

E-Bulletin Newsletter



To provide affordable financial assistance to communities within Wisconsin for water infrastructure projects that protect and improve public health and water quality for current and future generations.



Inside this Issue

AIS Nuts and Bolts Waiver Expires	1
Market Rate for Next Quarter	1
Upcoming Deadlines	1
SFY 2021 ITAs and PPLs	2
Holiday Office Closures	2
SFY 2020 CWFP Funding List Online	2
Milwaukee MSD Tour	2
Summary of User Satisfaction Survey Results for Online Application System	3
Final 2019 Disbursement Requests	4
Annual Discount Rate Updated for Cost-Effective Analysis	4
EPA Recognizes Wisconsin Projects with PISCES & AQUARIUS Awards	4,5

Stainless Steel Nuts & Bolts Waiver Extension Expires February 24, 2020

The [final extension](#) of the Short-Term National Product Waiver for Stainless Steel Nuts and Bolts used in Pipe Couplings, Restraints, Joints, Flanges, and Saddles for Clean Water or Drinking Water State Revolving Fund Projects (pursuant to the American Iron & Steel requirements of the Clean Water Act) **expires on February 24, 2020.**

As of that date, the purchase and use of non-domestically produced stainless steel nuts and bolts in iron and steel products for projects funded by a SRF is prohibited because they're no longer covered by the waiver (then expired).

- For projects that are underway, non-AIS nuts and bolts ordered prior to February 24, 2020 will be grandfathered in, even if they aren't installed until after the waiver expires.
- Stockpiling non-AIS nuts and bolts for projects that are *not* underway is not allowed.

EPA can help if you're having trouble finding American made iron and steel products. Send questions about products, projects, availability, and the AIS requirement to SRF_AIS@epa.gov. See also, EPA [SRF AIS Requirement](#) and DNR [Use of AIS](#) webpages.

Upcoming Deadlines

December 23

Final disbursement and loan closing date for CY 2019.

January 2020

SFY 21 CWFP & SDWLP Project Priority Lists (PPLs) published.

January 31

Last recommended date for opening bids on SFY 20 SDWLP projects.

February 2020

SFY 21 CWFP project priority score objections deadline (within 30 days after PPL is published).

[View Statutory Deadlines](#)

For both PF & non-PF CWFP applications, the loan closing must be within eight (8) months of the application acceptance notification date

Market Rate for Next Quarter

The Wisconsin Department of Administration has set the market rate at 3.000% for loans with municipal bond meetings on or after January 1, 2020 through March 31, 2020, and with a final maturity of twenty years or less. There is no change from the current market rate of 3.000%.

- CWFP & SDWLP loans provided to municipalities eligible for 55% of the market rate will receive an interest rate of **1.650%**.
- CWFP & SDWLP loans provided to disadvantaged municipalities eligible for 33% of the market rate will receive an interest rate of **0.990%**.
- CWFP loans provided to extremely disadvantaged municipalities eligible for 0% of the market rate will receive an interest rate of **0%**.
- The portion of eligible CWFP projects for receiving & storing septage and capacity for treating septage will receive loans with a 0% interest rate.

View [Current Loan Interest Rates](#)

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: 608-267-7475 | SDWLP phone: 608-266-0849 | [staff directory webpage](#)



Program implementation details are outlined in chs. [NR 162](#) and [NR 166](#), Wis. Adm. Code. [Legal notice](#): This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. Any regulatory decisions made by the Department of Natural Resources in any matter 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, call 608-267-9481 for more information.

SFY 2021 Intents to Apply & Project Priority Lists (PPLs)

The department received 250 SDWLP ITAs and 450 CWFIP ITAs by the October 31, 2019 deadline. The PPL identifies, by state fiscal year, all projects with a valid ITA submittal that are eligible to submit an application.

We plan to publish SFY 2021 CWFIP and SDWLP PPLs in January 2020. Notification will be emailed when a PPL is posted to the [Project Lists & Intended Use Plans page](#).



Funding List for SFY 2020 CWFIP Available Online

The department received 38 eligible Clean Water Fund Program applications, requesting \$195,995,389 for State Fiscal Year 2020 funding. These projects are identified in priority score order on the [SFY 2020 CWFIP Funding List](#).

Principal Forgiveness (PF) Funds

The priority score ordering is used for the allocation of PF funds. PF is additional subsidy, provided by the federal government, to finance the highest-priority projects in municipalities with the greatest financial need.

For SFY 2020, \$14,330,998 was available to be allocated as Regular PF and \$21,250,000 in PF was available for the Priority PF programs based on the eligibility criteria detailed in the [CWFIP SFY 2020 Intended Use Plan](#).

Review the SFY 2020 [CWFIP Priority PF](#) points and criteria for regionalization, phosphorus reduction, and energy efficiency projects.

Loan Closing Dates & Schedules

As a reminder, for both PF & non-PF CWFIP applications, the loan closing must be within eight (8) months of the date of the application acceptance notification, which is sent by the loan project manager by the end of the state fiscal year for which the ITA is valid (i.e., sent by June 30, 2020, for projects with valid SFY 2020 ITAs). Projects that have outstanding loan applications must close by February 28 of the following year. Work with your assigned DNR loan project manager (*see Funding List*) to establish your closing date and schedule.

Milwaukee MSD, Jones Island, & Green Infrastructure Tour

Over 20 staff members representing the Departments of Administration (*Capital Finance Office*) and Natural Resources (*Bureaus of Community Financial Assistance and Management & Budget*) traveled to Milwaukee on October 14, 2019, for a tour of multiple facilities overseen by the Milwaukee Metropolitan Sewerage District (MMSD). The tour focused on projects that have been funded by the Wisconsin Environmental Improvement Fund (EIF).

Following an orientation at Jones Island Wastewater Reclamation Facility, the group surveyed the layout of the facility from a bird's eye view. A walkthrough of the dewatering and drying operation came next. It focused on

[Milorganite](#) production. The tour concluded with a walk to green infrastructure sites near MMSD headquarters.

The underlying infrastructure throughout the MMSD coverage area is either made up of separated or combined sanitary and storm sewer. During large rain events, their wastewater reclamation facilities struggle to treat the millions of gallons they receive.

To reduce the volume of rainwater entering the combined sewer, Milwaukee has been seeking partners for green infrastructure projects that manage water where it falls. Learn about [MMSD's green infrastructure efforts](#).



Summary of User Satisfaction Survey Results for the Online Application System

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 about other ways we can make the program more efficient and effective.

Between July 12 and August 12, 2019, we asked recent applicants questions to evaluate user experience and satisfaction with the [Online Application System](#) and process. The results are not a statistical representation of all applicants, but the responses are informative and useful, especially since the respondent pool (52 individuals) was evenly split between municipal and consultant backgrounds.

We extend a big THANK YOU to the individuals that completed the 2019 user satisfaction survey!

The following is a summarization of feedback that was received during the survey.

Of the fifty-two survey participants, 71% used the EL Program for prior project funding; the remaining 29% had not or were uncertain. Also, 40% of the respondents used additional external-funding sources.

Most of the respondents (87%) found that the transition from the paper form to the online application did not result in additional costs or more time spent learning a new system. Many respondents found that the online application made internal and external coordination easier for stakeholders (i.e. within an organization; between a municipality and its consulting firm). Respondents, on average, saved 4.7 hours as a result of the ability to coordinate with other project partners.

Advantages of online application identified

- More streamlined
- Less paperwork
- Real-time validation of application status
- Ease of communication with municipality

Improvements for user experience requested

- Providing checklists or explanations for required information and for what is missing during the application process
- Adding a grace period and/or pre-submittal check with project managers
- More help information
- A PDF version of the application
- Ability to submit disbursement requests online

Many respondents also identified improvements for the financial/budget section for several reasons, including the section being crowded and overwhelming, and the need for more explanation about what each category is asking for.

Thank you to all who participated in the survey!

The EL Program greatly values all the feedback received from this survey. The results will be used to improve the online application process and user experience. We want to ensure you get the support you need to be successful when working with our Environmental Loans programs.

DNR response to feedback

Providing a checklist or explanation for required information — The “Next Steps After ITA” documents found on the [online system webpage](#) provide a checklist of required information and brief descriptions. You may wish to save or print it to view during the online process.

Adding a grace period and/or pre-submittal check with project managers — Because the online system automatically tracks your progress and verifies that attachments have been included where required, there is no longer a grace period after the application deadline for applicants to submit missing documentation that is required as part of a complete application. We encourage you to start your application early and contact the program coordinator with any questions or concerns before you submit the application.

A PDF version of the application — The “Application Process & Contents” and “Application Help Text” documents found on the [online system webpage](#) provide a list of required documentation and information. Because of the dynamic nature of the application, there are no plans to make a PDF version of the application available. However, the major web browsers do allow users to “print” each section of the application as a static PDF.

Ability to submit disbursement requests online — This enhancement is planned for, so stay tuned! Guidance will follow once the new feature is available.

Read online system articles

The Environmental Loans staff publish the E-Bulletin to provide assistance on topics that need clarification such as those identified in the survey results. To sign up, email your contact information to the loans Outreach Coordinator at Kay.Christensen@wisconsin.gov.

- Previous E-Bulletins: dnr.wi.gov/aid/loanNews.html.



Final 2019 Disbursement Date & Deadline

Requests for Disbursement due
Friday, December 13, 2019

Disbursements will be made on
Monday, December 23, 2019

[2020 Request for Disbursement Schedule
and 12-Month Calendar](#)

Annual Discount Rate Updated for Cost-Effective Analysis

All wastewater facilities plans require a cost-effective analysis to ensure that only the minimum resources required (monetary, environmental, and social) are expended over the 20-year planning period. The most cost-effective alternative, when considering all resources, must be selected; differences between alternatives within approximately 10% are considered equivalent. This is separate from the user rate analysis. To account for opportunity costs over the planning period, monetary costs are compared as total present cost or uniform annual cost. The DNR has updated the discount rate for Federal Fiscal Year (FFY) 2020 facilities plans to **2.75%**, which should be used until the rate's annual update occurring in October 2020. See [wastewater facility planning studies](#). If you have any questions about a facilities plan cost-effective analysis, contact DNR municipal wastewater [plan review staff](#).

EPA Recognizes Wisconsin Projects with PISCES and AQUARIUS Awards

On November 18, 2019, the U.S. Environmental Protection Agency (EPA) recognized 30 clean water and 25 drinking water infrastructure projects for excellence and innovation within the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs in communities across the country.

Participating state programs each nominated one project in either or both programs. Wisconsin is recognized with in both programs for exceptional projects.

PISCES

EPA's *Performance and Innovation in the SRF Creating Environmental Success* program celebrates innovation demonstrated by CWSRF programs and assistance recipients. At least one project in each of EPA's 10 Regions was selected to receive the Exceptional Project recognition. View all [2019 PISCES recognized projects](#).

PISCES Exceptional Project: Wisconsin

Assistance Recipient: Madison MSD

Project: Pumping Station 15 Rehabilitation

The Madison Metropolitan Sewerage District (MMSD) began a major rehabilitation project in 2016 of Pumping Station 15 due to its age and anticipated nearby land development. This regional pumping station is located between a boat ramp and a heavily used bike path in Marshall Park.

The project's structural and mechanical engineering costs included installation of a photovoltaic cell array on the roof, new high efficiency pumps, variable frequency drives, and two separated electrical feeds.

These upgrades make the pump station more resilient against extreme weather events. The station conveys an

[EPA Recognizes Wisconsin continued on page 5](#)



EPA Recognizes Wisconsin continued from page 4

average of 1.32 million gallons of wastewater per day with capacity up to 8.8 million gallons per day, which is expected to meet the needs of the service area through 2045.

In addition to the pump upgrades, the heavily-trafficked location prompted the construction of public restrooms, two aquatic invasive species boat wash hydrants, and a bike repair station.

Sustainable design practices were incorporated and included installation of bioretention ponds, a green roof, rain gardens, and permeable pavement walkways.

The project includes a real-time information display that is visible to the public, showing information about pumping speeds, water flow, and other data associated with the pumping station. Incorporating educational aspects into this project provides a community engagement opportunity while addressing water quality issues by updating an outdated pumping station.

AQUARIUS

EPA's inaugural AQUARIUS program recognition celebrates innovation, sustainability, and public health protection demonstrated by DWSRF programs and assistance recipients. One particularly noteworthy project from each of EPA's 10 Regions was selected to receive the Exceptional Project recognition. View the full list of [2019 AQUARIUS recognized projects](#).

AQUARIUS Exceptional Project: Wisconsin

Assistance Recipient: City of Ashland

Project: Private Lead Service Line Replacement (Year 1)



The City of Ashland undertook a two-year private [lead service line \(LSL\) replacement](#) funding program. The City, with approximately 8,000 residents, was designated as a disadvantaged community under the Wisconsin DWSRF program. The City covered 100 percent of the LSL replacement cost of the lowest of two quotes from plumbers on a pre-qualified list.

During Year 1 of this program, the City was given \$300,000, all as principal forgiveness, to replace 109 residential LSLs. Year 1 was completed in 2018, and the City is currently utilizing an additional \$300,000 to carry out Year 2 of this program.

This private LSL replacement funding program is an example of innovative financing. Providing 100 percent principal forgiveness was necessary to comply with state laws, since no public debt can be incurred for costs of work done on private property.

Previously, the City had been completing partial LSL replacement, which can result in an increased public health hazard. This private LSL replacement funding program is providing the City's residents with a safe supply of drinking water and increasing public health protection.

Please note that *new* funding is no longer available through the Wisconsin DNR Private LSL Replacement Funding Program. If you live in one of the [municipalities that received funding](#), you can contact your local water utility to see if there is still funding available. The SDWLP is not able to award funds directly to individual homeowners.

