

Environmental Loans Process Improvements Proposal Webinar Transcript



The Wisconsin Department of Natural Resources (DNR) Environmental Loans Section presented the Environmental Loans Process Improvements Proposal webinar on Sept. 17, 2026. This transcript contains closed captions from the presentation. We've made no further edits to this text.

Presenters include:

- **Matt** Marcum, Environmental Loans Section manager.
- **Suzy** Hasheider, Safe Drinking Water Loan Program (SDWLP) and Drinking Water State Revolving Fund (DWSRF) policy analyst.
- **Casey** Sweeney, Clean Water Fund Program (CWFP) and Clean Water State Revolving Fund (CWSRF) policy analyst.
- **Becky** Scott, Environmental Loans Section manager.

We've identified each speaker the first time they talk and across pages. Each heading will be followed by the presentation's slide number and the timecodes for the recorded video and the closed captions. For example: Slide 1, timecode (video) 0:00:00 / (closed captions) 00:00:00.

Environmental Loans Process Improvements Proposal

Slide 1, timecode 0:00:00 / 00:00:00.

Matt: Can you share your screen, too?

[Overlapping speakers.]

Matt: It looks like that dropped off.

Suzy: Oh, yep, I lost that. Sure. Thank you for letting me know. ... Did it do anything?

Matt: I don't see it yet.

Becky: Presentation. I see it.

Matt: Oh, you do?

[Overlapping speakers.]

Casey: Yeah, I see it.

Becky: Yeah.

Matt: Okay, great.

Suzy: I'll go with that.

Matt: Well, I don't see it, but that's all right. As long as everybody else can see it, we can roll with that.

[Echoed feedback]

Matt: All right. Well, good afternoon, everybody. Welcome. Thank you for joining us this afternoon. Glad you're all here. We're excited to present the proposed changes to our funding process. A little bit of feedback if everybody could check their microphones, make sure they're muted, I'd appreciate it. So I'm Matt Marcum, one of two section managers here in the loans program, joined this afternoon by Suzy Hasheider and Casey Sweeney. Uh, slide two.

Zoom Housekeeping

Slide 2, timecode 0:01:18 / 00:01:17.

Matt: So, quick reminder here on how to use Zoom. Hopefully everybody understands it at this point. Just wanted to point out mostly, feel free to ask questions as we go throughout this presentation. We're going to break this up into different sections and we're going to try to take a pause between each of the sections. So, encourage you to, if you've got questions looking for clarification, anything like that would encourage you to either put those in the chat or raise your hands during the breaks, and we'll try to get to you then. Also wanted to note here that we are recording this presentation. We'll post a copy of that recording afterwards as well as a copy of the PowerPoint presentation on our website.

Webinar Purpose and Public Comment

Slide 3, timecode 0:02:06 / 00:02:06.

Matt: Okay, so this is... it is an informational webinar on our proposed changes to the environmental loans fund process. Comments can be emailed to me by October 7th. This is not an official public hearing. We're going to track questions and comments that come up during this, but would encourage you to submit formal written comments, like I said, to me via email by October 7th. Um, when you're doing that, would encourage you to categorize those comments too. Between the implementation plan that we've got laid out for the changes separating the comments related to the implementation from comments related to the overall structure of the proposal that we're making.

Background

Slide 4, timecode 0:02:59 / 00:02:58.

Matt: Okay. It's a little bit of background here. Um... So, we've been using the same basic intent to apply application and loan closing process for a long time now. Current process works. People are familiar with it, which is good, but it's a lengthy process. It's kind of bloated. We think there's definitely opportunities for improvement here. So, I wanted to share a couple of examples, things that we think can be improved upon.

Matt: So, starting with the chart, this mostly lays out when our loan closings happen. This is information from, I think, the last three fiscal years, averaged it out, averaged it out by when loans close. As you can see, there's a big spike, particularly on the drinking water side of things in July through September. Makes sense right as we're coming up to the loan closing deadline. You can contrast drinking water with clean water, see the clean water closing schedule is a little bit more spaced out. Um... Both programs, drinking water and clean water, looking at the chart on the top right. A long time to go from application to loan closing or even to go from the point at which construction starts to loan closing to the financial assistance agreement or the FAA. What's the average number of days there? And again, that's averaged out over the last three or four state fiscal years. So, it's, you know, it's... poster year in most cases, sometimes longer than that. Um, and then in the bottom right chart, um... A pretty small percentage of our total intents to apply that move forward and get converted into an actual application. It's a lot of ITAs that you all spend a lot of time working on to submit that we spend a lot of time reviewing, and the majority of those don't move forward. So, we think that we can improve those numbers as well.

Matt: So, we've been working now for a couple years to kind of determine where the pain points in the process are at and what kind of changes we could make to reduce those. And make overall, make the overall process more efficient. We had some initial proposals that we shared with some of our stakeholders last spring. We got some really good feedback on those and while the proposal that we're sharing now doesn't look exactly like either of the first two proposals we had. The intent with this proposal was to find some middle ground and to come up with a process that's an improvement over the old process and that works better with a project schedule regardless of what that schedule might be. All right, so here's a few things that we think the proposed process will improve upon.

Overarching Themes

Slide 5, timecode 0:05:58 / 00:05:57.

Matt: First off, fewer but more meaningful intents to apply. Secondly, we think this new process has more flexibility or adaptability for projects to enter the funding process at different times. Really kind of allowing projects to apply for funding more on the projects schedule, project-specific schedule, rather than what our funding process schedule looks like. And that's especially true for projects that aren't competing for principal forgiveness. We'll get into more of that as we go here.

Matt: Um, and then the other... the other kind of theme here is more time and effort focused on actual projects, projects that are planned and designed and moving forward, rather than the... quotes, potential projects, the intents to apply that that may or may not be moving forward.

Competitive Vs Supplemental Applications

Slide 6, timecode 0:06:55 / 00:06:54.

Matt: So, as we get into the details of the proposal a little bit further, we're going to talk quite a bit about competitive versus supplemental applications and wanted to take a few minutes here at the top of the presentation to describe maybe a little bit more detail what those are and how those can work for a community. So, a competitive application is kind of the traditional application. It's what we see on a regular basis. These are the applications that are submitted, uh, basically according to the funding cycle deadlines. These projects are the only ones that are eligible to compete for principal forgiveness. And they're competing for loan funding as well.

Matt: Historically, we've almost always had enough loan capacity for all projects. But in an instance where we don't have enough loan capacity, we are allocating that loan capacity based on a project's priority score. It's allocated, the funding is allocated, in priority score order.

Matt: Um, so that differs from supplemental applications. We've always allowed supplemental applications, but you've always had to have an intent to apply in the system in order to access the supplemental option. Um... So, what is the supplemental application? Basically, it's... an application that's submitted after the competitive application process. It's first-come, first-served. It is not eligible to compete for principal forgiveness. Um, but from a loan perspective, as long as we have loan funding available, we're able to allocate those loan, any remaining loan dollars, that we have to supplemental applications. We expect that process to continue under the new proposal as well.

Proposed Loan Program Timeline (1/7)

Slide 7, timecode 0:08:51 / 00:08:50.

Matt: Okay, so I'm going to end on this slide. This is kind of just a snapshot of the overall process. We're going to come back to this slide a couple of times throughout the presentation here.

Matt: I'm going to turn it over shortly to Suzy and Casey to walk us through the rest of the process in more detail. But kind of what I wanted to stress here. Sort of reiterating one of the overarching themes, but, um... We believe that there is an approach that fits every project, um, under this new proposal, regardless of when you proceed with construction or when you enter the funding process. There's more flexibility once you're in the process as well. Hopefully resubmitting ITAs becomes, we're resubmitting them on an annual basis at least kind of becomes a thing of the past. And just more entry points into the funding system. So, I'm going to leave it at that.

Proposed Loan Program Timeline (2/7)

Slide 8, timecode 0:09:55 / 00:09:54.

Matt: Suzy is up next and she's going to start with the ITA or the pre-application portion of the new process.

Suzy: Good afternoon, everyone. So, I'm gonna start with the first section of... changes that we're gonna discuss that are in the first steps of the loan cycle process. The pre-application section. And then we'll go through each section, and at the very end, we're gonna also talk about a few... scenarios or examples.

Pre-Application – ITA (1/2)

Slide 9, timecode 0:10:25 / 00:10:23.

Suzy: So, some of the key changes in this proposal to the pre-application or ITA section is now... The ITA can be submitted at any time during the year. And with the ITA, uh, competitive due date being much closer to the competitive... application deadline. Another key change is...approvable plans and specs will now be required to be submitted with the ITA and submitted to the applicable DNR program by the ITA deadline. In our proposal, that's May 1st. Clean Water Fund projects will also need an approved facility plan at the ITA submittal, so that's required in order to submit plans and specs. And then another key change is eligible ITAs will be good for the life of the plans and specs tied to it. So, this means annual ITA resubmittals are not required, as long as the plans and specs are still valid.

Pre-Application – PERF/PPL

Slide 10, timecode 0:11:28 / 00:11:30.

Suzy: And now that ITAs can be submitted at any time, the project priority list is going to be updated more frequently rather than published annually. The PPL will be updated quarterly, and that's gonna include the addition of projects for which a plans and specs were submitted throughout different times of the year. It's gonna be updated to remove the projects whose plans and specs have expired or if the project has been awarded funding. So, as long as the plan and spec approval remains valid, the project will continue to appear on the PPL, or the project priority list. And the PPL is also going to reflect project eligibility and the applicant's self-score. The DNR is not going to score the project until after the application has been submitted, which is similar to the current safe drinking water loan program process.

Pre-Application – ITA (2/2)

Slide 11, timecode 0:12:29 / 00:12:30.

Suzy: So, breaking this up between, uh, competitive and supplemental side of things, I'm gonna talk about competitive... So, if you're coming in, and you're planning to be competitive, want to compete for that PF, new ITAs must be submitted by May 1st of each year to be eligible to compete for principal forgiveness and loan funding in lieu with the August 1st application deadline. This ensures DNR has enough time to review the project and make... eligibility determinations before the competitive application deadline. Go ahead, Casey.

Casey: Hey everyone, uh... Happy to have you here. Casey Sweeney, I'll be focusing on some of the supplemental pieces. Um, so, as Matt mentioned, one of the overarching benefits for supplemental applications is flexibility. Um, supplemental... might be a good option for projects that believe the chance of receiving PF is low and the project is willing to... except that loan funding might run out by the time, uh...the competitive applications are all allocated funding. Um, and with that more flexible timeline, perhaps that better aligns with the project's timeline or construction timeline.

Casey: In the proposal, the intent to apply for supplementals can be submitted at any time during the year. Um, I'll reiterate that plans and specifications are due by the time the intent to apply is submitted, uh, for both competitive and supplemental, so the same is true there. Once the supplemental... ITA is submitted, it will be, um, you know, reviewed and batched into the next logical update of the project priority list. Supplementals, as I mentioned, have a more flexible timeline, but an ITA is still required, so you can't just jump right ahead to submitting a supplemental application. Next slide.

Proposed Loan Program Timeline (3/7)

Slide 12, timecode 0:14:56 / 00:14:59.

Casey: So... We're gonna move on from the pre-application, um... But before we do, I wanted to pause for any questions here. I've...

[Overlapping speakers.]

Casey: Or maybe, Becky, if there's anything that you wanted from the chat.

Becky: Yeah, there have been a few come in in the chat. Um, one... the first one was asking whether the reimbursement resolution would have to come in with the ITA. And the answer that is no, that will still come in with the application.

Becky: Um, we also were asked about confirmation, um, that ITAs are not due this October? And that is correct. They are not due in October. The new deadline for competitive applications is May 1st, and that will be, even if somehow we end up shifting when we start this new process, it's too close to October to still stick to in October deadline for ITAs. And we're also asked if the applicant... the drinking water application will be June 30th, or that is moving, um, for the proposal, it is moving. And we'll know soon whether that's going to apply to this coming year or not.

[Overlapping speakers.]

Casey: Yeah, and we'll talk more about the application deadline.

Becky: And then we've got a new question here too. Uh, do you have to have an accepted ITA before you can submit a supplemental application? One of you guys want to kind of explain that?

[Overlapping speakers.]

Suzy: So, yes, um...

Casey: Yes. Go ahead.

Suzy: So, yes, they will have to be accepted, but... if you're applying, you know, no matter when you're applying, as long as... The ITA has been accepted; you don't have to wait to be listed on the PPL. I know some folks might have been thinking that with that question. So you don't have to wait for the PPL, but you do need to wait to have an accepted ITA because we are doing that eligibility review. Anything to add, Casey?

Casey: No, that's it. Alright, well, there will be more opportunities for questions. I think we can move on.

Proposed Loan Program Timeline (4/7)

Slide 13, timecode 0:17:14 / 00:17:18.00.

Casey: So, our next focus is on the application and funding determinations stage.

Application (1/2)

Slide 14, timecode 0:17:23 / 00:17:25.00.

Casey: So, this proposal includes a unified new application deadline for both the Clean Water Fund program and the Safe Drinking Water Loan Program. That will be August 1st. This will be particularly helpful for combined water main and sanitary sewer projects. After the application is submitted, the DNR will review the proposed priority score for the project and make a determination. Both programs will publish a draft funding list, and the applicants will have an opportunity to object to the DNR score before the final funding list is posted. So we're highlighting here one of the differences, you know, this is changes from current practice, so... We're highlighting here that that process of scoring will now require um, the Clean Water Fund program publish a draft funding list and do that re-evaluation process. Next slide.

Application (2/2)

Slide 15, timecode 0:18:37.

Suzy: Alright. Yep, so when comparing competitive and supplemental, the competitive application only pertains to applicants who are competing for principal forgiveness, or loan funding if capacity is insufficient. Both the programs, Clean Water Fund and Safe Drinking Water, are due on the same day, August 1st. DNR is gonna review PERF scores after the application deadline. And then the DNR plans to publish the draft funding lists in November. Applicants will have 15 days to submit a periphery evaluation request. And then DNR will then publish the final funding lists in December. Go ahead, Casey.

Casey: One of the benefits for supplemental applications here in this application process is they can submit it at any time during the state fiscal year. For example, if an applicant wishes to pursue State Fiscal year 28 funding, the application would need to be submitted by June 30th, 2028, which would be the last day in the state fiscal year 2028. Before submitting that application, as I mentioned, the ITA would need to be submitted and approved. Talked about how supplemental applications are not eligible to receive PF, even in a scenario where PF is available at the time they applied.

Casey: Um... We talked about loan funding for supplemental applications that would be allocated if loan funding remains available after competitive applications. Um, and it will be allocated for supplementals on a first-come, first-served basis. Our last bullet here is, um, about program requirements. You know, it... this does get trickier to track, um, steep... Uh, the state fiscal year for supplemental applications. Especially given that the ITA could be valid for multiple years. But in terms of program requirements, supplemental applications will be subject to the rules and requirements of the state fiscal year in which the application is submitted. Next slide.

Proposed Loan Program Timeline (5/7)

Slide 16, timecode 0:21:09 / 00:21:12.00.

Casey: So I think we'll pause here for questions about...the application and funding list process.

Suzy: I see Brianna's question that came in and I'm happy to... to start with this. Responding to this one, so she asked, at what point...after ITA and PERFs are submitted, due May 1, will we be able to start working on the full application due August 1? I know we currently need to wait for the PPL to come out, so I'm curious... If there'll be a window after the May 1st deadline that will need to work to wait with to work on the full application, so... Um... We know that everyone loves deadlines, so... the May 1st date is probably when a lot of... ITAs will come in. We're only reviewing for eligibility. DNR won't be reviewing scores at this time, so... The goal is to have that PPL...PPL out and ITAs approved by July 1. And once your ITA is approved, you can start working on the application.

[Silence]

[Timecode 0:22:37 / 00:22:36.00]

Suzy: Any other application or funding list questions? Otherwise, we'll... we'll keep rolling. If you think of more, throw them in.

Proposed Loan Program Timeline (6/7)

Slide 17, timecode 0:22:49 / 00:22:49.00.

Suzy: Alright, we're gonna head into the loan closing steps of the process.

Loan Closing (1/2)

Slide 18, timecode 0:22:54 / 00:22:59.00.

Suzy: So, all projects, Clean Water Fund and Safe Drinking Water will also need to follow the readiness to proceed deadline, so this means all bidding must be completed and all construction contracts for the project must be executed by this deadline, which is July 1. Loan closing deadline is based on the construction contract's effective date. So, projects failing to meet the readiness to proceed or loan closing deadlines will forfeit their current funding. But they'll remain eligible to reapply for funding in the following year, because they'll still have, in most cases, a valid ITA.

Loan Closing (2/2)

Slide 19, timecode 0:23:43 / 00:23:46.00.

[Overlapping speakers.]

Casey: Yeah.

Suzy: Casey's gonna talk a little bit more about the loan closing here.

Casey: Yeah, I can take this one. So, a little different format here. Uh, for these requirements, they are both the same for competitive and supplemental, so we've just aligned them here. The proposal includes one deadline that must be met prior to loan closing, and we call it the readiness to proceed deadline. The thinking behind this deadline is that we require executed construction contracts before loan closing. And, um, this would require those contracts to be submitted by July 1st. For state fiscal year, 2028 projects, just to be clear, this would be then July 1st, 2028. Any project without executed contracts bought by July 1st, would need to reapply. A project in that situation could hopefully reapply by the following month, which would be the next application deadline, August 1st. I will note here that even though supplemental applications have more flexibility on the ITA and application submittal, they are subject to the same readiness to proceed deadline.

Casey: The next deadline is, uh, loan closing deadline, sort of the end-all, be-all. And this is different than... our current practice, we thought about this a lot and tried to align the loan closing deadline more closely with the project timeline. To do that, the proposal requires loan closing within 9 months of the construction contract's effective date. Um, that's sort of on the right hand. I guess I'm getting out of order here. That's number 2 in the list or on the right-hand side of the image below.

Casey: And then we also recognize that some projects will have an executed construction contract before seeking funding. So that's described in item number 1, or shown on the left-hand side of the image. In those cases where the effective date is prior to the publishing of the draft funding list, the loan will need to close 9 months after the posting of the draft funding list. Next slide.

Proposed Loan Program Timeline (7/7)

Slide 20, timecode 0:26:29 / 00:26:32.00.

Suzy: Alright, another pause for questions.

Becky: There are several.

Suzy: Alright.

Casey: Oh, they're starting to flow. That's good.

Suzy: Will the same online system be used for applications? There will be double the submittals, which is one month to complete. So yes, it will be the same online system. Um... I guess we have more on that later, but... foreshadowing, we are combining the systems, the ITA and application into one system.

Casey: Yeah, and I think that double submittal refers to if we had two separate systems, then that would require two separate submittals. So, in this case... I mean, not... If they're cohesive systems, then at least we'll be in one, but there'll still be two actions, submitting the ITA and then submitting the application, just to be clear.

Becky: I was thinking the double submittals might have been one drinking water, one clean water, but I can be wrong too. Amy, you can clarify if you want.

Suzy: Oh, yeah, yes, one... okay, yep, she did clarify in the different programs. So yeah, if it's a... Yeah. Like a street project, for example. Um... you do have to separate that out, as you do now, too. Just... currently different deadlines.

Casey: The next one about...submitting executed...contracts, um...for the readiness to proceed deadline. Um... I don't know if we need some clarification on that or need to look back at. I think the proposal does say executed. Our current readiness to proceed deadline, though, is...More around submitted, if I'm not mistaken, so...

[Overlapping speakers.]

Suzy: Yes, they... yeah.

Casey: But I think we want... we were explicit about it being executed, so that, I think, is a mis...I misspoke on that.

Becky: Yeah, I'm pretty sure in discussions we had that we talked about them being executed is the key thing, rather than submitted.

Suzy: Mm-hmm.

Casey: So, thanks for that clarification, Elizabeth.

[Silence]

Suzy: With construction contracts being executed before loan closing, what type of funding commitment can be provided to the borrower before they're obligated to the contractor? I am unsure how to answer that one, but we definitely already get applications where...Contracts have been already executed. Um...

Becky: We normally, I mean, right now we don't close alone without a contract being executed, so that's not really a change.

Casey: And just to be clear, we wouldn't be requiring that in this program, or this proposal. That's, um, some of the things we're describing are just, if that is the scenario, were the construction contract was executed in advance of...applying, um, something, like the loan closing deadline, namely, would be different for that type of project.

Becky: But Mike's question was about being executed before loan closing.

Matt: Yeah, so I think the answer there is the funding list.

Becky: Right.

Matt: That's going to be the commitment that we can provide that's going to be us essentially allocating money to that project. Um, basically the same thing that we do right now.

[Silence]

Suzy: Alright, so we might need to reiterate our timeline here. Is the August 1st deadline for next cycle applications for supplemental apps only? Assuming the next competitive app deadline would be May 1st, 2028, please advise. So, the May 1st deadline is the competitive deadline to get an ITA in.

The August 1st deadline is the competitive deadline for...applications. Supplemental ITAs and applications can come in at any time. And a supplemental application...depending on what time of the state fiscal year, or when it's applied for, the requirements are going to be applied in that state fiscal year.

Suzy: So... if...that supplemental application...Um...Trying to wing an example here, but if it came in, uh...June 1st of 2027...then it'd be...state fiscal year...27, right? Application.

Casey: Right.

Becky: Yes.

Suzy: Thanks.

Casey: But not to be confused, because...we're proposing changes for...28.

Becky: Um, yeah, 28.

Suzy: Yeah.

Becky: And right now, of the supplemental app, I mean, that's not a change either. Supplemental applications to apply to a state fiscal year funding have to come in during that state fiscal year.

[Silence]

Casey: Thanks for the questions.

Suzy: Alright, keep thinking of your questions. I believe we're at the point of... of going into more some... more scenarios and examples.

Example 1a

Slide 21, timecode 0:32:47 / 00:32:50.00.

Suzy: Okay. So yeah, well, we have a few scenarios for competitive and supplemental projects. I'm sure we could come up with a million scenarios, but at this point, we do want to emphasize that this proposal has a lot of potential entry points into the funding cycle. And choosing which option makes sense to you can depend on...you know, maybe the project schedule, whether or not you're gonna compete for principal forgiveness, and when you plan to close a loan...Um, and want the money flowing to you, so...

Suzy: This first example here is our pretty typical situation, and what we're currently used to. We like to wait until the deadline. People like deadlines. You submit the ITA and the plan and specs right before the May 1st deadline. And then you submit the application right on the due date, August 1st. This project ends up getting ranked on the funding list and moves forward with funding in the

upcoming cycle. Their construction contract gets executed the following spring, so April 2028. This effective date would be after the...publishing of the draft funding list, so...This applicant would have to close the loan within 9 months of the effective date of the construction contract.

Example 1b

Slide 22, timecode 0:34:12 / 00:34:12.00.

Suzy: So next scenario...ITA, plans and specs, and applications still follow the same competitive due dates and timeframes. However, this time, the construction contract was executed right before applying for the loan. And that means they're effective...date of, um, closing the loan. They're gonna have 9 months from when...the funding list was published. Because the effective date of the contract was before the publishing of the funding list.

Example 1c

Slide 23, timecode 0:34:48 / 00:34:47.00.

Suzy: Alright, and then scratch... scratch that, something comes up...Maybe you miss the application deadline, or you knew...construction was going to be pushed off, and you didn't need funding dispersed to you yet. Then you have other options. You could either come in later as a supplemental application when you're ready or you could wait until the next year to be...a competitive application with the next funding cycle. So, since you already have an ITA submitted, and the plans and specs are still valid, you don't have to go through submitting another ITA the next cycle. And you just have to apply by...August 1st of 2028.

Suzy: I just saw a question pop in, so before I turn it back over to Casey, I'll...I'll respond to this. Um... Will the new schedule also apply to LSL projects? Will plans and specs for LSL projects need to be completed with the May 1st ITA deadline? LSLI projects do not require plans and specs, but they will need to follow the ITA deadline. All right, I'm gonna kick it over to Casey for some supplemental examples.

Example 2

Slide 24, timecode 0:36:05 / 00:36:07.00.

Casey: Yeah, so just one example for supplemental, um...Continuing along the theme of, you know, something going on wrong, or...Um, you know, maybe...the example that I was thinking about here was a project that might have been striving to apply for competitive, but for whatever reason decided not to. They hold off on submitting their ITA, um, and then... maybe the thing that was holding it up gets cleared, they submit the intent to apply on December 10th, 2027. Um, this would be a state fiscal year 28 example. Um, the...And because they had been working on a number of things in advance, perhaps they're pretty close to ready to apply. Um, so a pretty short time frame between sub, uh,

submitting the intent to apply and the application. They go ahead and do that by January 30th, 2028. At the time of the application, uh, the construction contract is not executed, perhaps they're...Um, bidding the...construction contract right now, um, but it's not ready yet. Uh, so the readiness...to proceed deadline would still...be, uh, this project would be subject to that, so they would need to...Um, sorry, again, this is submit executed construction contract, nix that, that should be...must execute construction contracts by July 1st, 2028. And then they would have this...a project would have 9 months to close the loan from that effective date, whatever that ends up being.

[Silence]

Odds & Ends

Slide 25, timecode 0:38:02 / 00:38:04.00.

Casey: So just to add on a few last things, I think this is our last slide. Um, we have alluded to a couple of these things already. We're in the process of combining the intent to apply and loan application systems into one. And that is expected to launch by February 2027. Pretty excited about that. We are hopeful that the user experience will be, um, overall, a better product for both our customers and DNR staff members. It might be, um, a little bit different than what you're used to, but, um, trying to keep things as similar as possible.

Casey: Also want to highlight here the planning and design loans that we're in the early stages of developing. Given that this overall proposal and shift requires plans and specifications to be further developed by the time of submitting an ITA, Uh, our thinking here was that...this, uh, planning and design loan offering could...provide financial support for...design costs for those plans and specifications. So we are planning to share, uh, a survey to gauge interest in this type of offering. We know that there's...other, um...means of interim debt that municipalities have available. So, trying to gauge that interest. When the survey does come out, and we'll announce it broadly, I encourage you to just take a few minutes to complete it. It's not going to be a long survey, something in the range of 10 questions, so...not too cumbersome.

Casey: And then we'll open it up to...Questions?

Becky: There are some questions in there.

Casey: Perfect.

Suzy: Alright, I think this is where we left off, and you answered this one, Becky, but I'll repeat it just in case. Is there a mechanism to obtain an eligibility determination prior to the ITA submittal? So yeah, the best option is to submit the ITA soon enough that you have time to pivot or change things if something's not eligible. But, you know, as now, you can...always call up our coordinators to talk through a certain project if it's...not, uh, a clear-cut...project of what's eligible and what's not eligible.

Suzy: Good question on the new system. I wish, uh, is the new system able to take in documents for disbursements? It is on our wish list, but it won't be...uh... built by February.

Suzy: Will the planning and design loans also be available for facility plan preparation? I'm... and there's... there's two different planning and design loan questions. We're in the very beginning of the framework of what these are gonna look like. My initial hunch is to say I couldn't see why not, but someone tell me if I'm wrong.

Suzy: And then if you use a planning and design loan program, can those costs be rolled into the overall construction loan?

Becky: I don't think DOA wants to refinance any of the planning and design loans, which would be what you'd have to do to roll it into the construction loan. But if a project was receiving principal forgiveness, we would count the planning and design costs as part of the project when calculating principal forgiveness.

Suzy: With the planning and design loans... oh, sorry, Casey, do you have more to add?

Casey: Yeah, I was just gonna say that, you know, some of those details, too, we hope to layout, um, when we send out the survey, so if you do have more questions on the planning and design loan, I know we didn't include a ton of details here. Um, but some of those details, I think, will...be made a little more clear by the time the survey comes out.

Becky: There's also a question about bonding on the planning design loans.

Casey: Yeah, so...

Becky: You know, we don't have details worked out, but I believe they would still require bonding.

Casey: Yes, that's... that's our...current understanding that bond counsel will be required and...and bond counsel costs.

Suzy: Alright, next question. I'm concerned about requiring plans and specs at the ITA stage might be problematic for communities that might want to submit their project in Perf to gauge the likeliness of receiving PF, and in what amount, prior to investing in the developing of the full project specs. While I realize availability of planning loans might help mitigate this, is this something you're concerned about when formulating this policy? So... I think here is a good...place to do a reminder with BIL ending is...We're gonna have a lot less principal forgiveness to give out. And we have also...proposed changes to our PF policy starting in state fiscal year 2028 that's currently available on our website. I believe the draft is still up there, the public comment period ended. The reality is, the PF's not gonna go that far down the funding list that we're used to, so...you know, if you haven't looked at that new criterion, please do so, to see where your municipalities fall and trying to gauge the likeliness there. Does anyone else have anything to add to...Janet's question.

Casey: I could add a few points. Um, you know, really...I don't know if, Janet, you were thinking of...the PPL and applicants using the project priority list as a way to gauge likeliness of receiving principal forgiveness. In which case, you know, we would...caution against using the project priority list as a way to engage likelihood of receiving principal forgiveness, because of course, especially in the old system, or old...format. Um...could be large amounts of...intents to apply that are ranked quite highly, that don't submit applications...

Questions

Slide 26, timecode 0:45:19.

Casey: The amount of principal forgiveness, of course, that we have available varies, so...Really, that's not known until funding less time anyways. Um, so I think that would have been a concern even in our current process.

[Silence]

Suzy: Matt, did you want to add anything to that one?

Matt: Nope, you guys covered it all. Thank you.

Suzy: All right. Next question for safe drinking water loan projects. When will the PSC water rate case applications be re...recommended to submit? I forget what the recommendation was there, but it...don't they take about...isn't it around 200 days?

[Overlapping speakers.]

Becky: I believe so.

Suzy: Noah just went on vacation today.

Becky: I believe it is around 200 days.

Matt: I think that's about right. The 9-month closing deadline after executed construction contract effective date, sorry, of the construction contract is meant to accommodate the PSC rate increase timeline. Which is a bad way of answering that, yeah, so the expectation would be that a municipality would start that rate process after we've posted the funding list.

Suzy: Thank you.

Suzy: Will the information required for loan applications be the same as the current application? If applying for safe drinking water, clean water fund jointly for the same project, street, and utility, would it be possible to submit a combined application, or will two separate applications be required? So, yes, the...loan application itself is going to stay the same. If anything, we're hoping to cut out questions. We're still evaluating some of that. Um...I get what you're saying with the second part of

that question. That I'm aware of, right now, that two separate applications will be required. For us to take time to develop and implement the combining of the systems... That's something we can keep in mind, though, as a future enhancement.

[Silence]

Suzu: How will the IUP schedule overlap with this proposed timeline? Will the changes impact Wisconsin DNR's ability to incorporate changes within a given year following the IUP public comment window? I believe the IUP should still expect that to be out around a similar time frame. Uh, we've been posting the drafts between April and June.

Casey: Right. Yeah, I would agree with that.

Suzu: The original schedule expected to use the ITA to prepare a draft PPL so the applicants had some idea about the probability of funding before preparing plans and specs. All the maybe ITAs made that unworkable, but now applicants must invest money in plans with no assurance of funding. No one... no one plans, just...sitting on the shelf, the eligibility and probability of funding needs to be more predictable.

[Silence]

Becky: I would say if somebody has...real concerns about the eligibility of a project, they should contact us and discuss it. Most eligibility is fairly clear-cut. There is really only a few areas where there tend to be questions about eligibility... I mean, most of the time people actually need to go ahead with their projects. So, moving forward is the best, best way to go about it.

[Overlapping speakers.]

Matt: Maybe add just a bit to that.

Becky: We are always available for questions.

Matt: Yeah, I think that covers a lot of it, Becky. Maybe just add a little bit to it. We have some existing eligibility documents out there, as Becky mentioned, most projects, it's pretty easy to determine whether or not it's eligible. No, that's not always the case. So we're looking at...uh, enhanced eligibility documents, something that we can provide, um, makes it a little bit clearer...what types of projects are going to be eligible, and maybe even...where potential hangups in eligibility can arise. And then when those do arise, communicating is going to be key, right? There's got to be a better way of communicating that though than by going through the ITA process like we have set up currently.

Matt: Um...As far as the funding availability piece of it... There is some uncertainty there, for sure. On the PF side, principal forgiveness is never guaranteed, never assured. That's going to continue to be the case. On the loan side, historically, we've had no issue with...having enough loan capacity to meet loan demand. We've got one exception. I think it was Clean Water Fund 2025 we did run out of

funds. We're optimistic. We work really hard, DOA works really hard to manage the program in a manner such that we will have loan capacity sufficient to meet demand in the future. There's no guarantees of that. If we see spikes in loan demand, there is a chance that we may not have a loan capacity, enough loan capacity for all projects. That isn't really any different than where we're at now. Um... and I think, unfortunately, if that becomes the case, then it's just a matter of, well, I'm gonna have to wait and apply again in the following year. Not ideal. We certainly work hard to avoid that, but that could be the reality in some cases.

[Silence]

Suzy: Alright, thanks Matt and Becky. The next question... Given that these proposed changes are in draft form, is DNR able to speak on the likelihood that these changes will take effect for state fiscal year 28? Or will that depend on the comment period? So, our goal is for it to take... effect in state fiscal year 2028, but yes, it does depend on the comments that come in. And I think that's where we want to reiterate to specify on your comments... the, you know, whether your comment is on the overall structure of the changes, or... the implementation for it coming up for the next state fiscal year.

[Silence]

Suzy: And then there was a question on... kind of like the current applications that are in now, so this proposal, again, is for... state fiscal year 2028. Safe drinking water applications that were due in June, and the Clean Water Fund applications that are due this month are for State Fiscal Year 2027. So, current applications... This doesn't affect them.

[Silence]

Suzy: And thank you, Emily, for linking in the PF policy paper. Alright, I think I scrolled to the end of the comments so far, or questions. Let me just, um...

Connect With Us

Slide 27, timecode 0:53:44 / 00:53:42.00.

Suzy: Again, a reminder of... Submit your comments, submit email to Matt. Matthew R. Marcum at Wisconsin dot gov by October 7th. And I will just wait just a second in case there's any more questions.

[Silence]

Suzy: Thank you, Janet.

[Silence]

Suzy: Um, good question, another question on the planning loans... the timeline on it, following the release of the survey. So, we'd like to get out the survey soon, but we're still working on it. And... part of the intent of that survey is to gauge interest. We don't want to spend a lot of time building a program where there's actually not a lot of interest. Currently, it's perceived in our understanding that there is interest. Um, I think we also don't know, because we're still working on the framework, if it will be out in time...to align with these changes, state fiscal Year 28. We're trying to do that, but we can't guarantee that at this time.

[Silence]

Suzy: Thanks, Greg. I see your comment. His biggest concern is about the facilities plan deadline coming up so quickly.

Becky: We are discussing options. If we do try to implement this for 28, um, in terms of what flexibility we can...offer for the first year. So, those decisions will be made when we're done with the public comment period.

[Silence]

Suzy: Will there be any guarantees that the facility plans will be reviewed and comments sent to the engineers in time for ITAs and applications? So... Yes, if we move forward with how the current timeframe is set up, if, you know, say... say we... yes, thumbs up, we're going forward with this, um... And you meet the deadlines that are in there for facility plans, then yes, we have enough time to review them, and...get everything ready for the application deadline.

Becky: We've been working with the plan reviewers for both programs to make sure that they're okay with all the proposed deadlines too.

Casey: And I will point out that the...facility plan deadlines are, um, you know, submittal deadlines. So that's, um, important, too. Should give reviewers more time to review those and provide comments.

Becky: Right, the plan reviewers understand that people still need time to design the projects.

[Silence]

Suzy: Alright, last call for questions. I think we will wrap it up there. Thanks again for joining today. We appreciate you guys hopping on and learning about some of the background, and...Please submit in your feedback to the comment period.

Casey: Thanks, everybody.

End of transcript and closed captions.

Contact Information

Direct questions to the following webinar presenters:

- Matt Marcum, Environmental Loans Section manager, at 608-575-8825 or MatthewR.Marcum@wisconsin.gov.
- Suzy Hasheider, SDWLP and DWSRF policy analyst, at 608-438-3055 or Suzan.Hasheider@wisconsin.gov.
- Casey Sweeney, CWFP and CWSRF policy analyst, at 608-852-1576 or Casey.Sweeney@wisconsin.gov.
- Becky Scott, Environmental Loans Section manager, at 608-513-9351 or Rebecca.Scott@wisconsin.gov.

Additional Environmental Loan Program contacts:

- Lisa Bushby, CWFP coordinator, at 608-358-3330 or Lisa.Bushby@wisconsin.gov.
- Noah Balgooyen, SDWLP coordinator, at 608-720-0802 or Noah.Balgooyen@wisconsin.gov.

For more information on the environmental loans programs, visit dnr.wi.gov/aid/EIF.html.

Created 10/05/26 Wisconsin Department of Natural Resources (DNR), PO Box 7921, Madison, WI 53707-7921



Legal Notices: This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in statute or administrative rules are referenced. Any regulatory decisions made by the Wisconsin 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 (large print, Braille, audio tape, etc.) upon request. Please call 608-235-7105 for more information.