

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.



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Upcoming Deadlines

June 24

SFY 20 SDWLP final loan closing date.

June 30

- SFY 21 SDWLP application deadline. Submit P&S to DNR DG and EL.
- ALL required bid documentation (including executed construction contracts) due for SFY 20 CWFP PF projects.
- SFY 20 CWFP application deadline for non-PF projects.

August 14

SFY 21 SDWLP PERF score reevaluation requests deadline (within 45 days of application deadline).

[View Deadlines PDF](#)

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

LSL Applications Due in September

The SDWLP will not be taking applications for the new private LSL replacement program for the June 30th deadline. Applications will be taken starting sometime in September and will consist of a simple two-page application form that is being developed for the program. Also please be aware that the private LSL replacement program application will serve as an Intent to Apply for the program. No waiver of the ITA requirement is necessary. More information on the private LSL replacement program will be forthcoming in future E-Bulletins.

Multiple Projects and Data Entry

The online system will allow multiple projects to be submitted as a part of a single application given that the projects are for the same municipality and are within the same funding program (Clean Water Fund Program vs. Safe Drinking Water Loan Program). You may add as many eligible projects as you'd like to a single application.

To reduce data entry, the Applicant Information, Financial Information, IRS Tax Related Information, Refinancing Transactions, Intermunicipal Agreements, Project Budget and Certification sections are common to the application, meaning you only need to complete each of those sections once, regardless of how many projects are included in the application. If there is more than one project included in the application, the Project Information & Project Documentation sections will need to be completed for each project.

June 30th Application Deadline

June 30, 2020 is the deadline to submit online SFY 2021 SDWLP applications.

Last Closing Date for SFY 2020 SDWLP Loans

Wednesday, June 24, 2020 is the final loan closing date for State Fiscal Year 2020 Safe Drinking Water Loan Program Projects. To receive its Financial Assistance Agreement (FAA) on time, a municipality must submit any remaining required documentation, including the first request for disbursement (#1), to their DNR loan project manager *at least five weeks before* its municipal meeting. DNR project managers strongly recommend municipalities promptly submit required documents as they become available.

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.

Contract Documents: Overview of Submittal Requirements

Loan recipients must satisfy plan, specification, and contract submittal requirements to be eligible for funding. These requirements begin at the time of the loan application and end with the publication of the conformed construction documents.

Application submittal

For the financial assistance application to be considered complete, required copies of approvable, biddable construction plans and specifications must be submitted to the DNR Environmental Loans program.

To submit an electronic copy of approvable, biddable construction plans and specifications with the application to the DNR Environmental Loans Section, use the [online system](#). The submission must cover all portions of the project for which funding is being requested. Review the following for further information:

- [CWFP Application Help Text](#)
- [SDWLP Application Help Text](#)

Applicants must separately submit the approvable, biddable construction plans and specifications to the DNR Bureau of Drinking & Groundwater or Bureau of Water Quality by the application deadline for the corresponding loan program for the financial assistance application to be complete. The following section includes links detailing the submission process for each program.

Plan reviews

Prior to bidding a Clean Water Fund Program or Safe Drinking Water Loan Program project, the municipality should obtain the necessary approvals for any engineering reports, selected sites, facility plans, and plans & specifications from the following DNR bureaus:

- **Drinking water projects:** Determine and follow engineering report and plans and specifications submittal requirements from the DNR Bureau of Drinking Water & Groundwater; see [Public Water System Plan Review](#).
- **Wastewater & storm water projects:** Follow the plans and specifications submittal requirements from the DNR Bureau of Water Quality; see [Wastewater Facility Planning Studies](#).

Don't confuse change orders with plan modification approvals

Change orders submitted as part of your construction project are not considered proper notification for plan modifications. Approval of a change order by your DNR construction management engineer (CME) is separate from a plan approval on project modifications. If your

project modification requires plan review and is constructed prior to plan approval, those costs may not be eligible for CWFP/SDWLP funds.

Contact your DNR plan review engineer for any changes to an approved plan that may affect water quality or quantity before they are implemented! This will help you avoid issues and ensure that the costs for constructing these changes will be eligible for CWFP/SDWLP funding.

Financial assistance agreement

Before the financial assistance agreement is executed, the department must have a bound copy of the executed construction contract with up-to-date copies of all addenda, attachments, appendices, appropriate Davis Bacon or other wage rate information, and all other applicable documents that makes the contract complete.

Before awarding financial assistance for any project, a DNR loan project manager must complete a bid review based on submission of the required documentation listed in [Bids and Construction Contracts](#). Applicants may view all outstanding loan documents and upload those documents in the online system. Your DNR project manager will notify you once the loan stage is set-up, then you can begin loading additional documents. You may wish to save or print the following to view during the document upload process:

- [Document Upload Screen & Instructions](#)
- [Document Upload Categories & Types](#)

Executed contracts

CMEs require conformed documents for construction (commonly identified as "Issued for Construction" documents). They are the modified contract documents that incorporate all addenda issued during the bidding process and accepted alternates. It's the set of plans and specifications that are provided to the successful bidder and used as the basis of construction. These documents may be uploaded into the online system or provided to the CME through an FTP site, USB drive, or CD.



Contract Dates and Disbursements

The department may withhold payment of costs of contract work that falls outside of the beginning or end dates of the contract until the recipient amends the dates of the contract, per ss. NR 162.14(3)(c) and NR 166.16(3)(c), Wis. Admin. Code. [Disbursement](#) of funds will be withheld until a [change order](#) altering the start and end times of the contract is approved by the project's DNR construction management engineer (CME).

The recipient shall secure a fair and reasonable price for each contract change order, and submit each change order and all associated backup documentation to the DNR CME within 90 days of execution of the change order, or, for change orders executed 90 days or more prior to submittal of the CWFP/SDWLP application, within 30 days of the date on which DNR receives the application, per ss. NR 162.09(7)(c)1. and NR 166.12(7)(c)1., Wis. Admin. Code.

Construction and equipment contracts must have well-defined beginning and end dates for contract work. Early recognition and the order of project delays is important since they may impact subsequent contract work and contract costs. For concurrent delays, additional review time and supporting documentation may be required by the department.

Engineering contracts may not have an end date because the contract will end when the final loan closeout is completed. If issues occur with the final closeout, the engineer may not be able to complete the contract by the end date. For costs incurred beyond the start and end dates of the engineering contract, the department will withhold funds until the date is amended.

Resource

- [CME Contact Information](#)

The Small Loans Program (SLP)

Is your municipality not eligible to receive principal forgiveness? do you hate paperwork? or are federal requirements too costly or time-consuming (i.e. American Iron and Steel, Davis Bacon, etc.). If you answered "yes" to any or all of the aforementioned questions and your project *costs less than 2 million dollars*, the [Small Loans Program \(SLP\)](#) may be a great fit to help fund your municipality's next project.

The SLP provides subsidy to eligible applicants (Wisconsin cities, towns, villages, counties, sanitary districts, and other qualifying municipalities) with [eligible projects](#) for interest costs associated with State Trust Fund loans.

Some of the advantages of the SLP are the program does not include many of the federal requirements of a conventional Clean Water Fund Program (CWFP) project and has no issuance costs (no application or closing fee and does not require you to hire bond counsel).

SLP funds are intended for project costs directly related to the planning, design, and construction of eligible projects that are needed to achieve or maintain compliance with federal and state regulations, and Wisconsin Pollutant Discharge Elimination System (WPDES) permits.

SLP funds may be used to construct, improve, modify, purchase, replace, restore, and upgrade systems and infrastructure that are used for collection, transmission, storage, treatment, and disposal of wastewater, or for collection and treatment of storm water.

Factors which influence the amount of subsidy received for a project are: The State Trust Fund interest rate and loan term, the Clean Water Fund interest rate, the municipal median household income and population, and the type of project (portions of projects specifically related to receiving, storing, and/or adding capacity for the treatment of septage will receive an effective interest rate of 0%).

If your municipality intends to utilize the SLP for your next project there are several steps that must be taken to receive subsidy for your State Trust Fund loan interest. Any municipality which plans to apply for any type of financial assistance through the CWFP are required to submit a notice of Intent to Apply (ITA) as established in [s. 281.58, Wis. Stats.](#), & [ch. NR 162, Wis. Adm. Code](#). The ITA must be submitted using the online system by **October 31st** of the year prior to the intended interest rate subsidy application date.

A municipality should also have an approved State Trust Fund Loan from the Bureau of Commissioners of Public Lands for the project in question prior to submitting an Interest Rate Subsidy Application, authorized by [s. 281.58, Wis. Stats.](#)

Contact information

For information on the Small Loans Program, contact [Kevin Olson](#), DNR SLP coordinator.

For information on the State Trust Fund loans, contact [Board of Commissioners of Public Lands loan officer](#).

SDWLP Environmental Review Process & Requirements

A federal requirement of the Safe Drinking Water Loan Program (SDWLP) application process is the environmental review (ER). The ER process evaluates impacts related to project land and building disturbance.

The review process is primarily driven by National Environmental Policy Act (NEPA) compliance and encompass the potential implications of project activities within the immediate project area as well as the surrounding area. The mechanisms used by the SDWLP are meant to effectively and efficiently execute it.

1. Endangered resources

The method used to evaluate endangered resources starts within the [Natural Heritage Inventory \(NHI\) Public Portal](#). Applicants delineate project areas of disturbance and the public portal provides results as to whether any [endangered resources](#) are present.

If federally protected species are present in the project area, a more extensive environmental review will be conducted by the DNR ER specialist.

If the NHI Preliminary Assessment returns a result of "no actions required/recommended," a review is not required.

In addition, DNR staff may determine that project activities are covered under a [Broad Incidental Take Permit/Authorization](#). The department recognizes that some projects will have no or very low impact to endangered resources, hence this permit (used by non-state agencies and individuals) and authorization (used by state agencies).

2. Archeological/Historical

The assessment of potential [cultural resources](#) impacted by project activities begins with submitting a USGS Topographic map showing project boundaries or area of potential effects (APE) clearly delineated—these maps should be as detailed as possible with a high degree of resolution.

The DNR archeologist will evaluate project impacts based in large part from topographic maps submitted for the project. If the DNR archaeologist determines there is a high potential for impact of cultural resources resulting from this project, the applicant will be instructed to utilize a cultural resource management (CRM) firm to conduct a survey and submit a report to the Wisconsin State Historical Society and DNR. In addition, the DNR archeologist may provide further instructions related to the project impact that may be relayed by the DNR ER specialist.

Mapping resources recommended in the creation of required maps can be found on the [Public Lands mapping application](#).

3. Surface water resources

[Floodplain](#), [Wetland](#), and [Waterway](#) resource impacts are initially assessed by the DNR ER specialist.

Separate maps showing project boundaries delineated with a wetland/waterway layer and a floodplain layer in the background should be submitted to the DNR ER specialist for examination.

If there are any project activities directly or indirectly impacting floodplain, waterway, and/or wetland resources, construction restrictions will be imposed, and additional permitting may be required.

Furthermore, any project that entails contiguous land disturbance of greater than one acre will require a [construction site storm water permit](#) as a means to decrease construction specific erosion.

Mapping resources recommended in the creation of required maps can be found on the [Surface Water Data Viewer application](#).

4. News release

The news release is employed at the end of the environmental review process by the DNR ER specialist to advertise the project activities to the region/community impacted by the project.

The news release includes very basic information about the aims of the project, reasons the news release is necessary, and contact information to direct comments to.

Protect Wisconsin's heritage

The environmental review process is extremely important not only from a statutory perspective but also to protect and preserve Wisconsin's heritage.

The information presented in this article is a distilled version of the actual ER process. For many projects, the ER process is simplistic and speedy.

Contact information

If problems or questions arise at any point in the ER process, contact Kevin Olson, DNR SDWLP ER specialist, at 608-266-9955 or Kevin.Olson@wisconsin.gov.