains the Boundary Waters Aquatic Center (8-lane, 25-yard competition pool and 25-yard therapeutic pool), and active recreational fields. The 900-acre Dog River Recreational Area is an area of natural beauty that will develop with mainly passive activities. The 200-acre Clinton Nature Preserve is an historical area with trails and cabins that date back to the 1800s.

Utilities

Natural gas and electricity are available. The Authority provides water, sewerage and stormwater services within the County.

[Remainder of page intentionally left blank]

Category of Land Use

Set forth below are the categories of land use, and the corresponding values of such land, within the County, for calendar year 2024.

<u>Land Type</u>	<u>Percentage by Acreage⁽¹⁾</u>
Agricultural	1.74%
Commercial	8.29
Industrial	6.58
Forest Land Cons Use	0.29
Qualified Timberland	0.74
Residential	63.39
Utility	1.17
Conservation Use	<u>17.81</u>
	<u>100.01%⁽²⁾</u>

⁽¹⁾ Percentages are based on the number of acres of real property set aside for each purpose. The total acreage of all real property subject to ad valorem taxation located in the County is approximately 86,358.33 acres. This figure does not include the acreage of any real property that is exempt from ad valorem property taxation.

⁽¹⁾ Totals do not sum to 100.00% due to rounding.

Source: Georgia Department of Revenue, 2024 Douglas County Consolidated Digest.

Demographic Information

Population. Set forth below is the estimated population of the County for the 1990 through 2020 Census years and an estimate as of July 1, 2024 (the most recent information available).

<u>Year</u>	<u>Population</u>
1990	71,120
2000	92,174
2010	132,403
2020	144,237
2024	151,887

Source: U.S. Census Bureau, 1990, 2000, 2010 and 2020 U.S. Census; U.S. Census Bureau, QuickFacts, July 1, 2024.

Population by Age. The median age of the County's population estimated as of 2023 is 36.3 years. The following table presents the percent of population by age for the County as estimated for 2023 (the most recent information available).

<u>Under 20 Years</u>	<u>20 to 44 Years</u>	<u>45 to 64 Years</u>	<u>65 Years and Over</u>
27%	34.1%	26.2%	12.8%

Source: U.S. Census Bureau, 2023 American Community Survey 1-year Estimates.

[Remainder of page intentionally left blank]

Population by Race. The following table presents estimated percent of population by race for the County for 2023 (the most recent information available).

<u>White</u> ⁽¹⁾	<u>Black or African American</u> ⁽¹⁾	<u>American Indian & Alaska Native Persons</u> ⁽¹⁾	<u>Asian</u> ⁽¹⁾	<u>Some Other Race</u>	<u>Two or More Races</u>	<u>Hispanic or Latino</u> ⁽²⁾
30.9%	49.8%	1.3%	1.6%	5.8%	10.7%	12.7%

⁽¹⁾ Includes persons reporting only one race and therefore does not account for 100% of the population.

⁽²⁾ The U.S. Census Bureau adheres to the U.S. Office of Management and Budget's (OMB) definition of ethnicity. OMB considers race and Hispanic origin to be two separate and distinct concepts. Under OMB's reporting system, Hispanics and Latinos may be of any race and are therefore accounted for in the previous headings.

Source: U.S. Census Bureau, 2023 American Community Survey 1-year Estimates.

Educational Attainment. The following table presents the level of education of the population 25 years and over for the County estimated for 2023 (the most recent information available).

Less than 9 th grade	2.9%
9 th to 12 th grade, no diploma	3.9
High school graduate (including equivalency)	28.3
Some college, no degree	21.7
Associate's degree	9.8
Bachelor's degree	20.0
Graduate or professional degree	<u>13.3</u>
	<u>100.0%</u>
Percent high school graduate or higher	93.2%
Percent bachelor's degree or higher	33.4

Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates.

Economic Information

The following information is provided to give prospective investors an overview of the general economic condition in the County. These statistics have not been adjusted to reflect economic trends and are not to be relied upon as a representation or guarantee of the Authority.

Per Capita Income. The following table reflects the estimated personal income figures (in thousands) for the County, the State of Georgia and the United States for calendar years 2019 through 2023 (the most recent information available). Dollars are not adjusted for inflation.

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2019	\$37,223	\$48,529	\$55,567
2020	40,879	51,463	59,123
2021	43,879	56,088	64,460
2022	43,755	57,290	66,244
2023	45,636	59,882	69,810

Source: United States Department of Commerce, Bureau of Economic Analysis.

Mean and Median Income. The following table reflects the median and mean family incomes for the County, the State and the United States for calendar year 2023 (the most recent information available).

	<u>County</u>	<u>State</u>	<u>United States</u>
Median Family Income	\$ 81,339	\$ 74,632	\$ 77,719
Mean Family Income	103,197	103,146	109,160

Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates.

Poverty Levels. The following table reflects an estimate of the percentage of all people in the County, the State and the United States with incomes lower than the poverty level for calendar year 2023 (the most recent information available).

<u>County</u>	<u>State</u>	<u>United States</u>
11.6%	13.6%	12.5%

Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates.

Household Income Distribution. The following table reflects the estimated income distribution of all households in the County for the calendar year 2023 (the most recent information available).

<u>Income</u>	<u>Percent of Households</u>
Less than \$10,000	6.0%
\$10,000 to \$14,999	1.2
\$15,000 to \$24,999	4.9
\$25,000 to \$34,999	4.4
\$35,000 to \$49,999	11.1
\$50,000 to \$74,999	17.3
\$75,000 to \$99,999	15.5
\$100,000 to \$149,999	21.2
\$150,000 to \$199,999	8.2
\$200,000 or more	<u>10.1</u>
	<u>100.0%</u>

Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates.

Median Home Values. The following table reflects the median home value of owner occupied housing for the County, the State and the United States for the 1990 and 2000 census years and an estimate for the calendar years 2010, 2020 and 2023 (the most recent information available).

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
1990	\$ 73,400	\$ 71,300	\$ 79,100
2000	102,700	111,200	119,600
2010	157,300	161,400	188,400
2020	171,300	190,200	229,800
2023	262,200	272,900	303,400

Source: U.S. Census Bureau, 1990, and 2000 U.S. Census; and U.S. Census Bureau, 2010, 2020 and 2023 American Community Survey 5-Year Estimates.

Labor Statistics. Set forth below are labor statistics for the County, the State and the United States for the past five calendar years and for the month of June 2025 (preliminary).

<u>Douglas County</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025⁽¹⁾</u>
County Labor Force	70,696	71,969	73,428	75,142	75,952	76,024
County Unemployment Rate	7.6%	4.4%	3.4%	3.6%	3.8%	3.8%
State Unemployment Rate	6.5	3.9	3.2	3.3	3.5	3.7
United States Unemployment Rate	8.1	5.3	3.6	3.6	4.0	4.4

⁽¹⁾ As of June 2025 (preliminary).

Source: Georgia Department of Labor.

Commuting Data. The following table presents the estimated percentages of the County's population employed at jobs located within the County and those employed at jobs located outside of the County for the calendar year 2023 (the most recent information available).

	<u>Inside the County</u>	<u>Outside the County</u>
Residents of the County Employed:	45.6%	53.4%

Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates.

Building Permits. Set forth below is information concerning building permits (new construction and renovation) in the County for the last five calendar years and through August 8, 2025.

<u>Year</u>	<u>Commercial</u>		<u>Residential</u>		<u>Total</u>	
	<u># Permits</u>	<u>Value</u>	<u># Permits</u>	<u>Value</u>	<u># Permits</u>	<u>Value</u>
2020	332		1,179			1,511
2021	594		1,370			1,964
2022	547		1,242			1,789
2023	420		1,324			1,744
2024	397		2,144			2,541
2025 ⁽¹⁾	258		1,118			1,376

⁽¹⁾ Through August 8, 2025.

Source: Douglas County.

Banking Deposits. The following table contains the number of banking institutions and the total banking deposits (in thousands of dollars) on deposit in the County at all FDIC-insured institutions located within the County for the last five fiscal years ended June 30 (the most current information available).

<u>Year</u>	<u>Number of Institutions</u>	<u>Total Deposits as of June 30 (in thousands)</u>
2020	13	\$2,121,572
2021	13	2,476,321
2022	13	2,570,341
2023	13	2,463,603
2024	13	2,421,064

Source: Federal Deposit Insurance Corporation.

Industry Mix. The following table sets forth an estimate of the industry mix and the average number of employees employed in the indicated industry within the County for the year 2024 (the most current information available).

INDUSTRY ⁽¹⁾	Average Number of Establishments	Average Monthly Employment
Goods-Producing	484	5,967
Agriculture, Forestry, Fishing & Hunting	2	*
Mining	2	*
Construction	356	2,699
Manufacturing	124	3,197
Service-Providing	2,716	39,185
Utilities	2	*
Wholesale Trade	172	3,899
Retail Trade	473	8,322
Transportation and Warehousing	179	6,742
Information	50	382
Finance and Insurance	132	658
Real Estate and Rental and Leasing	141	479
Professional Scientific & Technical Svc	320	1,216
Management of Companies and Enterprises	8	*
Admin., Support, Waste Mgmt, Remediation	222	5,037
Education Services	38	360
Health Care and Social Assistance	383	5,201
Arts, Entertainment, and Recreation	38	270
Accommodation and Food Services	291	4,979
Other Services (except Public Admin.)	267	1,206
Unclassified - industry not assigned	279	113
Total - Private Sector	3,479	45,265
Total - Government	73	5,747
Federal Government	9	269
State Government	18	290
Local Government	46	5,188
ALL INDUSTRIES⁽²⁾	3,547	51,007

⁽¹⁾ These data use the North American Industrial Classification System (NAICS) categories (as opposed to Standing Industrial Classification (SIC) categories).

⁽²⁾ Figures in other columns may not sum accurately due to rounding and confidential data.

* Denotes confidential data relating to individual employees and cannot be released.

Source: Georgia Department of Labor. The data represent jobs that are covered by unemployment insurance laws.

[Remainder of Page Intentionally Left Blank]

Top Ten Largest Employers. Set forth below are the largest employers located in the County, their businesses, and their approximate number of employees as of June 30, 2024. There can be no assurance that any employer listed below will continue to be located in the area or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed below.

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Douglas County School System	Government	3,500
Douglas County Government	Government	1,180
Silver Line Building Products Corp.	Building Products	1,212
WellStar Douglas Hospital	Healthcare	815
American Red Cross	Healthcare	670
McMaster Carr	Distributor	660
Stich Fix	Retail	618
Medline Industries	Medical Provider	500
South Wire	Manufacturer	440
Gordon Food Service	Food Distributor	390
TOTAL		<u>9,985</u>

Source: Douglasville Development Authority; City of Douglasville Development Authority; Douglas County Public Schools.

BONDHOLDERS' RISKS

General

The purchase of the Series 2025 Bonds involves special risks, and the Series 2025 Bonds may not be appropriate investments for all types of investors. Each prospective investor is encouraged to read this Official Statement in its entirety and to give particular attention to the factors described below, which, among other factors discussed herein, could affect the payment of debt service on the Series 2025 Bonds and could affect the market price of the Series 2025 Bonds to an extent that cannot be determined at this time. *The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the Series 2025 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of such risks.*

Limited Obligations

General. The Series 2025 Bonds constitute special, limited obligations of the Authority. The Series 2025 Bonds do not constitute a general obligation of the Authority, and the Authority has no taxing power. Owners of the Series 2025 Bonds may not look to any Authority funds or accounts other than those specifically pledged by the Authority to the payment of the Series 2025 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS.”

Loss of System Revenues. The Series 2025 Bonds are secured by and payable solely from a first lien on and pledge of the Pledged Revenues of the System. If the System, or any material portion thereof, were to become inoperable due to damage, destruction, or environmental restriction or if the Authority should lack raw water or lack treatable water due to contamination, drought or catastrophe, the Authority may be unable to generate adequate revenues of the System. In the event that the operating revenues at any time are not sufficient to make such payments and deposits, the Authority covenants in the Bond Resolution that it will increase such rates, fees, tolls, and charges to an extent which will ensure such payments and deposits (the “Rate Covenant”). See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS – Rate Covenant”

No Mortgage Secures the Series 2025 Bonds. The payment of the Series 2025 Bonds is not secured by an encumbrance, mortgage, or other pledge of property of the Authority, except for the Pledged Revenues. No real or personal property of the Authority, shall be liable to be forfeited or taken in payment of the Series 2025 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS.”

Additional Bonds

Under the Bond Resolution, the Authority is permitted to issue Additional Bonds on a parity with the lien of the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS – Parity and Subordinate Bonds.” Debt service on all Senior Bonds of the Authority will be payable from Pledged Revenues on a pro-rata basis. Accordingly, to the extent that future obligations are issued on a parity with the lien of the Senior Bonds, the security for the Senior Bonds may be diluted.

Factors That May Cause Insufficiency of Expected Revenues

General. The generation of Pledged Revenues is dependent upon several factors outside the Authority’s control, such as the economy, collections of water and wastewater service charges and tap fees, continued growth (or lack thereof), and changes in law. It is impossible to predict whether current economic conditions will continue or worsen or to predict how future conditions will affect the operation of the System or the Authority’s finances in general. The following factors, among others, may impact the generation of Pledged Revenues in the future.

Payment on the Series 2025 Bonds is dependent upon the generation of sufficient Pledged Revenues of the System. If the System becomes inoperable due to damage, destruction, environmental restriction or for any other reason, if the Authority should lack raw water or lack treatable water due to contamination, lack of adequate supply to serve existing customers, drought or for any other reason, if the Authority has inadequate storage or transmission facilities, if the Authority is unable to increase rates and charges for any reason or if the Authority incurs unanticipated expenses or reduced revenues due to power rate increases or for any other reason, the Authority may be unable to generate adequate revenues from the System to pay debt service on the Series 2025 Bonds (subject to the requirement that the Authority must subsequently raise rates if necessary to satisfy the Rate Covenant).

Water Quality and Environmental Requirements. The System is subject to numerous federal and State regulatory requirements. Those regulations are subject to change at any time. Public drinking water systems like the System are regulated by the Environmental Protection Agency and the EPD, and the EPD has the authority to enforce drinking water quality standards. Water quality standards imposed by the federal government or the State may affect the water available to the Authority and implementation of those standards or enforcement by the EPD could result in increased costs associated with water treatment operations of the Authority. In addition, failure to comply with regulatory changes, or the inability to comply with them in a timely manner could cause portions of the System to become unavailable. Any disruption of service could negatively impact Pledged Revenues.

In operating the System, the Authority also may be subject to various environmental regulations that could subject the Authority to increased operating costs or capital expenditures. Such risks include the use of hazardous materials in the water treatment process and the disposal of such materials, the occurrence of upstream events that could cause contamination of the Authority’s water sources, or other factors. Such increased costs could reduce the amount of Pledged Revenues available to pay debt service on the Series 2025 Bonds.

Cybersecurity. Despite the implementation of network security measures by the Authority, its information technology systems may be vulnerable to breaches, hacker and ransomware attacks, computer viruses, physical or electronic break-ins, and other similar events or issues. State and local governments have recently been subject to such attacks.

The foregoing events or issues could lead to the inadvertent disclosure of confidential information, ransomware attacks holding critical information and operations hostage or could have an adverse effect on the Authority’s ability to collect Pledged Revenues. Any breach or cyberattack that compromises data could result in negative press. Despite efforts of the Authority, no assurances can be given that the Authority’s measures will prevent cybersecurity attacks, and no assurances can be given that any cybersecurity attacks, if successful, will not have a material adverse effect on the operations or financial condition of the System.

TAX MATTERS

Federal Taxes

Generally. In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, rulings and court decisions, and assuming compliance by the Authority with certain tax covenants, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. Except as provided below with respect to original issue discount, no opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on, or the ownership of, the Series 2025 Bonds.

Ownership of the Series 2025 Bonds may result in other collateral federal income tax consequences to certain taxpayers, including, without limitation, banks, thrift institutions and other financial institutions, foreign corporations which conduct a trade or business in the United States, property and casualty insurance corporations, S corporations, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2025 Bonds. Purchasers of the Series 2025 Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

In rendering its opinion that the interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes, Bond Counsel will (a) rely as to questions of fact material to its opinion upon certificates and certified proceedings of public officials, including officials of the Authority, and representations of the Authority (including representations as to the use and investment of the proceeds of the Series 2025 Bonds), without undertaking to verify the same by independent investigation and (b) assume continued compliance by the Authority with its covenants relating to the use of the proceeds of the Series 2025 Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the related Series 2025 Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2025 Bonds.

Original Issue Discount. In the opinion of Bond Counsel, under existing law, any original issue discount in the selling price of a Series 2025 Bond, to the extent properly allocable to a holder of such Series 2025 Bond, is excluded from gross income for federal income tax purposes with respect to such holder. The original issue discount is the excess of the stated redemption price at maturity of such Series 2025 Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Series 2025 Bond was sold.

Under Section 1288 of the Code, original issue discount on tax-exempt obligations accrues on a constant yield to maturity basis. The amount of the original issue discount that accrues to an owner of a discount bond who acquires such discount bond during any accrual period generally equals (a) the issue price of such discount bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (b) the yield to maturity of such discount bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (c) any interest payable on such discount bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in a discount bond for the purpose of determining gain or loss upon a subsequent sale, exchange, payment, or redemption. Any gain realized by an owner from a sale, exchange, payment, or redemption of a discount bond would be treated as gain from the sale or exchange of such discount bond.

Original Issue Premium. An amount equal to the excess of the purchase price of a Series 2025 Bond over its stated redemption price at maturity constitutes premium on such Series 2025 Bond. A purchaser of a Series 2025 Bond must amortize any premium over such Series 2025 Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Series 2025 Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal

income tax purposes upon a sale or disposition of such Series 2025 Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Series 2025 Bonds at a premium, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2025 Bonds.

Disclaimer. The foregoing is a general discussion of certain federal income tax consequences of original issue discount and premium and does not purport to deal with all tax questions that may be relevant to particular investors or circumstances. Purchasers of the Series 2025 Bonds should consult their own tax advisors with respect to original issue discount and premium and with respect to the state and local tax consequences of original issue premium.

Changes in Federal Tax Law. Current and future legislative proposals, if enacted by Congress, could cause interest on the Series 2025 Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation or adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2025 Bonds or could cause interest on the Series 2025 Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2025 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2025 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2025 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation.

State of Georgia Taxes

In the opinion of Bond Counsel, under existing law, interest on the Series 2025 Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Series 2025 Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia. Purchasers of the Series 2025 Bonds should consult their own tax advisor with respect to the tax-exempt status of interest on the Series 2025 Bonds in a particular state or local jurisdiction other than the State of Georgia.

LEGAL MATTERS

Pending Litigation

The Authority, like other similar governmental bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The Authority, after reviewing the current status of all pending and threatened litigation, believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the Authority or its officials in such capacity are adequately covered by insurance or will not have a material adverse effect upon the financial position of the System.

There is no controversy or litigation of any nature now pending against the Authority restraining or enjoining the issuance or delivery of the Series 2025 Bonds or questioning or affecting the validity of the Series 2025 Bonds or the proceedings and authority under which they are issued. There is no litigation pending which in any manner questions the power of the Authority to issue the Series 2025 Bonds or to secure the Series 2025 Bonds in accordance with the provisions of the Bond Resolution by the pledge of the Pledged Revenues of the System.

Validation Proceedings and Approving Opinions

In accordance with the procedures set forth in the Revenue Bond Law, the Series 2025 Bonds will be validated by order of the Superior Court of Douglas County prior to their issuance. A final validation order was received from the Superior Court of Douglas County on August 5, 2025. Under Georgia law, the judgment of validation will be forever conclusive against the Authority upon the validity of the Series 2025 Bonds and the security therefor.

Legal matters incidental to authorization and issuance of the Series 2025 Bonds by the Authority are subject to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel and Disclosure Counsel to the Authority. It is anticipated that the approving opinion will be in substantially the form attached hereto as Appendix C. Certain legal matters will be passed upon for the Authority by its counsel, Hartley, Rowe & Fowler, P.C., Douglasville, Georgia.

All legal opinions will state that the rights of the owners of the Series 2025 Bonds and the enforceability of the documents covered by such opinions may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

MISCELLANEOUS

Ratings

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings Inc. ("S&P"), have assigned the Series 2025 Bonds the ratings shown on the cover page of this Official Statement. An explanation of the significance of such ratings may be obtained from Moody's and S&P.

The above-described ratings are not a recommendation to buy, sell or hold the Series 2025 Bonds. Generally, rating agencies base their rating on information and materials furnished to the agencies and on investigations, studies and assumptions by the agencies. There is no assurance that the ratings will be maintained for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency furnishing the same if, in such agency's judgment, circumstances so warrant. Any such downward revision or withdrawal of either of the ratings on the Series 2025 Bonds may have an adverse effect on the market price of the Series 2025 Bonds. The Authority has not undertaken any responsibility to oppose any such revision, suspension or withdrawal.

Competitive Sale of Series 2025 Bonds

The Series 2025 Bonds were offered by the Authority at competitive bidding on _____, 2025 in accordance with the Notice of Sale. The interest rates shown on the inside cover page of this Official Statement are the interest rates to the Authority resulting from the award of the Series 2025 Bonds at a competitive bidding. The prices shown on the inside cover page of this Official Statement were furnished by _____, the successful bidder for the Series 2025 Bonds. The Series 2025 Bonds were purchased at a purchase price of \$_____ (par, plus net original issue premium of \$_____ and less an underwriting discount of \$______). All other information concerning the nature and terms of any re-offering should be obtained from the successful bidder for the Series 2025 Bonds and not from the Authority.

Independent Auditors

The financial statements of the Authority for the fiscal year ended June 30, 2024 attached hereto as Appendix A have been audited by Nichols, Cauley & Associates, LLC (the "Auditors") to the extent and for the period indicated in its report thereon, which appears in Appendix A. Such financial statements have been included herein in reliance upon the report of the Auditors. The Auditors have not been engaged to perform and have not performed, since the date of their report included herein, any procedures on the financial statements addressed in that report.

Consulting Engineers

The Engineering Report has been prepared by R.J. Wood & Company, included herein as Appendix E, in reliance upon the authority of such firm as experts in engineering and related financial matters.

Financial Advisors

The Authority has employed Davenport & Company LLC, Atlanta, Georgia, as its financial advisor in connection with the issuance of the Series 2025 Bonds. Davenport & Company LLC, Atlanta, Georgia, is an independent financial advisor and is not engaged in the business of underwriting, trading, or distributing municipal or public securities. Davenport & Company LLC has not conducted a detailed investigation of the affairs of the Authority to determine the completeness or accuracy of this Official Statement. Because of its limited participation, Davenport & Company LLC has not independently verified any of the data contained in this Official Statement and has no responsibility for the accuracy or completeness thereof.

Additional Information

Use of the words “shall” or “will” in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2025 Bonds.

CERTIFICATION

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the Authority.

DOUGLASVILLE-DOUGLAS COUNTY WATER AND
SEWER AUTHORITY

By: _____
Cynthia A. Fedack, Chairman

APPENDIX A

Audited Financial Statements of the Authority for the Fiscal Years Ended June 30, 2024 and 2023

APPENDIX B

Summary of Certain Provisions of the Bond Resolution

APPENDIX C
Form of Opinion of Bond Counsel

APPENDIX D
Form of Continuing Disclosure Certificate

APPENDIX E
Engineering Report

ENGINEERING REPORT
FOR THE
DOUGLASVILLE-DOUGLAS COUNTY
WATER AND SEWER AUTHORITY
(P.O. Box 1157, Douglasville GA 30133 - (770) 949-7617 Ph)
ON THE
WATER AND SEWERAGE REVENUE BONDS ,
SERIES 2025



PREPARED BY
R. J. WOOD AND COMPANY
CIVIL AND ENVIRONMENTAL ENGINEERS
P.O. Box 6322, Macon GA 31208-6322
(478) 747-9862

August 1, 2025

TABLE OF CONTENTS

SECTION 1	INTRODUCTION.....	1
I.	Purpose	1
II.	Scope.....	2
SECTION 2	GENERAL SYSTEM OVERVIEW	3
I.	Service Area	3
Figure 2-1	Atlanta Metro Area Location Map Showing Douglas County	4
Figure 2-2	Douglas County Location Map.....	5
Figure 2-3	Dog River Reservoir Location Map	6
Figure 2-4	Water Service Area showing Dog River Reservoir and Bear Creek Water Treatment Plant.....	7
Figure 2-5	Sewer Service Area	8
Table 2-1	Top Ten Customers by Type, Current And Ten Years Ago	10
Table 2-2	Total Water System, Sewer System, and Stormwater System Connections by Type of Connection for Fiscal Year 2025	11
Table 2-3	Capital Assets of Water, Sewer, and Stormwater System for Fiscal Years 2016-2025	12
SECTION 3	EXISTING WATER SYSTEM	13
SECTION 4	EXISTING SEWER SYSTEM.....	15
Table 4-1	Summary of Wastewater Treatment Plants.....	16
Table 4-2	Annual Average Flows in Million Gallons per Day	17
Graph 4-1	South Central 9.0 MGD Water Pollution Control Plant Annual Average Flow Fiscal Years 2016 thru 2025	20
Graph 4-2	Sweetwater Creek 3.0 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025	20
Graph 4-3	Northside 0.60 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025	21
Graph 4-4	Total Annual Wastewater Flow of all Authority's Plants for Fiscal Years 2016 thru 2025	22
SECTION 5	EXISTING STORMWATER SYSTEM	23

SECTION 6	WATER SYSTEM HISTORICAL DEMAND AND FUTURE WATER DEMAND PROJECTIONS.....	25
Table 6-1	Average Day and Maximum Day Water System Demand Fiscal Years 2016 thru 2025	26
Table 6-1A	Bear Creek Water Treatment Plant Demands Fiscal Years 2016 thru 2025	27
Table 6-1B	Authority Purchase of Water from Cobb/Marietta Authority and Cobb County Fiscal Years 2015 thru 2025 (Million Gallons)	28
Graph 6-1	Average Day and Maximum Day Water System Demand	29
Table 6-2	Fiscal Years 2016-2025 Atlanta Regional Commission Projected Water Demands in Annual Average Day and Population for Years 2015 thru 2050	30
Table 6-3	Projected Water Demand Percentage Growth Rates, Population, and Average Day Water Demands	31
Graph 6-2	Population Projection for 50 Year Period (2015 - 2066)	32
Graph 6-3	Water Demand Projections for 50 Year Period	33
Source of Raw Water and Water Treatment Plant Capacity.....		34
SECTION 7	DEVELOPMENT OF ADDITIONAL RAW WATER SOURCE TO PROVIDE RELIABLE YIELD OF 23.0 MILLION GALLONS PER DAY DURING THE 100 YEAR DROUGHT OF RECORD	35
Authority's Gallons per Capita per Day (GPCPD).....		38
Table 7-1	Water Use 10 Year Baselines Single Family Residential Gallons per Capita per Day	40
Graph 7-1	Residential Water Use per Day per Capita	40
SECTION 8	AUTHORITY'S FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM PROJECTS.....	41
Table 8-1	Summary of Capital Projects - Water and Sewer	42
Table 8-2	5 year Capital Improvement Projects for Stormwater Projects.....	44
Table 8-3	5 Year Projections Summary	46
Table 8-4	Water and Sewer Customer Base Fees and Water Rates and Stormwater User Fees	47
Table 8-5	Water Impact Fees and Sewer Impact Fees for New Water Meters and Sewer Taps	48

SECTION 9	SERIES 2025 BONDS	
PROJECTS AND FIVE-YEAR CAPITAL IMPROVEMENTS		
PROGRAM PROJECTS TO PROVIDE RAW WATER RELIABLE		
YIELD OF 23.0 MILLION GALLONS PER DAY	49	
<u>PROJECT "A"</u>		
NEW RAISED DAM AND CONCRETE		
SPILLWAY CONSTRUCTION.....	50	
<u>PROJECT "B"</u>		
<u>DIVISION I-</u> NEW DOG RIVER RESERVOIR MAIN INTAKE		
AND PUMPING STATION FOR RAISED RESERVOIR		
WATER SURFACE ELEVATION TO 795.3 FT	51	
<u>PROJECT "B"</u>		
<u>DIVISION II-</u> NEW BACKUP DOG RIVER INTAKE AND		
PUMP STATION AT DORSETT BRIDGE FOR RAISED		
RESERVOIR WATER SURFACE ELEVATION TO 795.3 FT	52	
<u>PROJECT "B"</u>		
<u>DIVISION III-</u> RAISING A SECTION OF DOG RIVER		
RESERVOIR ROAD ENTRANCE AND INSTALLING		
A 36" DIAMETER DUCTILE IRON PIPE RAW WATER		
PIPELINE AND A 24" DIAMETER DUCTILE IRON		
PIPE FLOW AUGMENTATION PIPELINE IN THE SECTION		
OF RAISED ENTRANCE ROAD	52	
<u>PROJECT "B"</u>		
<u>DIVISION IV-</u> DOG RIVER RESERVOIR RECREATIONAL		
AREA MODIFICATIONS	53	
<u>PROJECT "C"</u>		
GEORGIA DEPARTMENT OF TRANSPORTATION		
HWY 166 ROADWAY AND BRIDGE OVER		
DOG RIVER RESERVOIR	54	
Figure 9-1	Overall Project Map Showing Individual Capital	
Construction Projects Required for Raising Reservoir		
to Water Surface Elevation 795.3	55	

DDCWSA ENGINEERING REPORT FOR Series 2025 Bonds

Table 9-1	Capital Project Description and Estimated Construction Cost	56
Table 9-2	Typical Project Cost	57
Table 9-3	Total Estimated Project Cost	58
Table 9-4	Project Time Schedule	59
SECTION 10	FINANCIAL PROJECTIONS	60
I.	Income and Expenses	60
II.	Debt Service Coverage	62
Table 10-1	Projected Income Expense and Debt Service Coverage	63

LIST OF FIGURES

Figure 2-1	Atlanta Metro Area Location Map Showing Douglas County	4
Figure 2-2	Douglas County Location Map	5
Figure 2-3	Dog River Reservoir Location Map	6
Figure 2-4	Water Service Area showing Dog River Reservoir and Bear Creek Water Treatment Plant	7
Figure 2-5	Sewer Service Area	8
Figure 9-1	Overall Project Map Showing Individual Capital Construction Projects Required for Raising Reservoir to Water Surface Elevation 795.3	55

LIST OF TABLES

Table 2-1	Top Ten Customers by Type, Current And Ten Years Ago	10
Table 2-2	Total Water System, Sewer System, and Stormwater System Connections by Type of Connection for Fiscal Year 2025	11
Table 2-3	Capital Assets of Water, Sewer, and Stormwater System for Fiscal Years 2016-2025	12
Table 4-1	Summary of Wastewater Treatment Plants	16
Table 4-2	Annual Average Flows in Million Gallons per Day	17
Table 6-1	Average Day and Maximum Day Water System Demand Fiscal Years 2016 thru 2025	26
Table 6-1A	Bear Creek Water Treatment Plant Demands Fiscal Years 2016 thru 2025	27

DDCWSA ENGINEERING REPORT FOR Series 2025 Bonds

Table 6-1B	Authority Purchase of Water from Cobb/Marietta Authority and Cobb County Fiscal Years 2016 thru 2025 (Million Gallons).....	28
Table 6-2	Atlanta Regional Commission Projected Water Demands in Annual Average Day and Population for Years 2016 thru 2050	30
Table 6-3	Projected Water Demand Percentage Growth Rates, Population, and Average Day Water Demands	31
Table 7-1	Water Use 10 Year Baselines Single Family Residential Gallons per Capita per Day.....	40
Table 8-1	Summary of Capital Projects - Water and Sewer	42
Table 8-2	5 year Capital Improvement Projects for Stormwater Projects.....	44
Table 8-3	5 Year Projections Summary	46
Table 8-4	Water and Sewer Customer Base Fees and Water Rates and Stormwater User Fees	47
Table 8-5	Water Impact Fees and Sewer Impact Fees for New Water Meters and Sewer Taps	48
Table 9-1	Capital Project Description and Estimated Construction Cost	56
Table 9-2	Typical Project Cost	57
Table 9-3	Total Estimated Project Cost	58
Table 9-4	Project Time Schedule	59
Table 10-1	Projected Income Expense and Debt Service Coverage	63

LIST OF GRAPHS

Graph 4-1	South Central 9.0 MGD Water Pollution Control Plant Annual Average Flow Fiscal Years 2016 thru 2025	20
Graph 4-2	Sweetwater Creek 3.0 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025	20
Graph 4-3	Northside 0.60 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025	21
Graph 4-4	Total Annual Wastewater Flow of all Authority's Plants for Fiscal Years 2016 thru 2025	22
Graph 6-1	Average Day and Maximum Day Water System Demand	29
Graph 6-2	Population Projection for 50 Year Period (2015 - 2066)	32
Graph 6-3	Water Demand Projections for 50 Year Period	33
Graph 7-1	Residential Water Use per Day per Capita	40

SECTION 1 INTRODUCTION

I. Purpose

This engineering report was prepared by R. J. Wood and Company, Civil and Environmental Consulting Engineers, as authorized by the Douglasville-Douglas County Water and Sewer Authority, to be made part of the Official Statement and to be used in conjunction with the issuance of the Douglasville-Douglas County Water and Sewer Authority (the “Authority”) Water and Sewerage Revenue Bonds, Series 2025 (the “Series 2025 Bonds”). The information contained in this report is provided to present the understanding of the general water, sewer, and stormwater systems (collectively the “System”) operated by the Authority, the proposed improvements to the System to be financed by the Series 2025 Bonds and the Authority’s historical and projected growth trends. This report also provides projected revenues and expenses of the Authority’s System, projected coverage of the current debt, the Series 2025 Bonds, and the projected net revenue available for debt service.

The Authority owns and operates the System, which consists of water, sewer, and stormwater systems in both the City of Douglasville and Douglas County.

II. Scope

This report presents the Five-Year Capital Improvements Program (“CIP”) for the System, including the projects to be financed by the Series 2025 Bonds. The Bond Projects presented in this report were developed from and based upon previous engineering reports and studies and Construction Manager at Risk (CMAR) construction cost. The following information is included in this Report:

- A description of the existing water, wastewater, and stormwater systems
- A description of the Capital Improvement Projects (CIP)
- A description of the Bond Projects
- A discussion of historical and projected water and sewer customer growth
- A discussion of projected revenues and expenses of the System and projected coverage by projected net System revenues of current debt service and estimated debt service for the Series 2025 Bonds.

SECTION 2 GENERAL SYSTEM OVERVIEW

I. Service Area

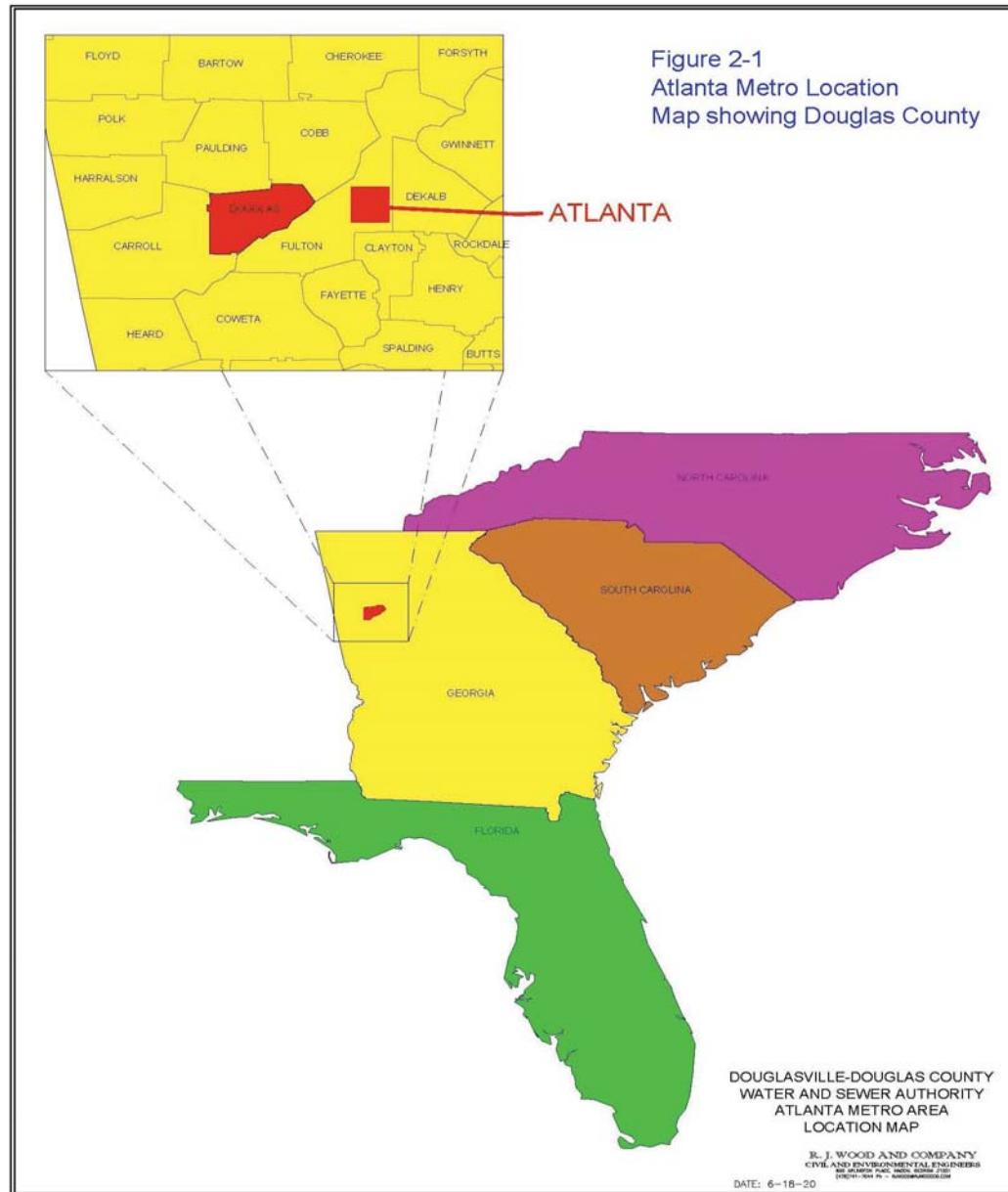
The Authority is the exclusive provider of water, sewerage, and stormwater services in Douglas County, except in the cities of Villa Rica and Austell, Georgia. A significant majority of the customers of the Villa Rica and Austell systems are located outside of Douglas County. The City of Villa Rica provides sewerage services for a few residents of the County. The City of Austell operates a separate water and sewerage system, servicing approximately 1,000 customers in the County. The Authority also serves a few retail customers located in adjacent Cobb County.

Reference Figure 2-1, page 4, Atlanta Metro Location Map Showing Douglas County, which shows the location of Douglas County in the Metropolitan Atlanta Area.

Figures 2-2 and 2-3 present the Douglas County Location Map and Dog River Reservoir Location Map. Figures 2-4 and 2-5 show the areas currently served by the Authority's water and sewer systems service area, respectively.

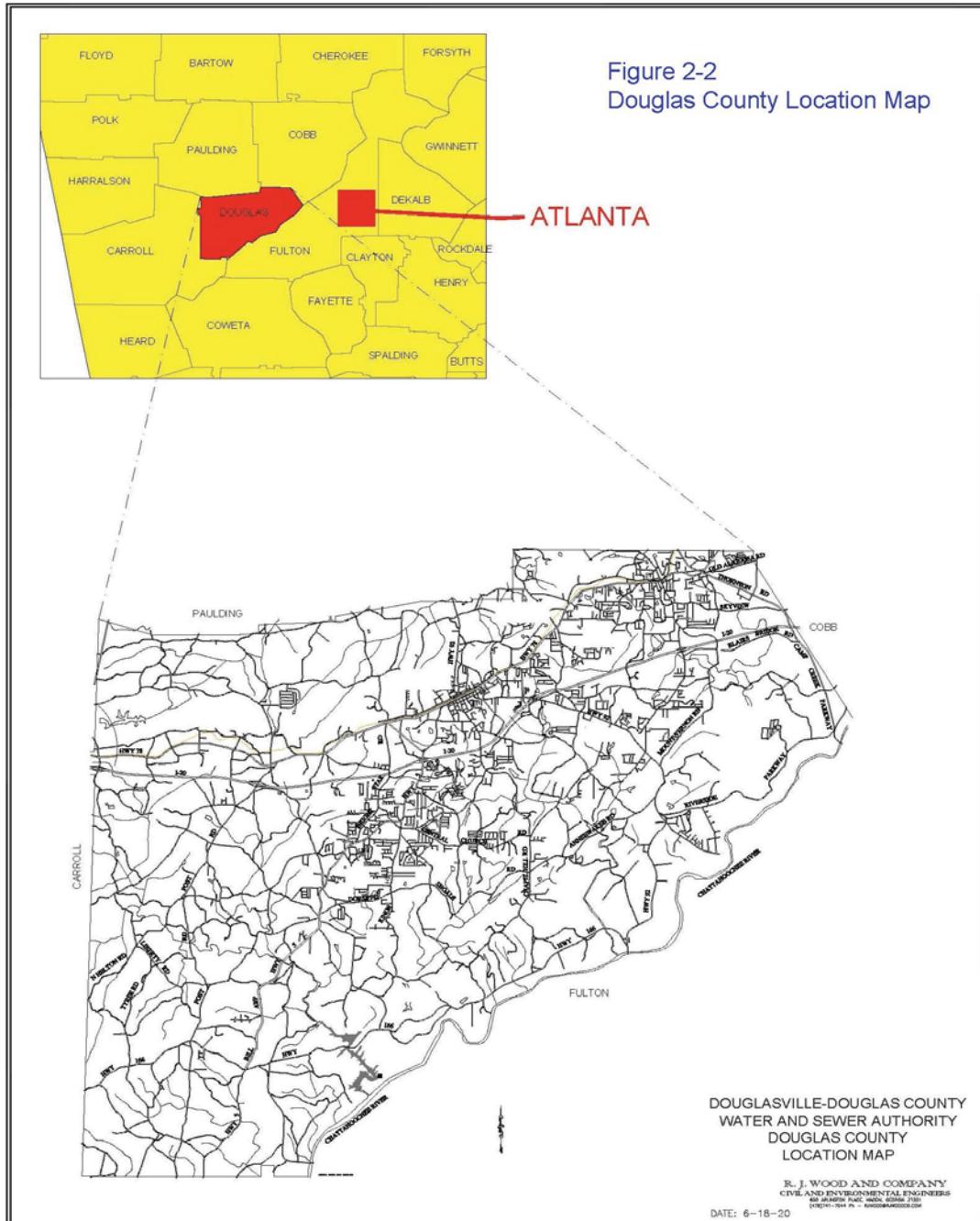
DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

FIGURE 2-1 ATLANTA METRO AREA LOCATION MAP SHOWING DOUGLAS COUNTY



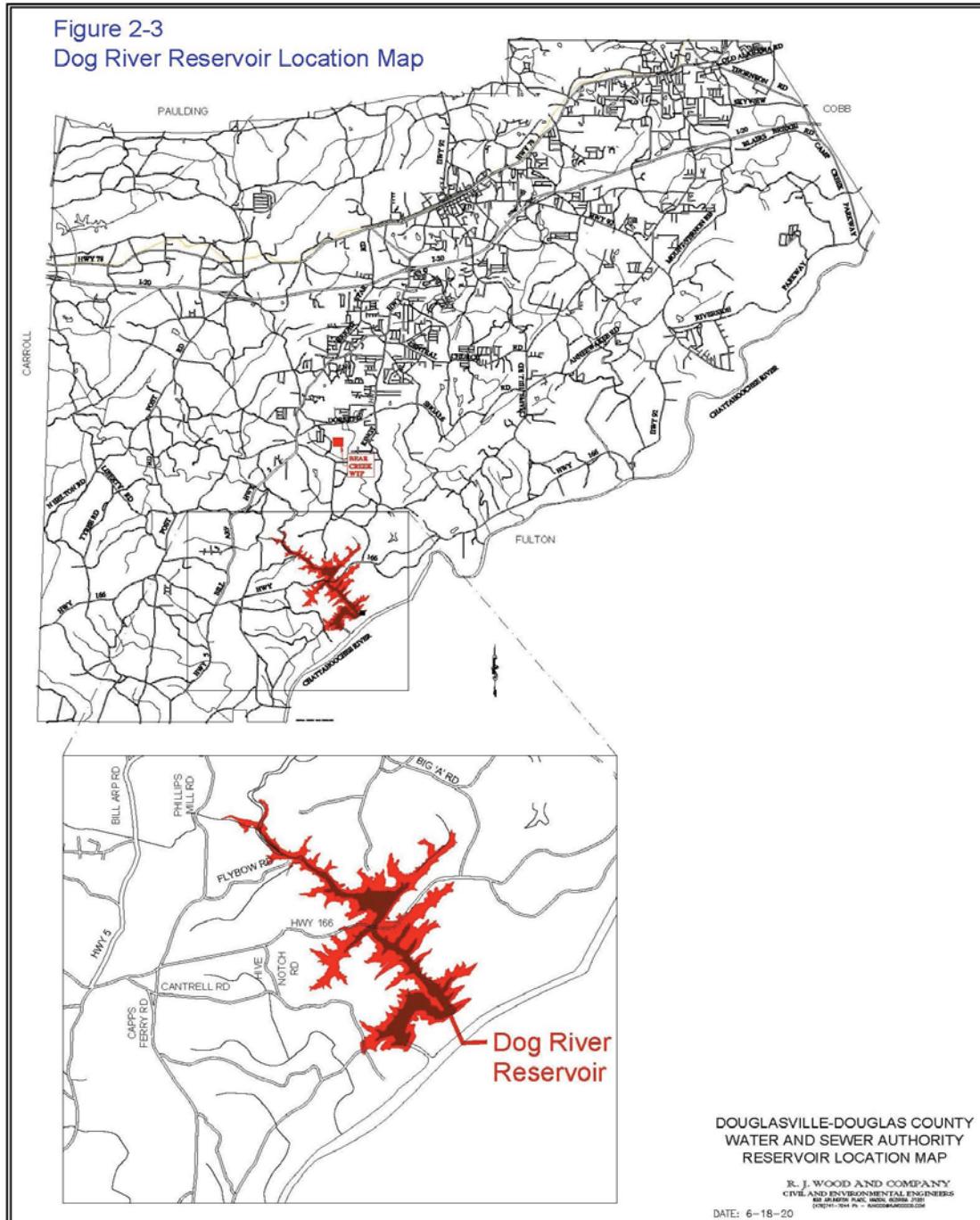
DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

FIGURE 2-2, DOUGLAS COUNTY LOCATION MAP



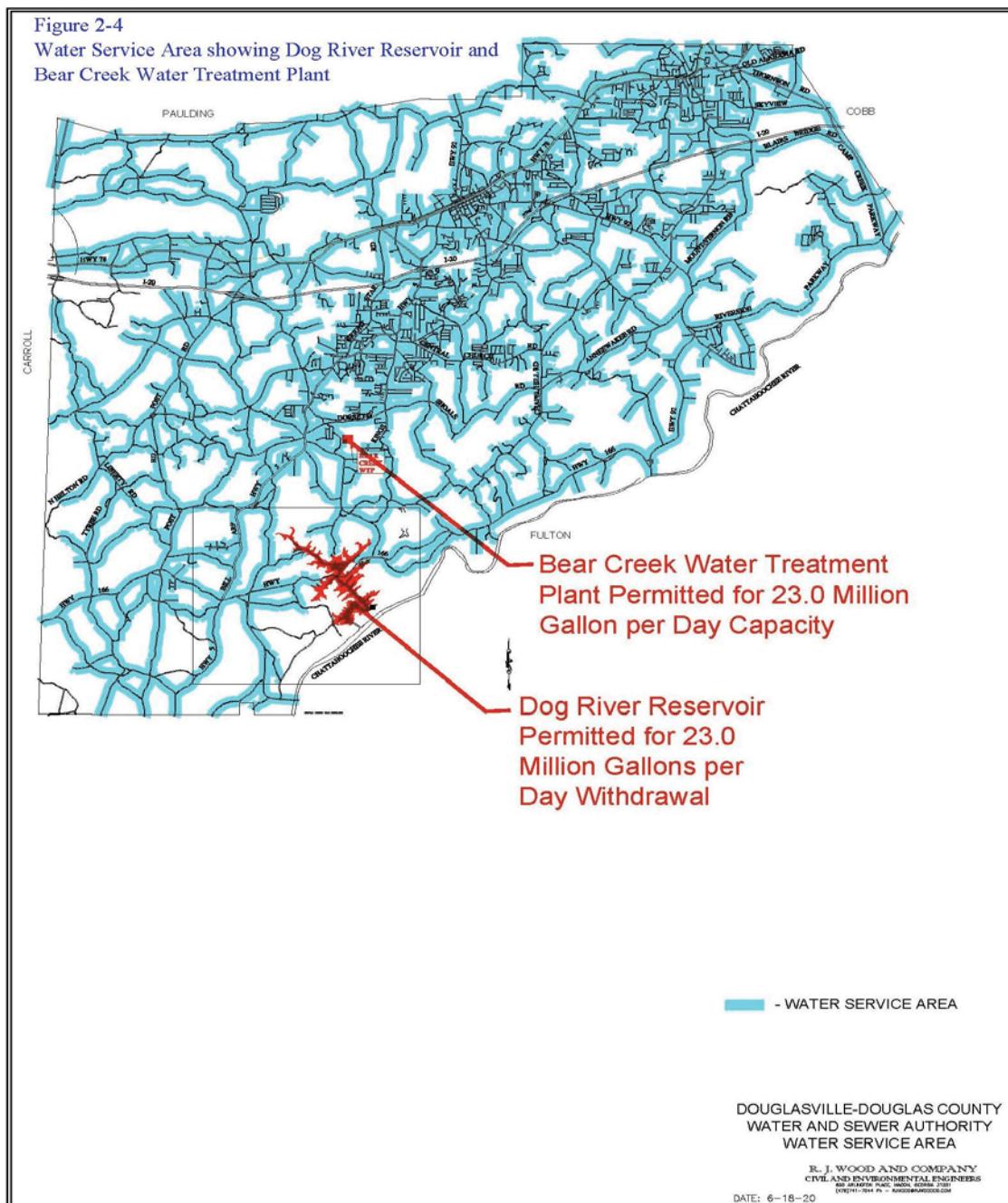
DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

FIGURE 2-3, DOG RIVER RESERVOIR LOCATION MAP



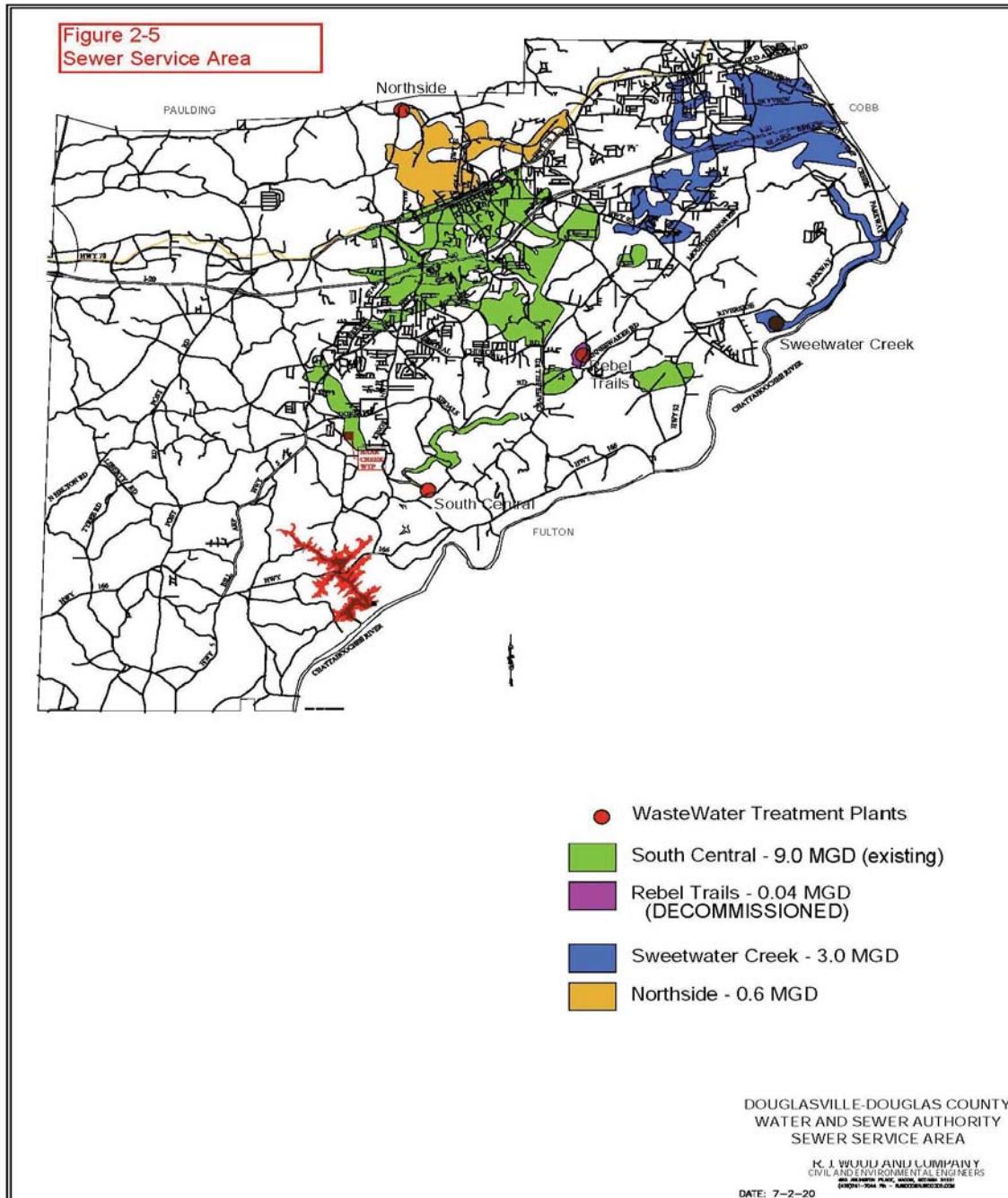
DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

FIGURE 2-4, WATER SERVICE AREA SHOWING DOG RIVER RESERVOIR AND BEAR CREEK WATER TREATMENT PLANT



DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

FIGURE 2-5, SEWER SERVICE AREA



DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

Douglas County is part of the Atlanta metropolitan area and is located west of the Fulton County line, less than 25 miles west of downtown Atlanta. The population of Douglas County as of the U.S. 2020 Census was 146,336. As of July 1, 2024 the population is estimated at 151,887.

Interstate Highway I-20, U.S. Highway 78, U.S. Highway 278, and four state routes serve the County at the present time. There are approximately 1,012 miles of roads, with all but approximately 60 miles of those paved in the County. Atlanta's perimeter highway (Interstate 285) provides easy access to all areas of Atlanta, including I-75 and I-85. Douglas County is served by 51 interstate/intrastate trucking carriers, and by 11 carriers that are intrastate only. A major east-west bound railroad line for Norfolk Southern Railways crosses through the County with trains bringing finished goods and raw materials in and out of the County.

The 10 largest water system, sewer system, and stormwater customers by type for each 12 month period ending FY 2025 are listed in Table 2-1, Top Ten Customers by Type.

The Total Water System, Sewer System, and Stormwater System Connections, by type of connection, for Fiscal Years 2016-2025 are presented in Table 2-2. The Capital Assets of Water, Sewer, and Stormwater System for Fiscal Years 2016-2025 are presented in Table 2-3.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 2-1 TOP TEN CUSTOMERS BY TYPE, CURRENT AND TEN YEARS AGO

OPERATIONAL INFORMATION
CURRENT YEAR AND TEN YEARS AGO

Fiscal Year	2025			2016		
	Water Revenue	Rank	% of Water Revenue	Water Revenue	Rank	% of Water Revenue
Water Customers						
DC Board of Education	\$ 683,926	1	1.88%	\$ 554,378	1	2.33%
Grove Skyview LTD	440,043	2	1.21%	274,158	2	1.15%
Douglas County Jail	282,888	3	0.78%	221,791	3	0.93%
Sevo Miller INC-Crestmark APTS	233,391	4	0.64%	146,530	6	0.62%
Value Properties - Pine Lake	216,685	5	0.60%			
WellStar Douglas System	205,147	6	0.56%	151,160	5	0.64%
Golden Estate M H P	190,443	7	0.52%			
Birch Landing APTS	186,114	8	0.51%	159,187	4	0.67%
Morning View Communities	163,432	9	0.45%			
Manchester Place Apartments - Wilwat	159,218	10	0.44%			
Pinnacle Homes at Rocky Ridge				117,246	9	0.49%
Arbor Place Mall				129,952	8	0.55%
AT&T				131,934	7	0.56%
Strand Apartments				114,780	10	0.48%
Totals	\$ 2,761,287		7.60%	\$ 2,001,116		8.42%
 Fiscal Year						
			2025		2016	
Sewer Customers			Sewer Revenue	Rank	% of Sewer Revenue	Sewer Revenue
DC Board of Education	\$ 472,307	1	2.30%	\$ 389,062	1	2.99%
Grove Skyview LTD	388,774	2	1.89%	238,442	3	1.83%
Douglas County Jail	246,254	3	1.20%	183,609	4	1.41%
Sevo Miller INC-Crestmark APTS	201,498	4	0.98%	124,837	7	0.96%
Birch Landing Atlanta	172,926	5	0.84%	144,478	5	1.11%
Golden Estates Mobile Home Park	171,928	6	0.84%			
WellStar Douglas System	161,203	7	0.79%	131,246	6	1.01%
Manchester Place APTS - Wilwat	141,902	8	0.69%			
Pinnacle Homes at Rocky Ridge	141,789	9	0.69%			
Brook Valley APTS	137,191	10	0.67%			
Arbor Place Mall				115,959	8	0.89%
Strand Apartments				102,888	9	0.79%
Home Ridge Aptsments				100,396	10	0.77%
Google, Inc.				349,787	2	2.69%
Totals	\$ 2,235,772		10.90%	\$ 1,880,704		14.44%
 Fiscal Year						
			2025		2016	
Stormwater Customers			Stormwater Revenue	Rank	% of Stormwater Revenue	Stormwater Revenue
DC Board of Education	\$ 234,701	1	4.44%	\$ 216,413	1	4.82%
Prologis, LP	68,098	2	1.29%	19,919	7	0.44%
Switch, LTD	46,702	3	0.88%			
Medline Industries Inc.	42,047	4	0.79%	18,884	9	0.42%
McMaster-CARR Supply Company	33,119	5	0.63%			
Stitch Fix, Inc	31,803	6	0.60%			
Riverview Logistics Park	29,928	7	0.57%			
Atlanta Bonded Warehouse	28,188	8	0.53%			
Hunt Partners Ret Group	25,401	9	0.48%	23,284	2	0.52%
Bright Star LLC	24,586	10	0.46%			
JVC Co of America				23,162	3	0.52%
Arbor Place Mall				20,604	5	0.46%
Grove Skyview, LTD				20,837	4	0.46%
Excel-Hon, Inc				19,877	8	0.44%
Google, Inc.				20,327	6	0.45%
APL Logistics				18,450	10	0.41%
Totals	\$ 564,573		10.67%	\$ 401,757		8.94%

SOURCE: T. ALGER, DDCWSA FINANCE OFFICER, 8/1/25, 12:15 PM

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 2-2 TOTAL WATER SYSTEM, SEWER SYSTEM, AND STORMWATER SYSTEM CONNECTIONS BY TYPE OF CONNECTION FOR LAST TEN FISCAL YEARS

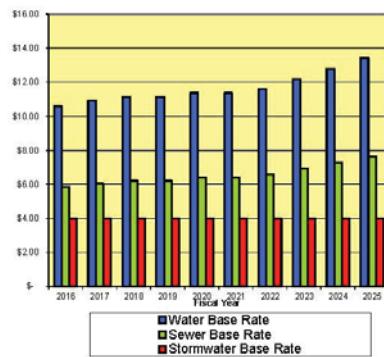
Douglasville-Douglas County Water and Sewer Authority

Revenue Capacity

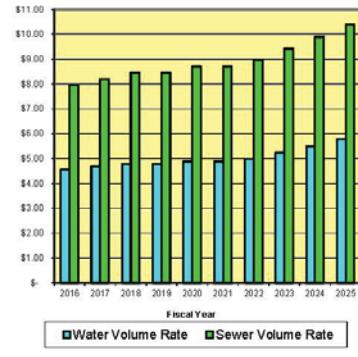
**Water, Sewer and Stormwater Rates
Last Ten Fiscal Years**

Fiscal Year	Water		Sewer		Stormwater	
	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons (2)	Monthly Base Rate	
2016	\$ 10.60	\$ 4.56 (1)	\$ 5.86	\$ 7.96	\$ 4.00	
2017	\$ 10.92	\$ 4.70 (1)	\$ 6.04	\$ 8.20	\$ 4.00	
2018	\$ 11.14	\$ 4.79 (1)	\$ 6.22	\$ 8.45	\$ 4.00	
2019	\$ 11.14	\$ 4.79 (1)	\$ 6.22	\$ 8.45	\$ 4.00	
2020	\$ 11.37	\$ 4.89 (1)	\$ 6.41	\$ 8.71	\$ 4.00	
2021	\$ 11.37	\$ 4.89 (1)	\$ 6.41	\$ 8.71	\$ 4.00	
2022	\$ 11.60	\$ 4.99 (1)	\$ 6.60	\$ 8.97	\$ 4.00	
2023	\$ 12.18	\$ 5.24 (1)	\$ 6.93	\$ 9.42	\$ 4.00	
2024	\$ 12.79	\$ 5.50 (1)	\$ 7.28	\$ 9.89	\$ 4.00	
2025	\$ 13.43	\$ 5.78 (1)	\$ 7.64	\$ 10.38	\$ 4.00	

Base Rate History



Volume Rate History



Notes:

(1) In 2008 the Authority implemented a 3-tier water rate structure with Tier I (0-6,000 gallons), Tier II (6,001-9,000 gallons), and Tier III (9,001 gallons & up) billing rates on residential customers. In 2014 the tiers were adjusted with Tier I (0-5,000), Tier II (5,001-8,000 gallons) and Tier III (8,001 & up) rates as in the table below. Also in 2014 sewer rates were adopted with a 2-tier system with Tier I (0-5,000 gallons water consumption) and Tier II (5,001 & up) rates. The tier rates since inception in 2008 are as follows:

	WATER			SEWER	
	Tier I	Tier II	Tier III	Tier I	Tier II + III
2016	\$ 4.56	\$ 5.70	\$ 9.12	\$ 7.96	\$ 9.30
2017	\$ 4.70	\$ 5.88	\$ 9.40	\$ 8.20	\$ 9.58
2018	\$ 4.79	\$ 5.99	\$ 9.58	\$ 8.45	\$ 9.87
2019	\$ 4.79	\$ 5.99	\$ 9.58	\$ 8.45	\$ 9.87
2020	\$ 4.89	\$ 6.11	\$ 9.78	\$ 8.71	\$ 10.17
2021	\$ 4.89	\$ 6.11	\$ 9.78	\$ 8.71	\$ 10.17
2022	\$ 4.99	\$ 6.23	\$ 9.98	\$ 8.97	\$ 10.48
2023	\$ 5.24	\$ 6.54	\$ 10.48	\$ 9.42	\$ 11.00
2024	\$ 5.50	\$ 6.87	\$ 11.00	\$ 9.89	\$ 11.55
2025	\$ 5.78	\$ 7.21	\$ 11.56	\$ 10.38	\$ 12.13

(2) Sewer volume is calculated at 80% of water volume

(3) Rates are based on 5/8" meter, which is the standard WSA household meter size.

SOURCE: T. ALGER, DDCWSA FINANCE DIRECTOR, 8/1/25, 12:15 PM

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 2-3 CAPITAL ASSETS OF WATER, SEWER, AND STORMWATER SYSTEM

DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY

OPERATIONAL INFORMATION

CAPITAL ASSETS - INDICATORS OF USE AND VOLUME LAST TEN FISCAL YEARS

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Capital Assets</u>										
Water										
Water main miles	931	938	939	942	945	946	947	951	958	961
Fire hydrants	6,798	7,020	7,038	7,085	7,132	7,151	7,230	7,266	7,340	7,345
Maximum daily design capacity (thousands of gallons)	23,940	23,940	23,940	23,940	23,940	23,940	23,940	23,940	23,940	23,940
Average daily water production (thousands of gallons)	11,203	11,772	11,537	11,630	11,536	11,679	11,963	12,825	12,910	13,831
Storage capacity - clear wells and water tanks (thousands of gallons)	14,775	14,775	14,775	14,775	14,775	14,775	14,775	14,775	14,775	14,775
Reservoir capacity (thousands of gallons)	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000
Sewer										
Sanitary sewer miles	461	468	470	473	477	479	480	484	497	499
Maximum daily design treatment capacity (thousands of gallons)	10,140	10,140	10,140	10,140	10,140	10,140	10,140	10,140	10,140	10,140
Average daily sewer flow (thousands of gallons)	6,104	5,420	5,629	6,428	6,739	6,876	6,473	6,661	6,668	5,620
Stormwater										
Storm sewer lines	120	121	121	121	122	124	127	128	130	131
Received from T. Alger 8/1/25, 12:15 pm										
Source: Authority's GIS System; Authority's Customer Service and Billing System										

prepared by
rjwoodco

12

8/4/25
1:44 pm

SECTION 3 EXISTING WATER SYSTEM

The Authority's System served approximately 90% of the residential population of the County for the year ended June 30, 2025. The System serves schools, day-care facilities, one hospital, churches, and state and local governmental units. Several suburban shopping centers, including a 1.17 million square-foot regional mall, numerous motels, restaurants and apartment complexes are also served by the System.

The Authority experienced a slight increase in water demands over the past 10 years.

The water system is consistently treated to meet state and federal water quality guidelines. The Authority employs conventional water treatment processes at the Bear Creek Water Treatment Plant which is the Authority's only water plant. Raw water is pumped from the Dog River Reservoir to the Bear Creek Water Treatment Plant (reference Figure 2-4 for location of Reservoir and Water Treat Plant) for preliminary chemical application, followed by flocculation, sedimentation, and filtration. Additional chemicals are added before the water flows into a clearwell holding facility, prior to being pumped into the water distribution system.

The Bear Creek Water Treatment Plant is permitted for 23.94 Million Gallons per Day Treatment Capacity and the Dog River Reservoir is permitted for 23.0 Million Gallons per day withdrawal.

The potable water storage of the water system consists of clear wells at the Bear Creek Water Treatment Plant totaling 6.775 MG and six system storage tanks throughout the County totaling 8 MG. The total combined storage of potable water is 14.775 MG, which is 114.39% of 2025 Fiscal Year average day water system demand of 12.920 MGD, and is 85.1% of 2025 maximum day water system demand of 17.365 MGD.

The system is served by approximately 92 miles of distribution lines in various diameter sizes throughout the County. The majority of the system's distribution lines were installed between 1985 and 2025, and are therefore 5-40 years old. The installation of water lines by outside contractors and the Authority's own forces is performed under the Authority's supervision.

To meet the demands of the rapidly growing population of Douglas County, the Authority is continually upgrading and expanding its water distribution system. The Authority works closely with County and City planning departments to ensure that the System will meet growing demands.

The Authority can purchase water from Cobb-Marietta Water Authority and the Cobb County Water System. Reference Table 6-1B for water purchased from these two adjoining county water systems for Fiscal Years 2016 thru 2025.

SECTION 4 EXISTING SEWER SYSTEM

The wastewater system collects sewage through approximately 2,184,552 total feet of sanitary sewer collection lines and 467,585 total feet of force mains which lead to three major wastewater treatment plants and one smaller plant described in Figure 2-5 and as listed in Table 4-1. In addition, the Authority is a party to a contract with neighboring Cobb County, pursuant to which Cobb County provides sewage treatment services to fewer than 50 customers in certain areas of Douglas County for a processing fee. Also, the neighboring City of Villa Rica provides sewage treatment services to 312 customers in certain areas of Douglas County for a processing fee.

The Sidestream System is part of the Sweetwater Creek Wastewater Treatment Plant, which further treats a portion of the Sweetwater Creek Wastewater Plant discharge and pumps it to a single private water customer for use. The Sweetwater Creek Wastewater Treatment Plant Sidestream Flow is included in the flows listed in Table 4-2 for this plant.

The combined treatment capacity of the Authority's wastewater treatment plants is 12.6 MGD. During the fiscal year ended June 30, 2025., the total average day sanitary sewer flow at all Authority plants was 6.688 MGD, which is approximately 55% of the design capacity of all plants combined. Reference Table 4-1 for a Summary of Authority's Wastewater Treatment Plants.

Table 4-2 presents the Fiscal Year Annual Average Day Flows in Million Gallons per Day for each of the three (3) Wastewater Treatment Plants for Fiscal Years 2016 thru 2025.

Table 4-1
Summary of Wastewater Treatment Plants

<u>Plant</u>	<u>Capacity (MGD)</u>	<u>Type</u>	<u>Effluent Management</u>	<u>Year Installed and Improvements</u>	<u>Fiscal Year 2025 Plant Flow</u>	
					Average Day Flow MGD	Maximum Day Flow MGD
Sweetwater Creek (See Note 1)	3.0	Activated sludge - extended aeration	Discharge to Chattahoochee River	1989	2.168	6.36
Northside	0.6	Activated sludge - extended aeration	Discharge to Gothards Creek	1975	0.391	0.60
New South Central WPCP	9.00	Activated sludge - extended aeration	Discharge to Chattahoochee River	2008	3.073	6.53
	12.6	TOTAL SEWER SYSTEM CAPACITY			TOTAL AVERAGE DAY FLOW :	5.632

Note 1: The Authority has purchased sewer capacity from Cobb County, an adjoining Metropolitan Atlanta County, for the Sweetwater Creek Sewer Collection System. The Authority has completed a project titled "Cobb County Diversion" which will divert flows to Cobb County Sewer System in excess of the 3.0 MGD Sweetwater Creek permit limits.

To date, the Authority has purchased 0.5 mgd of sewer capacity in the Cobb County Sewer System with Cobb County granting 0.615 MGD sewer capacity for Cobb customers using this Authority System for a total capacity of 1.115 MGD from Cobb County.

SOURCE: DDCWSA WW OPERATIONS MANAGER, 5/21/25 5:10 PM, 6/18/25 1:55 PM, AND 6/24/25, 1:00 PM, AND 7/29/25 9:14 AM

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 4-2
DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY
WATER POLLUTION CONTROL PLANT FISCAL YEAR FLOWS

	South Central WPCP		Sweetwater Creek		Northside		TOTAL ALL PLANTS	
	FY Avg	Wkly Max	FY Avg	Wkly Max	FY Avg	Wkly Max	FY Avg	Wkly Max
Monthly Permit Limit	9.00	7.50	3.00	3.75	0.60	0.750	12.60	12.00
See Graphs:	Graph 4-1		Graph 4-2		Graph 4-3		Graph 4-4	
2016	3.418	5.191	2.358	3.682	0.323	0.416	6.10	9.29
2017	2.957	3.846	2.190	3.267	0.262	0.431	5.41	7.54
2018	3.096	3.823	2.325	3.417	0.205	0.421	5.63	7.66
2019	3.281	4.381	2.949	5.040	0.189	0.414	6.42	9.84
2020	3.188	5.269	3.335	5.432	0.215	0.385	6.74	11.09
2021	3.114	4.700	3.730	8.180	0.020	0.100	6.86	12.98
2022	3.220	4.000	3.158	3.890	0.085	0.330	6.46	8.22
2023	3.349	4.500	3.048	4.010	0.255	0.510	6.65	9.02
2024	3.383	5.800	2.885	4.610	0.420	0.540	6.69	10.95
2025	3.073	4.200	2.168	3.770	0.391	0.430	5.632	8.40
<p>Note 1: The Authority has purchased sewer capacity from Cobb County, an adjoining Metropolitan Atlanta County, for the Sweetwater Creek Sewer Collection System. The Authority has completed a project titled "Cobb County Diversion" which will divert flows to Cobb County Sewer System in excess of the 3.0 MGD Sweetwater Creek permit limits.</p> <p>To date, the Authority has purchased 0.5 mgd of sewer capacity in the Cobb County Sewer System with Cobb County granting 0.615 MGD sewer capacity for Cobb customers using this Authority System for a total capacity of 1.115 MGD from Cobb County. The diversion project is complete and in operation.</p> <p>(Rebel Trails and South Central UWRF are decommissioned.)</p>								
SOURCE FOR 2020-2025: DDCWSA WW OPERATIONS MANAGER, 5/21/25 5:10 PM, 6/18/25 1:55 PM, , 6/24/25 1:00 pm, and 7/29/25 9:14 am								

prepared by
rjwoodco

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

Graphs 4-1 thru 4-4 present the annual average flow for Years 2016 thru 2025 in graphical form, shown on each graph is the Georgia Environmental Protection Division (“Georgia EPD”) Permitted Treatment Plant Capacity in MGD.

- Graph 4-1 South Central 9.0 MGD Water Pollution Control Plant Annual Average Flow Fiscal Years 2016 thru 2025
- Graph 4-2 Sweetwater Creek 3.0 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025
- Graph 4-3 Northside 0.60 MGD WWTP Annual Average Flow Fiscal Years 2016 thru 2025
- Graph 4-4 Total Annual Wastewater Flow of all Authority's Plants for Fiscal Years 2016 thru 2025

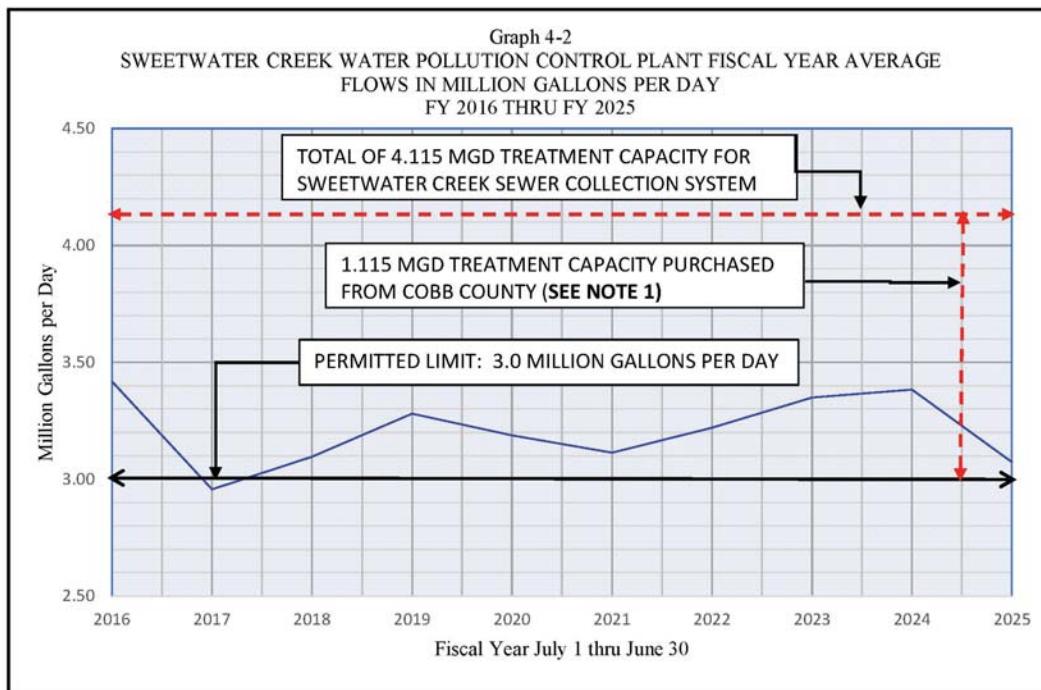
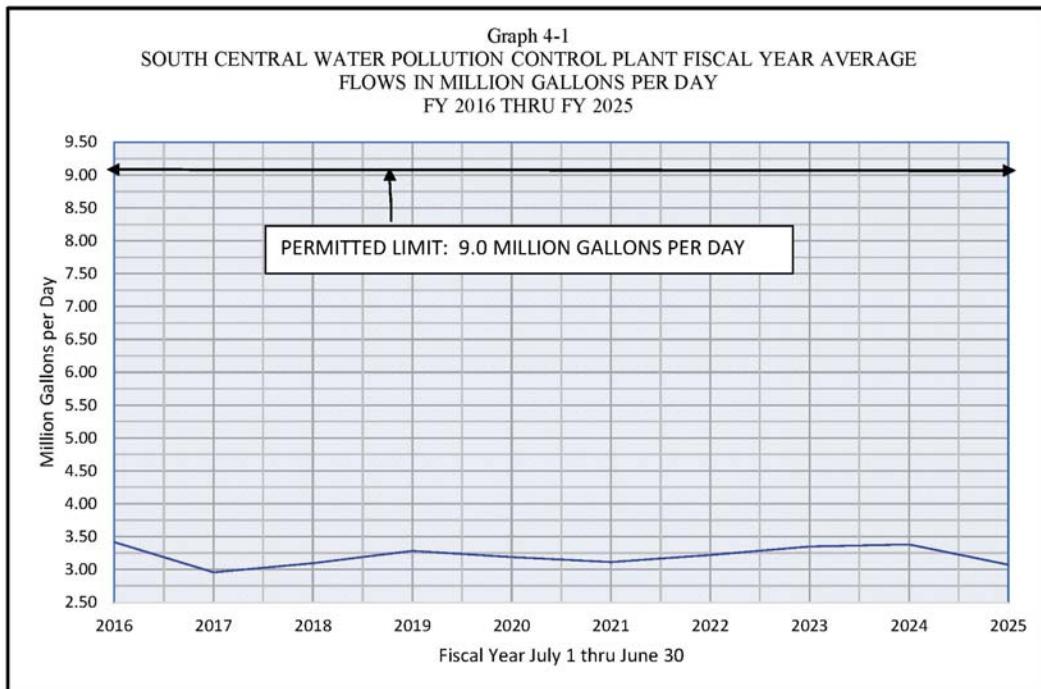
The Authority installs all major sanitary sewer lines, generally referred to as outfalls or interceptors, by contract, usually utilizing the services of the consulting engineer's resident inspector. These lines will generally be 10 inches in diameter or larger. The smaller 8-inch collection lines are almost always installed by the land developer under the Authority's staff resident inspectors. Upon completion to Authority standards, the lines are accepted as part of the sanitary sewer system and are maintained by the Authority.

Wastewater Collection System Inflow/infiltration is continually addressed by a complete inspection and rehabilitation of the system sanitary sewer lines. This task is accomplished with Authority crews who are trained in the use of Authority-owned television, acoustic blockage detection, and grouting equipment.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

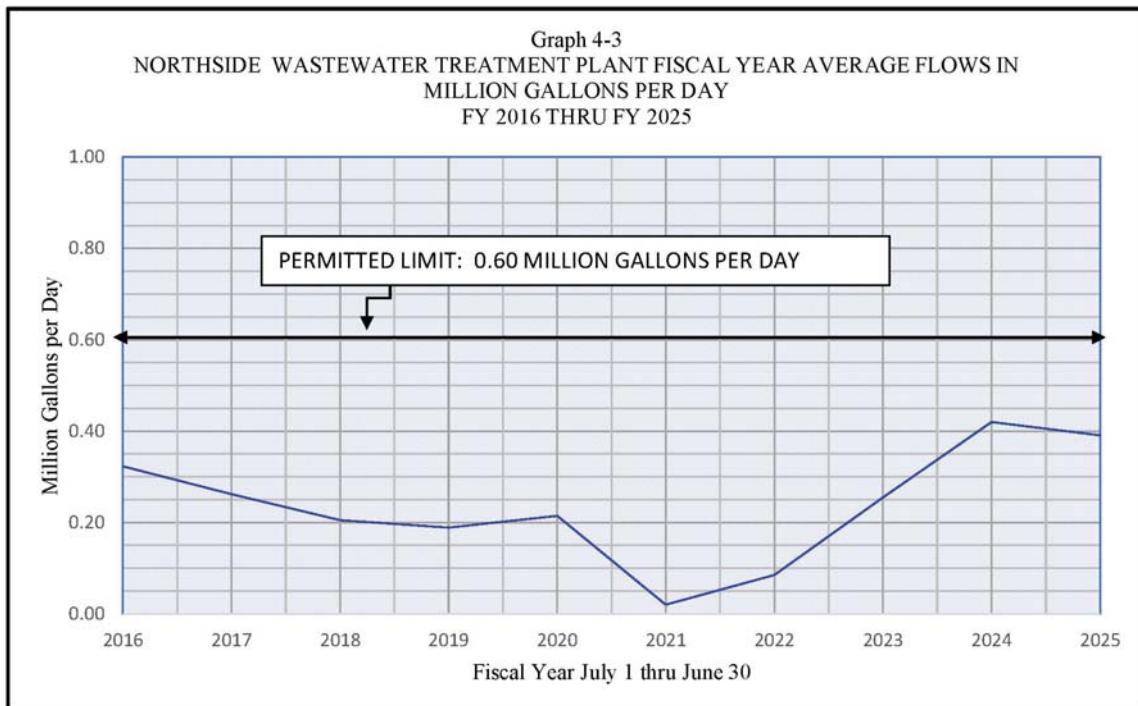
The Authority is currently in substantial compliance with all of its environmental permits and all environmental requirements applicable to the System, and is not under any governmental regulatory agency requirements for corrective actions.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

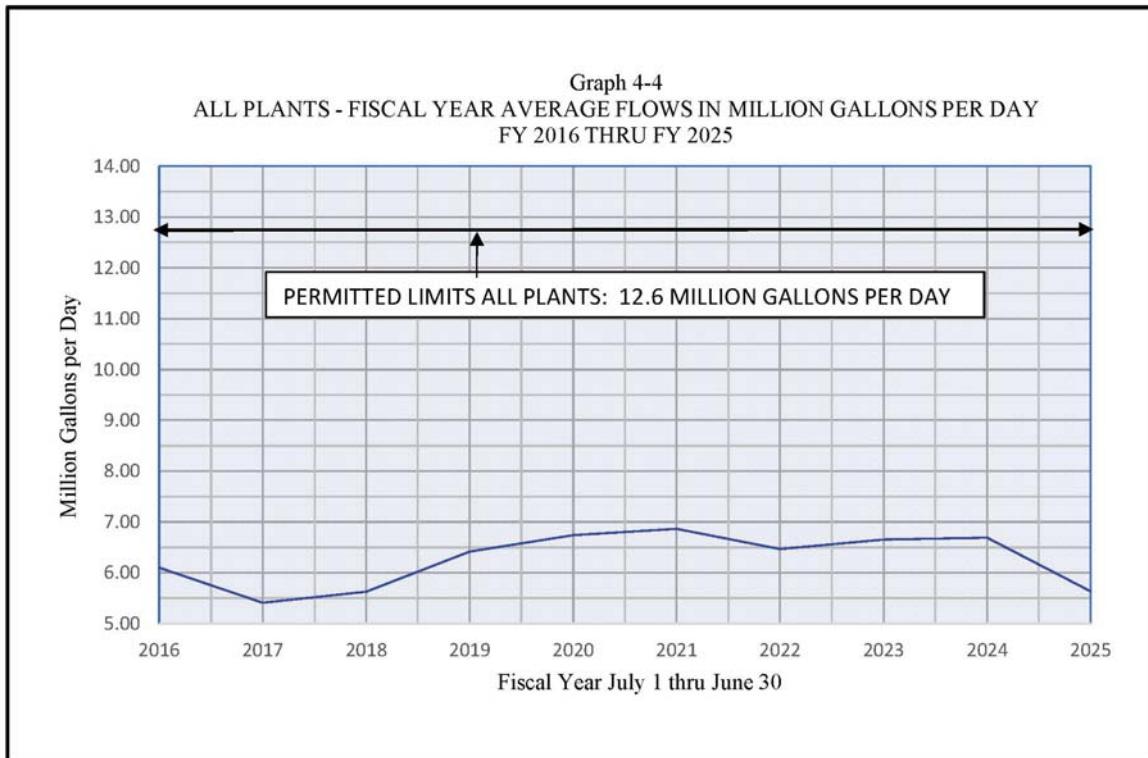


Note 1: The Sweetwater Creek Plant Flow is in excess of the permitted flow limit. The Authority has purchased sewer capacity from Cobb County, an adjoining Metropolitan Atlanta County. The Authority has completed a project titled "Cobb County Diversion" which will divert flows to Cobb County Sewer System in excess of the 3.0 MGD Sweetwater Creek permit limits.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS



DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS



SECTION 5 EXISTING STORMWATER SYSTEM

In January 2003, the Authority acquired the City of Douglasville's stormwater system. At that time, the infrastructure associated with the City system consisted of approximately 41 miles of non-contiguous conveyance pipes and culvert systems along with 2,048 catch basins, 272 junction boxes, and two major retention ponds located within the City Limits.

In December 2003 with an amendment dated June 15, 2004, the Authority entered into a 30-year Intergovernmental Agreement with Douglas County whereby the Authority acquired the County stormwater system and the County agreed to transfer the assets to the Authority on July 1, 2004. At that time, the County system consisted of approximately 103 miles of non-contiguous conveyance pipes and culvert systems along with 5,192 catch basins and 658 junction boxes located within the County.

As of June 2025, the combined Authority stormwater system consisted of 1,715,956 total feet of conveyance pipe and culvert systems, 14,814 catch basins and junction boxes, and two major retention ponds.

The stormwater system is operated according to the requirements of the National Pollutant Discharge Elimination System (NPDES) General Permit No. GAG610000. The Authority's responsibility for the stormwater system entails:

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

- Inspection and enforcement of erosion and sedimentation controls on construction sites;
- Public education and public involvement;
- Detection and elimination of illicit discharges and illegal connections to the public stormwater system;
- Inspection and enforcement to ensure privately-owned infrastructure is properly maintained;
- Inspection and maintenance of the public stormwater system;
- Flood studies and mitigation of flood hazards.

SECTION 6 WATER SYSTEM HISTORICAL DEMAND AND FUTURE WATER DEMAND PROJECTIONS

The past average day water demand and maximum day water demand for each year from 2016 thru 2025 , and annual increase in average water demand per year is presented in Table 6-1. The average day and maximum day water demand is shown in graph form on Graph 6-1. The average fiscal year annual water system demand increase from 2016 thru 2025 is 1.73% per year.

Per the Atlanta Regional Commission (the planning agency for the Metropolitan Atlanta Region) Projected Water Demands in annual average day and population for years 2016 thru 2050 is presented in Table 6-2. Projected water demand percentage growth rates, population and average day water demand thru 2066 (a 35 year Atlanta Regional Commission planning period from 2015 thru 2050) are presented in Table 6-3. At the bottom of this table the Authority and R. J. Wood and Company present water demand calculations from 2050-2066.

Population projection for this 50 year planning period from 2016 thru 2066 is presented in Graph 6-2, with the Annual Average Day Water Demand for this 50 year period presented in Graph 6-3.

Table 6-1
Douglasville-Douglas County Water and Sewer Authority
Average Day and Maximum Day Water System Demand
Fiscal Year 2016 thru 2025

Fiscal Year	FY Avg (MGD)	Max Day (MG)	Min Day (MG)
2016	11.137	14.401	9.199
2017	11.722	15.036	8.458
2018	11.537	15.003	9.666
2019	11.634	15.505	9.668
2020	11.536	14.636	9.803
2021	11.679	14.532	10.017
2022	11.964	16.172	10.163
2023	12.824	23.310	10.970
2024	12.920	17.365	10.884
2025	13.831	16.758	11.827

Provided by M Henry, DDCWSA Water Operations Manager, 7/15/25, 10:37 am

2023- The spike was caused by temperatures that plunged into the single digits by Christmas Eve 2022, causing widespread frozen and burst private and public water pipes—over hundreds of call-outs in Roswell alone and numerous incidents across Buckhead, East Point, Johns Creek, and Douglas County/Douglasville. Metro Atlanta's Christmas 2022 freeze overwhelmed water infrastructure with freezing, bursting, and flooding. Utility systems experienced unprecedented demand—not just from use, but from critical maintenance to prevent and repair breaks. Repairs stretched over the holiday, with boil-water alerts, bottled water distribution, and conservation requests until systems could be stabilized and pressure restored.

TABLE 6-1A
BEAR CREEK WATER TREATMENT PLANT DEMANDS FISCAL YEAR 2016 THRU 2025

<u>Fiscal Year</u>	<u>FY Average (MGD)</u>	<u>Max Day (MG)</u>	<u>Min Day (MG)</u>
2016	11.137	14.401	9.199
2017 (*)	11.722	15.036	8.458
2018	11.537	15.003	9.666
2019	11.634	15.505	9.668
2020	11.536	14.636	9.803
2021	11.677	14.532	10.017
2022	11.956	16.172	10.163
2023	12.783	19.190	10.970
2024	12.910	16.831	10.884
2025	13.818	16.758	11.827

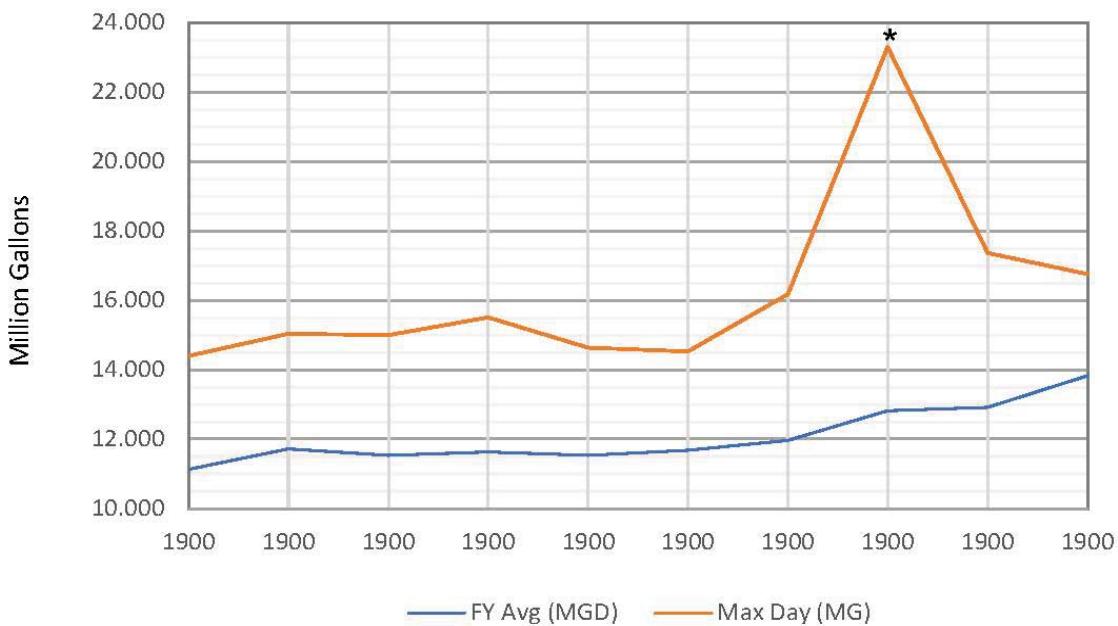
Plant Production - not total system demand

(*) 8-Dec-16 (FY2017) During drought - plant production reduced to limit withdrawals, buying water.

TABLE 6-1B
AUTHORITY PURCHASE OF WATER FROM COBB/MARIETTA AUTHORITY
AND COBB COUNTY
FISCAL YEAR 2016 THRU 2025 (MILLION GALLONS)

<u>Supplier</u>	<u>2016</u>	<u>2017</u> (*)	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Cobb/Marietta Authority	3.056	138.140	3.122	0.485	0.171	.649	2.75	15.025	3.53	4.572
Cobb County	0.131	0.000	0.317	0.000	0.002	.104	.111	0	.0029	.165
TOTAL:	3.187	138.14	3.439	0.485	0.173	0.753	2.861	15.025	3.5329	4.737
(*) Year 2017 Water that was purchased in November and December 2016 (FY2017) from Cobb/Marietta Authority system, as part of the Authority's drought response. (Dog River Reservoir dropped more than 13 feet below overflow during this time period)										

Graph 6-1
Douglasville-Douglas County Water and Sewer Authority
Average Day and Maximum Day Water System Demand
Fiscal Year 2016 thru 2025



(*) Provided by M Henry, DDCWSA Water Operations Manager, 7/15/25, 10:37 am
2023- The spike was caused by temperatures that plunged into the single digits by Christmas Eve 2022, causing widespread frozen and burst private and public water pipes—over hundreds of call-outs in Roswell alone and numerous incidents across Buckhead, East Point, Johns Creek, and Douglas County/Douglasville. Metro Atlanta's Christmas 2022 freeze overwhelmed water infrastructure with freezing, bursting, and flooding. Utility systems experienced unprecedented demand—not just from use, but from critical maintenance to prevent and repair breaks. Repairs stretched over the holiday, with boil-water alerts, bottled water distribution, and conservation requests until systems could be stabilized and pressure restored.

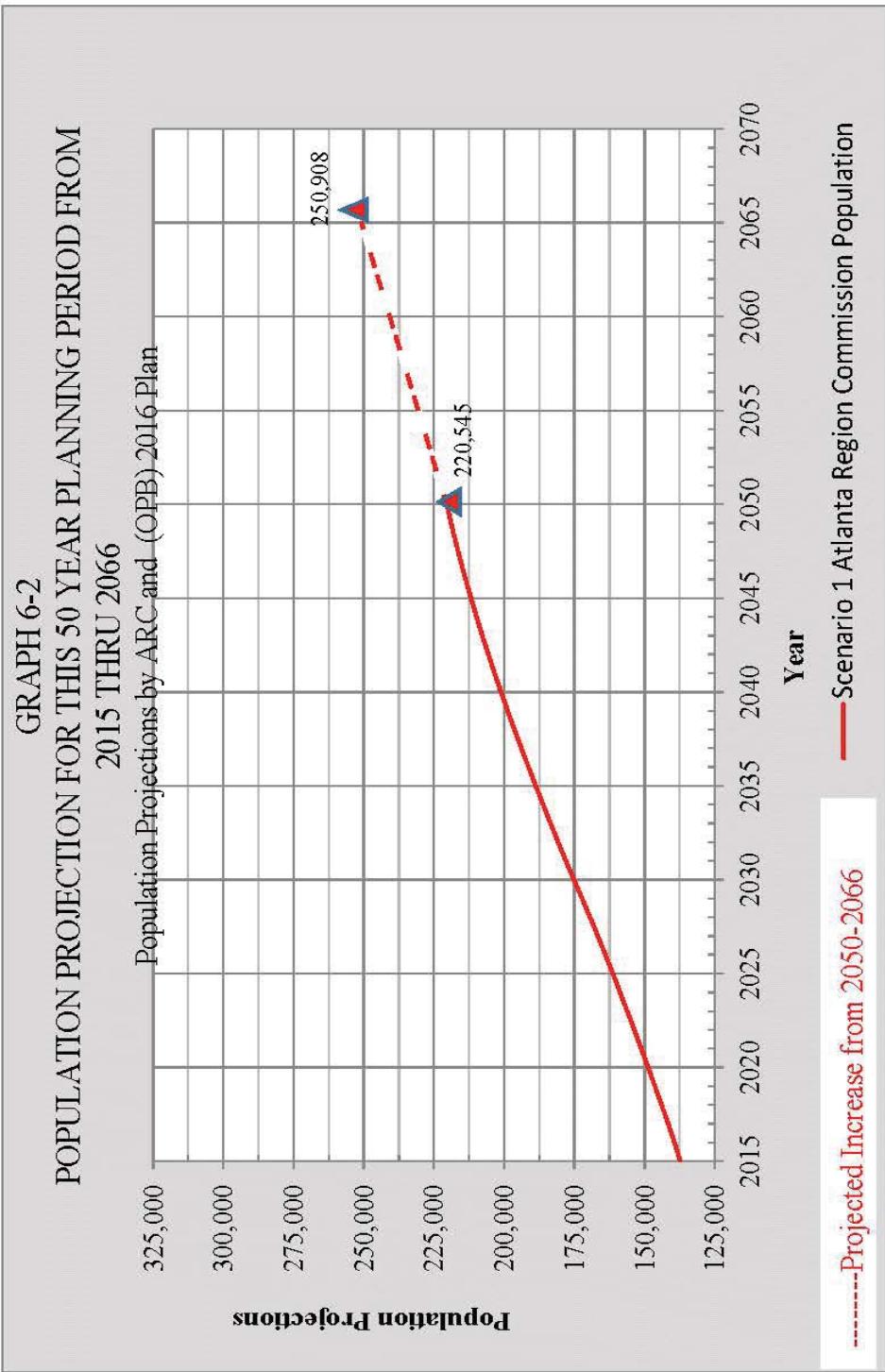
TABLE 6-2
ATLANTA REGIONAL COMMISSION PROJECTED WATER DEMANDS
IN ANNUAL AVERAGE DAY AND POPULATION FOR
YEARS 2015 THRU 2050

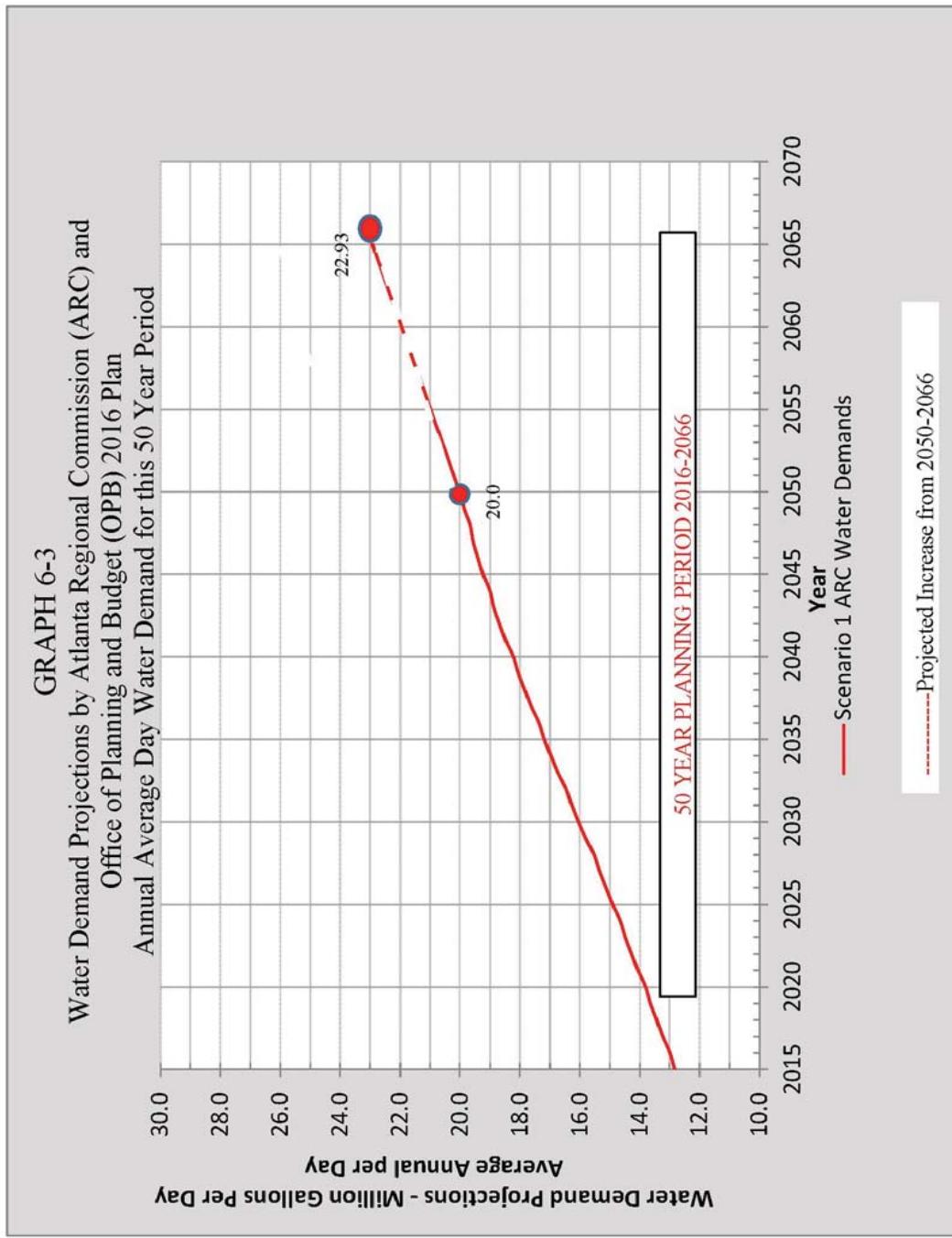
DOUGLAS COUNTY		(Source - Atlanta Regional Commission)
Demands in MGD - AAD (Million Gallons per Day) (Average Annual Day)		
	<u>Scenario 1 Population</u>	<u>Scenario 1 Demands</u>
2015	137,302	12.8
2016	139,386	13.0
2017	141,643	13.2
2018	143,977	13.4
2019	146,378	13.6
2020	148,812	13.8
2021	151,263	14.1
2022	150,740	14.3
2023	156,247	14.5
2024	158,780	14.7
2025	161,373	14.9
2026	164,004	15.1
2027	166,707	15.3
2028	169,481	15.5
2029	172,322	15.8
2030	175,224	16.0
2031	178,042	16.3
2032	180,806	16.5
2033	183,511	16.7
2034	186,166	17.0
2035	188,782	17.2
2036	191,359	17.4
2037	193,889	17.6
2038	196,365	17.8
2039	198,779	18.1
2040	201,144	18.2
2041	203,440	18.5
2042	205,662	18.7
2043	207,799	18.9
2044	209,852	19.0
2045	211,832	19.2
2046	213,728	19.4
2047	215,551	19.6
2048	217,286	19.7
2049	218,950	19.9
2050	220,545	20.0

TABLE 6-3
PROJECTED WATER DEMAND PERCENTAGE GROWTH RATES,
POPULATION AND AVERAGE DAY WATER DEMAND THRU 2050
DOUGLAS COUNTY - DEMANDS IN MGD - AAD
(Millions Gallons per Day) - (Average Annual Demand)

SCENARIO 1 POPULATION AND DEMANDS - ATLANTA REGIONAL COMMISSION (ARC)					
Year	Population	Demands			
2015	137,302	12.8	A	A	$13.8 = 12.8 (1 + i)^5$ $(13.8/12.8)^{0.2} = 1 + i = 1.0152$
2016	139,386	13.0		B	$14.7 = 13.8 (1 + i)^4$ $(14.7/13.8)^{0.25} = 1 + i = 1.0159$
2017	141,643	13.2		C	$15.5 = 14.7 (1 + i)^4$ $(15.5/14.7)^{0.25} = 1 + i = 1.0133$
2018	143,977	13.4		D	$16.5 = 15.5 (1 + i)^4$ $(16.5/15.5)^{0.25} = 1 + i = 1.0158$
2019	146,378	13.6		E	$17.4 = 16.5 (1 + i)^4$ $(17.4/16.5)^{0.25} = 1 + i = 1.0134$
2020	148,812	13.8		F	$18.2 = 17.4 (1 + i)^4$ $(18.2/17.4)^{0.25} = 1 + i = 1.0113$
2021	151,263	14.1		G	$19.0 = 18.2 (1 + i)^4$ $(19.0/18.2)^{0.25} = 1 + i = 1.0108$
2022	153,740	14.3		H	$20.0 = 19.0 (1 + i)^6$ $(20.0/19.0)^{0.1667} = 1 + i = 1.0086$
2023	156,247	14.5			
2024	158,780	14.7			
2025	161,373	14.9			
2026	164,004	15.1			
2027	166,707	15.3			
2028	169,481	15.5			
2029	172,322	15.8			
2030	175,224	16.0			
2031	178,042	16.3			
2032	180,806	16.5			
2033	183,511	16.7			
2034	186,166	17.0			
2035	188,782	17.2			
2036	191,359	17.4			
2037	193,889	17.6			
2038	196,365	17.8			
2039	198,779	18.1			
2040	201,144	18.2			
2041	203,440	18.5			
2042	205,662	18.7			
2043	207,799	18.9			
2044	209,852	19.0			
2045	211,832	19.2			
2046	213,728	19.4			
2047	215,551	19.6			
2048	217,286	19.7			
2049	218,950	19.9			
2050	220,545	20.0			
SCENARIO #1 POPULATION		SCENARIO #1 DEMANDS (*)			
$220,545 = 211,832 (1 + i)^5$		$H = \text{Year 2050}$			
$(1 + i) = 1.0081$		$2016 + 50 = 2066 \text{ Year}$			
Year 2066 Population = F		$n = 2066 - 2050 = 16 \text{ Years}$			
$F = 220,545 (1.0081)^{16}$		$F = P (1 + i)^n$			
$F = 250,908$		$F = 20(1.0081)^{16} = 22.93 \text{ MGD}$			
2066 Population = 250,908		Year 2066 Scenario #1 Demand: 22.93 MGD (USE 23.0 MGD)			

(*) Authority and R. J. Wood and Company Water Demand Calculations from 2050-2066





From this data and information shows that the Authority water system demands have increased thru Year 2025 and are projected to continue to grow thru Year 2066, per the Atlanta Regional Commission, with a projected water system demand of approximately 23.0 MGD in Year 2065.

Source of Raw Water and Water Treatment Plant Capacity

Potable water service in Douglas County is provided by the Douglasville-Douglas County Water and Sewer Authority for all incorporated and unincorporated areas in Douglas County. The Authority service area includes the area of both the City of Austell and City of Villa Rica, which are located in Douglas County.

The Douglasville-Douglas County Water and Sewer Authority owns and operates a 256 acre reservoir on Dog River to provide raw water to the Authority's Bear Creek Water Treatment Plant. The Dog River Reservoir, in conjunction with the Bear Creek Water Treatment Plant, serves as the Authority's raw water supply for the water system, which includes both Douglas County and the City of Douglasville and includes areas of City of Austell and City of Villa Rica located in Douglasville. The Dog River Reservoir and Bear Creek Water Treatment Plant are permitted for 23.0 million gallons per day withdrawal and treatment capacity per Georgia Department of Natural Resources Environmental Protection Division by permit.

SECTION 7

**DEVELOPMENT OF ADDITIONAL RAW WATER SOURCE TO
PROVIDE RELIABLE YIELD OF 23.0 MILLION GALLONS PER
DAY DURING THE 100 YEAR DROUGHT OF RECORD**

The existing Dog River Reservoir full water surface elevation is 760' elevation MSL (Mean Sea Level) and contains a raw water storage volume of 1.9 billion gallons of water at this full pool elevation.

The Dog River Reservoir is located in the southwestern portion of Douglas County on Dog River, with the dam approximately 900' upstream from the confluence of the Chattahoochee River and Dog River, as shown on Figure 2-1 and Figure 2-2, on pages 4 and 5 of this report.

The Dog River Reservoir was originally constructed in 1993 at a water surface elevation of 750' USGS (United States Geological Survey datum), with a raw water storage volume of 1.2 billion gallons, to yield a Georgia EPD permitted withdrawal of 16.0 MGD.

The water level of Dog River Reservoir was subsequently raised to a water surface elevation of 760' USGS (increase of 10' in height) to provide a total storage of 1.9 billion gallons, in order to provide a Georgia EPD permitted withdrawal yield of 23.0 MGD and to match the capacity of the Bear Creek Water Treatment Plant. This expansion was permitted by the U. S. Army Corp of Engineers 404 Permit Number 0200104600, dated August 12, 2004.

The original yield of Dog River Reservoir of 23.0 MGD declined significantly due to a severe drought of record in 2007 (the “2007 Drought” which is now the established 100 year Drought of Record) and due to changing governmental regulatory agency requirements for release of water from the Reservoir to downstream Dog River (below the Reservoir) for minimal downstream flow.

During the 2007 Drought, the reservoir yield volume decreased to 2.25 MGD yield (October 19, 2007), with the reservoir water surface level falling from 760' water surface elevation to 741.66' water surface elevation, a drop of 18.33 feet.

Per the Authority’s Master Plan dated July 1, 2013, prepared by Black and Veatch Engineering, Hydraulic Budget Modeling Table 7, titled “Dog River Maximum Theoretical Withdrawal Model Assumptions Summary”, the 100 Year Drought of Record reliability of the existing Dog River Reservoir was assumed to be 9.0 MGD during the 2007 Drought, taking into account minimum downstream flow requirements.

Schnabel Engineering also evaluated the yield of the existing Dog River Reservoir at a 760' Water Surface Elevation, to be 8.3 MGD at annual 7Q10 (seven day lowest flow over a 10 year period of time) release of 9.0 cubic feet per second (CFS). Therefore, additional Reservoir raw water storage is required to provide a reliable 100 Year Drought of Record supply and to meet the Reservoir minimum for downstream flow requirements.

Engineering studies determined the most cost effective and most practicable option to provide the required raw water storage volume for: (1) a 23.0 MGD yield during the 100 Year Drought of Record; and, (2) to provide the minimum downstream flow requirements is to increase the water surface of the existing Dog River Reservoir from 760.0' to an elevation of 795.3', which will provide a storage volume of 6.5 billion gallons of raw water.

The Authority's Fiscal Year 2025 average day daily water demands as presented in Table 6-2 is 14.7 MGD. This graph shows that the Bear Creek Water Treatment Plant daily water demand in Fiscal Year 2020 exceeds the existing Dog River Reservoir 9.0 MGD raw water reliable yield during a 100 Year Drought of Record, illustrating the immediate need for additional raw water storage volume

Due to the existing Dog River Reservoir having a current 100 Year Drought of Record yield of 9.0 MGD, and the current fiscal year 2020 average day water demand in the range of 14.7 MGD, providing additional raw water storage is an essential project with a critical time line for a mission critical water system component to provide a dependable water supply to meet both the 100 Year Drought of Record demand level and the downstream flow requirements, all for the benefit of the health and welfare of the Authority's water system customers.

In order to raise the existing Dog River Reservoir Water Surface elevation to provide the 6.5 Billion Gallons of raw water volume, a U.S. Army Corp of Engineers 404 Permit is required.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

The Authority, through its consultants, prepared a U.S. Army Corp of Engineers 404 permit application for raising the existing Dog River Reservoir water surface from 760.0' to 795.3', with 60 appendices, consisting of documents and environmental studies required for permit approval.

This U.S. Army Corp of Engineers 404 Permit Application #SAS-2001-04600 and studies, dated August 14, 2018, was submitted to the U.S. Army Corp of Engineers Savannah District on August 15, 2018 for raising the Dog River Reservoir from Water Surface Elevation 760' to 795.3' elevation. The U. S. Army Corp of Engineers issued this permit on September 11, 2020.

It is important to note that, per the Georgia EPD, the Dog River Reservoir is currently permitted for 23.0 MGD water withdrawal. Therefore, no additional Georgia EPD water withdrawal permit is required.

Also, the Bear Creek Water Treatment Plant is permitted by the Georgia EPD for a 23.94 MGD treatment capacity. Therefore, no additional Georgia EPD water treatment plant permitted capacity is required.

Authority's Gallons per Capita per Day (GPCPD)

The Authority experiences one of the lowest gallons per capita per day (GPCPD) usage rates for water systems in the Metropolitan area.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

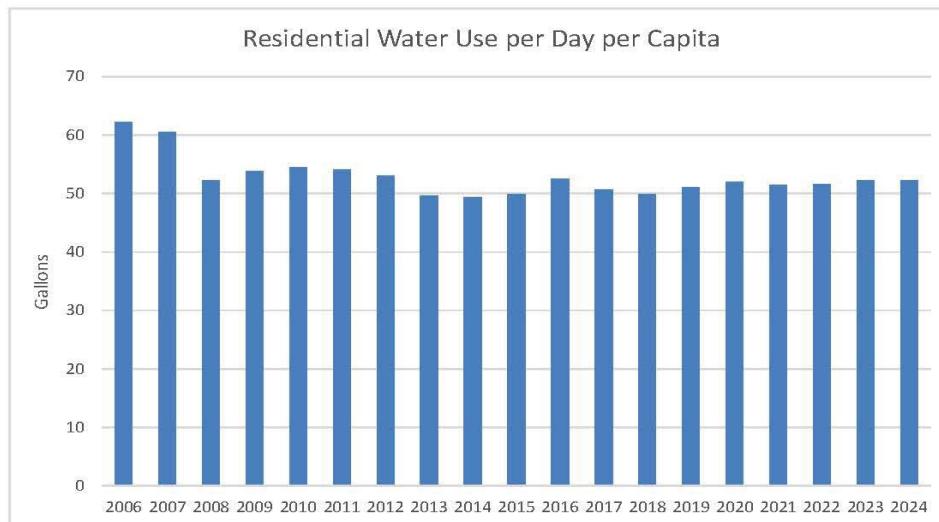
For Years 2006- 2024 the yearly average single family residential water use in gallons per capita per day (GPCPD) is 55.73. Reference Table 7-1 and Graph 7-1, which presents this gallon per capita per day for Years 2016-2024 (calendar years).

TABLE 7-1 Water Use 10 Year Baselines Single Family Residential Gallons per Capita per Day

DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY

SINGLE FAMILY RESIDENTIAL					
Baseline GPCD Residential Water Use					
(A)	(B)	(C)	(D1)	(E)	
Baseline Year*	Service Area Population	Water Use by SF residential customers (in gallons)	Annual residential per capita Water use (C/B)	Daily residential per capita Water use (column D1/ 365)	Monthly Per Household Use (E) x Persons in Household
2006	99,863	2,269,028,919	22,721.418	62.250	5,322
2007	103,878	2,292,567,100	22,069.804	60.465	5,170
2008	104,483	2,000,358,000	19,145.296	52.310	4,472
2009	104,186	2,045,764,600	19,635.696	53.796	4,600
2010	104,384	2,077,613,100	19,903.559	54.530	4,662
2011	103,747	2,048,372,300	19,743.918	54.093	4,625
2012	103,524	2,009,121,800	19,407.305	53.025	4,534
2013	104,969	1,901,281,100	18,112.787	49.624	4,243
2014	109,201	1,969,527,000	18,035.796	49.413	4,225
2015	109,982	2,003,039,200	18,212.427	49.897	4,266
2016	110,928	2,133,421,460	19,232.488	52.548	4,493
2017	111,902	2,072,417,920	18,519.870	50.739	4,338
2018	113,159	2,061,092,600	18,214.089	49.902	4,267
2019	114,550	2,136,255,900	18,649.105	51.093	4,368
2020	116,001	2,200,122,000	18,966.455	51.963	4,443
2021	117,705	2,208,564,200	18,763.555	51.407	4,395
2022	118,982	2,242,086,000	18,843.941	51.627	4,414
2023	120,224	2,291,018,700	19,056.187	52.209	4,464
2024	123,984	2,364,155,000	19,068.296	52.242	4,467
Total of Column (4)		366,301.991	1,003.135	85,768	
Average SF GPCD for Baseline Period		20,350.11	55.73	4,764.89	

Douglas County Persons per household = 2.85 per Census



SOURCE: T. ALGER, FINANCE DIRECTOR, DDCWSA FINANCIALS 6/5/25 3:46 PM, Appendix A

SECTION 8 AUTHORITY'S FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM PROJECTS

The Authority's Management Team, Staff, Board of Directors, and Consulting Engineers annually conduct a planning session to review the stormwater, wastewater, and water needs based on previous engineering studies and reports prepared by the Authority's consultants. The capital needs identified by this planning session are used as the basis for developing Five-Year Capital Improvements Projects (CIP) and the required funding to meet the financial requirements of this plan.

The projects in the Capital Improvements Plan which will be funded by annual system revenues except for the Series 2025 Bonds for raising the Dog River Reservoir Water Surface Elevation from 760' to 795.3'.

The Series 2025 Bonds will be used for funding in raising the existing Dog River Reservoir, which will consist of one (1) overall project with three (3) individual projects as listed in Table 9-1. These projects are required to raise the existing Dog River Reservoir from the existing water surface elevation of 760' to 795.3' in order to provide additional raw water volume in the Dog River Reservoir for a reliable raw water supply.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 8-1 SUMMARY OF CAPITAL PROJECTS - WATER AND SEWER

CAPITAL IMPROVEMENT PROGRAM BUDGET
SUMMARY OF CAPITAL PROJECTS - WATER & SEWER

CAPITAL PROJECTS - WATER & SEWER		TOTAL	2026	2027	2028	2029	2030	Beyond 2030	Previous
Additional Water Supply	W	439,810,487	106,243,124	108,852,058	88,334,996	44,624,008	9,070,908	-	82,685,393
Highway 5/Banks Mill Road/Pool Road Roundabout	RU	2,500,000	1,000,000	1,000,000	500,000	-	-	-	-
Chapel Hill Road Widening - Anneewakee Road to West Chapel Hill Road	RU	2,820,000	1,358,500	648,500	813,000	-	-	-	-
Stewart Mill Road/Reynolds Road Utility Relocations	RU	179,459	109,000	-	-	-	-	-	70,459
New Water Storage Tank in 1165 Zone	W	6,400,000	2,200,000	3,000,000	1,200,000	-	-	-	-
Miscellaneous Sewer Line Replacements	S	6,650,450	1,200,200	1,206,250	1,044,000	1,200,000	1,000,000	1,000,000	-
Miscellaneous Water Line Replacement Projects	W	2,640,000	400,000	460,000	460,000	460,000	380,000	480,000	-
Miscellaneous Utility Relocations	RU	600,000	100,000	100,000	100,000	100,000	100,000	100,000	-
Miscellaneous Water Extensions	W	300,000	50,000	50,000	50,000	50,000	50,000	50,000	-
Miscellaneous Pump and Motor Rebuilds	O	6,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
Miscellaneous HVAC Replacements	O	1,027,000	180,000	200,000	200,000	200,000	200,000	-	47,000
Hydrant Replacement Program	W	1,000,000	200,000	200,000	200,000	200,000	200,000	-	-
Annual Maintenance of Water Tanks	W	2,427,000	155,000	568,000	568,000	568,000	568,000	-	-
Bear Creek WTP Improvement Projects	W	6,684,500	1,684,500	1,250,000	1,250,000	1,250,000	1,250,000	-	-
Bear Creek WTP Sedimentation Basin Upgrades	W	6,732,700	1,000,000	1,497,800	1,685,000	1,500,000	-	-	1,049,900
Bear Creek WTP High Service Pump Addition	W	4,890,000	1,478,000	1,400,000	-	-	-	-	2,012,000
South Central WWTP Miscellaneous Improvements	S	1,654,100	156,000	200,000	200,000	200,000	200,000	200,000	498,100
Sweetwater Creek WWTP Miscellaneous Improvements	S	8,190,670	1,414,500	500,000	1,450,000	1,450,000	200,000	-	3,176,170
Data Communications	O	2,078,000	573,000	333,000	173,000	333,000	333,000	333,000	-
Building and Grounds Improvements	O	880,000	380,000	100,000	100,000	100,000	100,000	100,000	-
Miscellaneous Lift Station Improvements	S	3,075,000	550,000	525,000	500,000	500,000	500,000	500,000	-
Vehicles	O	2,741,833	646,833	355,000	390,000	450,000	450,000	450,000	-
Equipment	O	1,419,000	324,000	100,000	350,000	245,000	200,000	200,000	-
Computers Software & Hardware	O	650,000	150,000	100,000	100,000	100,000	100,000	100,000	-
Arbor Place Force Main Rehabilitation	S	2,072,940	588,000	988,000	400,000	-	-	-	96,940
Ashworth Lift Station Discharge Line Rehabilitation	S	1,424,600	1,424,600	-	-	-	-	-	-
Field Complex B Improvements	O	500,000	250,000	250,000	-	-	-	-	-
Birchwood Estates Water Line Replacement	W	837,500	837,500	-	-	-	-	-	-
Water Master Plan Updates	W	500,000	500,000	-	-	-	-	-	-
Shelby Forest Water Line Replacement	W	1,362,915	-	1,100,000	-	-	-	-	262,915
Lee Road Lift Station Improvements	S	1,100,000	500,000	600,000	-	-	-	-	-
Impact Rate Study	O	100,000	100,000	-	-	-	-	-	-
Chattahoochee Outfall Rehabilitation	S	8,861,311	-	500,000	2,000,000	2,400,000	1,500,000	-	2,461,311
Chapel Hill Water Treatment Plant Demolition	W	500,000	-	-	-	500,000	-	-	-
Purchase Sewer Capacity	S	18,000,000	-	-	-	1,045,980	6,655,209	6,548,811	3,750,000
Northside Basin Lift Station Elimination Program	S	2,180,000	-	770,000	1,280,000	-	-	-	130,000
CCMWA Infrastructure Improvements	W	4,000,000	-	500,000	2,000,000	1,500,000	-	-	-
Non-Potable Infrastructure Improvements	W	5,000,000	-	-	-	1,000,000	2,000,000	2,000,000	-
Shallowford Subdivision Water Line Replacement	W	2,120,000	-	700,000	720,000	700,000	-	-	-
Malone Road Lift Station Abandonment	S	1,550,000	-	-	-	500,000	1,050,000	-	-
Water & Sewer Totals - Without Reservoir			20,500,633	20,201,550	18,733,000	17,551,980	18,036,209	13,061,811	13,554,795
Water & Sewer Totals - Without Reservoir and less other funding			18,900,633	18,451,550	17,733,000	17,051,980	17,036,209	12,061,811	12,554,795
Water & Sewer Totals		\$ 561,450,465	\$ 126,743,757	\$ 129,053,608	\$ 107,067,996	\$ 62,175,988	\$ 27,107,117	\$ 13,061,811	\$ 96,240,188

SOURCE: T. ALGER, DDCWSA FINANCE MANAGER, 8/1/25 12:15 PM

prepared by
rjwoodco

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

Due to the size of raising the Dog River Reservoir project, the complexity of this project, and the time requirement due to the phasing of this project to maintain the existing reservoir in operation during construction of the project, the length of time from construction start of the project to project completion is scheduled for 47 months (3 years and 9 months) as shown in Figure 9-4, Project Time Schedule and Funding Time Line Requirements..

Therefore, this project will occur in the current 5 year Capital Improvement Projects (CIP) for FY 2026 thru FY 2030.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 8-2 FIVE YEAR CAPITAL IMPROVEMENT PROJECTS FOR STORMWATER PROJECTS

CAPITAL IMPROVEMENT PROGRAM BUDGET									
SUMMARY OF CAPITAL PROJECTS - STORMWATER									
STORMWATER CAPITAL PROJECTS		TOTAL	2026	2027	2028	2029	2030	Beyond 2030	Previous
Midway Road Stormwater Improvement	SW	1,011,500	500,000	-	-	-	-	-	511,500
Cedar Mountain Road Stormwater Improvement	SW	727,200	681,000	-	-	-	-	-	46,200
Donny Brook Lane Stormwater Improvement	SW	818,288	723,480	45,129	-	-	-	-	49,679
Creek Indian Trail Stormwater Improvement	SW	357,000	-	350,000	-	-	-	-	7,000
Union Grove Road Stormwater Improvement	SW	783,864	-	746,680	-	-	-	-	37,184
Blairs Bridge Road Stormwater Improvement	SW	441,493	-	401,248	-	-	-	-	40,245
Apple Valley Drive Stormwater Improvement	SW	257,700	-	254,950	-	-	-	-	2,750
Shallow Wood Lane Stormwater Improvement	SW	381,549	-	141,016	206,028	-	-	-	34,505
Unspecified Culvert Projects	SW	4,316,664	50,000	50,000	50,000	316,277	1,850,387	2,000,000	-
Florence Drive Stormwater Improvement	SW	507,555	-	-	501,000	-	-	-	6,555
Fairfax Drive Stormwater Improvement	SW	633,950	-	-	628,450	-	-	-	5,500
Parkwood Drive Stormwater Improvement	SW	291,025	-	-	231,355	-	-	-	59,670
Birdie Drive Stormwater Improvement	SW	350,900	-	-	327,819	20,181	-	-	2,900
Miller Street Stormwater Improvement	SW	204,775	-	-	-	202,000	-	-	2,775
Bowden Street Stormwater Improvement	SW	407,500	-	-	-	405,000	-	-	2,500
Skyview Drive Stormwater Improvement	SW	205,275	-	-	-	202,500	-	-	2,775
Sunset Ridge Drive Stormwater Improvement	SW	255,275	-	-	-	252,500	-	-	2,775
Stormwater Master Plan	SW	500,000	-	-	-	500,000	-	-	-
Stormwater Total		\$12,451,513	\$1,954,480	\$1,989,023	\$1,944,652	\$1,898,458	\$1,850,387	\$2,000,000	\$814,513

SOURCE: T. ALGER, DDCWSA FINANCE DIRECTOR, 8/1/25 12:15 PM

Reference Table 8-3, Douglasville-Douglas County Water and Sewer Authority 5 Year Projections Summary, which presents the available annual funds for Capital Improvement projects listed in Tables 8-2 and 8-2, for each year FY 2026 thru FY 2030 as budgeted in the FY2025 budget. This table shows that adequate funds for annual CIP projects are projected from annual system revenues for the planned CIP FY 2026 thru FY 2030 Projects.

The individual project required to raise the Dog River Reservoir Water Surface Elevation from 760' to 795.3' are presented and addressed in Report Section 9.

Water and Sewer customer base fees and water rates are presented in Table 8-4. This table also presents the stormwater user fees.

Water Impact Fees and Sewer Impact Fees for new water meters and sewer taps are presented in Table 8-5.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 8-3 5 YEAR PROJECTIONS SUMMARY
Douglasville-Douglas County Water and Sewer Authority

5 Year Projections - Summary

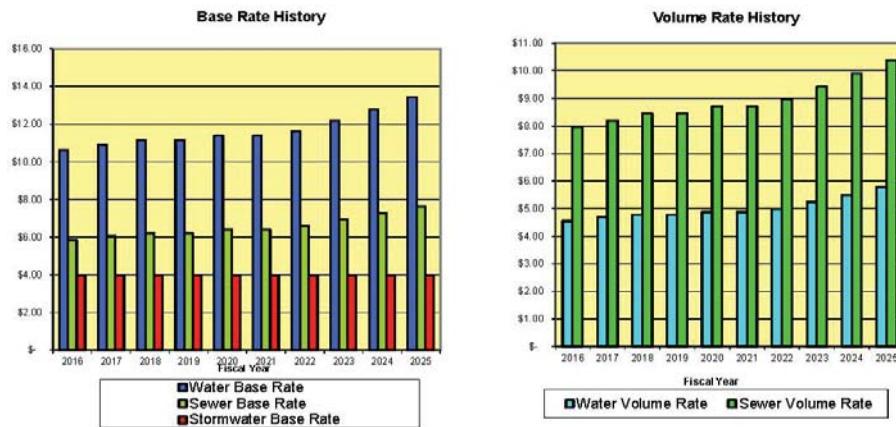
DESCRIPTION	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATIONS					
Operating Revenue	\$ 70,805,319	\$ 74,903,549	\$ 79,286,760	\$ 83,954,481	\$ 88,943,392
Bad Debts	(375,000)	(375,000)	(375,000)	(375,000)	(375,000)
Net Revenue	\$ 70,430,319	\$ 74,528,549	\$ 78,911,760	\$ 83,579,481	\$ 88,568,392
Operating Expenses	(35,317,488)	(35,945,856)	(36,915,450)	(37,912,574)	(38,938,079)
Net Operating Funds	\$ 35,112,831	\$ 38,582,693	\$ 41,996,310	\$ 45,666,907	\$ 49,630,313
OTHER NON-OPERATING ITEMS					
Interest	\$ 2,000,000	\$ 1,825,000	\$ 1,667,500	\$ 1,525,750	\$ 1,248,175
Other Non-Operating	25,000	25,000	25,000	25,000	25,000
Net Non-Operating	\$ 2,025,000	\$ 1,850,000	\$ 1,692,500	\$ 1,550,750	\$ 1,273,175
Total Net Operating Margin	\$ 37,137,831	\$ 40,432,693	\$ 43,688,810	\$ 47,217,657	\$ 50,903,488
% of Operating Expense to Revenue	49.9%	48.0%	46.6%	45.2%	43.8%
DEBT SERVICE	\$ 19,103,898	\$ 23,481,153	\$ 26,814,007	\$ 28,477,318	\$ 28,475,948
% of Debt Service to Revenue	27.0%	31.3%	33.8%	33.9%	32.0%
AVAILABLE AFTER DEBT SERVICE	\$ 18,033,933	\$ 16,951,540	\$ 16,874,803	\$ 18,740,339	\$ 22,427,540
% Available after Debt Service To Operating Revenue	25.5%	22.6%	21.3%	22.3%	25.2%
AVAILABLE FROM OPERATIONS	\$ 18,033,933	\$ 16,951,540	\$ 16,874,803	\$ 18,740,339	\$ 22,427,540
OTHER SOURCES					
CAPITAL CONTRIBUTIONS					
Other	1,600,000	1,750,000	1,000,000	500,000	1,000,000
Tap Fees	8,102,697	9,165,228	9,279,793	9,395,791	9,513,238
Carryover-W&S	3,424,118	-	-	-	-
BONDS	106,243,124	108,852,058	88,334,996	44,624,008	9,070,908
AVAILABLE FOR CAPITAL IMPROVEMENTS	\$ 137,403,872	\$ 136,718,826	\$ 115,489,592	\$ 73,260,138	\$ 42,011,686
CAPITAL IMPROVEMENTS					
Water & Sewer Projects	\$ 20,500,633	\$ 20,201,550	\$ 18,733,000	\$ 17,551,980	\$ 18,036,209
Water Reservoir Expansion	106,243,124	108,852,058	88,334,996	44,624,008	9,070,908
Stormwater Projects	1,954,480	1,989,023	1,944,652	1,898,458	1,850,387
Reserve	300,000	300,000	300,000	300,000	300,000
Use of Funds	\$ 128,998,237	\$ 131,342,631	\$ 109,312,648	\$ 64,374,446	\$ 29,257,504
Net Remaining Funds	\$ 8,405,635	\$ 5,376,195	\$ 6,176,944	\$ 8,885,692	\$ 12,754,182

SOURCE: DDCWSA FY2026 BUDGET PAGE D-4

TABLE 8-4 WATER AND SEWER CUSTOMER BASE FEES
AND WATER RATES AND STORMWATER USER FEES

DOUGLASVILLE-DOUGLAS COUNTY WATER AND SEWER AUTHORITY
WATER, SEWER, AND STORMWATER RATES
LAST TEN FISCAL YEARS REVENUE CAPACITY

Fiscal Year	Water		Sewer		Stormwater Monthly	
	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons (2)	Base Rate	
2016	\$ 10.60	\$ 4.56 (1)	\$ 5.86	\$ 7.96	\$ 4.00	
2017	\$ 10.92	\$ 4.70 (1)	\$ 6.04	\$ 8.20	\$ 4.00	
2018	\$ 11.14	\$ 4.79 (1)	\$ 6.22	\$ 8.45	\$ 4.00	
2019	\$ 11.14	\$ 4.79 (1)	\$ 6.22	\$ 8.45	\$ 4.00	
2020	\$ 11.37	\$ 4.89 (1)	\$ 6.41	\$ 8.71	\$ 4.00	
2021	\$ 11.37	\$ 4.89 (1)	\$ 6.41	\$ 8.71	\$ 4.00	
2022	\$ 11.60	\$ 4.99 (1)	\$ 6.60	\$ 8.97	\$ 4.00	
2023	\$ 12.18	\$ 5.24 (1)	\$ 6.93	\$ 9.42	\$ 4.00	
2024	\$ 12.79	\$ 5.50 (1)	\$ 7.28	\$ 9.89	\$ 4.00	
2025	\$ 13.43	\$ 5.78 (1)	\$ 7.64	\$ 10.38	\$ 4.00	

**Notes:**

(1) In 2008 the Authority implemented a 3-tier water rate structure with Tier I (0-6,000 gallons), Tier II (6,001-9,000 gallons), and Tier III (9,001 gallons & up) billing rates on residential customers. In 2014 the tiers were adjusted with Tier I (0-5,000), Tier II (5,001-8,000 gallons) and Tier III (8,001 & up) rates as in the table below. Also in 2014 sewer rates were adopted with a 2-tier system with Tier I (0-5,000 gallons water consumption) and Tier II (5,001 & up) rates. The tier rates since inception in 2008 are as follows:

	WATER			SEWER		
	Tier I	Tier II	Tier III	Tier I	Tier II + III	
2016	\$ 4.56	\$ 5.70	\$ 9.12	\$ 7.96	\$ 9.30	
2017	\$ 4.70	\$ 5.88	\$ 9.40	\$ 8.20	\$ 9.58	
2018	\$ 4.79	\$ 5.99	\$ 9.58	\$ 8.45	\$ 9.87	
2019	\$ 4.79	\$ 5.99	\$ 9.58	\$ 8.45	\$ 9.87	
2020	\$ 4.89	\$ 6.11	\$ 9.78	\$ 8.71	\$ 10.17	
2021	\$ 4.89	\$ 6.11	\$ 9.78	\$ 8.71	\$ 10.17	
2022	\$ 4.99	\$ 6.23	\$ 9.98	\$ 8.97	\$ 10.48	
2023	\$ 5.24	\$ 6.54	\$ 10.48	\$ 9.42	\$ 11.00	
2024	\$ 5.50	\$ 6.87	\$ 11.00	\$ 9.89	\$ 11.55	
2025	\$ 5.78	\$ 7.21	\$ 11.56	\$ 10.38	\$ 12.13	

(2) Sewer volume is calculated at 80% of water volume

(3) Rates are based on 5/8" meter, which is the standard WSA household meter size.

SOURCE: T. ALGER, DDCWSA FINANCE DIRECTOR, 8/1/25, 12:15 PM

Table 8-5 Water Impact Fees and Sewer Impact Fees for New Water Meters and Sewer Taps

**REVENUE CAPACITY
Water, Sewer and Stormwater Rates
Last Ten Fiscal Years**

Notes (Continued)

(4) Additional Fees:

SOURCE: T. Alger, Finance Director, 5/23/2025 4:02 PM, TABLE 5, PG 2

Base Fees

Meter Size	Water Base	Sewer Base	Tier 1	Tier 2	Tier 3
Senior 5/8"	\$ 2.50	\$ 2.50	0 to 5,000	5,001 to 8,000	over 8,000
Senior 3/4"	\$ 2.50	\$ 2.50	0 to 7,500	7,501 to 12,000	over 12,000
5/8"	\$ 12.79	\$ 7.28	0 to 5,000	5,001 to 8,000	over 8,000
3/4"	\$ 12.79	\$ 7.28	0 to 7,500	7,501 to 12,000	over 12,000
1"	\$ 27.71	\$ 10.33	0 to 12,500	12,501 to 20,000	over 20,000
1 1/2"	\$ 44.29	\$ 20.67	0 to 25,000	25,001 to 40,000	over 40,000
2"	\$ 66.33	\$ 41.32	0 to 40,000	40,001 to 64,000	over 64,000
3"	\$ 304.15	\$ 62.04	0 to 75,000	75,001 to 120,000	over 120,000
4"	\$ 359.18	\$ 82.76	0 to 125,000	125,001 to 200,000	over 200,000
6"	\$ 588.78	\$ 124.09	0 to 250,000	250,001 to 400,000	over 400,000
8"	\$ 901.45	\$ 165.47	0 to 400,000	400,001 to 640,000	over 640,000
10"	\$ 901.45	\$ 165.47	0 to 575,000	575,001 to 920,000	over 920,000

Water Impact Fees (in Dollars)

Size	Tap-on Fee	Installation/Construction Cost	Meter Cost	Inspection Fee	Sub-Total	Deposit	Appl. Fee	Total
Senior 5/8"	1,250	650	-	-	1,900	50	25	1,975
Senior 3/4"	1,875	700	-	-	2,575	88	25	2,688
5/8"	1,250	650	-	-	1,900	50	25	1,975
3/4"	1,875	700	-	-	2,575	88	25	2,688
1"	3,125	750	-	-	3,875	125	25	4,025
1.5"	6,250	-	-	-	6,250	200	25	6,475
2"	10,000	-	2,193	-	12,193	275	25	12,493
3" (Compound)	18,750	-	2,547	50	21,347	425	25	21,797
4" (Compound)	31,250	-	3,820	50	35,120	575	25	35,720
4" Fire line	-	-	5,964	-	5,964	-	-	5,964
6" (Compound)	62,500	-	5,545	50	68,095	900	25	69,020
6" Fire Line	-	-	8,318	-	8,318	-	-	8,318
8"	100,000	-	10,079	50	110,129	1,200	25	111,354
10"	143,750	-	15,413	50	159,213	1,500	25	160,738

Sewer Impact Fees (in Dollars)

Size	Tap-on Fee	Installation Cost	Meter Cost	Inspection Fee	Sub-Total	Deposit	Appl. Fee	Total
Senior 5/8"	4,500	-	-	100	4,600	75	-	4,675
Senior 3/4"	6,750	-	-	100	6,850	113	-	6,963
5/8"	4,500	-	-	100	4,600	75	-	4,675
3/4"	6,750	-	-	100	6,850	113	-	6,963
1"	11,250	-	-	100	11,350	150	-	11,500
1 1/2"	22,500	-	-	100	22,600	225	-	22,825
2"	36,000	-	-	100	36,100	300	-	36,400
3"	67,500	-	-	100	67,600	450	-	68,050
4"	112,500	-	-	100	112,600	600	-	113,200
6"	225,000	-	-	100	225,100	900	-	226,000
8"	360,000	-	-	100	360,100	1,200	-	361,300
10"	517,500	-	-	100	517,600	1,500	-	519,100

**SECTION 9 SERIES 2025 BONDS AND FIVE-YEAR CAPITAL IMPROVEMENTS
PROGRAM PROJECTS TO PROVIDE RAW WATER AT A RELIABLE
YIELD OF 23.0 MILLION GALLONS PER DAY**

The map in Figure 9-1 titled Overall Project Map showing Individual Construction Projects presents the existing Reservoir and existing Reservoir Water Surface and the proposed projects required to raise the elevation of the Reservoir.

Table 9-2, Estimated Project Cost by Individual Line Items and Funding Time Requirements, details project items, project costs, and funding time period, includes engineering fees, land cost, environmental Mitigation Wetland Credits and Stream Credits, and governmental regulatory permitting agency permitting.

Per Report Section #7, Development of Additional Water Sources to Provide a Reliable Yield of 23.0 Million Gallons per Day during a 100 Year Drought of Record, the most cost effective and practicable option to provide the required additional volume of raw water (6.5 billion gallons needed volume less 1.9 billion gallons of existing volume) of 4.6 billion gallons is to raise the existing Dog River Reservoir from a Water Surface Elevation of 760.0' to 795.3'.

In order to raise the Reservoir water surface level as described above, a number of action items and capital projects are required.

The following is a list of the Reservoir Construction Projects (Projects “A”, “B”, and “C”) with descriptions and estimated costs to be funded by the PHASE 1 - 2020A SERIES (COMPLETE); PHASE 2 - 2025 SERIES (FY 26); and PHASE 3 2027 (FUTURE) Money Bonds

and other sources. Project costs funded by the Phase 2 - 2025 SERIES (FY 26) bond money is listed in Table 9-3, Total Estimated Project Cost.

The cost of these action items and capital projects will be funded by the combination of the Authority's Water and Sewerage Revenue Bonds Series 2020A (Complete), Series 2025 Bonds (FY26); additional bonds to be issued by the Authority in the fall of 2027, Bond Construction Fund interest earnings, and other internal sources. The capital projects will consist of one (1) main overall project consisting of three (3) individual construction projects (the "Reservoir Construction Projects") as shown and listed in Figure 9-1, a map of the Dog River Reservoir projects.

PROJECT "A"

NEW RAISED DAM AND CONCRETE SPILLWAY CONSTRUCTION

It will be necessary to construct a New Earthen Raised Dam with a new concrete spillway and reservoir spillway outfall structure in order to raise the Reservoir water surface elevation from 760.0' to 795.3'. In addition, it will be necessary to construct an earthen embankment saddle berm between the Dog River Basin and the Basket Creek Basin.

The construction cost of this project \$233,619,278, as listed in Table 9-1.

PROJECT "B"

DIVISION I - NEW DOG RIVER RESERVOIR MAIN INTAKE AND PUMPING

STATION FOR RAISED RESERVOIR WATER SURFACE ELEVATION TO 795.3 FT

This project will consist of constructing a new Main Raised Reservoir Intake and Pumping Station, which will be utilized to pump reservoir water thru either an existing 36" diameter pipeline or the 30" diameter and 24" diameter pipeline to the Bear Creek Water Treatment Plant.

The Intake Pump Station will consist of a reinforced concrete structure with concrete block brick veneer building on top and will be configured to house up to 4 variable speed vertical turbine pumps. These pumps will be sized to pump from the current water system demand to the permitted capacity of 23.0 MGD. Sluice gate openings in the new Intake Structure will allow reservoir water to be withdrawn from the Reservoir at various reservoir water levels, from the water surface elevation of 760.0' to 795.3', into the Intake Structure.

The existing two electric generators at the existing Reservoir Intake Pumping Station that are sized to operate the pumping stations at 100% of the 23.0 MGD permitted withdrawal will be relocated to this new Intake Pumping Station. A new electrical building will be included at the station.

Per Table 9-1 the construction cost of Division I is \$94,823,043.

PROJECT "B"

DIVISION II - NEW BACKUP DOG RIVER INTAKE AND PUMP STATION AT
DORSETT BRIDGE FOR RAISED RESERVOIR WATER SURFACE ELEVATION TO
795.3 FT

This project will consist of removing the two (2) 2500 hp vertical pumps in the existing Reservoir Intake Pump Station and rebowling and reworking of the pump electric motors by the pump manufacturer and providing to the Authority for future use.

Per Table 9-1 the construction cost of Division II Pump Rehab is \$3,240,056.00.

PROJECT "B"

DIVISION III - RAISING A SECTION OF DOG RIVER RESERVOIR ROAD
ENTRANCE AND INSTALLING A 36" DIAMETER DUCTILE IRON PIPE RAW
WATER PIPELINE AND A 24" DIAMETER DUCTILE IRON PIPE FLOW
AUGMENTATION PIPELINE IN THE SECTION OF RAISED ENTRANCE ROAD

A section of the existing Dog River Reservoir Road will require raising in elevation since the existing road elevation will be impacted when the Reservoir is raised to water surface elevation 795.3'.

Raising of this section of Reservoir Entrance Road will be achieved by grading a new roadway and placing earth fill embankment in the area paralleling the existing section of roadway impacted by Raising the Dog River Reservoir.

This project will include relocating a 36" diameter raw water line and a 24" diameter flow augmentation pipeline inside the raised road section and a new roadway culvert will also be required.

Per Table 9-1 the construction cost of Project "B" Division III is \$13,484,053.

PROJECT "B"

DIVISION IV - DOG RIVER RESERVOIR RECREATIONAL AREA MODIFICATIONS

This project will consist of construction of a new concrete boat ramp and grading for future new restroom buildings, and a new pavilion.

Per Table 9-1 the construction cost of Project IV is \$3,185,551.

PROJECT "C"

GEORGIA DEPARTMENT OF TRANSPORTATION HWY 166 ROADWAY AND
BRIDGE OVER DOG RIVER RESERVOIR

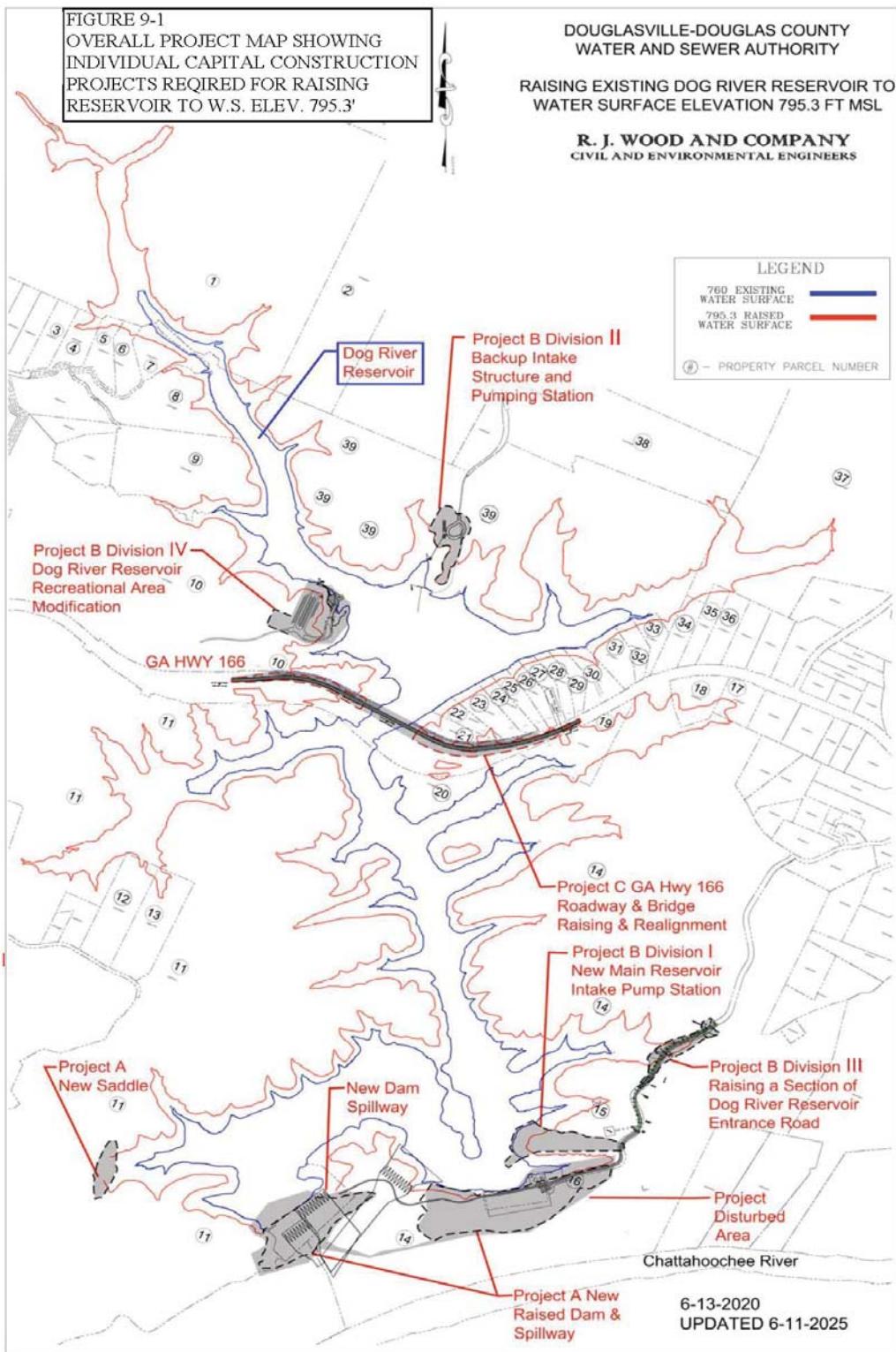
It will be necessary to raise and realign +/- 4,600 Linear Feet of existing Georgia Department of Transportation Hwy 166 Roadway and Bridge over Dog River Reservoir before the

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

Reservoir water surface elevation is raised to 795.3'. This project will consist of both a new raised and realigned roadway and a new bridge over the Dog River Reservoir.

Per Table 9-1 the construction cost of Project "C" is \$ 41,565,077.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS



proposed DR RESRVOIR OPTION 1A 795 overall 42x80 6-11-25.mxdg(8.5x11), Jun 11,2025

CAPITAL PROJECT DESCRIPTION AND ESTIMATED CONSTRUCTION COST			
<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>CONSTRUCTION MANAGER AT RISK</u>	<u>GUARANTEED MAXIMUM PRICE (GMP)</u>
			<u>TOTAL COST</u>
PROJECT "A"	NEW RAISED DAM & CONCRETE SPILLWAY CONSTRUCTION		\$233,619,278.00
PROJECT "B"	NEW DOG RIVER RESERVOIR INTAKE AND PUMPING STATION FOR RAISED RESERVOIR WATER SURFACE EL. TO 795.3 FT		\$94,823,043.00
DIVISION I	Intake Pumping Station Intake Structure and Pumps and Electrical Building Relocate Generator Electrical Building Sitetwork and Piping		
DIVISION II	BACKUP DOG RIVER RESERVOIR INTAKE		\$3,240,056.00
DIVISION III	RAISING A SECTION OF DOG RIVER RESERVOIR ROAD AND INSTALLING A 36"Ø DIP RAW WATER PIPELINE AND A 24"Ø DIP FLOW AUGMENTATION PIPELINE IN THE SECTION OF RAISED ENTRANCE ROAD		\$13,484,053.00
DIVISION IV	DOG RIVER RESERVOIR RECREATIONAL AREA MODIFICATIONS		\$3,185,551.00
PROJECT "C"	GEORGIA DOT HWY 166 ROADWAY AND BRIDGE OVER DOG RIVER RESERVOIR		\$41,565,077.00
	Bridge and Roadway Rearrangements Bridge Cost Roadway Cost GDOT Fee for Review and Processing Project Documents Utility Rearrangements and Road and Bridge Relocation		
	TOTAL:		\$389,917,058.00

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 9-2			
TYPICAL PROJECT COST			
(ITEM #5 CONSTRUCTION COST IS PRESENTED IN TABLE 9-1)			
ITEM #1	LAND COST FOR RESERVOIR		
	FLOODING AND FLOOD EASEMENTS	\$ 2,403,600.00	
	LEGAL	<u>\$ 30,000.00</u>	
			\$2,433,600
ITEM #2	ENVIRONMENTAL MITIGATION		
	WETLAND CREDIT COST	\$ 1,991,360.00	
	STREAM CREDIT COST	<u>\$ 16,587,550.00</u>	
			\$18,578,910
ITEM #3	GOVERNMENTAL REGULATORY AGENCY PERMITTING PREPARATION OF U.S. ARMY CORP OF ENGINEERS 404 PERMIT APPLICATION REPORT AND REPORT APPENDICES	\$ 1,708,000.00	
			\$1,708,000
ITEM #4	ENGINEERING (PROJECTS A, B, AND C) ENGINEERING SERVICES FOR ALL DESIGN AND CONSTRUCTION SERVICES EXCEPT FOR DAM ENGINEERING CONSTRUCTION SERVICES	\$ 25,866,672.14	
			\$ 25,866,672.14
ITEM #5	CONSTRUCTION COST		
	PROJECT A: NEW DAM		
	PROJECT B: INTAKE, RAISED RESERVOIR ENTRANCE ROAD, RECREATIONAL AREA	<u>\$ 389,917,058.00</u>	
	PROJECT C: RAISED AND RELOCATED HWY 166 BRIDGE AND ROADWAY		\$ 389,917,058.00
ITEM #6	CONSTRUCTION MANAGER AT RISK (CMAR) FEE FOR DEVELOPING GUARANTEED MAXIMUM PRICE (GMP)	\$ 1,558,876.00	
			\$ 1,558,876.00
ITEM #7	DOUGLAS COUNTY BUILDING DEPARTMENT PERMIT FEE	\$ 150,283.76	
			\$ 150,283.76
	TOTAL PROJECT COST OF ACTION ITEMS 1-7 ABOVE:		\$ 440,213,399.90

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 9-3

Douglasville-Douglas County Water and Sewer Authority
 Raising Dog River Reservoir to Water Surface Elevation 795.3 feet
 Total Estimated Project Cost (UPDATED 6/26/2025)

				PHASE 1 - 2020A BOND SERIES (COMPLETE) \$84,555,000+ Int. Earnings \$5,401,863. (Ongoing) (FOR TOTAL OF \$89,956,863) (Note 1)		PHASE 2 - 2025 SERIES (FY 26) \$210,000,000+Int. Earnings (PLUS REMAINING AMOUNT OF \$10,819,679 FROM PHASE 1 2020 BOND SERIES FOR TOTAL OF \$220,819,679) (Note 1)	Estimated PHASE 3 - 2027 SERIES \$100,000,000+ and Other Sources \$40,256,537 (Note 1)
				FUNDS PAID THRU 5/30/25	FUNDS TO BE PAID FROM 6/1/25 TO 9/30/25	FUNDS TO BE PAID FROM 10/25 THRU 7/27	FUNDS TO BE PAID TO END OF PROJECT
ITEM #1	LAND COST FOR RESERVOIR						
	FLOODING AND FLOOD EASEMENTS	\$ 2,403,600.00					
	LEGAL	\$ 30,000.00					
			\$ 2,433,600.00	\$ 2,433,600.00	\$ 0.00	\$ 0.00	
ITEM #2	ENVIRONMENTAL MITIGATION						
	WETLAND CREDIT COST	\$ 1,991,360.00					
	STREAM CREDIT COST	\$ 16,587,550.00					
			\$ 18,578,910.00	\$ 18,578,910.00	\$ 0.00	\$ 0.00	
ITEM #3	GOVERNMENTAL REGULATORY AGENCY PERMITTING PREPARATION OF U.S. ARMY CORP OF ENGINEERS 404 PERMIT APPLICATION REPORT AND REPORT APPENDICES	\$ 1,708,000.00					
			\$ 1,708,000.00	\$ 1,708,000.00	\$ 0.00	\$ 0.00	
ITEM #4	ENGINEERING (PROJECTS A, B, AND C) ENGINEERING SERVICES FOR ALL DESIGN AND CONSTRUCTION SERVICES EXCEPT FOR DAM ENGINEERING CONSTRUCTION SERVICES						
	DESIGN ENGINEERING	\$ 12,489,865.14		\$ 12,325,865.00	\$ 164,000.14	\$ 0.00	
	CONSTRUCTION ENGINEERING	\$ 13,376,807.00		\$ 114,307.00	\$ 1,104,452.00	\$ 6,350,600.00	\$ 5,807,448.00
			\$ 25,866,672.14				
ITEM #5	CONSTRUCTION COST						
	PROJECT A: NEW DAM						
	PROJECT B: INTAKE, RAISED RESERVOIR ENTRANCE ROAD, RECREATIONAL AREA	\$ 389,917,058.00		\$ 20,307,485.00	\$ 20,691,405.00	\$ 214,469,079.00	\$ 134,449,089.00
	PROJECT C: RAISED AND RELOCATED HWY 166 BRIDGE AND ROADWAY						
			\$ 389,917,058.00				
ITEM #6	CONSTRUCTION MANAGER AT RISK (CMAR) FEE FOR DEVELOPING GUARANTEED MAXIMUM PRICE (GMP)	\$ 1,558,876.00					
			\$ 1,558,876.00	\$ 1,558,876.00	\$ 0.00	\$ 0.00	
ITEM #7	DOUGLAS COUNTY BUILDING DEPARTMENT PERMIT FEE	\$ 150,283.76					
			\$ 150,283.76	\$ 150,283.76	\$ 0.00	\$ 0.00	
	TOTAL PROJECT COST OF ACTION ITEMS 1-7 ABOVE:		\$ 440,213,399.90	\$ 57,177,326.76	\$ 21,959,857.14	\$ 220,819,679.00	\$ 140,256,537.00
Note 1: The Authority has planned for the Series 2027 Bond size to be approximately \$100+ million but will finalize the exact borrowing size at the time of the issuance based upon final land costs, construction costs, interest earned, available cash on hand, and other sources of funding.							

prepared by
 rjwoodco

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 9-4
PROJECT TIME SCHEDULE

prepared by
rjwoodco

59

8/4/25
1:44 pm

SECTION 10 FINANCIAL PROJECTIONS

Historical trends and future projections of customer growth and operating revenues have been used to assess the capability of the Authority to provide sufficient operating income to meet System debt service requirements and also contribute funds to cover the capital cost of this 47 month project to raise the Dog River Reservoir.

During this past fiscal year, Douglas County and the Atlanta metropolitan area experienced some new construction and a steady low unemployment rate. The Authority expects gradual increases in both construction and population over the next ten years. Current projected operating revenues should be sufficient to cover operational costs, debt service and capital needs.

The Authority maintains a reserve fund for emergency use in case of disasters or shortfalls in funding operations, debt service or capital projects.

I. Income and Expenses

A conservative approach to income and expense projections for the Authority's System was employed for the period ending in 6/30/25 (FY25).

Operating income was projected considering continued addition of customers. Water revenues were projected based on an annual increase of 6% (1% for increases in consumption plus 5% for annual rate increases). Sewer revenues were projected based on an annual increase of

6 % (1% for increases in the volume discharged plus 5% for annual rate increases). Stormwater revenues were projected based on an annual increase of 0.3% for growth in equivalent residential units (impervious surface). The projected rates of increase are less than the historical trends and are supported by the projected increase in population in the County.

Operating expense is projected at approximately 50% of the operating income, which is desired by the Authority. Expenses were projected by assuming operation and maintenance cost escalation for cost centers such as personnel and energy consumption. Water operations costs were projected to increase approximately 3% per year; stormwater approximately 3% and administrative operations costs were projected to increase approximately 3% during the projected period due to non-recurring costs; sewer operations costs were projected to increase approximately 3% per year; and engineering inspection/construction operations costs were projected to increase approximately 3%. These differences in the projected rates of increase are based on historical trends for the last seven years, modified for future anticipated changes in operations.

Water and sewer tap fees were projected to increase annually at approximately 1% and 1%, respectively, from FY 2026 through FY 2030.

II. Debt Service Coverage

Debt service coverage is calculated as the ratio of net revenues collected during the fiscal year divided by the debt service payment due during the year. Net revenues used for the debt service coverage calculation are net operating income before depreciation and certain components of nonoperating income. Net operating income is total charges for services, or total operating income, minus operating expenses.

Table 10-1 presents for FY 2020 through FY 2029 net operating income and debt service requirements for current and proposed bond issues. Minimum debt service coverage (calculated including tap fees) of all parity bond debt service (which constitutes all the Authority's outstanding debt) between FY 2020 and FY 2029 is 1.6 times.

DDCWSA ENGINEERING REPORT FOR SERIES 2025 BONDS

TABLE 10-1 PROJECTED INCOME EXPENSE AND DEBT SERVICE COVERAGE

DDCWSA Projected Income and Expense and Debt Service Coverage	Source:	ACFR FY20	ACFR FY21	ACFR FY22	ACFR FY23	ACFR FY24	Projections FY25	5 yr Budget FY26	5 yr Budget FY27	5 yr Budget FY28	5 yr Budget FY29	5 yr Budget FY30
OPERATING INCOME												
Water Revenue	26,829,975	27,869,953	29,420,778	32,528,202	34,223,665	37,610,101	40,082,965	42,718,420	45,527,156	48,520,567	51,710,794	
Sewer Revenue	14,837,929	15,566,491	16,647,516	17,993,287	19,207,228	20,650,762	21,571,872	22,990,223	24,501,830	26,112,825	27,829,743	
Stormwater Revenue	4,754,086	4,879,921	4,914,052	5,091,272	5,179,155	5,412,680	5,445,156	5,477,827	5,510,694	5,543,758	5,577,020	
Soil and Erosion Fees	61,139	61,387	47,659	80,740	35,790	26,984	35,000	35,000	35,000	35,000	35,000	
Stormwater Fines	-	-	-	-	-	-	12,000	12,000	12,000	12,000	12,000	
Stormwater Management Fees	-	-	-	-	-	-	-	-	-	-	-	
Inspection Fees	31,625	54,400	32,750	79,550	54,750	35,000	35,000	35,000	35,000	35,000	35,000	
Penalties	1,137,159	1,366,237	1,501,484	1,713,737	1,825,355	2,040,818	2,061,226	2,081,838	2,102,657	2,123,683	2,144,920	
Miscellaneous	762,468	944,640	1,005,208	1,063,334	1,010,254	981,818	1,187,100	1,178,241	1,187,423	1,196,648	1,223,914	
Total Charges for Services	48,414,381	50,743,029	53,569,447	58,550,122	61,536,197	66,758,163	70,430,319	74,528,549	78,911,760	83,579,481	88,568,391	
OPERATING EXPENSES												
Water Operations	(6,993,764)	(7,364,651)	(7,505,298)	(9,298,583)	(9,764,029)	(9,888,227)	(10,090,206)	(10,269,731)	(10,546,744)	(10,831,622)	(11,124,609)	
Sewer Operations	(8,271,589)	(8,710,240)	(8,876,584)	(10,997,519)	(11,548,006)	(11,694,897)	(11,933,779)	(12,146,105)	(12,473,731)	(12,810,659)	(13,157,177)	
Stormwater Operations	(954,697)	(1,005,325)	(1,024,524)	(1,269,320)	(1,332,857)	(1,349,811)	(1,377,382)	(1,401,888)	(1,439,703)	(1,478,590)	(1,518,585)	
Eng/Inspection/Const Ops	(1,588,713)	(1,672,964)	(1,704,914)	(2,112,279)	(2,218,010)	(2,246,223)	(2,292,105)	(2,332,886)	(2,395,813)	(2,460,526)	(2,527,081)	
Admin Ops	(6,670,636)	(7,024,387)	(7,158,535)	(8,868,967)	(9,312,908)	(9,431,368)	(9,624,015)	(9,795,246)	(10,059,460)	(10,331,176)	(10,610,627)	
Total Operating Expense	(24,479,399)	(25,777,567)	(26,269,855)	(32,546,668)	(34,175,809)	(34,610,526)	(35,317,488)	(35,945,856)	(36,915,450)	(37,912,574)	(38,938,079)	
Operating Expense/Income	0.51	0.51	0.49	0.56	0.56	0.52	0.50	0.48	0.47	0.45	0.44	
NET OPERATING INCOME	23,934,982	24,965,462	27,299,592	26,003,454	27,360,388	32,147,637	35,112,831	38,582,693	41,996,310	45,666,907	49,630,312	
NON-OPERATING INCOME:												
Developer/Grants/Other	-	-	-	-	-	-	-	-	-	-	-	
Cash Contributions	77,264	20,118	-	-	3,380,711	214,788	-	-	-	-	-	
Water Tap Fees	875,569	1,501,107	1,511,552	1,578,478	2,279,902	2,402,908	2,118,023	3,105,583	3,144,402	3,183,708	3,223,504	
Sewer Tap Fees	1,683,300	5,628,713	4,506,546	3,905,312	6,939,900	6,882,751	5,984,674	6,059,645	6,135,391	6,212,083	6,289,734	
Total Non-Operating Income	2,636,133	7,149,938	6,018,098	5,483,790	12,600,513	9,500,447	8,102,697	9,165,228	9,279,793	9,395,791	9,513,238	
INVESTMENT EARNINGS:												
Interest on Fund Investments	657,735	27,132	107,274	2,730,560	3,266,427	3,732,534	2,000,000	1,800,000	1,667,500	1,525,750	1,248,175	
NET NON-OPERATING INCOME	3,293,868	7,177,070	6,125,372	8,214,350	15,866,940	13,232,981	10,102,697	10,965,228	10,947,293	10,921,541	10,761,413	
TOTAL AVAILABLE INCOME FOR DEBT	27,228,850	32,142,532	33,424,964	34,217,804	43,227,328	45,380,618	45,215,528	49,547,921	52,943,603	56,588,448	60,391,725	
ANNUAL DEBT SERVICE REQUIREMENTS:												
2009 Revenue Bonds	3,140,000	-	-	-	-	-	-	-	-	-	-	
2013 Revenue Bonds	2,696,080	2,697,720	2,698,240	2,697,640	6,635,920	6,632,760	6,635,400	6,633,560	6,632,240	6,631,300	6,630,600	
2015 Revenue Bonds	4,709,402	4,710,392	4,713,747	4,709,312	4,712,242	4,712,227	4,709,267	4,713,362	4,714,202	4,711,787	4,711,787	
2020 Revenue Bonds	-	3,610,604	3,609,616	3,605,126	-	-	-	-	-	-	-	
2020A Revenue Bonds	-	3,691,404	4,279,231	4,259,231	1,634,231	1,634,231	1,634,231	1,634,231	1,634,231	1,634,231	1,634,231	
Proposed 2025 Revenue Bonds	-	-	-	-	-	-	7,875,000	10,500,000	10,500,000	10,500,000	10,500,000	
Proposed 2027 Revenue Bonds	-	-	-	-	-	-	-	-	4,160,666	5,000,000	5,000,000	
Total Debt Service	10,545,482	14,710,120	15,300,834	15,271,309	12,982,393	12,979,218	20,853,898	23,481,153	27,641,339	28,477,318	28,476,618	
Coverage of Annual Debt Service Requirements:												
Debt Coverage Ratio(excl Tap Fees)	2.3	1.7	1.8	1.9	2.4	2.8	1.8	1.7	1.6	1.7	1.8	
Debt Coverage Ratio(incl Tap Fees)	2.6	2.2	2.2	2.2	3.1	3.5	2.2	2.1	1.9	2.0	2.1	

SOURCE: DDCWSA FINANCE MANAGER, T. ALGER, RECEIVED 7/18/25, 3:45 PM