

E-Bulletin Newsletter

Inside this Issue

SFY 2019 CWFP PF PERF Score Reevaluation Requests Due Oct. 31 st	1
SFY 2020 ITAs Due October 31, 2018	1
Upcoming Deadlines	1
DNR Offices Closed on Holidays	1
Revised Land & Easements Webpage	2
SFY 2020 Online Submittal Authorization Certificates	2
Due October 31 st - SFY 2020 ITAs	2
Final Funding List for SFY 2019 SDWLP Available Online	3
Submit SFY 2020 ITA by October 31 st for Customer-Side LSL Projects	3
Update: Funding for FSP Development	3
Submit Water Rate Applications Now	4
Apply for PSC CA Now	4
SDWLP ITAs and PERF Scoring	5

SFY 2019 CWFP PF PERF Score Reevaluation Requests Due Oct. 31st

Refer to the [State Fiscal Year \(SFY\) 2019 Clean Water Fund Program \(CWFP\) Project Priority List \(PPL\)](#) to find your project's Priority Evaluation and Ranking Formula (PERF) score and priority ranking.

If there is no new information but you have supporting documentation that *was not included* with the Intent to Apply (ITA) submittal *and* you submitted an eligible application for the project, you may request a PERF score reevaluation after the statutory application submittal deadline.

Your reevaluation request with supporting documentation must be submitted to DNR within thirty (30) days of the CWFP application deadline.

The SFY 2019 CWFP application deadline for Principal Forgiveness (PF) projects was extended, by statute, from Sunday, September 30, 2018, to Monday, October 1, 2018.

Submit complete PERF score reevaluation requests for SFY 2019 CWFP PF projects to [Matt Marcum](#), CWFP coordinator, by **October 31, 2018**.

Upcoming Deadlines

October 11

SFY 19 SDWLP Final Funding List published.

October 31

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

October 31

SFY 2020 ITA deadline for CWFP and SDWLP.

November

SFY 19 CWFP Funding List published.

[View Statutory Deadlines](#)

SFY 2020 ITAs Due October 31, 2018

You must submit a notice of Intent to Apply (ITA) online by **10/31/2018** for SFY 2020 funding, see the detailed article on page two of this electronic newsletter.



Direct questions about entering or submitting ITAs online to Becky Mesdjian at 608-266-5888 or rebecca.mesdjian@wisconsin.gov.

DNR Offices Closed:

November 22

December 24 & 25

December 31

January 01, 2019



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](#)



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. This publication is available in alternative format upon request. Please call 608-267-7490 for more information.

Revised Land Ownership & Easement Rights Webpage

The Environmental Loans Section recently revised the [Land Ownership and Easement Rights](#) page to clarify what is required in a land legal opinion document. The revised page also includes information regarding:



- appropriate documents to provide to attorneys for review;
- requirements when land for a project is being condemned; and
- additional text that should be included in the land legal opinion when construction work is taking place within state or federal highway rights-of-way.

Direct questions to [Jeanne Cargill](#), Statutes & Codes Specialist, at 608-267-7587.

SFY 2020 Online Submittal Authorization Certificates

Unless a municipality authorizes a consultant to submit an online ITA, application, or both on their behalf, only municipal officials can submit ITAs and applications. The consultant can still enter the ITA by having access to the online system. Consultants will not be able to submit an application without the [Online Submittal Authorization Certificate for State Fiscal Year 2020](#).

If a municipality wants their consultant to submit the ITA 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. The signed authorization certificate must be received by the DNR before the consultant will be granted access to submit the ITA, application, or both online.

Send certificates to ...

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

BECKY MESDJIAN - CF/2
101 S WEBSTER ST - GEF2
PO BOX 7921
MADISON WI 53707-7921



Due October 31st – SFY 2020 Intents to Apply (ITAs)

October 31, 2018 is the deadline for State Fiscal Year (SFY) 2020 notice of Intent to Apply (ITA) submittals for a project to be eligible for funding between July 1, 2019 and June 30, 2020.

This statutory deadline 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 submittals. Help text is in place in the system to guide you.

- [CWFP ITA Online Submittal System Help Text](#)
- [SDWLP ITA Online Submittal System Help Text](#)

To access and learn about the online submittal system & process, visit dnr.wi.gov/Aid/OnlineSubmissions.html.

October 22, 2018 is the final submittal date for Web Access Management System (WAMS) user ID requests, DNR Switchboard access requests, and SFY 2020 Online Submittal Authorization Certificates. At the URL listed above, learn how to request a WAMS ID and Switchboard access, as well as learn about and download the Authorization Certificate.

Upload documents for PERF points

Appropriate, supporting documentation will be required in order to receive Priority Evaluation and Ranking Formula (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, 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 the link given above.

Timeline and deadlines

- Now: Prepare/Enter online SFY 2020 ITA.
- Now: Submit online SFY 2020 ITA.
- October 22, 2018: Final submittal date for WAMS ID and DNR Switchboard access requests, and SFY 2020 Online Submittal Authorization Certificates.
- **October 31, 2018: Deadline for submitting ITAs online to be eligible for funding in SFY 2020.**

Final Funding List for SFY 2019 SDWLP Available Online

Thirty-one (31) municipalities submitted complete Safe Drinking Water Loan Program (SDWLP) applications requesting \$64,481,465 for State Fiscal Year (SFY) 2019 funding by the June 30, 2018 deadline.

The [SFY 2019 SDWLP Final Funding List](#) includes complete applications submitted by this deadline and shows the estimated allocation of loan & principal forgiveness (PF) dollars, and total requested costs for each project.

The projects are listed in priority score order. This ordering is used for the allocation of principal forgiveness funds that reduce the size of a project's loan.

PF is additional subsidy, provided by the federal government, to finance the highest-priority projects in municipalities with the greatest financial need.

Reminder: SFY 2019 SDWLP loans must be closed by the statutory deadline of June 30, 2019.

Submit SFY 2020 ITAs by October 31, 2018 for Customer-Side Lead Service Line (LSL) Projects

With the passing of [Wisconsin Act 137](#), water utilities may now apply for approval from the Public Service Commission (PSC) to implement a program to provide financial assistance for costs to replace customer-side lead service lines (LSLs) and recover those costs through rates.

As a result, water utilities that receive approval from PSC may also request Safe Drinking Water Loan Program (SDWLP) funds using water revenue as their security pledge for the loan.

If your water utility anticipates setting up a customer-side LSL program (*regardless of the security pledge type*) and is interested in potentially securing SDWLP funds for the State Fiscal Year 2020 funding cycle then...

Be sure to [submit online](#) your SFY 2020 Intent to Apply (ITA) by **October 31, 2018**, to ensure eligibility to apply!

Resources

- PSC [Lead Service Line \(LSL\) Replacement](#)
- DNR [Drinking Water and Lead](#)
- DNR [LSL Replacements](#)

Update on Principal Forgiveness (PF) and Funding for Fiscal Sustainability Plan (FSP) Development

Principal forgiveness (PF) for Fiscal Sustainability Plan (FSP) development was available for CWFP applicants during State Fiscal Years (SFYs) 2015 through 2018.

Starting with SFY 2019 projects, FSP PF is no longer available, as discussed on page 3 of 15 of the SFY 2019 CWFP Intended Use Plan.

Loan funds available for FSP costs

In SFY 2019 and subsequent years, the cost of FSP development will be treated as any other project-related cost – eligible for loan funding and included in the eligible project costs for purposes of calculating regular PF.

Note: the application deadline for CWFP projects seeking regular PF in SFY 2019 was September 30, 2018.

Application budget lines & FSP costs

Any municipality may receive loan funding to pay FSP development costs. When preparing a CWFP application, municipalities should request costs for developing their FSP in the project budget.

Include the FSP-related costs on the appropriate budget lines as follows:

- Professional services contract for FSP development - Preliminary Engineering line
- Municipal employees performing work on an FSP - Force Account line
- FSP development work done by a non-municipal entity without a contract - Miscellaneous line.

Contact information

Direct FSP development questions to:

[Dave Calhoun](#), FSP Specialist, at 608-266-4536

Direct CWFP questions to:

[Matt Marcum](#), CWFP Coordinator, at 608-264-8986

Direct PF questions to:

[Becky Scott](#), PF Specialist, at 608-267-7584

Submit Water Rate Case Applications Now

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!

09/15/18 was the last recommended date to submit rate case applications to PSC for SFY 2019 SDWLP projects.

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.

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 often means the utility needs to increase water rates. The application process to increase water rates takes 180 days.

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.

Reminder: SFY 2019 SDWLP loans must be closed by the statutory deadline of June 30, 2019.

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](#)

Apply for PSC Construction Authorization (CA) Now

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

When is CA required?

Ss. PSC 184.03(1)(2)(3)(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

Ss. PSC 184.03(3)(b)(c)(4), Wis. Adm. Code, do 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](#)

SDWLP ITAs and PERF Scoring

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) by the October 31st deadline for the following state fiscal year (SFY) funding cycle.

SFY 2020 SDWLP ITAs must be submitted by 10/31/18.

The ITA is the first step for a municipality to be eligible to submit a financial assistance application. Submitting an ITA does not commit a municipality to apply for financial assistance from the SDWLP. A valid, eligible ITA 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.

Prepare ITAs & PERFs in advance

Begin working on your ITAs 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.

Providing insufficient documentation is one of the most common reasons Priority Evaluation & Ranking Formula (PERF) points are reduced.

Streamlined PERF scoring process

As outlined in the [SFY 2019 SDWLP Intended Use Plan \(IUP\)](#), the DNR is streamlining the PERF scoring process.

Eligible projects will be listed on the PPL reflecting the self-scores as submitted by potential loan applicants. The department will evaluate the ITAs with PERFs solely for project eligibility.

After the application deadline, the DNR will review the scores of eligible projects for which a complete SDWLP application was submitted by the June 30th statutory application deadline.

Contact information

Direct PERF questions to:

Jim Witthuhn, DNR Water Supply Engineer
608-267-9659
James.Witthuhn@Wisconsin.gov

Direct ITA questions to:

Nicole Mathews, SDWLP Coordinator
608-266-0849
Nicole.Mathews@Wisconsin.gov

General SDWLP PERF Scoring Trends Over the Past 3 State Fiscal Years

	SFY 2017	SFY 2018	SFY 2019
Number of ITAs	343	329	257
Average Point Difference	51	43	47
Median Point Difference	40	24	24

Notes about the data

- The department only awards points if requested, as such, differences are reductions in scores.
- Differences below are not weighted by SFY.
- The five most common PERF fields that experience point reductions are **highlighted**.
- SC6 requires that significant deficiencies are *identified in a sanitary survey*.

PERF Field	Difference	PERF Field	Difference
HH1a - Total/Fecal Coliform	0.71%	SC9 - Emergency Power	12.04%
HH1b - SW Filtration/Disinfection	0.35%	SC10 - Asbestos Replacement	6.02%
HH1c - Nitrate/Nitrite	0.83%	SC11 - Upgrade SCADA	15.58%
HH1d - IOCs	0.83%	SC12 - Fluoridation	8.50%
HH1d - VOCs	0.59%	SC13 - Waste Upgrade	2.48%
HH1d - SOCs	1.06%	SC14 - Undersized Mains	11.45%
HH1d - Radionuclides	1.77%	SC15 - Looping	16.88%
HH1d - DBPs	0.35%	SC16 - Disinfection BPDs	2.60%
HH2a - Total/Fecal Coliform	5.79%	SC17 - Fire Flows	14.76%
HH2b - SW Filtration	1.18%	SC18 - Pressure Booster	5.90%
HH2c - Nitrate/Nitrite	2.24%	SC19 - Crossings	9.80%
HH2d - IOCs	4.96%	SC20 - Pump Replacements	6.38%
HH2d - VOCs	1.53%	SC21 - Intake Structures	0.35%
HH2d - SOCs	1.42%	SC22 - Water Loss Reduction	7.67%
HH2d - Radionuclides	2.01%	SC23 - SS Manhole WM Replacements	1.06%
HH2d - DBPs	0.83%	C1 - Written Emergency Plan	20.31%
SC1 - Secondary Contaminant	5.55%	C2 - Well Abandonment Ordinance	26.92%
SC2 - Inadequate Pressure	10.98%	C3 - Wellhead Protection	17.24%
SC3 - Storage Deficiency	5.19%	C4 - Certified Operation	9.21%
SC4 - Capacity Deficiency	13.11%	C5 - Cross Connection Program	30.58%
SC5 - System Reliability	43.92%	C6 - Replacement Fund	9.45%
SC6 - Significant Deficiencies	38.02%	C7 - Consolidate TMF Systems	1.06%
SC7 - Lead Replacements	12.40%	C8 - Consolidated Systems List	1.89%
SC8 - Zebra Mussel Control	0.47%		