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# Loan Interests

## Drinking Water Applications Due

*Jeanne Cargill*

### Application Deadline April 30

Please note: If your municipality is interested in obtaining a loan from the Safe Drinking Water Loan Program (SDWLP) during State Fiscal Year (SFY) 2008, you must submit an application to the Department postmarked no later than April 30, 2007. Your municipality is eligible to apply for SFY 2008 SDWLP funds if your project(s) appears on the SFY 2008 Project Priority List (to be published soon). Two additional actions must occur on or before April 30:

- Your municipality must obtain DNR approval of an engineering report for each of the projects for which you intend to request funding.
- The DNR Bureau of Drinking Water and Groundwater must receive 3 copies of the plans and specifications for your project.

### Funding List

We will prepare a project funding list based on the applications received and process the loans between July 1, 2007 and April 30, 2008. The SDWLP will likely have about \$45 million dollars available for loans for SFY 2008.

Although it's possible the SDWLP may not have enough funding to provide loans to all eligible applicants, we encourage you to submit your loan application by the April 30 deadline. The fundable range on the final funding

list depends on several factors, including project priority scores, populations of the applicants, and the cost of each project on the list.

### Priority Scores and Priority List

DNR scores projects based on Priority Evaluation and Ranking Forms (PERFs) submitted by the December 31st deadline. We update median household income and population data on the PERFs we receive in prior years, so projects that were on last year's list may have revised scores this year. The SFY 2008 Project Priority List, which we will publish in the near future, indicates the project priority scores of all potentially eligible projects for which the SDWLP received valid Notice of Intent to Apply forms.

### Small Systems < 10,000 Persons

Your municipality has a better chance of receiving funding if your system serves less than 10,000 persons, regardless of your project priority score. The SDWLP is required by statute to allocate at least 15% of available loan funds to systems serving less than 10,000 persons before allocating funds to any other project. We encourage you to apply if your system meets this population requirement.

### Some Applicants Must Re-Apply

If you submitted an application for funds last year (April 30, 2006 deadline) and will not close on an SDWLP loan by April 30, 2007, you need to submit an application for funding again this year if you are still interested in obtaining SDWLP funds for that project.

### Loan Closings/PSC Rate Approvals

All SDWLP loans for the SFY 2008 funding cycle must close by April 30, 2008. This is a statutory requirement, and funds not used by that date will be released to fund other qualified applicants. Because of previous

experiences with having to delay SDWLP loan closings, we strongly encourage you to start the process of receiving PSC approval of your rates early in your process of obtaining funding for your projects. Some past applicants have lost their funding allocations because they were not able to complete the rate review process early enough to close a loan by the deadline.

**Application Contents**

Items required for a complete application are listed in s. NR 166.10(2), Wis. Adm. Code. Read our application contents web page (<http://www.dnr.wi.gov/org/caer/cfa/EL/Guide/appsdw.htm>) and page 1 of the application form for more information about required application contents.

**Where to Get Forms**

You can download the SDWLP Financial Assistance Application #8700-262 (as well as other forms) from our website at (<http://www.dnr.wi.gov/org/caer/cfa/EL/Forms/forms.html>), or you may request copies from Deb Olson at (608) 266-5889 or [debra.olson@wisconsin.gov](mailto:debra.olson@wisconsin.gov).

**Questions?**

If you have questions regarding the SDWLP, contact Jeanne Cargill at 608-267-7587 or [jeanne.cargill@wisconsin.gov](mailto:jeanne.cargill@wisconsin.gov).

# Funding Sources Committee WRWA Conference

*Jerry Wilson*

Members of the Funding Sources Committee will be at the Wisconsin Rural Water Association (WRWA) Conference in Green Bay. The conference runs **March 28–30, 2007**, at the KI Center (see <http://www.wrwa.org/conference.html> for more conference information).

During the conference the 2007–2008 Drinking Water and Wastewater

Funding Sources booklet will be available at the Funding Sources Committee booth. This booklet summarizes loan and grant programs available to Wisconsin municipalities and individuals for the coming year. Some committee members will be on-hand to talk about their individual programs and to discuss your specific local needs.

The Funding Sources Committee is made up of representatives from the following:

- Bd of Commissioners of Public Lands
- Foundation for Rural Housing, Inc.
- USDA Rural Development
- WI Community Action Prog. Assoc.
- WI Department of Administration
- WI Department of Commerce
- WI Department of Natural Resources
- WI Department of Veterans Affairs
- WI Rural Water Association
- WI Housing & Economic Development Authority

If you cannot attend but have questions for the Funding Sources Committee, contact Jerry Wilson at 608-264-8986 or at [gerald.wilson@wisconsin.gov](mailto:gerald.wilson@wisconsin.gov). The updated Drinking Water and Wastewater Funding Sources booklet is also accessible on-line at (<http://dnr.wi.gov/org/caer/cfa/EL/Forms/sources.html>).



# CWFP Hardship Financial Assistance Applications Due

*Jeanne Cargill*

**Application Deadline:**

The State Fiscal Year 2008 postmark deadline for Clean Water Fund Program (CWFP) hardship financial assistance applications is June 30, 2007.

This deadline applies to you if you submitted a Notice of Intent to Apply (ITA) by December 31, 2006, and you want to receive hardship financial assistance in State Fiscal Year 2008 (July 1, 2007 – June 30, 2008).

Prior to submitting an application, your municipality must receive facilities plan approval from the Department. If your facilities plan is not yet approved, please work with your DNR plan reviewer to be sure the plan can be approved prior to June 30.

In order to be considered complete, your application must contain approvable

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## Calendar of Events

**March 28 - 30, 2007**  
**Funding Sources Committee Members at Booth**  
**KI Convention Center**  
**Green Bay, WI**  
**WRWA Annual Conference**

**April 30, 2007**  
**Postmark deadline**  
**SDWLP applications**

**June 30, 2007**  
**Postmark deadline**  
**CWFP Hardship applications**

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plans and specifications and other required documents. For a list of the required items, see our application contents web page at (<http://dnr.wi.gov/org/caer/cfa/EL/Guide/appcwf.htm>) or the checklist on page 1 of the application form.

You can obtain a copy of the CWFP Hardship Financial Assistance

Application (Form 8700-203) from our forms web page (<http://dnr.wi.gov/org/caer/cfa/EL/FORMS/forms.html>), or by contacting Deb Olson at (608) 266-5889 or [debra.olson@wisconsin.gov](mailto:debra.olson@wisconsin.gov).

For more information, contact Jeanne Cargill at (608) 267-7587 or [jeanne.cargill@wisconsin.gov](mailto:jeanne.cargill@wisconsin.gov), or see our hardship financial assistance web pages (<http://dnr.wi.gov/org/caer/cfa/EL/Section/hardship.html>). ☐

## Governor’s Budget Released

*Bob Ramharter*

The Governor’s budget, which was released on February 13, changed a key provision in the **Clean Water Fund Program** (CWFP) that would result in a modest increase in the program’s interest rate.

Currently, the program provides most of its loans at 55% of the market interest rate. The Governor’s budget increases the rate on these loans to 70% of the market interest rate. At today’s market rate of 4.5%, the Governor’s proposal would increase the loan interest rate from 2.475% to 3.150%.

The increase in the interest rate is intended to ensure that sufficient funds are available to meet all of the demand. We are predicting that we will receive applications for about \$630 million of CWFP loans during the biennium. With the modification to the interest rate, the Governor’s budget would provide sufficient funds to meet this demand.

The new interest rate would be effective for projects that have funds allocated after the budget bill becomes effective. The Department of Administration allocates funds to a project when the Department of Natural Resources (DNR) formally accepts the application. In order for a project to be eligible for the current (lower) interest rate, the

applicant must submit a complete application postmarked by June 30, 2007, and DNR must accept the application before the budget bill becomes effective.

The Governor’s budget also provides funding for the **Safe Drinking Water Loan Program**. The Governor provided sufficient authorizations for us to utilize all available funds – approximately \$45 million for State Fiscal Year 2008.

Keep in mind that these are still just proposals. The Legislature could change these provisions when it takes up the budget later this spring. We expect to have a better idea of what the budget bill will bring once the Joint Finance Committee acts, probably in April. Meanwhile, if you have any questions about how these proposals might affect your project, contact Bob Ramharter at 608-266-3915 or [robert.ramharter@wisconsin.gov](mailto:robert.ramharter@wisconsin.gov) or contact your DNR project manager. ☐



## Spring Election Results

*Jeanne Cargill*

Please keep us informed! If you are in the process of obtaining a loan or already have a loan from the Clean Water Fund Program, Safe Drinking Water Loan Program, or Land Recycling Loan Program, and your municipality elects a new president, mayor, public works director, clerk or other municipal official this spring, please let us know as soon as possible.

We want to be sure we have the correct name, street address, phone number and e-mail address for the persons in your municipality with which we need to communicate. It is especially important

that we get the correct information right away for municipal officials that will be signing Financial Assistance Agreements and bond documents for upcoming loan closings.

If you submitted a Notice of Intent to Apply or a Financial Assistance Application that included the name of an official that is no longer in office, we want to hear from you! Please inform your project manager or contact Deb Olson at (608) 266-5889 or [debra.olson@wisconsin.gov](mailto:debra.olson@wisconsin.gov). ☐

## LRLP News

*Maureen Hubeler*

### ITAs

The Land Recycling Loan Program (LRLP) Project Priority List for State Fiscal Year 2008 is included in the Appendix of this issue of Loan Interests. We will publish a funding list after we receive and review applications later this year. Applications are due August 1, 2007 or October 1, 2007.

If you’d like a copy of the application form, visit our website at <http://dnr.wi.gov/org/caer/cfa/EL/FORMS/forms.html>.

If you have questions regarding the LRLP, contact Maureen Hubeler at 608-266-0849 or [maureen.hubeler@wisconsin.gov](mailto:maureen.hubeler@wisconsin.gov). ☐