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E-Bulletin Newsletter

Inside this Issue

Document Upload Feature Ready	1
ITA/PERF Submittal Deadline is October 31, 2015 for SFY 2017 Funding	1
Part 2 of the funding process series: The Financial Assistance Application	2-4



Upcoming Deadlines

September 30 Deadline for SFY 16 CWFPP principal forgiveness applications & plans and specs.

October 16 Last day to request WAMS ID and DNR Switchboard access for ITA and PERF submittals.

October 31 Deadline for SFY 17 CWFPP & SDWLP ITAs and PERFs. Must be submitted online.

Contact Information

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Document Upload Feature Ready

The on-line system for Notice of Intent to Apply (ITA) & Priority Evaluation and Ranking Formula (PERF) submittals is live and ready for use. Help text is in place in the system to guide you. Read more about on-line submittals at <http://dnr.wi.gov/Aid/OnlineSubmissions.html>.

Upload Documentation BEFORE Submitting ITA/PERF

You may use the on-line system's document upload feature. Documentation is required in order to receive PERF points for both the Safe Drinking Water Loan Program (SDWLP) & the Clean Water Fund Program (CWFPP). You may enter information for your ITA/PERF, but don't submit your ITA/PERF until you have uploaded all of your documentation.

- The only file format the document upload feature will accept is **PDF (Portable Document Format)**.
- Multiple PDFs may be submitted, however, you must **submit each PDF separately** (one-at-a time).
- For each PDF, the **maximum** file size limit is **5 MB** (five megabytes).

ITA/PERFs must be submitted online by **October 31, 2015** to be eligible for funding in State Fiscal Year (SFY) 2017.

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Just a *ghoul*ish reminder

You must submit an Intent to Apply (ITA) & Priority Evaluation and Ranking Form (PERF) **online by October 31, 2015** for SFY 2017 funding.

A WAMS ID, needed for on-line submittals, must be obtained by *10/16/15*.

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The Funding Process

This is the second in a series of articles regarding the process for obtaining funding through the Safe Drinking Water Loan Program (SDWLP) and the Clean Water Fund Program (CWFP). We'll point out the WHATs & the WHYs of program requirements.

Future articles will cover: engineering report/facility plan approvals; plan & specification submittals; post-application submittals (e.g., bidding documents, legal opinion regarding land, federal forms); loan closing; disbursements; and project closeout.

Previous articles in the funding process series:

- Part 1: ITAs and PERFs - page 3, [Vol. 4, Issue 10](#)

Part 2 of the funding process series: The Financial Assistance Application

Have you ever wondered why you have to submit so many documents with your loan application? Have you ever wondered what the purpose is of all those attachments? DNR Environmental Loans (EL) staff review all of those documents for both the CWFP and the SDWLP. The documents give us base information for ensuring a municipality is ready to proceed with a construction project.

Credit Review & Project Affordability

The application form, financial audits, user rates, and municipal budget attachments, provide the Department of Administration (DOA) with information necessary to make a preliminary determination of creditworthiness and whether they will require the municipality to adopt a rate increase before closing on a loan.

The primary purpose for evaluating a municipality's financial condition is to determine if the municipality is able to repay a CWFP or SDWLP loan. Inability to make timely payments on a loan not only adversely affects the fund but may also affect

Did you know...

The Environmental Improvement Fund (EIF) encompasses two environmental financing programs for local governments:

- the Clean Water Fund Program (CWFP), and
- the Safe Drinking Water Loan Program (SDWLP).

the municipality's credit rating and future borrowing ability. (see <http://dnr.wi.gov/Aid/documents/EIF/Guide/CreditReviewProjAffordability.pdf>)

Project Management

Project information requested in the application form, the engineering contracts, and the plans & specifications allow EL staff to make several determinations regarding management of the project, including:

- eligibility of the project and some specific costs,
- what level of environmental review must be done,
- preliminary budget numbers,
- whether another funding source is or may be involved in the project, and
- whether there are requirements that still need to be met.

Federal Regulations

Some requirements at application time are related to federal laws. EL is responsible for assuring we fund projects only if all applicable federal requirements are met. For example:

“Green” Projects - Congress passed a law that requires states to use 10% of the funds of their CWFP capitalization grants to finance projects that fall into categories of water/energy efficiency, green infrastructure, and/or environmentally innovative. The Green Project Reserve form collects most of the information we need to report dollars used in both programs to fund “green” projects.

[Part 2 continued on page 3](#)

Part 2 continued from page 2

Reimbursement Resolution - If a municipality wants CWF or SDWLP funds for reimbursing their municipal accounts for costs paid for project construction, they must pass a reimbursement resolution as required by IRS regulations. We encourage every loan applicant to pass the reimbursement resolution as soon as they start incurring costs for their project.

It's a simple way to protect your municipality from losing the ability to reimburse internal funds at a later date with state or federal government funds. You must submit the reimbursement resolution prior to receiving a Financial Assistance Agreement (FAA); if it's available at the time of application, submit it with the application.

Environmental / Archeological / Historical (E/A/H) Review - Any municipality constructing a project with federal funds must conduct an environmental review to determine whether the project might impact threatened or endangered resources, wetlands, and archaeological/historical sites or structures.

For CWF projects, environmental review information must be submitted as part of the facilities planning process.

For SDWLP projects, EL staff make sure the appropriate level of environmental review is done for each project:

- Submitting an Endangered Resources (ER) Review request (see <http://dnr.wi.gov/topic/ERReview/>) to DNR **before** applying for funding is important in order for a municipality to learn early in the process about any accommodations that may need to be made to protect resources.
- You may complete an ER Review Preliminary Assessment using Natural Heritage Inventory (NHI) Public Portal, <http://dnr.wi.gov/topic/ERReview/PublicPortal.html>.

Complete or Incomplete

Your EL project manager and DOA staff conduct initial reviews of your application form & attached documents to determine whether your application package is complete or incomplete.

If your application **is complete**, your project manager prepares a letter letting you know we received your application and we are including your project on the CWF or SDWLP funding list.

If your application **is not complete**, your application may be at risk for denial of funding for that state fiscal year.

Tips for a Complete Application

Some of the issues we see with incomplete applications can be avoided by using the following tips:

Look for Blank Boxes & Empty Answer Fields

Check each page of the financial assistance application form for missing information. Mark "N/A" at the beginning of sections that are not applicable to your project or municipality.

Application Checklist

Compare your responses on the page 1 application checklist to the additional documents you are sending with your application form. If you checked "Yes" next to an item on the checklist, make sure it's included with your submittal.

Your application's project scope must match your ITA/PERF's project scope to be eligible for funding.

If the scope of your project changes between the time you submit the ITA/PERF and the time you prepare the application, note the change in the application project description. Changes in scope can change a priority score and eligibility. (see Submit Detailed Project Scope Description, <http://dnr.wi.gov/Aid/documents/EIF/Guide/PERF.html#details>)

Part 2 continued on page 4

Part 2 continued from page 3

Plan and Specification Submittals

For SDWLP projects, plans and specifications along with any other required documents (planning checklists, engineering report) must be submitted separately:

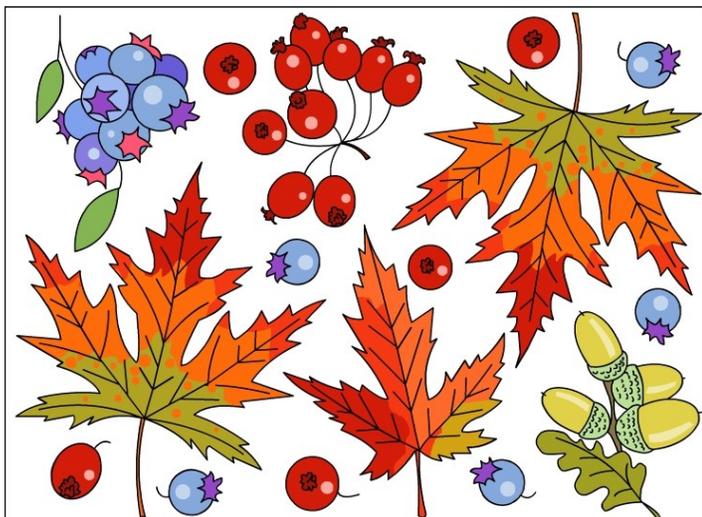
- Send one (1) set to the DNR Bureau of Drinking Water and Groundwater; **AND**
- Send two (2) sets to the DNR Bureau of Community Financial Assistance (CFA).

Facility Plan Approvals

For CFWP projects, make sure you submit your facilities plan to the DNR Bureau of Water Quality far enough in advance of your application submittal to allow ample time to receive facility plan approval prior to application submittal.

Do not use the Fast Track submittal process for your facilities plan approval. We cannot provide funding if your facilities plan is fast-tracked.

All CFWP projects must go through some level of facility plan review. If the type of project you are constructing doesn't typically need a facilities plan, check with the Water Quality staff to learn what you need to submit to meet the requirements of the CFWP.



Timeframe for Loan Projects

Projects in both the CFWP and SDWLP program need to be ready to proceed with construction within several months after application submittal. Increasing federal oversight of "unliquidated obligations" over the past few years means the state needs to be able to move federal funds fairly quickly or risk losing them. The next steps in the funding process are critical to successfully closing a loan within established timeframes.

The next article in the funding process series will focus on these NEXT STEPS:

- Obtain approval of plans & specifications and any required permits.
- If applicable, submit your application to increase water rates to the Public Service Commission (PSC). It may take up to 6 months for the PSC rate increase determination (see pg. 3, [Vol. 3, Issue 12](#)).
- Procure all necessary land and easements needed for the project, and obtain a legal opinion regarding land ownership.
- Bid the project, including required language in advertisements and bidding documents for Davis-Bacon wage rates, DBE solicitation, and Use of American Iron & Steel.
- Submit additional documents as required on page 2 of the application form, including bid information.
- Work with your DNR project manager to determine an appropriate date for loan closing.

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