



December 30, 2015

Re: SFY17 - Alaska Clean Water Fund Loan Questionnaire Solicitation

Dear Utility:

The Alaska Department of Environmental Conservation's (ADEC) Alaska Clean Water Fund (ACWF) loan fund program is requesting questionnaires for projects to be placed on the State's Fiscal Year 2017 Intended Use Plan (IUP). The ACWF program provides loans up to 100% of project costs that can finance planning, design, and construction for the following wastewater and water quality type projects:

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**Clean Water**

- Sewerage Systems
- Wastewater Plants
- Compliance
- Sludge Handling
- Security
- Equipment
- Upgrades /Replacements
- Renewable Energy
- Water & Energy Efficiency

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**Non-Point Source**

- Landfills (closure or expansion)
- Source Water Protection
- Harbors and Docks Waste Handling
- Water Body Rehabilitation
- Contamination/Remediation
- Restoration – Stewardship
- Stormwater

Current program terms and interest rates for 5 to 20 year term loans and 1 to 5 year term loans are 1.5% and 1%, respectively; however, an upcoming change is anticipated soon which allows up to 30 year term financing. Regulation changes for revised program finance rates are expected to be finalized in Spring of 2016. Once these changes are finalized, the SFY17 ACWF IUP will be updated accordingly to reflect these new finance term conditions and what projects may be eligible for 30 year financing.

Other changes to this year's ACWF IUP will again include the elimination of funding subsidies for selected projects and the addition of expanded project eligibilities and requirements as a result of recent federal legislation. Program changes include but are not limited to: land purchase for easements, right-of-ways and construction site area; expanded eligibility on decentralized systems and stormwater projects; fiscal sustainability plans; and, architect/engineer solicitation procurement

requirements for equivalent (those receiving direct federal funds) funded projects. A regulation update for incorporating the revised program changes is expected to be finalized in Spring of 2016.

Additionally, as required last year, projects that are ready to proceed will be credited with extra ranking points (and/or by-pass preference). The details on this will be provided later when the draft IUP is released for public notice around mid-March. Further, subsidies for Green Project Reserve (GPR) projects have been eliminated; however, to encourage implementation of GPR eligible components in a project, ADEC will offer extra ranking points if sufficient documentation is provided in the project questionnaire submission.

Project questionnaires are to be filled out and submitted electronically. Enclosed is a guidance document that will help you navigate through the necessary steps to complete the on-line questionnaire. Access to the on-line questionnaires can be found at the following link:

<http://dec.alaska.gov/water/oasys/index.html>

Please complete and submit a questionnaire for each project you wish considered for funding assistance under the ACWF loan program. If you encounter difficulties accessing or completing the on-line questionnaire, please contact John Randolph at (907) 465-5307 for assistance.

Completed questionnaires must be received no later than **5:00 p.m. February 15, 2016** to be considered for funding. Questionnaires received early place higher in the ranking order than questionnaires with the same score that are received later.

We encourage any input or suggestions for improving the solicitation process. If you have questions about the program or need technical assistance in filling out the questionnaire, feel free to contact me in Anchorage at (907) 269-7616.

We look forward to hearing from you.

Sincerely,



Mike Lewis

Program Manager

Enclosures: SFY17 On-Line Questionnaire Guidance Document