

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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New Market and Interest Rates

The Wisconsin Department of Administration (DOA) has increased the market rate by 0.300% for loans with municipal meetings on or after April 1, 2022 through June 30, 2022, that have a final maturity:

- of 20 years or less to 3.00%
- greater than 20 years but less than or equal to 30 years to 3.20%

Please be aware that interest rates have been increasing and are currently experiencing a volatile period due to inflation concerns and global issues, and based on this current market environment, another increase in the market rate is likely in June/July. The DOA will continue to monitor the market and make recommendations in early June for the authorization period commencing in July. In addition, while the DOA remains committed at this time to the market rates effective April 1st, the DOA reserves the right to make an increase, if needed, to market interest rates at **any time**.

We encourage you to close your loan as quickly as possible.

Contact DOA Capital Finance Office staff at DOAEIF@Wisconsin.gov

Upcoming Deadlines

Early Spring
SFY 23 CWFP & SDWLP Project Priority Lists (PPLs) published.

- SFY 2023 CWFP priority score objection deadline is 30 days after its PPL is published.
- SFY 2023 SDWLP PERF score reevaluation request deadline is 08/14/2022.

March 31

- Last recommended date to submit engineering report for DNR review, if required for SFY 2023 SDWLP project.
- Last recommended date to submit facility plan for DNR review for SFY 2023 CWFP Principal Forgiveness project.

April 30
Last recommended date for opening bids on SFY 22 CWFP PF & SDWLP projects.

May 31
Executed construction contracts due for SFY 2022 SDWLP projects.

Submit documents by earliest date possible to avoid delays.

Loan Interest Rate Determination	% of Market Rate	≤ 20 yr term	21-30 yr term
CWFP & SDWLP – For eligible projects of municipalities not meeting the below financial need criteria.	55%	1.650%	1.760%
CWFP & SDWLP – For eligible projects of disadvantaged municipalities meeting the following financial need criteria: < 10,000 population; and ≤ 80% of Wisconsin *MHI.	33%	0.990%	1.056%
CWFP – For eligible projects of extremely disadvantaged municipalities meeting the following financial need criteria: < 1,000 population; and ≤ 65% of Wisconsin *MHI.	0%	0%	0%
CWFP – For the portion of eligible projects for receiving and storing septage, and capacity for treating septage; mercury remediation at wastewater treatment facilities; and non-traditional pilot projects, e.g. water quality trading.	0%	0%	0%
MARKET RATE (effective 04/01/22—06/30/22) <i>*MHI = Median Household Income</i>	100%	3.000%	3.200%

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dnr.wi.gov/aid/eif.html | CWFP phone: 608-358-3330 | SDWLP phone: 608-692-4227 | [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 federal regulations or state statutes or administrative rules 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 federal regulations and state 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.

New Environmental Review Module in Online Application

The Environmental Loans Program has recently created and launched a separate Environmental Review module that pairs with the online application process. This module updates the environmental review mechanisms currently found on the Project Information tab within the existing [online application system](#).

The environmental review contains a more comprehensive and more efficient approach to National Environmental Policy Act (NEPA) compliance and cross-cutting federal authorities. This module also wields a lot more

functionality. Some of the changes and updates include expanded abilities to account for projects impacted by crosscutters and the ability to attach the review to multiple projects funded by an Environmental Loans program.

The [Environmental Review Guide for the Safe Drinking Water Loan Program \(PUB-CF-060\)](#) has been updated, however, changes to the process are minimal. Applicants will still use the Natural Heritage Inventory (NHI) Public Portal and Surface Water Data Viewer (SWDV) to create documents for their submittals.

Environmental Loans Policy Paper Finalized

The final version of the [Environmental Loans Policy Paper](#) regarding 2021 Wisconsin Act 112, which includes 2021 Senate Bill 489: Procedural Changes for Clean Water Fund Program (CWFP) and Safe Drinking Water Loan Program (SDWLP) Applications, has been posted to our [Statutes & Codes webpage](#) along with the response to comments on the draft version. This policy paper describes the changes that we are implementing as a result of Act 112.

SDWLP loan closing deadline

Act 112 repealed s. 281.61(10), Wis. Stats., which set the SDWLP loan closing deadline to June 30th. We have officially extended the SDWLP loan closing deadline for State Fiscal Year 2022 projects to **September 30, 2022** (excludes Private LSL Replacement projects). Related to the loan closing deadline extension, we are also extending the suggested submittal date for executed construction contracts from March 31st to May 31, 2022. The annual SDWLP Intended Use Plan (IUP) will officially set the corresponding fiscal year projects' loan closing deadline.

We are hopeful that the extensions will reduce the loan closing bottleneck that we've experienced in the past, but we also encourage everyone to **close your loan as quickly as possible** to avoid the same bottleneck ahead of the September 30th closing deadline.

Resubmitting applications

We now allow municipalities to resubmit their project's application without having to wait for a 12-month period to elapse. Municipalities that need to modify their project or application schedule may resubmit the application within the same fiscal year or in the following fiscal year.

ITA requirement

No changes are being made to the Intent to Apply (ITA) process at this time. With advance notice, we may con-

sider changes to the ITA submittal timeframe as part of a future streamlining and process improvement effort.

Engineering reports

Engineering reports must be submitted prior to or concurrent with a SDWLP application if the report is required by the DNR Drinking Water and Groundwater Program under chs. NR 108 or 811, Wis. Adm. Code. There is no procedural change from past practices.

Note that [ch. NR 811, Wis. Adm. Code, is being revised](#) with the primary objectives of correcting, clarifying, and updating the design and construction standards, and addressing new technologies related to community drinking water systems. Also, the following is available for public comment until April 6, 2022: [Guidance for Determining When Drinking Water Plan Review Is Required for Community Water Systems](#).

SDWLP application deadline

No changes are being made at this time to the current June 30th SDWLP application deadline. The changes made in Act 112 to s. 281.61(5)(a), Wis. Stats., require us to set an application deadline annually, which may be done through the annual IUP. With advanced notice, we may consider changes to the application deadline as part of a future streamlining and process improvement effort.

Contact information

If you have any questions, please contact your DNR loan project manager or Matt Marcum, Environmental Loans Field & Technical Services Section Chief.

View the Environmental Loans staff directory at dnr.wi.gov/aid/documents/EIF/guide/managers.html

CY 2022 Private Lead Service Line Replacement Program

The calendar year (CY) 2022 Private Lead Service Line (LSL) Replacement Program funding list was posted to our [Project Lists & IUPs webpage](#) on March 11, 2022. The funding list allocates \$42,314,780 in funding to all 76 eligible applicants.

This constitutes all the remaining funds from the Water Infrastructure Financing Transfer Act (WIFTA) transfer that was made in October 2020.

Three additional applications were received but were ineligible as the applicant municipalities had not yet reported any lead or galvanized private side service lines to the Public Service Commission of Wisconsin.

DNR project manager assignments

Loan project manager assignments were noted on the funding list, including two project managers who are brand new to our program (Dee Surillo and Michelle Brietzman) as well as a number listed as "tbd", or "to be determined". We are in the process of hiring two additional, new project managers who will also take on processing LSL awards.

If your project manager is listed as "tbd" and questions arise before our new project managers are on board, please direct questions to Kate Leja-Brennan at Kathryn.Leja@Wisconsin.gov.

Kate is our lead LSL project manager and will be responsible for training the loan project managers who are new to the [Private LSL Replacement Program](#).

Additional federal funding for LSLs

As many of you know, Wisconsin will be receiving money for [LSL replacements](#) from the Bipartisan Infrastructure Bill (aka, Infrastructure Investment and Jobs Act) that was passed in November. That money will be utilized starting in CY 2023 and should be available for at least five years.

This money is coming to the program as 51% loan dollars and 49% principal forgiveness; the principal forgiveness portion is required to be awarded to disadvantaged municipalities.

The funding is also able to be used for both public and private side LSL replacements as well as inventory work.

Restructuring the LSL program

The change from 100% principal forgiveness funding and the mix of public and private side eligibility has resulted in our needing to restructure the LSL program.

In the near term we plan to focus on getting the CY 2022 LSL awards out the door and then will turn our attention to restructuring the program.

Information on the new program structure should be available in late summer or early fall with an anticipated application deadline near the end of CY 2022.

Cost Free, Voluntary PFAS Testing for Drinking Water

Through funding from the U.S. Environmental Protection Agency, the Wisconsin Department of Natural Resources is offering per- and polyfluoroalkyl substances (PFAS) sampling to ALL municipal systems statewide.

The purpose of the PFAS Statewide Voluntary Municipal Sampling Project is to proactively assess whether a community's drinking water supply is impacted by PFAS and protect public health.

- Participation in the project is **voluntary** and sampling will be **cost free** for systems.
- The only requirement would be a notice to the public if recommended standards or guidance is exceeded.

More information can be found on the Voluntary Drinking Water PFAS Sampling Project for Municipal Systems webpage at dnr.wi.gov/topic/PFAS/PWSampling

What are PFAS?
PFAS are a group of human-made chemicals used for decades in numerous products.

- stain-resistant carpet & fabric
- non-stick cookware
- firefighting foam
- fast food packaging

What is Wisconsin Doing About It?
Additional efforts include a PFAS Action Committee (WISFAC) and a PFAS Technical Advisory Group.

- establishing PFAS health standards for drinking water, groundwater and surface water
- soil & water testing
- researching fish & wildlife
- licensing & feedback sessions
- stake collaboration

Why Should I Care?
PFAS persist in the environment and the human body for long periods of time. Recent findings indicate that exposure to certain PFAS may have harmful health effects on people.

- certain types of cancers
- thyroid & heart issues
- developmental delays
- infertility & low birth weight

What You Can Do...

- Test Your Water dnr.wi.gov/wq137
- Check State Fish Advisories dnr.wi.gov/wq138
- Learn More About PFAS Health Risks dnr.wi.gov/wq135

Visit dnr.wi.gov, search PFAS.