

E-Bulletin Newsletter

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Upcoming Deadlines

June 30

- Deadline for SFY 17 SDWLP applications & plans and specifications.
- Deadline for SFY 17 CWFP hardship applications & plans and specifications.

September 30

- Deadline for SFY 17 CWFP principal forgiveness applications & plans and specifications.

October 31

- Deadline for SFY 18 CWFP & SDWLP ITAs and PERFs.

Contact Information

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Staff Directory

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Compendium of Rule Revisions Now Available Online

View detailed information about the many revisions to loan program rules at dnr.wi.gov/Aid/Compendium.html. Also, available as a PDF, [Compendium of 2015 Rule Revisions](#).

Revised codes in effect as of July 1, 2015:

- Ch. NR 162, Wis. Adm. Code - Clean Water Fund Program
- Ch. NR 166, Wis. Adm. Code - Safe Drinking Water Loan Program

Contact: Jeanne Cargill, 608-267-7587,
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Come Visit Us!

Kay Christensen, Outreach Coordinator for Environmental Loans, used her graphic design training to produce new displays that will make Environmental Loans easier to find at conferences. Don't be shy, please stop by and say "hi."



USDA RD and WDNR working together, in the best interest of municipalities; to maximize resources, clarify the joint funding process, and avoid common paperwork difficulties.



Pictured from left: League member; Brian Deane, Program Director for USDA RD Community Programs; & Kay Christensen, Outreach Coordinator for WDNR Environmental Loans. League of Wisconsin Municipalities 117th Annual Conference, Hyatt Regency Exhibit Hall, Milwaukee WI, October 2015. Photo credit: League of WI Municipalities Staff

Legal notice: This document is intended solely as guidance and does not include any mandatory requirements except where requirements found in statute or administrative rule are referenced. This guidance does not establish or affect legal rights or obligations and is not finally determinative of any of the issues addressed. This guidance does not create any rights enforceable by any party in litigation with the State of Wisconsin or the Department of Natural Resources. Any regulatory decisions made by the Department of Natural Resources in any manner addressed by this guidance will be made by applying the governing statutes and administrative rules to the relevant facts. The Wisconsin Department of Natural Resources provides equal opportunity in its employment, programs, services, and functions under an Affirmative Action Plan. If you have any questions, please write to Equal Opportunity Office, Department of Interior, Washington, D.C. 20240.

Customer Satisfaction Survey

Help us improve the Environmental Loans program by completing our customer satisfaction survey now available on our website at <http://22.selectsurvey.net/DNR/TakeSurvey.aspx?SurveyID=82K0mm8K>. We are also sending the survey to all customers for whom loans have been closed in the past calendar year.

We continually work to improve our program and streamline our systems. This year has seen major changes both in terms of code revisions and improvements with our on-line submittal system for ITAs/PERFs. We're excited about the automated PERF scoring process!

As we make system and program enhancements, it is important for us to know if our efforts are helpful to you and to hear from you on other ways we can make the program more efficient and effective.

And of course, we are always asking about our customer service to ensure that you are getting the support you need to be successful when working with our loan programs. The survey will be available through February.

Contact: Robin Schmidt, 608-266-3915, robin.schmidt@wisconsin.gov

Project Priority Lists (PPLs)

We are in the final stages of completing the PERF scoring for the CWF and SDWLP. Within the next few weeks, we'll send an email to those municipalities and/or consultants who submitted ITAs/PERFs letting them know they can view their project score in our on-line system. At that time, they will be able to view their score and see any comments made during the score review process. **If you submitted an ITA/PERF and receive our email, please log into the on-line system to see if there are important comments or notes about your project.** A link to "What's Next" will be included in the email so that municipalities and consultants will know what next steps they need to take to pursue funding for their project through our programs.

When all the scoring is complete, we will post all of the projects, for which ITAs and PERFs have been submitted, on the SFY 2017 Project Priority Lists (one for SDWLP & one for CWF) in priority score order.

Once notified of their score, municipalities have 30 days to object to their score and provide the DNR with any **new** information that was *not available to them at the time of the ITA/PERF submittal*. If there is no *new* information but there

is other supporting documentation that was not included with the submittal of the ITA/PERF, the rules allow any municipality to request a rescore of their project *after the application deadline* (assuming the municipality has submitted a funding application for that project).

The rescoring request must be made within 30 days of the application deadline for CWF projects and 45 days for SDWLP projects. If sufficient additional information is received at that time, the project will be rescored and the Funding List will be updated as needed. The Funding List will be finalized after the rescoring deadlines.

Remember, the **Project Priority List** (soon to be published) identifies those projects that *are eligible to submit applications for funding*, while the **Funding List** identifies the projects for whom *complete funding applications have been received* and funds are allocated in priority score order.

CWF PPL Contact: Candice Sovinski, 608-264-8986, candice.sovinski@wisconsin.gov

SDWLP PPL Contact: Mary E. Wagner, 608-267-7475, marye.wagner@wisconsin.gov

SDWLP Changes: Federal Equivalency

For each capitalization grant we receive from the federal government for the CWF and SDWLP, we are required to designate projects with costs totaling a dollar amount equivalent to the capitalization grant to meet additional federal requirements. These are called "Federal Equivalency" projects.

Since the beginning of the Safe Drinking Water Loan Program, **all** projects have been designated as Federal Equivalency and thus had to meet all federal requirements.

Starting with SFY 2016, we will designate one or more SDWLP projects as Federal Equivalency, relieving all other projects of the additional requirements noted above. This mirrors the way we designate Federal Equivalency projects for the CWF.

Projects are selected for Federal Equivalency designation based on the size of the project and the size of the community— choosing larger projects and communities in order to minimize extra costs that have to be borne by small communities.

Each municipality with a project designated as Federal Equivalency will be notified by the Department as early as possible to ensure compliance with these requirements.



Federal Requirements

In general, Federal Equivalency projects are subject to these additional requirements:

- Federal Cross-Cutting regulations, as applicable;
- Compliance with the Single Audit Act;
- Federal documentation rules for Disadvantaged Business Enterprise (DBE) solicitation and utilization; and
- The new Signage requirement.

Projects **not** designated Federal Equivalency:

- will no longer be required to complete the Federal Equivalency Projects Assurances and Certification form (8700-201),
- will not be subject to the Single Audit Act, and
- can follow the simpler State DBE requirements.

Please see our revised Contract Packet for information on the resulting changes to DBE solicitation requirements:

<http://dnr.wi.gov/Aid/documents/EIF/Guide/CompleteDBEcontractpacket.pdf>.

Note about CWF projects

Also, please note that we will no longer be designating CWF projects that receive principal forgiveness as Federal Equivalency as these communities are generally smaller & poorer and less able to accommodate the added requirements.

Federal Equivalency Contact:

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608-267-7584, rebecca.scott@wisconsin.gov

DBE Requirements Contact:

Meja Maka, 608-266-9193,
meja.maka@wisconsin.gov

Don't Forget, Principal Forgiveness Funding is Still Available for FSP Development!

Starting October 1, 2014, Federal regulations require most CWFPP applicants to develop and implement a Fiscal Sustainability Plan (FSP). A certification and application form is available from our FSP webpage: <http://dnr.wi.gov/Aid/documents/EIF/Guide/FSP.html>.

This form **must** be submitted prior to generation of the Financial Assistance Agreement. If the municipality does not already have all the required components of an FSP in place, they must certify that the FSP will be developed prior to the last loan disbursement. An additional certification to that effect is required as part of project closeout.

If your municipality is one for which an FSP does not already exist **and** your municipality qualifies under our Principal Forgiveness methodology (see the CWFPP SFY 2016 Intended Use Plan (IUP) http://dnr.wi.gov/Aid/documents/EIF/news/CWFPP_SF2016_FINAL_IUP.pdf), we still have

principal forgiveness funding available to help you pay for the costs of FSP development.

Applicants can potentially receive \$15,000 to \$40,000 towards the cost of FSP development. Any FSP development costs not covered by principal forgiveness are still eligible for loan funding. Please see the CWFPP SFY 2016 IUP or page two of the FSP certification form for more information on who qualifies for this additional principal forgiveness and the amount of funding for which they are eligible.

Please note that any costs/contracts for FSP development that will be covered by principal forgiveness or regular loan funding must be reviewed, approved, and included in the project budget prior to generation of the Financial Assistance Agreement (FAA).

Contact: Becky Scott, Federal Liaison
608-267-7584, rebecca.scott@wisconsin.gov

Federal Budget Passed in December

Public Law 114-113, the Consolidated Appropriations Act of 2016, was signed into law on December 18, 2015. The new federal budget included appropriations for the State Revolving Funds as well as language governing several of the newer requirements such as Additional Subsidy (principal forgiveness), the Green Project Reserve, and the Use of American Iron and Steel.

Exact numbers for the FFY 2016 capitalization grants are not yet available as EPA must determine how to allocate a \$40 million rescission. While we likely won't know our exact budget for FFY 2016 until later in February, based on the totals appropriated, we estimate the following approximate amounts for Wisconsin:

- CWFPP Cap Grant - approximately \$36 million
- CWFPP PF - minimum of approx. \$3.6 million

- SDWLP Cap Grant - approximately \$14 million
- SDWLP PF - approximately \$2.9 million

In addition, the budget requires a minimum of 10% of the CWFPP capitalization grant be used for the Green Project Reserve (GPR) while GPR funding is once again optional for the SDWLP.

The Use of American Iron and Steel is still required for the SDWLP with no resetting of the plans and specifications approval date which triggers compliance. The Use of American Iron and Steel under the CWFPP was made permanent when the Clean Water Act was amended in June 2014.

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