

SLIB 101

Funding Programs Administered by
the Office of State Lands and Investments

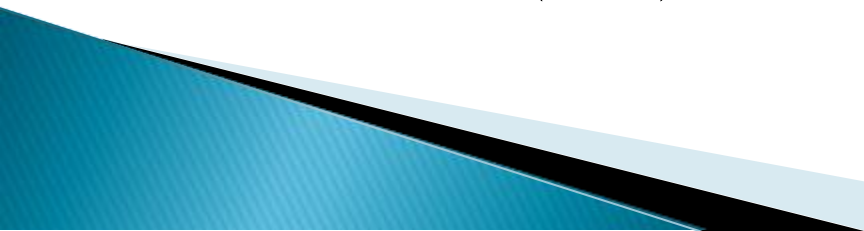


Grant and Loan Programs

The Office of State Lands and Investments
Grants and Loans Program staff
are responsible for the administration and
coordination of certain grants and loans to
Wyoming cities, towns, counties, special
districts, and joint powers boards awarded
by the State Loan and Investments Board.

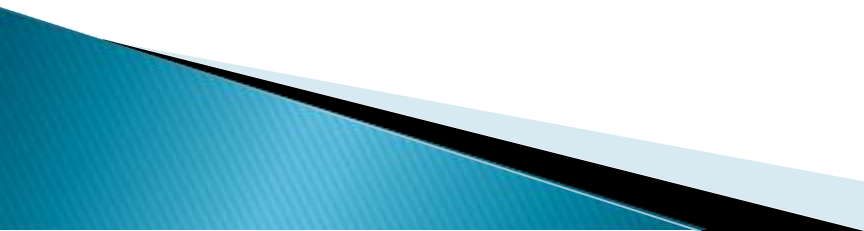
OFFICE OF STATE LANDS AND INVESTMENTS

Grant and Loan Programs


- Mineral Royalty Grants (MRG)
 - County Wide Consensus (CWC)
 - Joint Powers Act Loans (JPA)
 - Hydro–Power Development Project Loans (HYDRO)
 - Clean Water Revolving Fund Loans (CWSRF)
 - Drinking Water Revolving Fund Loans (DWSRF)
 - Transportation Enterprise Grants (TEA)
 - Municipal Solid Waste Cease and Transfer Grant and Loan Program (MSW)
 - Aeronautics Loans (AERO)
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Leveraging Project Funding

Local government entities must continue efforts to leverage matching funds from an array of potential sources, such as:

- Mineral Royalty Grants
 - Joint Powers Act Loans
 - County Wide Consensus Grants
 - Clean Water State Revolving Funds
 - Drinking Water State Revolving Fund
 - Hydro–Power Development Project Loans
 - Wyoming Water Development
 - USDA – Rural Development
 - Wyoming Business Council
 - Wyoming Department of Transportation
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General Guidelines

- All programs managed by OSLI are “Reimbursement Programs”
 - OSLI is unable to reimburse for work performed and/or invoices dated prior to the award date, except costs for architectural and engineering design or in emergency situations
 - 20% limit on engineering for most programs
 - Certification Statement W.S. §16-6-1001 required for each Grant and Loan
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Local Government Funding BFY 17/18

➤ **Mineral Royalty Grant Funding \$27,463,694 (Regular and Emergency)**

- This is the standard amount of \$33.4 million less \$311,306 for administrative expenses and less \$5,625,000 for Sequestered Coal Lease Bonus.
- During the 2016 Budget Session, Legislature approved Chapter 31, Section 331 which requires, notwithstanding W.S. 9-4-601(b), the final payment of all congressionally sequestered monies received by the state from July 1, 2017 through June 30, 2018, from all bonus payments received from federal mineral leases subject to the act of congress of February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, shall be deposited in the school capital construction account created by W.S. 21-15- 111(a)(i).

➤ **Direct Distribution \$105,000,000**

- Cities and Towns \$68,000,000
- Counties \$37,000,000
- The appropriated funds will be distributed on August 15, 2016 and January 15, 2017 for fiscal year 2017 and August 15, 2017 and January 15, 2018 for fiscal year 2018, respectively.

➤ **Countywide Consensus \$0**

Mineral Royalty Grant

Pursuant to W.S. § 9-4-604, the SLIB awards MRG grants in order to:

- Alleviate an emergency situation, which poses a direct and immediate threat to public health, safety, or welfare; or
- To comply with federal or state mandates; or
- To provide an essential public service.

Note: To qualify for funding, W.S. § 9-4-604 requires the entity to be assessing mills.

MRG Funding – Chapter 3

➤ Typical Project Types

- Water Treatment
- Water Transmission Lines
- Raw Water sources and intakes
- Group water well, pumps and control
- Water Storage Tanks
- Water Distribution
- Sewage Treatment
- Sewage Mains & Pumping
- Storm Water
- Landfills
- Emergency Vehicles
- Roads
- Major Maintenance

➤ Chapter 3 requires matching funds

- Countywide Consensus Funding
- Joint Powers Act Loans
- Hydro-Power Development Project Loans
- Clean Water State Revolving Funds
- Drinking Water State Revolving Fund
- Wyoming Water Development
- USDA – Rural Development
- Wyoming Business Council
- Wyoming Department of Transportation
- Local Funding

Funding will be awarded at the semi-annual grant and loan meetings in January and June of each year.

MRG Application

▶ Ten most common errors on applications

1. “Percentage of applicant’s population directly served by the project” - not listed as a percentage.
2. “Priority Ranking” for project - not listing priority as 1 of 1 or for two projects 1 of 2 and 2 of 2, etc.
3. “Estimated Start Date” and “Estimated End Date” – dates are left blank.
4. “Funding Source” blocks – incorrectly includes the current request amount. These blocks are for funds other than your current request amount to OSLI.
5. “Estimated total project cost” – amount is left blank.
6. “Balance of Project Incomplete” – amount is left blank.
7. “Estimated Reimbursement Percentage” – percentage is left blank.
8. “Project Narrative-Additional Attached Pages” – incorrectly lists all pages of the application. The number of pages should only include any additional pages needed to describe project when the first page did not provide enough room.
9. Joint Resolution (CWC) not completed correctly – examples are not used.
10. Resolution form – meeting date is entered incorrectly.

MRG Application

Frequently Asked Questions

Q: How many copies do I submit for an MRG application?

A: Submit one (1) original and two (2) copies of Checklist, Application, Project Narrative, and Supporting Documentation.

Q: What is the Statement of Feasibility?

A: It is a letter from the project engineer or architect that the project has been reviewed and it is feasible.

Q: Where do I get the information on the Mill Levy?

A: From the County Assessor's office.

Q: We are a Special District, what if we do not collect any Mills?

A: Please review W.S. 9-4-604. Per the Assistant AG for OSLI Grants & Loans, the Special Districts or other lawful entity must assess at least 80% of the cost of improvements they are providing. The district will need to show the actual costs of improvements as well as the actual costs assessed.

Q: What type of information is needed for population?

A: List the number of individuals that live in the City/Town or special district, the number of individuals the project will serve and what the percentage of service vs. total population, and a map of the area.

Q: What kind of review is needed from the County and the City/Town?

A: The Board of County Commissioner shall review: (1) The ability of the special district to fund the project through bonds, (2) whether the project is adverse to the needs, plans or general welfare of the county, (3) whether the special district has utilized local funding resources, (4) whether the special district has met county standards. If any part of the special district lies within five (5) miles of the corporate limits of any city or town, the special district's grant or loan application shall also receive a written review form the governing body of the city or town.

Countywide Consensus (CWC)

Consensus list – list certified as agreed to by the board of county commissioners and the governing bodies of the cities and towns within that county comprising at least 70% of the incorporated population

- **Countywide Consensus Project Types – capital projects**
 - Water Treatment/Transmission lines
 - Raw Water sources and intakes
 - Group water well, pumps and control
 - Water Storage Tanks
 - Water Distribution
 - Sewage Treatment
 - Sewage Mains & Pumping
 - Storm Water
 - Landfills
 - Emergency Vehicles
 - Roads
 - Major Maintenance

CWC Application

Frequently Asked Questions

Q: Do I have to complete the application questionnaire forms for the CWC application?

A: The questionnaires are for MRG applications when requesting 50% or greater in funding

Q: How many copies do I submit for my CWC application?

A: One (1) original application and one (1) original Joint Resolution Form.

Q: Can I have more than one project listed on the Joint Resolution form?

A: Yes, you can list several projects on the form.

Q: Can I reallocate funds from a project that was awarded in 2009 or 2010?

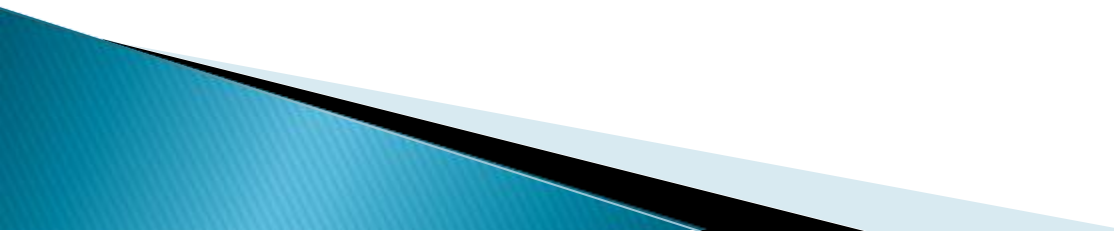
A: No, at the present time, only grants awarded from 2011 to the present may be reallocated to a new project. A new application and joint resolution form must be submitted.

State Revolving Fund Loan Programs

The Wyoming Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF) programs provide assistance to Wyoming residents through local governmental entities. The purpose of the programs is to provide loans at or below market interest rates to qualified applicants for design and construction

- Project must be on the current Intended Use Plan (IUP). The new IUP will be opening soon.
- Available funding:
 - DWSRF \$104,126,297
 - CWSRF \$97,636,313
- Fixed interest rate currently 2.5%
- Loan term 20–30 years depending on the program
- Loan origination fees:
 - DWSRF – ½%
 - CWSRF – ½%
- New special program incentives included in the Federal FY 2010 through 2016 grants:
 - Green Project Reserve
 - Additional Subsidization

Changes to the CWSRF Program

- ▶ Affordability Criteria for determining amount of principal forgiveness.
 - ▶ Loan term can be up to 30 years or the useful life of the project, whichever is less.
 - ▶ There will be ½% origination fee.
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Changes to the DWSRF Program

- ▶ **Disadvantaged Communities Program**
 - Affordability Criteria will be used for determining amount of principal forgiveness.
 - Loan term can be up to 30 years or the useful life of the project, whichever is less.
- ▶ **Ability to refinance existing debt**
- ▶ **Due to budget cuts, the State won't apply for the FY18 Capitalization Grant**
 - This will result in less principal forgiveness to award in FY18 and beyond.

Eligible SRF Projects

DWSRF Projects

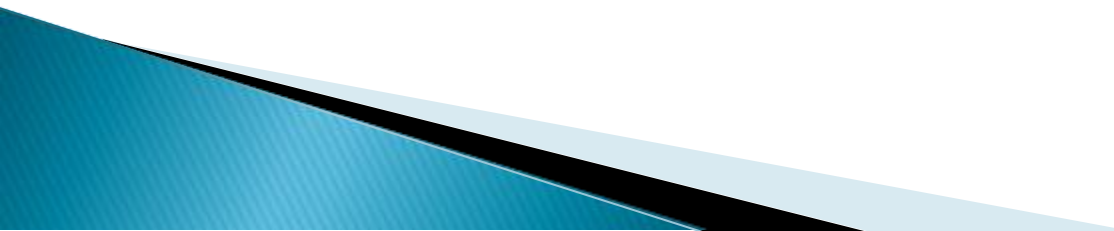
Most drinking water source, treatment, transmission, storage, and distribution projects for a public water system or that create a new public water system.

CWSRF Projects

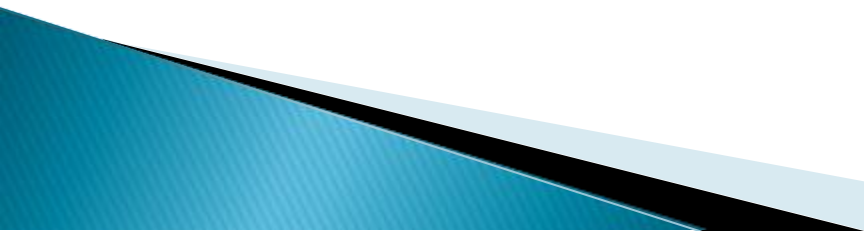
Installation or upgrade of wastewater treatment facility, sewer line replacement or extensions, new wastewater collection systems, subsurface investigations (including monitoring wells), storm water facilities, septic tank rehabilitation or replacement and other nonpoint source pollution control activities.

SRF Green Project Reserve

Eligibility Requirements

- Projects with water efficiency components
 - Projects with energy efficiency components
 - Green stormwater infrastructure projects
 - Environmentally innovative projects
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New SRF Affordability Criteria

- ▶ This criteria will be used to award principal forgiveness in the CWSRF.
 - ▶ This criteria was also used to develop the disadvantage communities program, and the awarding of principal forgiveness, within the DWSRF Program.
 - ▶ The new criteria will be employed for all SRF loans approved in February 2017 and going forward.
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New SRF Affordability Criteria

- ▶ The new method awards points based on population trend, income data, and unemployment data.
 - Applicants whose total points are six (6) or greater are eligible for Special Program Incentives of up to seventy-five percent (75%) of their loan amount.
 - Applicants whose total points are between four (4) and five (5) are eligible for Special Program Incentives of up to fifty percent (50%) of their loan amount.
 - Applicants whose total points are between two (2) and three (3) are eligible for Special Program Incentives of up to twenty-five percent (25%) of their loan amount.
 - Applicants whose total points are less than two (2) are not eligible for Special Program Incentives using this method.

Population Trend

- ▶ Population trend points are awarded based on the category that the applicant was in as of the last decennial census (or other available population data acceptable to OSLI if decennial census data is not available). If an applicant can show population trend data demonstrating that it has likely dropped to a smaller category since the last decennial census, its points will be adjusted up accordingly.
 - Applicants whose population is five hundred (500) or less will receive three (3) points.
 - Applicants whose population is between five hundred one (501) and three thousand, three hundred (3,300) will receive two (2) points.
 - Applicants whose population is between three thousand, three hundred one (3,301) and ten thousand (10,000) will receive one (1) point.
 - Applicants whose population is ten thousand, one (10,001) or greater will receive zero (0) points.

Income Data

- ▶ Income data points are awarded based on ratio of the local annual median household income (AMHI) to the State AMHI, using data from the most recently released American Community Survey 5-year estimates. If no data directly corresponding to the applicant is available, the county AMHI will be used as the default. The applicant may provide alternate data acceptable to OSLI, such as an income survey, at the applicant's expense and in lieu of American Community Survey 5-year estimates.
 - Applicants whose AMHI is less than sixty percent (60%) will receive five (5) points.
 - Applicants whose AMHI is sixty percent (60%) or greater, but less than seventy percent (70%) will receive four (4) points.
 - Applicants whose AMHI is seventy percent (70%) or greater, but less than eighty percent (80%) will receive three (3) points.
 - Applicants whose AMHI is eighty percent (80%) or greater, but less than ninety percent (90%) will receive two (2) points.
 - Applicants whose AMHI is ninety percent (90%) or greater, but less than one hundred ten percent (110%) will receive one (1) point.
 - Applicants whose AMHI is one hundred ten percent (110%) or greater will receive zero (0) points.

Unemployment Data

- ▶ Unemployment data points are awarded based on relationship of the local unemployment rate to the State unemployment rate. Local and State unemployment rates for the most recent quarter by county as published by the Wyoming Department of Workforce Services will be used.
 - Applicants whose unemployment rate is equal to or greater than the State rate will receive one (1) point.
 - Applicants whose unemployment rate is less than the State rate will receive zero (0) points

SRF Special Program Incentives

Principal Forgiveness

➤ CWSRF

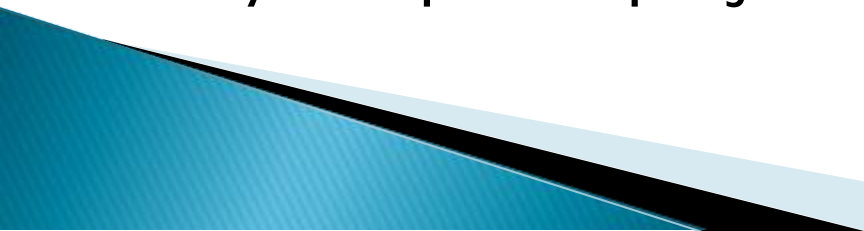
- Current Principal Forgiveness available \$3,995,120
 - 2016 Grant Principal Forgiveness
 - 10%, or \$652,500, is a grant condition
 - 30%, or \$1,957,500, can only be awarded according to the new affordability criteria.

➤ DWSRF

- Current Principal Forgiveness available \$3,085,617
 - 2016 Grant Principal Forgiveness
 - 20%, or \$1,662,400, is a grant condition
 - 30%, or \$2,493,600, can only be awarded according to the new disadvantaged communities criteria.


Wyoming's Experience with the DWSRF Green Reserve

Examples of Funded Projects:

- New water meters where none have previously existed
 - Variable frequency drives on water well pumps
 - Photovoltaic panels on wellhouses to promote energy efficiency
 - Wind turbines to power pumps at water wells
 - Replacement water meters if meters are extremely old and inoperable *[Established by Business Case]*
 - Hydro-power project
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Wyoming's Experience with the CWSRF Green Reserve

Examples of Funded Projects:

- 90 Kw photovoltaic cells/solar panels at a Sewage Treatment Works Plant to promote energy efficiency
 - Irrigation reuse as a water conservation measure at a Sewage Treatment Works Plant
 - Wind Turbines at a Sewage Treatment Works Plant to promote energy efficiency
 - Jackson Flat Creek Stream Enhancement project – improved trout habitat/water quality & helped prevent flooding
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SRF Flow Diagram

Notify State Revolving Fund Program of Proposed Project

Project must be on Intended Use Plan; Department of Environmental Quality

Environmental Review Process; Department of Environmental Quality

Dedicate Repayment Source; Office of State Lands & Investments

Loan Application; Office of State Lands & Investments

Loan Approval; State Loan & Investment Board

Plans, specifications, and construct documents review; Department of Environmental Quality

Open bids, submit information for approval if drinking water loan; Water Development Office

Construct

Submit Loan Draft Requests; Office of State Lands & Investments

Submit Certificate of Substantial Completion; Office of State Lands & Investments

SRF Part 1 Applications

3 packages should be received of the application – 1 original package– **with every signature signed in blue ink**, and 2 copies of all information provided in the original package.

- Entity needs to use the Population, AMHI, and IUP ranking from the LINKs given in the directions. (Page 2)
- If public meeting has been held, provide the Affidavit of publication for the public meeting and meeting notes. This public meeting notice should have been pre-approved by DEQ/Kevin Frank or Brian Mark. (Page 2)
- Entity needs to provide documentation of the approved project funding. If pending, it would be nice to know when expected funding will be approved, in a cover letter statement. (Page 2)
- All information should be completed on Page 3.
 - (DWSRF) The numbers should auto fill from page#2.
 - (CWSRF) The required information will need to be included in the project narrative. (See instructions for Page3) If you are completing by hand, please double check the numbers to see that they agree with page#2.
 - The original loan application package, should have page#3 signed in blue ink.
 - Include a copy of your rates (ordinances, resolutions etc).
- Loan resolution, the original loan application package, must be signed in **blue ink** and contain the source of repayment for the loan. (Page 4)
- Project timeline, should be completed to the best of your knowledge. (Page 5)

SRF Part 2 Applications

▶ Page 3

- Section A – For the DWSRF and CWSRF funding amounts only
- Section C – Provide proof of public meeting and notes– if not done in the Part I application. The public meeting notice should have been pre–approved by DEQ.
- Section E– Affidavit of Publication is required for either a Categorical Exclusion or a Findings of No Significant Impact. The notice should have been pre–approved by DEQ.
 - If the publications and environmental review has not been completed. The entity should include a cover letter giving a date that this should be completed and OSLI receive the required notices.

▶ Page 4

- All debt should be listed for the (DWSRF) Water or (CWSRF) Sewer/Landfill Department or debt being paid for from the designated repayment source for this loan.
 - Ensure all questions are answered.
- ▶ Proof of all other project funding should be supplied in the Part II application. (Project funding listed on Page#2 of the Part I application)

Joint Powers Act Loans (JPA)

Statutory authority for the Joint Powers Act Loan program:

W.S. §16-1-109

Eligible applicants are Wyoming counties, municipal corporations, school districts, community college districts, the Joint Business Council of the Eastern Shoshone and Northern Arapaho Indian tribes, the Business Council of the Eastern Shoshone Indian tribe, the Business Council of the Northern Arapaho Indian tribe, special districts, the University of Wyoming, and joint powers boards.

Key Features of the JPA Loan Program

The SLIB can only award Joint Powers Act Loans for facilities that generate revenue and the revenue must be sufficient to service the debt and represent a prudent use of state funds.

- Examples of revenue generation include, but are not limited to, the following:

Tipping (i.e. dumping) fees at landfills	Lease/Rental Income
Dorm room charges at colleges	User Fees
Property tax assessments	Tap Fees
Hospital Revenues	
- Loan terms up to 40 years
- Interest rate of 5.81% in 2016 (Set annually by the State Treasurer's Office)
- Loan origination fee (1%) due at time of award
- No penalty for not using full loan amount

JPA FAQs

Q. What types of projects qualify for funding?

A. Per W.S. 16-1-109 these loans must be used for “Revenue Generating” public facilities.

Q. How are the loan funds disbursed?

A. At the time a loan is closed, the borrower is required to establish a Direct Deposit Account between the entity and the Office of State Lands & Investments. The loan proceeds are placed in this account and the entity provides a loan draft request form and invoices requesting disbursement. Staff reviews the invoices and then provides an authorization to the entity and the bank to release funds to the entity. If funds remain in the Direct Deposit Account at completion of the project, the account will be closed and those funds will be returned to the Office of State Lands & Investment to be applied as a payment to the JPA loan. Entities may retain any interest that may have accrued to the account, or they may elect to have the interest sent to OSLI to be applied on their loan.

Q. 1% Origination Fee.

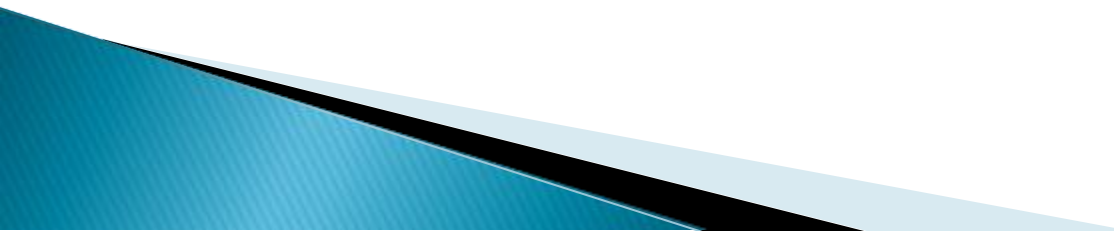
A. When the loan documents are sent for signature, we request that the entity return the fully executed loan documents along with a check for the 1% Origination Fee.

Q. Interest Rate.

A. The State Treasurer’s Office sets the rate each calendar year. The rate for 2016 is 5.81%, still waiting for the 2017 rate.

Municipal Solid Waste Cease and Transfer Loan and Grant Program (MSW)

Statutory authority for the MSW program: W.S. §35-11-530

- Objective of the program is to provide grants and loans for cease and transfer activities.
 - Program is run in conjunction with DEQ.
 - Funding is to have both a grant and loan component which is based on an equitable distribution of the funds.
 - Project must be on legislatively approved priority list
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Municipal Solid Waste Cease and Transfer Loan and Grant Program (MSW)

- ▶ Have \$20.5 million in the program
 - \$14,909,000 for grants
 - \$5,591,000 for loans
- ▶ Fixed 0% interest rate on loans

MSW Application FAQs

Q. How detailed do we make the Project Description– Page 4 of Application?

A. This part of the application is presented to the SLIB Board, so it needs to be very project specific and contain the information requested in the Application Checklist. If you have questions regarding how to “hit all of the important things”, please contact Craig McOmie of DEQ for assistance.

Q. What does the resolution need to include?

A. This document needs to refer to the total amount of funds being requested from the program (grant and loan total.)

Q. Do I need to complete Page 7– Proposed Method for Paying Annual Loan Payments when I am only requesting a grant?

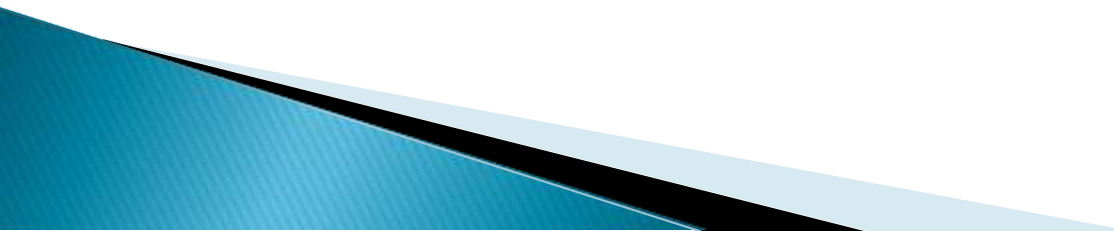
A. Yes, because most times DEQ will recommend a loan component to their funding package. You may not know an exact amount for a payment but we would like to know what source of repayment will be pledged.

Q. What should be entered under Status of Written Agreement with the DEQ– Application Cover Sheet?

A. The word “Pending” should be entered here. The MOA between the Entity and DEQ is prepared by DEQ and provided to the Entity for signature during the application process. The MOA should be signed and returned to OSJI prior to the Board date. Once the application is approved, OSJI will send the MOA to DEQ for signature. The date the MOA is signed by DEQ signals the start of the 180 day deadline for the AOC.

Hydro-Power Development Project Loans

Statutory authority for the Hydro-Power loans is W.S. 11-34-306

- “Hydro-power development project” means a project for development and use of energy generated by water flowing through hydro-turbines.
 - These loans are made to municipalities, irrigation districts and special districts to finance the construction of hydro-power development projects.
 - Loan origination fee (1%) due at time of award.
 - Must have a feasibility study completed by WWDC
 - Loans shall not exceed the aggregate sum of \$10,000,000 for a term not to exceed 30 years.
 - Interest rate shall not be less than 4% and not exceed 6%.
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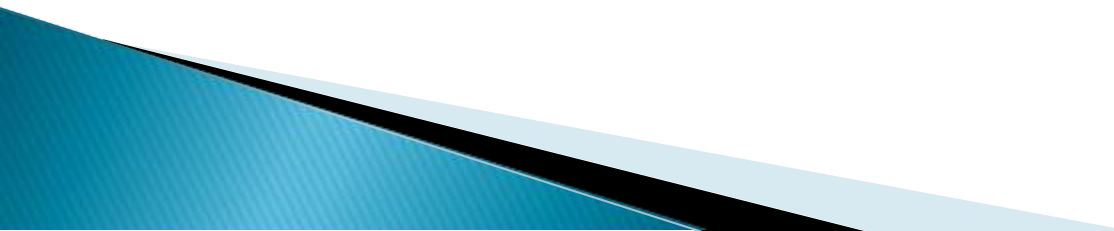
Transportation Enterprise Grant and Loan Program (TEA)

Statutory authority for the Transportation Enterprise Grant and Loan program: W.S. §11-34-131

Eligible applicants are Wyoming counties; municipal corporations; Senior citizen centers created pursuant to W.S. § 18-2-105; Airport boards created pursuant to W.S. §10-5-202; Regional transportation authorities created pursuant to W.S. §18-14-101; community boards created pursuant to W.S. §35-1-615; and entities under contract with a county, municipality, or school district pursuant to W.S. §35-1-614, or under contract with the Wyoming Department of Health pursuant to W.S. §35-1-620.

- Grants may be awarded for the purpose of enhancing transportation in Wyoming.
- Applications are due by September 15th each year for consideration by the SLIB in November. Applications can also be submitted for emergency consideration thirty (30) days prior to any of the Boards regular monthly meetings.

Aeronautics Loans

- ▶ Eligible entities: counties, cities, towns and joint powers boards specifically involved in providing governing authority over airports and empowered pursuant to W.S. §10-5-101 through W.S. §10-5-204.
 - ▶ The legislation specifically provides authority to the Board to issue loans to eligible applicants to construct, develop and improve airport facilities generating user fees.
 - ▶ All loans issued by the Board shall not exceed the aggregate sum of ten million dollars (\$10,000,000) for a term not to exceed twenty (20) years.
 - ▶ The interest rate is currently 5%.
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QUESTIONS?

