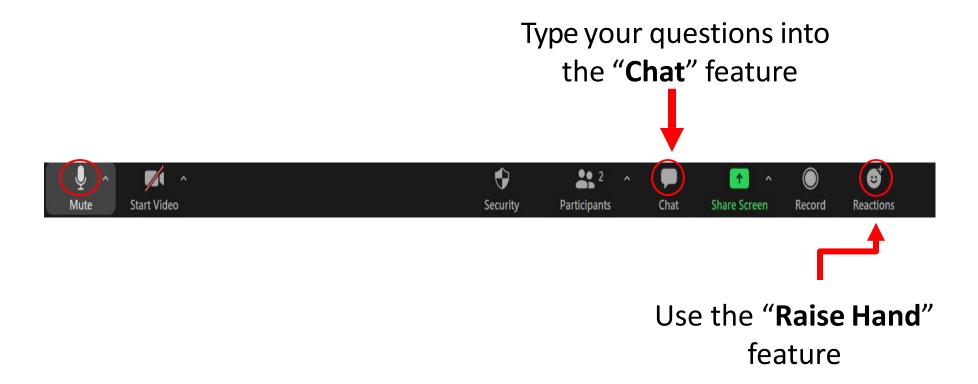
Intended Use Plan Webinar

Clean Water Fund Program
SFY 2026

June 27, 2025

Zoom Housekeeping





Presenters

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Webinar Purpose

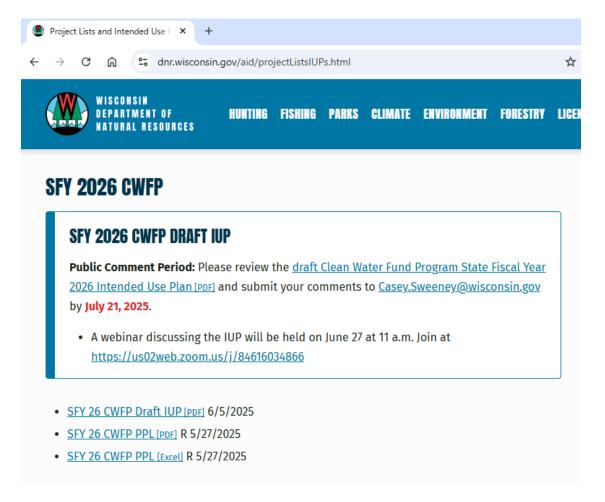
- Highlight changes to the IUP
- Encourage emerging contaminants projects
- Discuss questions



State Revolving Fund - Basics

- Clean Water & Drinking Water SRFs, Private LSL Replacement Program, and CWF Pilot Program.
- Subsidized interest rates updated quarterly
 - 2.200% for most municipalities
 - 1.320% for disadvantaged municipalities
- 20 30 year loan terms (based on design life of the project)
- Portions of loans may be awarded as Principal Forgiveness for eligible applicants. Like grant funding – no repayment.
- Loan repayments revolve and become available for new loans.

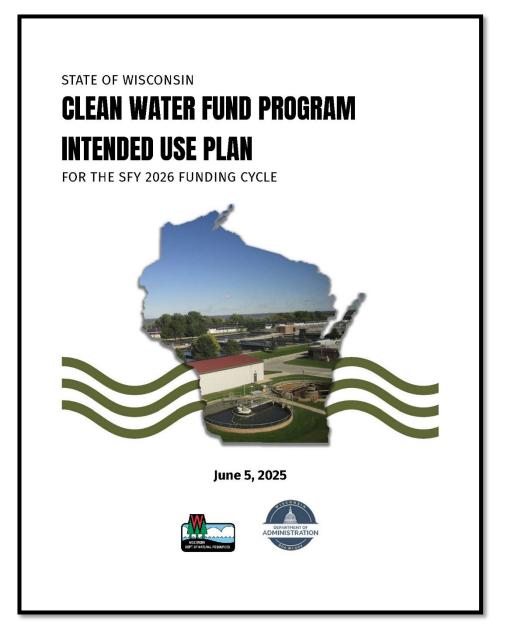
Where do I find the IUPs?



https://dnr.wisconsin.gov/aid/projectListsIUPs.html

What is an Intended Use Plan?

- The Clean Water Act requires each state to prepare an IUP
- The IUP provides information on how DNR intends to use the funds available
 - Goals
 - Program policies
 - Principal forgiveness
 - Deadlines



FFY 2025 Federal Cap Grant	Total Grant	State Match	Principal Forgiveness
Base	\$42,891,000	\$8,578,200	\$8,578,200
Supplemental	\$66,599,000	\$13,319,800	\$32,633,510
Totals	\$109,490,000	\$21,898,000	\$41,211,710

Loan Demand - SFY 2026 Impacts

- Loan capacity for SFY 2026 is currently estimated at \$321,000,000.
 - A final number that is higher will be determined after the state budget is passed.
 - Joint Finance Committee voted to increase bonding authority.

Principal Forgiveness

	Base + Supplemental Grant	Rollover from Prior SFY	Total PF
SFY25	\$34,539,690	\$8,229,593	\$42,769,283
SFY26	\$41,211,710	To be determined	?

Recommendation

- Make sure to apply by the September 30th application deadline to compete for funding.
 - Do not rely on submitting a supplemental application
 - Reserving \$10.7M in loan funding for pilot projects that apply by the deadline.

Federal Equivalency Requirements

Applies to the following project types:

- All projects from municipalities with a population of 20,000 or over
- Emerging contaminants projects



Build America, **Buy America** (BABA)

- Applies to all federal equivalency projects
- Expansion of American Iron & Steel (AIS) requirements.
- Covers all construction materials and manufactured goods
- Waivers
 - De minimis
 - Small project
 - Product specific
- More information available on the DNR's website





Private Sewer Laterals



- New eligibility.
- Projects must be to reduce infiltration and inflow (I&I).
- •We envision that most sewer lateral replacements will be in conjunction with a sewer main project.
- •Stand-alone projects will require I&I documentation.

Water Quality Trading (WQT) Projects Scoring



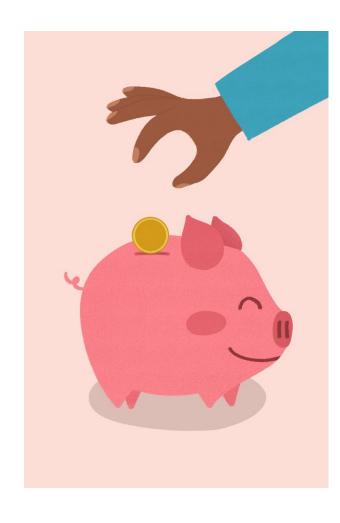
- Beginning in SFY27, WQT projects will receive a priority score.
- Proposing a project type score of 25 points plus points for WPDES permit limits.
- Would be placed on the funding list with other projects in priority score order.
- Eligible for subsidized interest rate and to compete for PF.

Priority Scoring for Phosphorus Limits



- Scoring system is based on concentration limits.
- When the final limits effective in a current WPDES permit are *mass* limits, then the concentration limit equivalent may be used for scoring.
- Mass limits are typically associated with facilities located in an implemented TMDL.

Principal Forgiveness (PF)



- No major changes to the general PF and priority PF caps or criteria.
 - General PF cap remains at \$2,100,000
- One allotment of PF for General, Phosphorus Reduction, and Regionalization.
 - \$41,211,710 plus rollover from SFY25
 - Allocated in the following order:
 - 1. Regionalization PF
 - 2. Phosphorus Reduction PF
 - 3. General PF
- \$250,000 still reserved for energy efficiency PF.

Important Deadlines

- September 30th, 2025
 - Deadline to submit applications for CWFP SFY2026 funding.
 - Must have an eligible project on the SFY26 Project Priority List
 - Application must include a facility plan approval letter and approvable plans and specs
- October 31st, 2025
 - Deadline to submit an Intent to Apply (ITA) for SFY2027
- Reminder: Loans Online Systems WAMS login replaced by MyWisconsin ID.
 - https://dnr.wisconsin.gov/aid/OnlineSubmissions.html

Questions?



Clean Water Emerging Contaminants (EC) IIJA/BIL Funding

- Intended to address municipal wastewater and storm water for Per- and Polyfluoroalkyl Substances (PFAS)
- \$8,276,000 EC Principal
 Forgiveness (PF) available
 in SFY 2026 (from rollover)
- SFY 2026 EC PF allotment \$5,749,000 transferred to SDWLP due to lack of demand



• A water quality project that reduces or eliminates any detectable levels of any PFAS contaminant compound for which a surface water quality standard or recommended Wisconsin Department of Health Services groundwater standard exists would be considered eligible for Clean Water Emerging Contaminants funding.

Substance	Recommended Enforcement Standard	Recommended Preventive Action Limit
HPFO-DA	10 ng/L	1 ng/L
PFBS	2,000 ng/L	200 ng/L
PFHxS	10 ng/L	1 ng/L
PFNA	10 ng/L	1 ng/L
PFOA	4 ng/L	0.4 ng/L
PFOS	4 ng/L	0.4 ng/L



- Public sanitary or storm sewer reconstruction or lining projects to reduce inflow and infiltration of PFAS contaminated groundwater or stormwater
- Landfill leachate treatment to remove PFAS at publicly owned landfills prior to discharge to a sanitary sewer or waters of the state

- Sanitary sewer, storm sewer, or WWTP building construction requiring groundwater dewatering in areas with PFAS contaminated groundwater
- Biosolids sampling and storage, processing, and/or disposal expenses for facilities seeking to investigate or address PFAS in biosolids



- Development and implementation of best management practices to reduce PFAS concentrations in stormwater
- PFAS removal at publicly owned treatment works, when all practicable source reduction efforts have been exhausted
- Groundwater remediation projects on publicly owned sites where a privately owned responsible party does not exist or has not been identified

Ineligible Projects:

- Privately owned projects
- Projects where a privately owned responsible party exists
- Sampling and analysis of effluent that is required by a WPDES permit

Split Projects – Emerging Contaminants

- Only the PFAS-specific portion of the project will be eligible for BIL EC Principal Forgiveness
 - Portions of a project whose primary purpose is something other than treating for PFAS will not be EC PF eligible.
- Similar to Phosphorus Priority PF →
 PFAS Cost Percentage
- DNR requests a breakout of major components, and associated costs, with the application
- DNR will review on a case-by-case basis



Funding Approach – Emerging Contaminants

Total CWFP SFY26 EC PF	\$8,276,000
EC PF rollover from SFY25	\$5,749,000
EC PF rollover from SFY24	\$2,527,000

- 70% of project costs, up to \$3.5M, per permitted municipality may be awarded as EC PF
- Non-disadvantaged applicants eligible for EC PF

EC PF Allocation: Two-pass process in priority score order

Pass 1	Pass 2
70% of total project costs as EC PF, up to \$350,000	EC PF allocated for the remainder of the 70% of the total eligible project costs (70% of project costs minus \$500,000), up to total EC PF cap of \$3.5M

Emerging Contaminant Projects Loan Funding

- Loan funding for 30% of EC project costs, up to \$1,500,000, is guaranteed
 - Project would need to reach the EC PF cap to reach that amount of guaranteed loan funding
- Potentially eligible for additional loan and PF

Project Scoring – Emerging Contaminants

- DNR has developed a project scoring system that will consider the following criteria:
 - PFAS Concentrations relative to standards or recommended levels
 - Max 200
 - Financial Need
 - Max 180
 - Project Type
 - Max 200



Application Process– **Emerging Contaminants**

CW EC Deadlines		
SFY26 ITA/PERF submittal deadline	October 31, 2024	
Submit SFY26 Application*	September 30, 2025	
Submit SFY27 ITA/PERF	October 31, 2025	

*Applications must include:

- Approved facility plan
- Final plans and specifications
- Breakout of Emerging Contaminants costs
- PFAS concentration documentation

Federal Requirements

- All EC projects are designated as Federal Equivalency
- Architectural and Engineering Procurement
- American Iron & Steel / Build America, Buy America (BABA)
- Davis-Bacon & Related Acts
- Disadvantaged Business Enterprises solicitation
- Enhancing Public Awareness of SFR Assistance Agreements (Signage)
- Environmental Reviews
- Other federal cross cutting requirements based on project specifics



Questions?



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