

E-Bulletin Newsletter

COVID-19 Update from Environmental Loans Program

Thank you for your patience and understanding during the COVID-19 public health emergency. As state agencies continue operations, please know that our staff are teleworking and have access to emails, project files and online systems. Our staff are checking their voicemails regularly and will respond as they are able.

With this in mind, we ask that our customers:

- Email whenever possible to communicate with staff, dnr.wi.gov/aid/documents/EIF/guide/managers.html.
- Set-up conference calls or Skype meetings in lieu of in-person meetings.
- Submit documents electronically. For loan documents, utilize the Online Document Upload System: dnr.wi.gov/aid/onlinesubmissions.html. For other documents, DNR staff can receive emails up to 20 MB. When possible, for large submittals consider sending materials via a download link (FTP servers, etc.).

Loan Closings

There are many loan closings that we expect to complete over the next few months. DNR and DOA have worked out a process for signing Financial Assistance Agreements while working remotely. In order to make things run as smooth as possible we offer the following suggestions:

- It will be very important to follow the timelines established between DNR project managers and municipali-

ties in order to meet closing deadlines. Some flexibilities regarding timelines that have been manageable in the past will not be possible under these circumstances.

- Please stay in regular communication with your DNR project manager to work through any questions or issues that come up.

Construction Activities

DNR Construction Management Engineers (CMEs) continue to work but visits to project sites may be limited for the next few weeks. We ask that change order requests be submitted electronically to the CME's in order for them to receive and process them in a timely manner. The more organized a change order request is, the sooner it can be processed. Requests should include all documentation from sub-contractors up front. Smaller changes with less items are easier to review. As a change order grows in size, organization is even more important. Changes not fully documented may be returned for resubmission.

Disbursements

We will continue processing disbursements and wiring money on the regularly scheduled twice a month payment cycle. Please continue to email disbursement requests to DNRCFELDisbursements@Wisconsin.gov.

Emergency Change to Market Rate

Effective immediately, the Wisconsin Department of Administration (DOA) has increased the market rate to **3.200%** for loans with municipal bond meetings on or after March 25, 2020. This is an increase from the current Environmental Improvement Fund (EIF) market rate of 3.000% and supplants the previously announced 2.800% market rate for the April through June quarter.

The increase is due to the unprecedented and unforeseen impacts the coronavirus pandemic is having on global financial markets, and specifically the municipal bond market. The index used to determine the market rate has increased from 1.75% to 3.39% over the last three weeks. While we are optimistic that the index will

decrease somewhat with a stabilizing market, we do not expect it to return to pre-March 2020 levels for quite some time.

Please be aware that this market rate change reflects the opinion that the municipal market rate will stabilize; if not, it is likely that another EIF market rate increase will be needed. As the financial markets stabilize, the risk of off-schedule changes to the EIF market rate will diminish. However, if the volatility and sell-off in the markets continue, another review and recommended change of the EIF market rate could occur before early June.



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.