

The Loan Arranger

Spring/Summer 2001

Municipal Facilities Section - Environmental Assistance
Division
Michigan Department of Environmental Quality 

A New Leader Steps Up to the Plate



The Municipal Facilities Section has a new Section Chief. Chip Heckathorn was appointed to lead the Section in April, after serving as the West Unit Chief since 1985.

Chip was born and raised in Detroit, a product of the Detroit Public School System. He attended college on an Evans Scholarship and graduated from Michigan State with a BS in Resource Development and an MS in Natural Resource Management. After initially working for the University and as a student aide with the Department of Natural Resources, he came to work full time for the State beginning in 1977 with the then Water Quality Division. Chip has worked in the field of water pollution control and financial assistance to local units of government for 24 years, first with the Federal Construction Grants Program and more recently with the State Revolving Fund and Drinking Water Revolving Fund Programs.

Chip is married with two sons, and is heavily involved in youth and high school hockey as a manager, coach, and referee.

Clean Water Needs Survey

Every four years, the U.S. Environmental Protection Agency (EPA) undertakes the Clean Water Needs Survey (CWNS) to assess needed water pollution control facilities in all 50 states and the U.S. held territories. The information gleaned from the CWNS is used to set national priorities and funding levels for the State Revolving Fund and other water quality programs. In turn, the results may lead to improved opportunities for Michigan communities to receive much needed financial assistance for infrastructure projects to address crucial water quality and public health issues.

Staff of the Municipal Facilities Section has been busy collecting data on the wastewater needs of Michigan communities to enter into the CWNS database. To be included in the current effort, the start of construction has to be after **January 1, 2000**. In addition, the U.S. EPA requires documentation for the need, such as a Capital Improvement Plan, I/I Analysis, Sewer System Evaluation Survey, Facility Plan, or a final Engineer's Estimate. We wouldn't need the entire document, just copies of the pertinent pages to enter data into the system.

The better we document the wastewater needs in Michigan, the better chance we have in receiving additional federal funding.

If your community has wastewater infrastructure needs, we would love to hear from you, no matter how you intend to fund your project. Please contact Michigan's Clean Water Needs Survey

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Michigan Department of Environmental Quality

Coordinator, Cindy Salmon, at 517-373-6626 or salmonc@state.mi.us. Thanks for your help!

Fiscal Year 2002 FINANCING SCHEDULE

for the State Revolving Fund (SRF) and the Drinking Water Revolving Fund (DWRF)

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Part I of Application Due	09/07/01	12/04/01	03/01/02	06/04/02
Part II Application Due FNSI Clearance Plans & Specs Approved User Charge System Approved	10/01/01	01/07/02	04/05/02	06/28/02
Bid Ad Placed No Later Than	09/29/01	01/05/02	04/06/02	06/29/02
Part III of Application Due Bid Data Submittal	11/13/01	02/19/02	05/22/02	08/15/02
DEQ Order of Approval Issued	11/29/01	03/12/02	06/11/02	09/05/02
Borrower's Pre-Closing with the Michigan Municipal Bond Authority (MMBA)*	12/10/01	03/18/02	06/19/02	09/16/02
MMBA CLOSING	12/20/01	03/28/02	06/27/02	09/26/02

*In addition to MMBA requirements, all municipal bond sales must be reviewed and approved by the Local Audit and Finance Division of the Michigan Department of Treasury.

AN APPROVABLE APPLICATION FOR AN SRF/DWRF LOAN MUST INCLUDE:

1. A completed SRF/DWRF application (Parts I, II, and III) including all required application information and assurances.
2. A detailed project description, cost breakdown, and project schedule.
3. Financial documentation to demonstrate ability for timely repayment of the loan and other assurances required by the application. (Part I)
4. If applicable, all executed intermunicipal service agreements. (Part II)
5. An approved User Charge System. (Part II)
6. An approved Project Plan. (Part II)
7. A set of plans and specifications suitable for bidding, including DEQ construction permit. (Part II)
8. A certified resolution from the applicant designating an authorized representative. (Part II)
9. Verification that the project has been advertised for bids or other appropriate procurement action. (Part II)

Additional Money for the Drinking Water Revolving Fund?

During Fiscal Years 1998-2001, the national allotment formula, which slices the federal pie among the states, resulted in Michigan receiving 2.94 percent of the total appropriation. This formula resulted from the first Drinking Water Needs Survey published in February 1997. With the recent completion of the second national Needs Survey, the new allotment formula (which should be in effect for Fiscal Years 2002 through 2005) will mean Michigan's share of the federal appropriation will jump to 4.10 percent. At current recommended funding levels, this would mean approximately \$9 million in **additional** federal funding, and with the required 20 percent state match, will increase loan capabilities of Michigan's Drinking Water Revolving Fund.

What Do You Think?

How often have you read an informational document from a governmental agency, only to think that the document could have been much more informative if only some simple changes had been made? Our office is seeking your opinion and your ideas on how we might improve our Environmental Assessments. We publish an Environmental Assessment, or "EA" as we call them, for each State Revolving Fund and Drinking Water Revolving Fund project that is funded by either of these two programs.

Federal regulations require that we review project plans and related documents on a proposed project, and then write a "summary" of the information as well as our determination of the probable environmental, monetary and social impacts of the proposed project. After the EA is written, it is mailed to all parties who have expressed an interest in the project. From that point on, we rarely hear any comments from the EA readers. While that *could* mean that the EA is superbly informative, leaves no question unanswered, is succinct, well-organized and a pleasure to read, we would really like to obtain an objective opinion and determine whether the document contains needed information and is in a format appropriate for your needs. We know that our EAs include the information required by law, but the question remains: Does our EA provide our readers with the information they need and want? Does the EA present the information in a format that is readable and understandable? Is more detail on the project desired, or is less information needed?



Environmental Assessments are being mailed out at the end of May 2001. Each EA mailing envelope will contain a copy of a survey form. It's a one-page, check-box format, with room for a comment or two. The form needs no postage, so it can be quickly filled out, folded, taped closed, and dropped in the outgoing mail.

We would *very much appreciate* the time and effort you spend to send your comments to us. Our goal is to properly inform you of a project scheduled to be undertaken soon in your community, a project reviewed and approved by the appropriate agencies, and one which will be funded in whole or part by a loan of public

funds. Public funds are used to produce these Environmental Assessments, too, and we want the funds to be well spent on a document that will expand your understanding of the proposed public infrastructure project.

Thanks! We're looking forward to hearing from you!

Public Hearing Dates

The dates have been set for the Fiscal Year 2002 public hearings on the draft Project Priority Lists and draft Intended Use Plans.

Drinking Water Revolving Fund – August 28, 2001
(For project plans received or postmarked no later than May 1, 2001)

State Revolving Fund – September 18, 2001
(For project plans received or postmarked no later than July 1, 2001)

Update on our Website

After several months of planning, developing and editing the new MFS website is up and functional. We appreciate your understanding and patience during the redesign and hope our new site provides a format that is more *user friendly*. We will continue to add new forms and guidance as they become available, along with the latest SRF and DWRP program information, so check the "What's New" page for new developments and updates.

The Department of Environmental Quality is in the process of developing department-wide standards that all DEQ websites will incorporate. It is anticipated there will be additional changes to the MFS website once these standards have been finalized. Our intention is to make the website a helpful and valuable resource and we welcome your input with any suggestions. Check it out at www.deq.state.mi.us/ead/mfsect/

Staff Departures

The Municipal Facilities Section recently lost two long-time staff members who moved on to bigger and better things. **Karen Edlin**, who served as a project manager since 1998, has accepted a promotion to the Pollution Prevention Section within our Environmental Assistance Division. She won't be far away.

Dan Clark, on the other hand, who was our "computer guy," has accepted a position in private industry and was

forced to move to Hawaii. Both made significant contributions to the section – and will be missed.

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