

E-Bulletin Newsletter

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Upcoming Deadlines

September 15

Last recommended date to submit rate application to PSC for SFY 19 projects.

September 30

SFY 19 CWFP application deadline for Principal Forgiveness (PF) projects.

October 30

SFY 19 CWFP PF PERF score reevaluation requests deadline (within 30 days of application deadline).

October 31

SFY 2020 ITA/PERF deadline for CWFP & SDWLP (pre-application).

Environmental Loans Section Works with Other Funding Sources

The Wisconsin DNR Environmental Loans Section often partners with other funding agencies to ensure that municipalities get the best funding package to meet their needs. The DNR and other funding sources can collaborate to maximize resources, clarify the joint funding process, and help with common paperwork challenges. In the past, the DNR has jointly funded projects with U.S. Department of Agriculture (USDA) Rural Development (RD) and DOA Community Development Block Grant (CDBG). For a list of water and wastewater funding sources, see dnr.wi.gov/Aid/Sources.html.

Often USDA RD can put together a funding package that better meets the needs of small, rural municipalities. USDA RD offers longer-term loans and a combination of grant and loan funding, making a project more affordable in the short term.

USDA Rural Development has recently alerted us that they have been awarded additional funding for water infrastructure projects and asked us to help spread the word. The following is an article that USDA RD submitted to us for your information.

USDA RD Has Funding Available

Submitted by Jessica Mancel, Public Information Coordinator at USDA RD

Wisconsin Rural Development State Director Frank Frassetto announced that the U.S. Department of Agriculture is investing over \$4 million in infrastructure investments in three Wisconsin communities. "These infrastructure improvements demonstrate USDA's commitment to ensure Wisconsin residents have access to clean drinking water," Frassetto said. "Rural Development can help with upgrades, expansions and replacements of essential community facilities and we're ready to be your partner to increase rural prosperity."

Water & Waste Disposal Loan & Grant Program

USDA is making investments in 35 states with \$267 million in [103 infrastructure projects](#) to upgrade water and wastewater systems in rural communities through the [Water and Waste Disposal Loan and Grant](#) program. These program funds can be used to finance drinking water, storm water drainage, and waste disposal systems for:

- rural communities with ≤ 10,000 residents.

USDA RD Has Funding Available continued on page 2

DNR Environmental Loans Section—CF/2, 101 S Webster Street, PO Box 7921, Madison, WI 53707-7921
dnr.wi.gov/aid/eif.html | CWFP phone: 608-264-8986 | SDWLP phone: 608-266-0849 | [Staff directory webpage](#)



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USDA RD Has Funding Available continued from page 1

In FY 2018, Congress provided a historic level of funding for water and wastewater infrastructure. The 2018 Omnibus spending bill includes \$5.2 billion for USDA loans and grants, up from \$1.2 billion in FY 2017. It also directs Agriculture Secretary Perdue to make investments in rural communities with the greatest infrastructure needs.

Rural community leaders can apply for these funds online by using the interactive [RD Apply](#) tool.

Please contact USDA Development staff at 715-345-7635 or visit www.rd.usda.gov/wi.

Changes for Helping Fiscally Disadvantaged Municipalities

Repeal of State Hardship Program

The 2017-2019 biennial budget eliminated the [CWFP State Hardship Financial Assistance Program](#), which provided a higher level of subsidy for municipalities with low income and high user costs.

The hardship funding program ceased after the SFY 2018 funding cycle with an exception for the Bluffview Sanitary District. The elimination of this program is in concert with increased interest rate subsidy to help financially disadvantaged municipalities.

Increased interest rate subsidy

The 2017-2019 biennial budget increased interest rate subsidy for the CWFP, which provides loans at or below the [market rate](#). Starting in the SFY 2018 funding cycle; and going forward, CWFP loans will be provided at:

- **0% of market rate** (i.e., a loan with a 0% interest rate) for extremely disadvantaged municipalities meeting the following financial need criteria:
 - < 1,000 population; and
 - ≤ 65% of the WI median household income.

- **33% of market rate** for disadvantaged municipalities meeting the following financial need criteria:
 - < 10,000 population; and
 - ≤ 80% of the WI median household income.
- **55% of market rate** for municipalities not meeting financial need criteria.
- **0% of market rate** for the portion of eligible projects for receiving and storing septage, and capacity for treating septage; as well as for mercury remediation at wastewater treatment facilities.
- Eligible [CWFP pilot projects](#) may be awarded loans with an interest rate as low as 0%.

Hardship Funding List

The Clean Water Fund Program (CWFP) State Fiscal Year (SFY) 2019 Hardship Program Funding List consists of one municipality: Bluffview Sanitary District.

CWFP Online Application Reminders

As of July 1st, users can submit online Clean Water Fund Program (CWFP) applications requesting SFY 2019 funding. For assistance accessing the online system, entering information, and submitting an application, review the [CWFP Online Application Help Text](#).

All SFY 2019 CWFP applications **must** be submitted via the [online system](#).

- CWFP applications are accepted year-round for projects *not* seeking principal forgiveness (PF).
- To compete for SFY 2019 CWFP principal forgiveness, applications are due **September 30, 2018**.

Note: Since September 30th falls on a Sunday, that deadline, by statute, is extended to **October 1, 2018**. We encourage you to submit your application early to ensure it is complete and to be able to contact program staff prior to the deadline if there are any questions.

Exception

Please note that any applications to the Small Loans Program (SLP) must be submitted in hard copy using the [Interest Rate Subsidy Application \(Form 8700-249\)](#).

- SFY 2019 SLP applications can be submitted starting July 1, 2018.
- SLP projects are not eligible for principal forgiveness.

PERF score reevaluation requests

If you submit an eligible CWFP PF application for a project, you may request a PERF score reevaluation within 30 days of the application deadline.

Submit PERF score reevaluation requests with supporting documentation by **October 30, 2018**, to [Matt Marcum](#), CWFP Coordinator. If you have questions, he can also be contacted at 608-264-8986.

SFY 2020 ITA/PERF (Pre-Application) Online Submittals

October 31, 2018 is the deadline for SFY 2020 notice of Intent to Apply (ITA) & Priority Evaluation and Ranking Formula (PERF) (pre-application) submittals for a project to be eligible for funding between July 1, 2019 and June 30, 2020.

This deadline requirement applies to all types of projects funded under the Clean Water Fund Program (CWFP) and the Safe Drinking Water Loan Program (SDWLP).

Online submittal system & process

The online system is ready for SFY 2020 ITA/PERF (pre-application) submittals. Help text is in place in the system to guide you. To access and learn about the online submittal system and process, visit dnr.wi.gov/Aid/OnlineSubmissions.html.

October 22, 2018 is the final submittal date for DNR Switchboard access requests and authorization certificates. At the URL listed above, learn how to request a Web Access Management System (WAMS) user ID and DNR Switchboard access, as well as learn about and download the Online Submittal Authorization Certificate.

Upload documents for PERF points

Appropriate, supporting documentation will be required in order to receive PERF points (for both loan programs). If documentation is not uploaded, **zero points** will be given for that question.

You may enter information for your ITA/PERF, but don't submit it until you have uploaded all your documentation. To learn how to properly use the online system's document upload feature, visit dnr.wi.gov/Aid/OnlineSubmissions.html.

Timeline and deadlines

- Now: Request WAMS ID & DNR Switchboard access.
- Now: Submit Online Submittal Authorization Certificate for SFY 2020 (available online).
- August 2018: Prep/Enter online SFY 2020 ITA/PERF.
- September 2018: Submit online SFY 2020 ITA/PERF.
- October 22, 2018: Final submittal date for WAMS ID & Switchboard requests, & authorization certificates.
- **October 31, 2018**: Deadline for submitting online ITA/PERF to be eligible for funding in SFY 2020.

SFY 2020 Online Submittal Authorization Certificate

Download the [Online Submittal Authorization Certificate](#) for State Fiscal Year (SFY) 2020.

Unless a municipality authorizes a consultant to submit an online ITA/PERF, application, or both on their behalf, only municipal officials can submit ITAs/PERFs and applications. The consultant can still enter the ITA/PERF by having access to the online system. Consultants will not be able to enter or submit an application without the authorization certificate.

- If a municipality wants their consultant to submit the ITA/PERF and/or application, and supporting documents on their behalf, the municipality must fill out and sign the authorization certificate.
- Authorization certificates must be signed by an appropriate, authorized municipal staff member: Administrator, Clerk, Director of Public Works (DPW), Mayor, President, or other management position associated with the municipality.
- The signed authorization certificate must be received by the DNR before the consultant will be granted access to submit the ITA/PERF, application, or both online.

Send signed, completed authorization certificates to ...

Email the signed, completed authorization certificate (in PDF format) to Becky Mesdjian at Rebecca.Mesdjian@Wisconsin.gov or mail the signed, completed authorization certificate to:

Becky Mesdjian – CF/2
Dept. of Natural Resources
101 S Webster St
PO Box 7921
Madison WI 53707-7921

Signatures Reminder

At this time, we are *unable* to accept electronic signatures. For email and online submittals, we recommend the following:

- sign the paper form;
- scan it to a computer;
- save it as a PDF; then
- email or upload the complete submittal.

Stamped and electronic signatures (e-signatures) are not acceptable.

CWFP Priority Principal Forgiveness (Priority PF)

For SFY 2019, the Clean Water Fund Program is rolling out a new incentive called Priority Principal Forgiveness (Priority PF or PPF). To be eligible, a municipality must meet the eligibility requirements for Regular PF, as well as any additional category-specific eligibility requirements. Priority PF is awarded in addition to Regular PF with the caveat that no more than 70% of total project costs are awarded as PF.

There are three categories of Priority PF:

- Regionalization,
- Phosphorus Reduction, and
- Energy Efficiency.

Read in detail about the eligibility requirements, available incentives, and required documentation for each of the three categories on the CWFP Priority PF webpage, at dnr.wi.gov/Aid/documents/EIF/Guide/cwfpPriorityPF.html

PPF and CWFP online applications

Priority PF questions will be added to the Project Information section of the CWFP Online Application by the beginning of September. Applicants who submit an application prior to the rollout of these questions will have the ability to go back and answer the questions. These questions will collect the information and supporting documentation as discussed on the [CWFP Priority PF webpage](#) and are required in order to receive Priority PF.

Streamlining the SDWLP PERF Scoring Process

Each municipality that plans to apply for financial assistance for their water infrastructure project from the Safe Drinking Water Loan Program (SDWLP) is required to complete and submit online a notice of [Intent to Apply \(ITA\) & Priority Evaluation and Ranking Formula \(PERF\)](#) by the October 31st deadline for the following state fiscal year (SFY) funding cycle. The ITA/PERF (pre-application) is the first step for a municipality to be eligible to submit a financial assistance application.

Submit does not mean commit

Submitting an ITA/PERF does not commit a municipality to apply for financial assistance from the SDWLP. A valid, eligible ITA/PERF ensures the project is listed on the Project Priority List (PPL) for that SFY, which makes the municipality eligible to submit an application for funding.

Streamlined PERF scoring process

As outlined in the SFY 2019 SDWLP Intended Use Plan (IUP), the department is streamlining the PERF scoring process. Potential loan applicants will continue to prepare and submit their projects' ITAs and PERFs by October 31,

2018 using the online system; however, the DNR will evaluate ITAs and PERFs solely for project eligibility. Eligible projects will be listed on the PPL reflecting the self-scores as submitted by potential loan applicants. After the application deadline, the DNR will review the scores of eligible projects for which a complete SDWLP application is submitted by June 30, 2019.

Begin working on your ITAs and PERFs early so you have time to contact DNR staff with any concerns about how to score specific questions for your project and what back-up documentation should be submitted to ensure you receive the full points requested.

Contact information

Direct scoring questions to Jim Witthuhn, DNR Water Supply Engineer, at 608-267-9659 or James.Witthuhn@Wisconsin.gov.

Direct questions about ITAs and PERFs to Nicole Mathews, SDWLP Coordinator, at 608-266-0849 or Nicole.Mathews@Wisconsin.gov.

PSC Data Requests Are Standard

Public Service Commission of Wisconsin (PSC) formal data requests are a normal, integral part of the [application review process](#). The collected data is used as evidence to help prove the case before the Commission.

An effective case starts with a clearly stated and complete application. PSC will screen an application within two weeks of receiving it. Incomplete applications may be rejected by PSC. An accurate, complete application minimizes data requests and delays in processing a case.

Promptly submit requested data

If PSC requests data, they expect a response from the municipality (or its auditing firm) within two (2) weeks. Once a complete application is received, PSC will issue a formal notice.

Avoid delays

If the municipality (or its auditing firm) don't respond to PSC, its case will be delayed, its application suspended, or both. A municipality can lose its SDWLP funding allocation if the rate increase is not approved by PSC early enough to close by the June 30th loan closing deadline.



PSC Construction Authorization (CA)

The Wisconsin Public Service Commission (PSC) is responsible for the regulation of Wisconsin public utilities, including those that are municipally-owned. Some projects that receive Safe Drinking Water Loan Program (SDWLP) funds require PSC [construction authorization](#).

When is CA required?

S. PSC 184.03(1)(2)(a), Wis. Adm. Code, requires PSC authorization before starting the following projects:

- New utilities for furnishing water or sewer service.
- Expansion, acquisitions, and interconnections.
- Water mains that are eight inches or greater in nominal diameter and three or more miles long.
- Construction of facilities (e.g. wells, storage, plants).

Exemptions

S. PSC 184.03(3)(b)(c)(4), Wis. Adm. Code, does not require PSC authorization to do any of the following:

- Water mains (unless $\geq 8''$ and ≥ 3 miles).
- Laterals, hydrants, or valves.
- Routine meter repair or replacement.
- SCADA; other electronic monitoring/control systems.
- Routine maintenance to utility facilities and buildings.
- Replace/repair existing pumps, motors, or associated equipment.

Do planning before building

Utilities are encouraged to request a joint PSC/DNR pre-application consultation early in the project planning

process (e.g. well site phase) to coordinate construction authorization and project review and approval times.

Start now, apply early

Apply for the Certificate of Authority at least **120 days** before your project start date. [Ch. PSC 184, Wis. Adm. Code](#), allows PSC up to 90 days (*from the issuance of a Notice of Investigation (NOI)*), to approve or deny an application for construction authorization.

Average time for Commission review:

- From application submittal to approval: 90-120 days
- From issuance of NOI to approval: 30-40 days

Steps for success

1. Make sure your application is based on current information (demand forecasts, major customer/user agreements, etc.).
2. Respond to PSC data requests promptly; an application must be complete for PSC to issue formal notice.
3. Obtain your Certificate of Authority for construction **prior to** filing your water rate application with PSC.

Contact information

Direct questions about construction authorization to Steve Kemna at 608-266-3768 or Stephen.Kemna@Wisconsin.gov.

Resource

- [Construction Authorization Process](#)

PSC Water Rate Increase

Submit your [rate increase application](#) to the Public Service Commission of Wisconsin (PSC) as soon as possible for your SFY 2019 Safe Drinking Water Loan Program (SDWLP) projects if you have not already done so!

September 15th is the last recommended date to submit rate case applications to PSC for SFY 2019 SDWLP projects.

6 months to process a rate case

Before utilities can change rates, PSC approval is required. Municipalities should be aware that it typically takes 5-6 months for the PSC to process an application to increase rates.

New rates effective prior to closing

One of the requirements for closing a SDWLP loan is that a utility has water rates in place that are adequate to

repay the loan. This requirement usually means the utility needs to increase water rates. The application process to increase water rates takes 180 days.

Avoid losing funding

Required rate increases **must be in effect** before the SDWLP project's Financial Assistance Agreement (FAA) can be prepared. A municipality can lose its SDWLP funding allocation if the water rate increase is not approved by PSC early enough to close by the June 30th deadline.

Contact information

Direct questions about rate cases to Kathy Butzlaff at 608-267-9817 or Kathy.Butzlaff@Wisconsin.gov.

Resources

- [FAQs: Conventional Rate Case Process](#)
- [Overview of the Rate Case Process](#)

CME Corner: Pre-Construction Meetings & the CME Role

Each project receiving funding from an Environmental Loans program is assigned a DNR [construction management engineer \(CME\)](#). The CME must determine whether construction is proceeding according to DNR-approved plans and specifications, and the terms of the Financial Assistance Agreement (FAA).

To help ensure all financial transactions are legal, appropriate, and consistent with the terms of the FAA, the CME keeps the DNR project manager informed of all change order approvals and amendment requests.

Contact your CME *prior to your pre-construction meeting*

Communicate frequently with your CME and project manager. Invite them **at least a week in advance** to the pre-construction meeting to provide an understanding of the project plan and timing. The CME and project manager can provide insights as well as answer questions throughout the project.

Invite your CME to:

- pre-construction meeting
- any construction progress meetings

- [pre-award meeting](#)
- PSC/DNR pre-application consultation, if applicable (to coordinate [construction authorization](#) and project review and approval times).

Construction management roles

To aid in the success of any project, it's important for the municipality, engineering consultant, construction contractor, and DNR staff to coordinate efforts throughout construction.

- The municipality has the ultimate responsibility for getting its project constructed properly.
- The department's role in construction management includes conducting interim and final inspections.

In addition to the CME's involvement during construction, the DNR Environmental Loans staff may review requests for disbursement to make sure all costs are properly invoiced, eligible, and within the project budget.

Learn more at [construction management roles](#).

Jim Ritchie – New Environmental Loans Section Chief

We are pleased to announce that Jim Ritchie has accepted the position of Environmental Loans Section Chief in the Bureau of Community Financial Assistance at the Wisconsin Department of Natural Resources. Jim began his new position on Monday, August 6, 2018. He succeeds Robin Schmidt, whose last day as Section Chief was August 3rd.

For the last year, Jim has served as the Field and Technical Support Supervisor in the EL Section. Prior to that, he worked for DNR as:

- Grants and Loans Supervisor in the Southeast and South Central Regions for 7.5 years;
- Statewide Public Access Coordinator for 4.5 years before that; and
- Water Resources Specialist working in the nonpoint source section for 12 years at the start of his career.

Please join us in welcoming Jim to his new position!

We congratulate him and look forward to continuing successful implementation of the Safe Drinking Water Loan and Clean Water Fund Programs.

Jim lives in Waukesha with his wife Toni, dog Remi, and daughter, Allison; who will be a senior this coming school year at Waukesha South High School. His older daughter, Sarah, will be a junior at University of Wisconsin-Eau Claire this coming fall.

In his spare time, Jim enjoys being outdoors and hiking, hunting, and spending time with his family at their property in Crawford County. This will also be his fourth and final year as treasurer and crew leader of the Waukesha South Band Boosters.



Use Most Current Forms

It's time to do a little spring cleaning if you've been reusing the same form that is saved to your computer (*or in your hard, paper files*) for the last couple years!

Replace the old version in your files with the most current version found on our [Forms](#) page.

You need to use the most up-to-date versions of forms, certificates, and documents because they may include new features and significant content changes. The new forms may have extended rights, allowing them to be filled out electronically, saved, and printed using Adobe Reader version 8 or higher ([free downloads](#)).

You may wish to copy the relevant information from the old version of the form and then paste it into a word processing document, the most current version of the form, or both.

PDF troubleshooting

Some web browsers do not open PDF files on their own. If you experience trouble opening or filling out a PDF form, visit the DNR [PDF Help](#) page for instructions on how to successfully open PDF files.

How do I know if I'm using the newest version of a form?

Compare the revised date on the EL [Forms](#) webpage to the revised date on the form (see image below).

- If the form date does NOT match the webpage date, you need to download the current version of the form.

The screenshot shows a web browser window displaying the DNR website's 'Forms for both environmental loan programs' page. A table lists various forms with their revised dates and titles. The form 'Request for Disbursement for Financial Assistance Programs' is highlighted, with its revised date '12/16' circled in red. A red arrow points from this date to the corresponding PDF form viewer below. In the PDF viewer, the title 'Request for Disbursement for Financial Assistance Programs' and the form number 'Form 8700-215 (R 12/16)' are visible, with the date '(R 12/16)' circled in red. The browser's address bar shows the URL 'https://dnr.wi.gov/files/PDF/forms/8700/8700-215.pdf'.

Form	Revised	Title
Authorization Certificate	5/18	Online Submittal Authorization Certificate
8700-204	8/10	Environmental Improvement Fund (EIF) Federal Equivalency Projects Assurances and Certification
Request for Disbursement for Financial Assistance Programs	12/16	Request for Disbursement for Financial Assistance Programs
8700-215	10/16	EIF Force Account Certification

ArcGIS Interactive Map of Loan Recipients

The Environmental Loans (EL) program has created an [interactive map](#) which shows CWF and SDWLP project locations as well as other associated program activities.

Selecting any project on the map will display its information, including:

- municipal name,
- funding year and source,
- general description, and
- EL project number.

The map is customizable by clicking on the Layer List icon in the upper, right corner.

Click the expand arrows to see more lists. Choose which combination of layers you want to view, for example:

- All years or one specific year; and
- All EL program projects or only SDWLP projects, CWF projects, or principal forgiveness (PF) projects.

Direct questions about this map to Kevin Olson at 608-266-9955 or Kevin.Olson@wisconsin.gov.

The screenshot displays the ArcGIS Interactive Map of Loan Recipients. The map shows the state of Wisconsin with various municipalities outlined. A popup window titled "Clean Water Fund All Years City Of Montreal" is open, displaying the following information:

Clean Water Fund All Years City Of Montreal	
city	City Of Montreal
year	2015
project	CWFP
description	\$10,443,025 to rehabilitate pumping stations 11 & to rehabilitate pumping stations 11 & 12
number	401042

The Layer List panel on the right side of the map shows the following layers:

- Operational layers
 - Municipalities Receiving Funding
 - Environmental Loans
 - Lead Service Line 2017
 - Safe Drinking Water All Years
 - Safe Drinking Water 2017
 - Safe Drinking Water 2016
 - Safe Drinking Water 2015
 - Safe Drinking Water 2014
 - Clean Water Fund All Years
 - Clean Water Fund 2017
 - Clean Water Fund 2016
 - Clean Water Fund 2015
 - Clean Water Fund 2014
 - Principle Forgiveness All Years
 - Principle Forgiveness 2017
 - Principle Forgiveness 2016
 - Principle Forgiveness 2015
 - Principle Forgiveness 2014
 - County Boundary
 - Municipality Labels
 - DNR Regions