

Minnesota Attorney General: Administrative Rules Proceedings

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MINNESOTA STATE REGULATIONS

Notice of filing by the Commissioner of Administration

We have received on this date, stamped and filed 2 copies of Rules and Regulations pertaining to the Pollution Control Agency
(Agency or Board)

Regulation No. WPC 34 (revised)

Subject: Municipal Facilities Assistance Program

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STATE OF MINNESOTA
POLLUTION CONTROL AGENCY

CHAPTER THIRTY FOUR: WPC 34

REGULATION FOR THE ADMINISTRATION OF THE MUNICIPAL FACILITIES ASSISTANCE PROGRAM AND THE MINNESOTA STATE WATER POLLUTION CONTROL FUND AND FEDERAL GRANT FUNDS ALLOTTED TO MINNESOTA

WPC 34. (a) PURPOSE. This regulation is hereby adopted and promulgated by the Agency to implement the provisions of Minnesota Statutes, Chapters 115 and 116 (as amended by Laws of 1973, Chapter 423 and Chapter 771) and to comply with the Federal Water Pollution Control Act Amendments of 1972 (United States Public Law 92-500), and guidelines and regulations pursuant thereto or resulting therefrom, by the establishment of procedures relating to the Federal construction grants and state construction grant and loan programs.

The regulation applies in general to the following:

(i) use of state and federal funds;

(ii) establishment of a municipal discharge inventory, list of municipalities and project list;

(iii) submission and evaluation of application;

(iv) administration of the grant and loan program;

(v) criteria for determination of priorities for grants and loans; and

(vi) the disbursement of funds.

The promulgation of this regulation, in association with the Agency's enabling legislation, as amended by Laws of 1973, Chapter 423 and 771, provides sufficient authority for the State of Minnesota, upon approval by the Regional Administrator of the United States Environmental Protection Agency, to certify applicants for Federal construction grants and subsequently, to the extent funds are available, provide state construction grants. The Pollution Control Agency is the State agency designated by State law to administer this program. Except as specifically provided herein, this regulation shall apply with equal force to state financial assistance and Federal grant funds.

(b) DEFINITIONS. The terms "person", "sewage", "industrial wastes", "other wastes", "treatment works", "sewer system", "disposal systems", "waters of the state", "pollution control fund", "municipality", "director", "Agency", as well as any other pertinent terms for which definitions are given in Minnesota Statutes Chapters 115 and 116, as amended, shall have the meanings ascribed to them.

The terms specified below shall have the meanings ascribed to them:

(1) "ACT" means the Federal Water Pollution Control Act, as amended, 33 USC 1314, et seq.

(2) "EPA" means the United States Environmental Protection Agency.

(3) "ADMINISTRATOR" means the Administrator of the United States Environmental Protection Agency.

(4) "REGIONAL ADMINISTRATOR" means the EPA Regional Administrator for the region in which Minnesota is located (now Region Five).

(5) "ELIGIBLE COST" means, for state grant purposes, the cost as determined by the EPA.

Other terms and abbreviations used herein which are not specifically defined by law shall be construed in conformance with the context and professional usage.

(c) SEVERABILITY. If any provision of this regulation or the application thereof to any person or circumstances is held to be invalid, such invalidity shall not affect other provisions of the regulation or application of any other part of this regulation which can be given effect without application of the invalid provision. To this end, the provisions of all sections, subsections, or subdivisions herein and the various applications thereof are declared to be severable.

(d) USE OF STATE FUNDS. The Agency in accordance with this regulation may provide financial assistance to municipalities as:

(1) A grant of nonrepayable funds for construction of disposal systems in an amount of not less than that required in applicable federal

law and regulations for projects for which there becomes available, through use of these state funds, a grant of federal funds at a percentage of cost exceeding the percentage which would be available for the project if those state funds were not available.

(2) A grant of nonrepayable funds for construction of disposal systems in the amount of 15 per centum of the eligible cost of construction for projects tendered a grant of federal funds under Section 201(g), Section 202, Section 203, or Section 206(f) of the Act at 75 percentum of the eligible cost of construction. Except as provided by Minnesota Statutes, Section 116.18, not less than 10 percent of such cost shall be paid by the municipality.

(3) A grant of state funds not exceeding 25 percentum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant where such project is necessary to abate an immediate health hazard.

(4) Loans for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control and abatement of water pollution.

The Agency shall disburse state funds in any fiscal year to the extent that money is available and requested in the following order of priority: Federal matching construction grants, construction grants, and planning and construction loans.

(e) USE OF FEDERAL FUNDS. The Agency, in accordance with this regulation and the Act, guidelines and regulations pursuant thereto or resulting therefrom may:

(1) certify applications which have been determined to be complete for a grant of federal funds from any allotments and re-allotments allocated to Minnesota by the Administrator pursuant to the Act; and

(2) utilize up to $250,000 from its allotment or re-allotment or both for the construction of a treatment works for a facility to train and upgrade waste treatment works operation and maintenance personnel.

(f) MUNICIPAL DISCHARGE INVENTORY, LIST OF MUNICIPALITIES AND PROJECT LISTS.

(1) The Director shall develop and maintain a municipal discharge inventory and a list of municipalities including a breakdown as to type of project required, which have known needs to install, construct, upgrade, or expand a disposal system, or any portion thereof. The list shall be periodically revised by the addition of the name of any municipality for which it is determined by the Director that such a need exists, or by the deletion of the name of any municipality or type of project which no longer has such a need. The municipal discharge inventory shall include all the municipalities with needs and all the municipalities which have adequate disposal systems.

(2) The names on the municipal discharge inventory shall be arranged in order of priority pursuant to the criteria established in Section (i)(2) except subsections (dd) and (ee). The names on the list of municipalities shall be arranged in order of priority pursuant to the criteria established in Section (i)(2) except subsection (ee).

(3) The Director shall prepare from the municipal discharge inventory and in turn from the list of municipalities for fiscal year 1974 (July 1 1973 to June 30, 1974) and each succeeding fiscal year, for Agency and EPA approval a project list of those projects for which Federal assistance will be requested from current allotments.

Such project list shall be prepared in accordance with the allocation of funds set forth in Section (i)(1) and shall set forth a tabulation of funding priorities and requirements. The Director shall define, pursuant to Section (g)(3), (g)(4), (g)(5), or any combination thereof, allowed by the EPA, the step of each disposal system project and the time when such system project is to receive Federal financial assistance.

(4) The Director, where he deems appropriate, may split or stage the construction of the type of project for a disposal system or portion thereof (See also Section (i)(2)(dd) of this regulation).

(5) Notwithstanding subsection (3) of this section, the Director, where he deems appropriate in preparation of the list of projects may, to the extent allowable by the EPA, recommend projects in a variety of steps as a means of assuming maximum utilization of available federal and state funds in future fiscal years.

(6) The Director, in preparation of the list of projects, may recommend a total number of projects which would utilize all or a portion of the current fiscal year federal allocation and all or a portion of any succeeding fiscal year federal allocation.

(g) APPLICATIONS FOR STATE AND FEDERAL CONSTRUCTION GRANTS.

(1) To expedite the program, unless otherwise specified by the Director, the state construction grant application form shall be the federal grant application form (Budget Bureau No. 42-R1495 or revisions thereof) of the EPA. Projects which are not eligible under EPA rules, guidelines, or regulations shall not be eligible for state grant funds under this section, except as provided pursuant to Section (m)(2).

(2) Any municipality shall within 30 days after notification from the Director by first class mail file a completed construction grant application or submit such information as the Director determines to be necessary to complete a previously submitted application. The Director may extend the date of filing or submission of any information subject to the municipality providing adequate justification therefor. Should the municipality fail to provide such adequate justification, the initial filing or information requirement shall remain unchanged.

(3) The construction grant application form for a project to undertake preliminary plans and studies (Step 1) shall be supported by the following attachments:

(aa) Resolution of governing body authorizing the filing of the application and designating the official municipal representative;

(bb) A brief description of the nature and scope of the proposed project;

(cc) Assurance of compliance with all applicable requirements of the Minnesota Department of Human Rights.

(dd) An estimate of the proposed project cost;

(ee) Statements on planning requirements from the following:

(i) State, Metropolitan or Regional Planning Agency; and

(ii) State Clearinghouse (Minnesota State Planning Agency); and

(ff) Proposed sub-agreements, or an explanation of the intended method of awarding sub-agreements for substantial portions of the project work.

(4) The construction grant application form for a project to prepare construction drawings and specifications (Step 2) shall include, but not be limited to:

(aa) Sewer system evaluation which demnostrates to the satisfaction of the Director and Regional Administrator that each sewer system discharging into such treatment works is not subject to excessive infiltration/inflow, through an infiltration/inflow analyses and, where appropriate and authorized by the Regional Administrator, a sewer system evaluation survey.

(bb) Acceptable engineering report describing the design concepts of the proposed project and its technological and economic feasibility including, but not limited to:

(i) Disposal system design data incorporating:

(a) Results of sewer system evaluation;

(b) Estimated effluent quality, with respect to all parameters required by applicable effluent limitations and water quality standards; and

(c) Proposed method for ultimate disposal of sludge.

(ii) Cost estimates for design and construction; and

(iii) Schedule for completion of design and construction.

(cc) A review of measures practiced or proposed to control excess flow resulting from ground water infiltration and/or extraneous flows of surface water into the sewer system.

(dd) A detailed analysis of the operation and maintenance requirements of the proposed project, including but not limited to staffing, operator qualifications, laboratory works, chemicals, annual budget and financing of the annual budget to insure adequate operation and maintenance of the disposal system.

(ee) For any project to be constructed with funds authorized for any fiscal year beginning after June 30, 1974, the grant applicant shall satisfactorily demonstrate that:

(i) alternative waste management techniques have been studied and evaluated and the works proposed for grant assistance will provide for the application of the best practicable waste treatment technology over the life of the works; and

(ii) As appropriate, the works proposed for grant assistance will take into account and allow to the extent practicable the application of technology at a later date which will provide for the reclaiming or recycling of water or otherwise eliminate the discharge of pollutants.

(ff) Statements on planning requirements from the following:

(i) State, Metropolitan or Regional Planning Agency, and

(ii) State Clearinghouse (Minnesota State Planning Agency).

(gg) Environmental assessment in accordance with the requirements of the EPA unless the Regional Administrator determines, at the request of the applicant, that there is insufficient data available to prepare such assessment,

provided that the environmental assessment must then be submitted to the Regional Administrator at or prior to the time of submission of plans and specifications for the building and erection of a disposal system or portion thereof (Step 3);

(hh) Statement regarding availability of proposed site, if relevant;

(ii) Statement regarding ability of applicant to obtain discharge permit for proposed disposal system;

(jj) Statement regarding compliance with Title VI of Civil Rights Act of 1964;

(kk) Statement regarding applicant's proposed operation and maintenance program;

(ll) Proposed sub-agreements, or an explanation of the intended method of awarding sub-agreements for performance of any substantial portion of the project work;

(mm) User charge system in accordance with EPA rules and regulations; and

(nn) Assurance of compliance with all applicable requirements of the Minnesota Department of Human Rights.

(5) The construction grant application form for a project to build and erect a disposal system or portion thereof (Step 3) shall include the items in subsection (4) of this section, and in addition shall include three complete sets of the construction drawings and specifications, suitable for bidding purposes; provided, that if any such information has been furnished with an earlier application, the applicant need only incorporate by reference and update or revise such information.

(6) Applications for projects which do not receive a grant offer in the fiscal year for which the application is considered shall be retained, and if subsequently deemed necessary, shall be up-dated and revised within 30 days upon written notice from the Director.

(7) The construction grant application form and attachments shall be submitted in triplicate to the Agency at the address specified by the Director. Unless adequately justified in writing, failure to submit all the necessary documents by the date specified may constitute grounds for rejection of the application. Substantial deficiencies in the application and/or supporting documents or failure to conform with applicable requirements such as those set forth in the current Agency water pollution control program plan or the applicable basin, regional, or area water quality management plan or agency policy requirements also may be grounds for rejection. Any application may be rejected at the discretion of the Agency if it does not include an engineering report acceptable to the chief water pollution control engineer, or does not include an adequate commitment for support of operation and maintenance of the project or is not consistent with applicable statutes, or does not contribute to the overall objective of effective water quality management, or is not considered to be in the best interest of the state.

(8) A municipality may file an application at any time for any type of project. If the type of project is not shown on the list of municipalities, it shall be added to such list; provided that any such application shall be submitted at least 30 days prior to the date of the public hearing to be held annually on the state program plan of the Agency which is submitted to the EPA before the beginning of a new fiscal year (July 1 through June 30). The Director shall

indicate in the public hearing notice for the program plan hearing that any person upon request shall be given a copy of the municipal discharge inventory, list of municipalities and project list developed in accordance with Section (f) and pursuant to Section (i)(2)(cc), the list of segments in order of priority. The provisions of this subsection shall take effect upon the effective date of this regulation.

(h) ADMINISTRATION OF CONSTRUCTION GRANTS.

(1) The priority ratings of the application on the list of municipalities and the project list for fiscal year 1974 and succeeding years shall be established in accordance with Section (i) excluding subsection (ee). The priority ratings for project applications submitted in and certified for fiscal year 1973 and earlier years shall remain as determined by the Agency on the basis of the established criteria, and such prior actions of the Agency are also hereby affirmed insofar as they relate to federal grant increases and state grants for such projects as authorized by the statutes and the EPA.

(2) Municipalities on the list of municipalities which receive a priority rating sufficiently high in relation to available funds and are placed on the project list may be certified to the EPA for a grant, but such certification may in any fiscal year be withheld or withdrawn by the Director if the project is not or cannot be implemented according to an acceptable schedule or otherwise poses a substantial likelihood of causing a loss of federal funds to the State.

(3) Federal grant funds allocated under Section (i)(1) to outstate projects and for which there are not any certifiable outstate projects by December 31 of the fiscal year may be re-allocated by the Agency to the seven-county Twin Cities Metropolitan Area. Any such federal grant

funds which in fiscal year 1972 or succeeding fiscal years are reallocated to the seven county Twin Cities Metropolitan Area shall be recoverable for allocation to outstate projects in later fiscal years only to the extent of $2,000,000 in any one fiscal year. Grant funds allocated to the seven-county Twin Cities Metropolitan Area which are unused are subject to similar provisions for reallocation to and recovery from outstate projects.

(4) After the EPA has determined the eligibility of the application and tendered a federal grant, the state shall make a similar grant offer to the municipality in an amount not less than that required by federal law and regulations as a condition for the increased grant of federal funds or in an amount not less than that allowed by state statutes where not required by federal law. In the case of a project for which the applicant has solicited and received bids on construction contracts which exceed the costs estimated in the application, the Director may, after consideration of available federal funds and in accordance with EPA regulations, recommend a grant increase.

(5) To the extent it determines reimbursement funds are available, the Agency shall authorize grants or grant increases for fiscal year 1972 and earlier eligible projects up to the required federal matching ratio, with such available funds being divided proportionally in accordance with Section (i)(1) between the seven-county Twin Cities Metropolitan Area and the area of the state outside the seven-county Twin Cities Metropolitan Area, and eligible projects being funded in order of established priority, such increases to be paid subject to conformance with EPA requirements and authorization thereof by the EPA.

(6) Notwithstanding subsection (4) or (5) of this section, the Agency may, to the extent allowable by the EPA, limit grant increases to less than the eligible amount to provide a proportionate share to all eligible projects.

(7) Any proposed changes in the contract which result in cost increases greater than that of the base contract plus contingencies as stated in the project summary or other proposed changes regardless of cost which substantially alter the type of treatment process, or its efficiency, versatility or reliability, shall be submitted to the Director for prior approval, except where the work is agreed by the chief water pollution control engineer to be of an emergency nature. Change orders not requiring prior approval of the Director shall be submitted for review and approval within one month after the date on which the change is ordered by the applicant, its engineer or other authorized agent.

(8) Installment payments may be requested from the EPA and the Agency when twenty-five (25) percent, fifty (50) percent and seventy-five (75) percent of the eligible construction, as measured by its cost, has been completed, or in accordance with a schedule and conditions agreed upon between the grantee, EPA and the Director. The Director shall authorize such proportional installment payment upon notification from the EPA that a federal installment payment has been authorized in a given amount. Installment payments at the fifty (50) percent level shall not be made until the applicant has in its employ for the operation of the project treatment works, a wastewater treatment works operator having a valid state certificate or one who is capable of obtaining such a certificate for operation of

the designated class of treatment works within a reasonable period of time. State installment payments at the seventy-five (75) percent level, and beyond the seventy-five (75) percent level, shall be based on an assessment, including but not limited to, the applicant's development of and progress towards completion of an acceptable manual for operation and maintenance of the disposal system. The proportional installment payment to be made by the Agency shall not be in excess of the overall federal-state project cost ratio as authorized by the Agency and Director. Installment payments shall not be made on the cost of eligible parts of sewer systems unless adequate treatment works exist or are under construction, nor shall such payments be made for projects which upon completion of construction will not be reasonably usable or effective without construction of additional works.

(i) CRITERIA FOR DETERMINING PRIORITY.

(1) Federal funds allocated to Minnesota under the program administered by the EPA for fiscal year 1972 and each succeeding fiscal year and state funds in like proportion shall be allocated initially by the Agency to the Twin Cities Metropolitan Area, consisting of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties, and the outstate areas consisting of the remainder of the counties of the state in approximately the same ratio which the population of the sewered municipalities of the seven counties bears to the sewered population of the outstate counties. Allocations made by the Agency for fiscal year 1973 and prior years are hereby re-affirmed.

(2) The determination of the order of priority of the municipalities for state and federal grants for fiscal year 1974 and succeeding years shall be in accordance with the following criteria, except that

subsection (ee) shall not be considered in establishing the municipal discharge inventory (which also will not take into consideration subsection (dd)), the list of municipalities or the project list for federal grant purposes. The determination of the order of priority for grants certified for funding in fiscal year 1973 and prior years shall be as set forth in actions of the Agency heretofore based on criteria duly established for such years, the same to apply also to grant increases for EPA eligible projects.

(aa) Extent and Nature of Pollution. Water pollution control priority points shall be established as set forth below from a determination of the highest single beneficial water use seriously affected, or if no pollution problem currently exists, from a determination of the highest single beneficial water use to be preserved.

Water Use	Point Rating
Class 1 Domestic Water Supply	
A. Direct consumption (ground water)	70
B. Consumption after only disinfection by chlorination	65
C. Consumption after moderate water treatment process	60
D. Consumption after very complete water treatment process	55
Class 2 Fisheries and Recreation Waters:	
A. Propagation and maintenance of cold water fishery and all recreational uses	60
B. Propagation and maintenance of mixed fishery and all recreational uses	50
C. Propagation and maintenance of rough fishery and non-contact recreational uses	40

Water Use	Point Rating
Class 3 Industrial Consumption, Except Food Processing and Related Uses:	
A. Direct use without chemical treatment	40
B. Use with moderate treatment	30
C. Use for cooling and material transport	20
Class 4 Agriculture and Wildlife	
A. Irrigation of agricultural crops of all kinds	35
B. Watering of livestock and wildlife	30
Class 5 Commercial navigation and waste disposal	10

(bb) Population Affected. Water pollution control priority points shall be assigned for each type of project based on the population of the municipality, or population of the municipalities served by such project as determined by the most recent Federal census, as follows:

(1)	Municipal population under 250	2
(2)	Municipal population from 251-500	4
(3)	Municipal population from 501-750	6
(4)	Municipal population from 751-1000	8
(5)	Municipal population from 1001-1500	10
(6)	Municipal population from 1501-3000	12
(7)	Municipal population from 3001-5000	14
(8)	Municipal population from 5001-10,000	16
(9)	Municipal population from 10,001-20,000	20
(10)	Municipal population from 20,001-50,000	25
(11)	Municipal population from 50,001-450,000	35
(12)	Municipal population in excess of 450,000	50

(cc) List of Segments. Pursuant to Section 303(e) of the Act and guidelines and regulations thereto relating to the state continuing planning process, all waters of the state shall be divided into segments and each segment classified as either water quality or effluent limited. The Director shall annually develop a list of segments, and after giving consideration to:

(i) severity of pollution problems;

(ii) population;

(iii) need for preservation of high quality waters; and

(iv) national priorities as determined by the Administrator; priority points will be established in accordance with criteria approved by the Agency and the EPA.

The segment ranked number one shall be awarded priority rating equal to the total number (N) of segments with any subsequent segment receiving a priority rating of N + 1 minus the numerical ranking of the segment. Priority points shall be accordingly awarded to a municipality for the type of project located in a segment.

(dd) Type of Project. Priority points shall be allocated on the basis of the single highest disposal system or part thereof, improvement to prevent, control, and abate the source of pollution as follows:

Point Rating

(1) Provision of tertiary treatment (secondary treatment or its equivalent plus additional treatment works to remove additional 5-day biochemical oxygen

Point Rating

demand, suspended solids, or dissolved solids) for a discharge of sewage and industrial waste. For the purpose of this regulation, treatment works which provide for regulated discharge of effluents in lieu of tertiary treatment shall be construed to provide tertiary treatment. 40

(2) Provision of secondary treatment for a municipality which does not have a disposal system, other than individual on lot septic tank systems, or has inadequate secondary treatment, or provides no treatment or only primary treatment for its sewage and industrial wastes. 30

(3) Provision of a disposal system or part thereof by a municipality for adequate disposal of wastes from its water treatment plant, or power plant or similar pollutants. 20

(4) Provision of a new sewer system or portion thereof for a municipality, in existence on October 18, 1972 with sufficient existing or planned capacity to adequately treat such collected sewage or industrial waste. 10

Point Rating

(5) Provision by a municipality of storm water disposal system, including sewer systems to separate existing combined sanitary and storm sewers or treatment works. 10

(6) Subsections (1), or (2), whichever is applicable, may also include treatment works and/or any portion of sewer system improvements deemed necessary by the Director to insure the integrity and performance of a disposal system.

(7) An interceptor sewer which eliminates any existing treatment works or which, in accordance with an approved basin plan, eliminates the need for construction of new treatment works shall be considered equivalent to tertiary or secondary treatment and allocated the appropriate priority points pursuant to subsections (1) or (2), whichever is applicable.

(8) In the case of a sewer system being tributary to sewerage facilities which are on the project list for funding but which the EPA will not fund until an infiltration/inflow analysis, and where required, a sewer system evaluation has been performed, this sewer system project may be awarded by the Director an equal number of priority points as the project on the project list.

Point Rating

(9) A proposed sewer system project, or portion thereof for a municipality with adequate treatment works which abates an immediate public health hazard relating to an area that does not have municipal sewer and water service may be considered equivalent to tertiary or secondary treatment and allocated the appropriate priority points pursuant to subsections (1) or (2), whichever is applicable.

(ee) Financial Aspects. Priority points shall be awarded by summing up the applicable rating points for the project from Tables 1, 2, and 3 relative to per capita project cost, the ratio of bonded debt to assessed evaluation and per capita buying income.

TABLE I

Per Capita Cost of Project

Per Capita Cost ($)	Point Rating
0-40	1
41-80	3
81-120	5
121-160	7
161-200	9
201-240	11
241-280	13
over 280	15

TABLE II

Ratio of Bonded Debt to Assessed Evaluation**

Ratio x 100	Point Rating
0-3	3
4-9	5
10-15	7
16-21	9
22-27	11
28-33	13
over 33	15

** Based on bonded debt and assessed evaluation data obtained from the Department of Public Examiner and Research and Planning Unit of the Minnesota Department of Taxation, respectively.

TABLE III

Per Capita Buying Income***

Percent of Average	Point Rating
0-50	15
51-60	13
61-70	11
71-80	9
81-90	7
91-100	5
101-110	3
over 110	1

*** Based on the report "Survey of Buying Power," by Sales Management, Inc.

(ff) Other. Additional points may be granted in the discretion of the Agency to an application which:

(i) relates to a point source or disposal system which is located within an area designated by the Administrator in writing to have national priority; and/or

10

(ii) includes planned participation in a sanitary district and/or other multi-municipal disposal system. 10

(3) The numerical rating points established in Section (i)(2) shall be subject to readjustment in value for any category or class prior to the mailing of the public hearing notice established in Section (g)(8) if it is determined to be in the best interests of the state by resolution of the Agency. At least 30 days notice of such proposed readjustments shall be furnished by United States mail to all persons registered on the appropriate list maintained by the Secretary of State, and all persons wishing to do so shall be given an opportunity to present their views on the proposals to the Agency prior to final Agency action.

(4) If in the determination of the order of priority on the list of municipalities, two or more municipalities have the same total number of priority points, the municipality in accordance with subsection (c)(aa) that has the highest single beneficial water use seriously affected or to be preserved shall be ranked higher. If two or more municipalities have the same total number of priority points and the same highest single beneficial water use seriously affected or to be preserved the municipalities shall be ranked based on population as determined by the most recent federal census in descending order below the municipality with the largest population.

(5) Notwithstanding any other provision in this regulation including, but not limited to, Sections (i)(2) and (i)(3), to the contrary, the Director may, as necessary to establish criteria for determining priority for applications for federal and state sewage construction grants under the Federal Water Pollution Control Act, as amended, and

regulations and guidelines of the United States Environmental Protection Agency promulgated pursuant thereto, and Minnesota Statutes, Chapters 115 and 116, as amended, establish such criteria for determining priority upon a basis other than that provided herein, to the extent required to comply with said federal act, guidelines and regulations or resulting therefrom.

(j) APPLICATIONS FOR DISPOSAL SYSTEM PLANNING AND CONSTRUCTION LOANS

(1) The application form shall be of the type set forth below:

MINNESOTA POLLUTION CONTROL AGENCY
Division of Water Quality

Application for Disposal System Planning and/or Construction Loan	To be filled in by the State Date Received Project Number Loan Request

Legal Name of Applicant

Address, Zip Code

Hereby Makes Application to the Pollution Control Agency of the State of Minnesota for a Loan of Funds for the Planning and/or construction of:

Financial Aspects:

Estimated Project Cost	$ _____
State Loan Funds	_____
Local Funds	_____
Other Funds	_____

Project Schedule:

Project Starting Date	_____
Time to Complete Project	_____

Name and Title of Representative	Signature of Representative	Date

(2) The planning loan application form shall be supported by the following attachments:

(aa) Resolution of the governing body authorizing the filing of the application and designating the official municipal representative.

(bb) Resolution of the governing body obligating the municipality to repay the loan to the state treasurer in annual installments including both principal and interest, each in an amount sufficient to pay the amount due, within five (5) years, from user charges, taxes, special assessments, or other funds available to it.

(cc) Resolution of the governing body obligating the municipality to establish rates and charges or the execution of contracts sufficient to produce the revenues pledged if required by the Agency.

(dd) Proposed method of loan repayment.

(ee) Proposed contracts for engineering, legal, planning and other consulting services.

(3) The construction loan application form shall be supported by:

(aa) The attachments of subsection (2) (aa), (cc) and (dd) of this section and the items of section (g)(5). The Director for just cause may waive or defer the submission of any items required pursuant to section (g)(5).

(bb) Resolution of the governing body obligating the municipality to repay the loan to the state treasurer in annual installments including both principal and interest, each in an amount sufficient to pay the principal amount within

twenty (20) years or lesser time interval if found to be in the best interest of the state, from user charges, taxes, special assessments, or other funds available to it.

(4) The loan application form and attachments shall be submitted in duplicate to the Agency at the address specified by the Director. Substantial deficiencies in the application and supporting documents or failure to conform with applicable requirements such as those set forth in the current Agency water pollution control program plan or the applicable basin, regional or area water quality management plan or Agency policy requirements may be grounds for rejection. Any construction loan application may be rejected at the discretion of the Agency if it does not include an engineering report acceptable to the chief water pollution control engineer, or does not include an adequate commitment for support of operation and maintenance of the project, or does not conform to the intent of the applicable statutes, or does not contribute to the overall objectives of effective water quality management, or is not considered to be in the best interests of the state.

(5) Applications must be restricted to those projects or portions thereof for which service contracts or construction contracts can be awarded by June 1, or other date as may be specified by the Director, of the fiscal year in which the loan is applied for.

(6) Applications may be submitted at any time, unless otherwise specified by the Director.

(k) ADMINISTRATION OF STATE DISPOSAL SYSTEM PLANNING AND CONSTRUCTION LOANS.

(1) The allocation of state funds shall be established in accordance with section (i)(1) and priority rating points assignable to loan applica-

tions shall be established in accordance with section (1). Funds allocable to loans shall be determined each fiscal year by the Agency on the basis of total availability and demand for federal matching construction grants and construction grants and there shall not be set aside for loans more than five (5) percent of the total funds available in any fiscal year, unless the Agency by resolution determines that another percent level would be in the best interests of the state.

(2) Those planning applications which receive a priority rating sufficiently high in relation to available funds shall be tendered a state planning loan. Within sixty (60) days after the acceptance of the offer and award of contracts, for engineering, legal and other consulting services the state payment shall be made.

(3) Those construction loan applications which receive a priority rating sufficiently high in relation to available funds shall be tendered a state construction loan. Within thirty (30) days after the acceptance of the offer and award of the construction contract for the project, the state payment shall be made.

(4) Principal and interest, each in an amount sufficient to pay the principal amount within the loan period, shall be paid in annual installments to the state treasurer. Interest shall be calculated on the declining balance at a rate not less than the average annual interest rate on state bonds of issue from the proceeds of which the loan was made.

(5) Priority ratings shall be established each fiscal year for those loan applications filed on or before a date to be set annually by the Director. Applications postmarked or delivered after that date may be rejected at the discretion of the Director.

(6) Funds loaned to a municipality shall not be usable for the purpose of matching an offered federal grant where the same is ineligible under federal statutes or regulations.

(l) CRITERIA FOR DETERMINING LOAN PRIORITY

(1) The loan funds set aside in any fiscal year shall be allocated in the ratio of twenty-five (25) percent for planning and seventy-five (75) percent for construction, unless the Agency by resolution determines that another ratio would be in the best interests of the state.

(2) The determination of the order of priority for planning loan applications shall be in accordance with

(aa) The criteria set forth in section (i)(2), including subsection 2(ee), and (bb) of this subsection.

(bb) Technological Feasibility. Priority points shall be assigned based on the planning needs as set forth below:

	Point Rating
(i) Sewer system evaluation which shall demonstrate to the satisfaction of the Director and Regional Administrator that each sewer system discharging into such treatment works is not subject to excessive infiltration/inflow, through an infiltration/inflow analyses and, where appropriate and authorized by the Regional Administrator, a sewer system evaluation survey.	50
(ii) Report on wastewater disposal concepts	40
(iii) Regionalization evaluations	30
(iv) Other planning activities including assimilation studies	20

(3) The determination of the order of priority for construction loan applications shall be in accordance with section (i)(2), including subsection (2)(ee).

(4) The numerical rating point established in subsection (2) and (3) of this section shall be subject to readjustment in value for any category or class prior to the deadline date for acceptance of applications established in section (k)(5) if it is determined to be in the best interests of the state by resolution of the Agency. At least thirty (30) days notice of such proposed readjustments shall be furnished to all persons registered on the appropriate list maintained by the Secretary of State, and all persons wishing to do so shall be given an opportunity to present their views on the proposals to the Agency prior to final Agency action.

(m) ADDITIONAL PURPOSES OF STATE AND FEDERAL FUNDS.

(1) In accordance with Minnesota Statutes, Chapter 116, as amended, the Agency may where it determines that the prevention, control and abatement of water pollution and the public health of the state requires the construction of a project and the municipality is unable to provide 10 percent of the eligible cost of a disposal system project, expend funds for hardship cases to reduce or eliminate the municipal portion of the eligible cost. Each such hardship grant shall be made only to applicants who apply for consideration prior to initiation of construction and attain a minimal point rating of 40 under the criteria of section (i)(2)(ee) or such other numerical hardship levels as may be specified annually by the Agency for rating purposes under that section.

(2) After consideration of the amount of state funds required to match federal funds, the Agency may tender a grant of state funds not ex-

ceeding 25 percentum to a municipality that would qualify for a grant of federal funds, but desires to initiate construction of a project without a federal grant, where such project is necessary to abate an immediate health hazard. The Agency may limit the scope and eligible cost of such project. After it has been determined by the Agency that any project, or portion thereof, is necessary to abate an immediate health hazard, and available funds exist, the criteria for determining priority to be utilized for order of priority shall be section (i)(2), including but not limited to subsection (2)(ee). No municipality shall be eligible for consideration if construction of the project has been initiated prior to submission of the application and the items of section (g)(5). The Director for just cause may waive or defer the submission of any item required pursuant to section (g)(5).

(3) In accordance with section 109(b) of the Act and any guidelines or regulations thereto, the Agency may request, with or without giving consideration to section (i)(1), the Administrator to make a grant of up to $250,000 from any allocation of federal funds to Minnesota for any additional cost of construction of a treatment works required for a facility to train and upgrade waste treatment works operation and maintenance personnel.

FILED
RICHARD L. BRUBACHER
Commissioner of Administration

NOV 13 1973 9:10 am

BY Esla Staudenmaier
AUTH. SIGNATURE

APPROVED AS TO FORM AND LEGALITY
Nov 12 1973
WARREN SPANNAUS, ATTORNEY GENERAL
BY Patrick Wilson
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
NOV 12 1973 - 3:45 pm
Arlen I. Erdahl
Secretary of State

STATE OF MINNESOTA

COUNTY OF HENNEPIN

MINNESOTA POLLUTION CONTROL AGENCY

In the Matter of Amendments to WPC 34 Relating to Rules for the Administration of the Municipal Facilities Assistance Program and the Minnesota State Water Pollution Control Fund, and Associated Matters Relating to Federal-State Construction Grants for Publicly-Owned Treatment Works.

ORDER FOR HEARING

Pursuant to its powers and duties under Minnesota Statutes, Section 115.03, subd. 1(g) as amended by Minnesota Laws, 1973, Chapter 374, Section 7, the Agency deems it necessary to receive and review testimony and evidence bearing upon the proposed amendments to WPC 34 and associated matters regarding the Federal-State assistance program for construction of publicly-owned treatment works including the priority list of municipalities 'statewide list of municipalities with construction grant needs), the priority project list of municipalities that may be certified for fiscal year 1974 federal grant funds and which may subsequently be tendered a state grant,and a priority list of segments designating each a water quality or effluent segment and the priority points assignable to any municipality located within a particular segment.

NOW, THEREFORE, IT IS ORDERED this 10th day of August, 1973, that a public hearing on the above entitled matter be held beginning at 9:00 a.m. on September 12, 1973, in the Bemidji High School Auditorium, 15th and Bemidji Avenue, Bemidji, Minnesota, and continuing at 9:00 a.m. on September 13, 1973, in Room D Veterans Building, 20 West 12th Street and Columbus Avenue, St. Paul, Minnesota, 55155, and continuing until all representatives of associations or other interested groups or persons have had an opportunity to be heard.

IT IS FURTHER ORDERED, that notice of said hearing be given to all representatives of associations or other interested groups or persons who have registered their names with the Secretary of State for the purpose and all persons who are presently members of the Minnesota Legislature.

August 10, 1973
Date

GRANT J. MERRITT
Executive Director

CERTIFICATE OF BOARD'S
AUTHORIZING RESOLUTION

I, Elaine Embretson, do hereby certify that I am secretary for the Board of the Minnesota Pollution Control Agency, a board duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Board of the Minnesota Pollution Control Agency duly and properly called and held on the eleventh day of June, 1973; that a quorum was present at said meeting; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that Grant J. Merritt, Executive Director of the Minnesota Pollution Control Agency, be and he hereby is granted the authority and directed to call a hearing for the purpose of amending WPC 34, Rules for the Administration of the Municipal Facilities Assistance Program and the Minnesota State Water Pollution Control Fund, establishment of a list of municipalities in need of disposal systems or improvements to such systems, or setting a project (priority) list for fiscal year 1974, and to comply with changes in state law and with rules, guidelines and regulations of the EPA promulgated pursuant to the Federal Water Pollution Control Act Amendments of 1972, as well as perform any and all acts incidental thereto, including but not limited to, signing an order for hearing, sending a notice of hearing to all interested parties, and acting as or appointing a hearing officer."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 31 day of July, 1973.

Elaine M. Embretson
Secretary

Harold D. Field, Jr.
Attest by one other officer Chmn

PCA EXH 2
9-12-73 J.T.K

STATE OF MINNESOTA

COUNTY OF HENNEPIN

MINNESOTA POLLUTION CONTROL AGENCY

In the Matter of Amendments to WPC 34 Relating to Rules for the Administration of the Municipal Facilities Assistance Program and the Minnesota State Water Pollution Control Fund, and Associated Matters Relating to Federal-State Construction Grants for Publicly-Owned Treatment Works

NOTICE OF HEARING

PLEASE TAKE NOTICE, that a public hearing will be held by the Minnesota Pollution Control Agency pursuant to its authority under Minnesota Statutes §115.03, subd. 1(g) as amended by Minnesota Laws 1973, Chapter 374, Section 7, beginning at 9:00 a.m. on September 12, 1973, in the Bemidji High School Auditorium, 15th and Bemidji Avenue, Bemidji, Minnesota, and continuing at 9:00 a.m. on September 13, 1973, in Room D Veterans Building, 20 West 12th Street and Columbus Avenue, St. Paul, Minnesota 55155, for the purpose of receiving and considering testimony and evidence bearing upon the proposed amendments to WPC 34, and associated matters regarding the Federal-State assistance program for construction of publicly-owned treatment works including the priority list of municipalities (statewide list of municipalities with construction grant needs), the priority project list of municipalities that may be certified for fiscal year 1974 federal grant funds and which may subsequently be tendered a state grant, and a priority list of segments designating each a water quality or effluent limited segment and the priority points assignable to any municipality located within a particular segment.

The hearing shall continue until all persons have had an opportunity to be heard. Copies of the proposed rules, list of municipalities, project list, and list of segments shall be mailed upon request and shall be available for review by interested persons during normal business hours in the offices of the Agency.

It is requested that persons or representatives of governmental or other groups that intend to participate in the hearing notify the Agency of this intention by September 5, 1973, to allow sufficient time to schedule testimony. Testimony or other evidence to be submitted for consideration may be presented either orally or in writing. Statements may be mailed to the Agency, and all statements received within twenty days after the hearing has been adjourned will be entered into the record. For additional information or for requests to schedule testimony, please contact Mr. Ralph Sellers of the Agency staff by mail at 717 Delaware Street S.E., Minneapolis, Minnesota 55440, or by telephone 612 296-5546.

Grant J. Merritt
Executive Director

Dated: August 10, 1973

PROPOSED

PCA EXH 5
9-12-73 J.T.K.

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CHAPTER 34: WPC 34

REGULATION FOR THE ADMINISTRATION OF THE MUNICIPAL FACILITIES ASSISTANCE PROGRAM AND THE MINNESOTA STATE WATER POLLUTION CONTROL FUND AND FEDERAL GRANT FUNDS ALLOTED TO MINNESOTA

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STATE OF MINNESOTA
POLLUTION CONTROL AGENCY

PROPOSED AMENDMENTS TO CHAPTER THIRTY-FOUR: WPC 34

RULES REGULATION FOR THE ADMINISTRATION OF THE MUNICIPAL FACILITIES ASSISTANCE PROGRAM AND THE MINNESOTA STATE WATER POLLUTION CONTROL FUND AND FEDERAL GRANT FUNDS ALLOTED TO MINNESOTA

WPC 34. (a) PURPOSE. ~~The following rules and procedures are~~ This regulation is hereby adopted and ~~established~~ promulgated by the Agency to implement the provisions of Minnesota Statutes, Chapters 115 and 116 (as amended by Laws of 1973, Chapter 423 and Chapter 771) and to comply with the Federal Water Pollution Control Act Amendments of 1972 (United States Public Law 92-500), and guidelines and regulations pursuant thereto or resulting therefrom, by the establishment of procedures relating to the Federal construction grants and state construction grant and loan programs.

The regulation applies in general to the following:

(i) use of state and federal funds;

(ii) establishment of a list of municipalities and project list;

(iii) submission and evaluation of application; ~~for the~~

(iv) administration of the grant and loan program; ~~the~~

(v) criteria ~~of eligibility~~ for determination of priorities for grants and loans; and

(vi) the disbursement of funds.

The promulgation of this regulation, in association with the Agency's enabling legislation, as amended by Laws of 1973, Chapter 423 and 771, provides sufficient authority for the State of Minnesota, upon approval by the Regional Administrator of the United States Environmental Protection Agency, to certify applicants for Federal

construction grants and subsequently, to the extent funds are available, provide state construction grants. The Pollution Control Agency is the State agency designated by State law to administer this program. Except as specifically provided herein, this regulation shall apply with equal force to state financial assistance and Federal grant funds.

~~(a)~~ (b) DEFINITIONS. The terms "person," "sewage," "industrial wastes," "other wastes," "treatment works," "sewer system," "disposal systems," "waters of the state," "pollution control fund," "municipality," "director," "agency," as well as any other pertinent terms for which definitions are given in ~~the applicable statutes, as used herein~~ Minnesota Statutes, Chapters 115 and 116, as amended, shall have the meanings ascribed to them ~~in laws of 1971, Extra Session, Chapter 20 (codified as Minnesota Statutes 1971, Section 116.16, et seq.) and Minnesota Statutes, Chapters 115 and 116. The EPA means the Environmental Protection Agency of the United States of America, or its successors.~~

The terms specified below shall have the meanings ascribed to them:

(1) "Act" means the Federal Water Pollution Control Act, as amended, 33 USC 1314, et seq.

(2) "EPA" means the United States Environmental Protection Agency

(3) "ADMINISTRATOR" means the Administrator of the United States Environmental Protection Agency.

(4) "REGIONAL ADMINISTRATOR" means the EPA Regional Administrator for the region in which Minnesota is located (now Region Five).

(5) "Eligible Cost" means, for state grant purposes, the cost as determined by the EPA.

Other terms and abbreviations used herein which are not specifically defined ~~in~~ by law shall be construed in conformance with the context and professional usage.

~~(b)~~ (c) SEVERABILITY. If any provision of this regulation or the application thereof to any person or circumstances is held to be invalid such invalidity shall not affect other provisions of the regulation or application of any other part of this regulation which can be given effect without application of the invalid provision. To this end, the provisions of all ~~paragraphs, subparagraphs~~ sections, subsections, or subdivisions herein and the various applications thereof are declared to be severable.

~~(c)~~ (d) USE OF STATE FUNDS. ~~Section 116.16, et seq. allows~~ The Agency ~~to~~ in accordance with this regulation may provide financial assistance to municipalities as:

(1) A grant of nonrepayable funds for construction of disposal systems in an amount of not less than that required in applicable federal law and regulations for projects for which there becomes available, through use of these state funds, a grant of federal funds at a percentage of cost exceeding the percentage which would be available for the project if those state funds were not available. ~~Except as provided by Section 116.18, not less than 20 percent of such cost shall be paid by the municipality.~~

~~(2) Interest-grants-in-an-amount-not-exceeding-the-amount-that the-project-is-eligible-for-federal-aid-may-be-made,-to the-extent-that-money-is-available,-on-funds-borrowed-for any-water-pollution-control-project-where-the-federal agency-grant-reimbursement-provisions-of-federal-law.~~

A grant of nonrepayable funds for construction of disposal systems in the amount of 15 per centum of the eligible cost of construction for projects tendered a grant of federal funds under Section 201(g), Section 202, Section 203, or Section 206(f) of the Act at 75 per centum of the eligible cost of construction. Except as provided by Minnesota Statutes, Section 116.18, not less than 10 per cent of such cost shall be paid by the municipality.

(3) A grant of state funds not exceeding 25 per centum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant where such project is necessary to abate an immediate health hazard.

~~(3)~~ (4) Loans~~,-to-the-extent-that-money-is-available,~~ for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control and abatement of water pollution.

The Agency shall disburse state funds in any fiscal year to the extent that money is available and requested in the following order of priority: Federal matching construction grants, ~~interest-grants~~ construction grants, and planning and construction loans.

(e) USE OF FEDERAL FUNDS. The Agency, in accordance with this regula-

tion and the Act, guidelines and regulations pursuant thereto or resulting therefrom may:

(1) certify applications which have been determined to be complete for a grant of federal funds from any allotments and reallotments allocated to Minnesota by the Administrator pursuant to the Act; and

(2) utilize up to $250,000 from its allotment or reallotment or both for the construction of a treatment works for a facility to train and upgrade waste treatment works operation and maintenance personnal..

(f) LIST OF MUNICIPALITIES AND PROJECT LIST.

(1) The Director shall develop and maintain a list of municipalities including a breakdown as to type of project required, which have known needs to install, construct, upgrade, or expand a disposal system, or any portion thereof. The list shall be periodically revised by the addition of the name of any municipality for which it is determined by the Director that such a need exists, or by the deletion of the name of any municipality or type of project which no longer has such a need.

(2) The names on the list of municipalities shall be arranged in order of priority pursuant to the criteria established in Section (i)(2).

(3) The Director shall prepare from the list of municipalities for fiscal year 1974 (July 1, 1973 to June 30, 1974) and each succeeding fiscal year, for Agency and EPA approval a project list of those projects for which Federal assistance will be requested from current allotments. Such project list shall be prepared in accordance with the allocation of funds set forth in Section

(i)(1) and shall set forth a tabulation of funding priorities and requirements. The Director shall define, pursuant to Section (g)(3), (g)(4), (g)(5), or any combination thereof, allowed by the EPA, the step of each disposal system project and the time when such system project is to receive Federal financial assistance.

(4) The Director, where he deems appropriate, may split or stage the construction of the type of project for a disposal system or portion thereof (See also Section (i)(2)(dc) of this regulation).

(5) Notwithstanding subsection (3) of this section, the Director, where he deems appropriate in preparation of the list of projects may, to the extent allowable by the EPA, recommend projects in a variety of steps as a means of assuming maximum utilization of available federal and state funds in future fiscal years.

(6) The Director, in preparation of the list of projects, may recommend a total number of projects which would utilize all or a portion of the current fiscal year federal allocation and all or a portion of any suceeding fiscal year federal allocation.

~~(d)~~ (g) APPLICATIONS FOR STATE AND FEDERAL CONSTRUCTION GRANTS.

(1) To expedite the program, unless otherwise specified by the Director, the state construction grant application form shall be the federal grant application form (Budget Bureau No. 42-$1495 or revisions thereof) of the EPA* Projects which are not eligible under EPA* rules, guidelines, or regulations shall

*~~The grant program administered by the EPA currently is the only federa program which complies with the provisions of Laws of 1971, Extra Sessi Chapter 20, Section 3, Subdivision 1 (codified as Minnesota Statutes 1971, Section 116.18). If in the future other federal programs comply with said provisions, the forms and procedures of each such Federal program may be used where applicable.~~

not be eligible for state grant funds under this ~~part of the program~~ section, except as provided pursuant to Section (n)(2).

(2) Any municipality shall within 30 days after notification from the Director by first class mail file a completed construction grant application or submit such information as the Director determines to be necessary to complete a previously submitted application. The Director may extend the date of filing or submission of any information subject to the municipality providing adequate justification therefor. Should the municipality fail to provide such adequate justification, the initial filing or information requirement shall remain unchanged.

~~(2)~~(3) The construction grant application form for a project to undertake preliminary plans and studies (Step 1) shall be supported by the following attachments:

(aa) Resolution of governing body authorizing the filing of the application and designating the official municipal representative;

(bb) ~~Executed federal forms entitled "ASSURANCE OF COMPLIANCE (Title VI, Civil Rights Act of 1964)" and "COMPLIANCE REPORT (Title VI, Civil Rights Act of 1964);"~~ A brief description of the nature and scope of the proposed project;

(cc) Assurance of compliance with all applicable requirements of the Minnesota Department of Human Rights.

(dd) ~~Executed federal forms* entitled "Waste Treatment Works Construction Grants Environmental Assessment;"~~ An estimate of the proposed project cost;

(ee) Statements on planning requirements from the following:

(i) State, Metropolitan or Regional Planning Agency; and

(ii) State Clearinghouse (Minnesota State Planning Agency); and

(ff) ~~Description of public notice given in regard to proposed site and method of treatment and/or disposal and reaction thereto. Notices given shall be in accordance with applicable statutes.~~ Proposed sub-agreements, or an explanation of the intended method of awarding sub-agreements for substantial portions of the project work.

(4) The construction grant application form for a project to prepare construction drawings and specifications (Step 2) shall include, but not be limited to:

(aa) Sewer system evaluation which demonstrates to the satisfaction of the Director and Regional Administrator that each sewer system discharging into such treatment works is not subject to excessive infiltration/inflow, through an infiltration/inflow analyses and, where appropriate and authorized by the Regional Administrator, a sewer system evaluation survey.

~~(gg)~~ (bb) Acceptable engineering report describing the design concepts of the proposed project and its technological and economic feasibility including, but not limited to:

(i) Disposal system design data incorporating:

(a) Results of sewer system evaluation;

(b) Estimated effluent quality, with respect to all parameters required by applicable effluent limitations and water quality standards; and

(c) Proposed method for ultimate disposal of sludge.

(ii) Cost estimates for design and construction; and

(iii) Schedule for completion of design and construction.

~~(hh) Contracts for engineering, legal and other consulting services~~

~~(ii)~~ (cc) A review of measures practiced or proposed to control excess flow resulting from ground water infiltration and/or extraneous flows of surface water into the sewer system.

~~(jj)~~ (dd) A detailed analysis of the operation and maintenance requirements of the proposed project, including but not ~~necessarily~~ limited to staffing, operator qualifications, laboratory works, chemicals, annual budget and financing of the annual budget to insure adequate operation and maintenance of the disposal system.

~~(kk)~~ (ee) ~~An evaluation of the project in relation to the best available technology, the highest and best practicable treatment, its cost effectiveness in relation to other available techniques, the objective of no discharge of pollutants, and such other aspects as may be designated by the Director.~~

For any project to be constructed with funds authorized

for any fiscal year beginning after June 30, 1974, the grant applicant shall satisfactorily demonstrate that:

(i) alternative waste management techniques have been studied and evaluated and the works proposed for grant assistance will provide for the application of the best practicable waste treatment technology over the life of the works; and

(ii) As appropriate, the works proposed for grant assistance will take into account and allow to the extent practicable the application of technology at a later date which will provide for the reclaiming or recycling of water or otherwise eliminate the discharge of pollutants.

(ff) Statements on planning requirements from the following:

(i) State, Metropolitan or Regional Planning Agency, and

(ii) State Clearinghouse (Minnesota State Planning Agency).

(gg) Environmental assessment in accordance with the requirements of the EPA unless the Regional Administrator determines, at the request of the applicant, that there is insufficient data available to prepare such assessment, provided that the environmental assessment must then be submitted to the Regional Administrator at or prior to the time of submission of plans and specifications for the building and erection of a disposal system or portion thereof (Step 3);

(hh) Statement regarding availability of proposed site, if relevant;

(ii) Statement regarding ability of applicant to obtain discharge permit for proposed disposal system;

(jj) Statement regarding compliance with Title VI of Civil Rights Act of 1964;

(kk) Statement regarding applicant's proposed operation and maintenance program;

(ll) Proposed sub-agreements, or an explanation of the intended method of awarding sub-agreements for performance of any substantial portion of the project work;

(mm) User charge system in accordance with EPA rules and regulations; and

(nn) Assurance of compliance with all applicable requirements of the Minnesota Department of Human Rights.

(5) The construction grant application form for a project to build and erect a disposal system or portion thereof (Step 3) shall include the items in subsection (4) of this section, and in addition shall include three complete sets of the construction drawings and specifications, suitable for bidding purposes; provided, that if any such information has been furnished with an earlier application, the applicant need only incorporate by reference and update or revise such information.

~~(3)~~ (6) Applications for projects which do not receive a grant offer in the fiscal year for which the application is ~~submitted, or which are not carried out under the reimbursement or contract provisions of applicable federal statutes~~ considered shall be ~~re-submitted annually in order to be considered, unless otherwise specified by~~ retained, and, if subsequently deemed necessary,

shall be up-dated and revised within 30 days upon written notice from the Director.

~~(4) Applications shall be restricted to those projects or portions thereof for which construction contracts can be awarded by June 1 or other date as may be specified by the Director, of the fiscal year for which a grant is requested.~~

~~(5)~~ (7) The construction grant application form and attachments shall be submitted in triplicate to the Agency at the address specified by the Director. Unless adequately justified in writing, failure to submit all the necessary documents by the date specified may constitute grounds for rejection of the application. Substantial deficiencies in the application and/or supporting documents or failure to conform with applicable requirements such as those set forth in the current Agency water pollution control program plan or the applicable basin, regional, or area water quality management plan or agency policy requirements also may be grounds for rejection. Any application may be rejected at the discretion of the Agency if it does not include an engineering report acceptable to the chief water pollution control engineer, or does not include an adequate committment for support of operation and maintenance of the project or ~~does~~ is not ~~conform to the intent of the~~ consistent with applicable statutes, or does not contribute to the overall objective of effective water quality management, or is not considered to be in the best interest of the state.

~~(6)~~ (8) ~~The Agency shall consider acceptance of applications for fiscal year 1973 (July 1, 1972 through June 30, 1973) and each succeeding fiscal year, generally during the period between~~

~~January 1 and April 30 of the preceding fiscal year, with a deadline date for acceptance of applications to be specified annually by the director. Application postmarked or delivered after the deadline date may be rejected at the discretion of the Agency.~~ A municipality may file an application at any time for any type of project. If the type of project is not shown on the list of municipalities, it shall be added to such list; provided that any such application shall be submitted at least 30 days prior to the date of the public hearing to be held annually on the state program plan of the Agency which is submitted to the EPA before the beginning of a new fiscal year (July 1 through June 30). The Director shall indicate in the public hearing notice for the program plan hearing that any person upon request shall be given a copy of the list of municipalities and project list developed in accordance with Section (f) and pursuant to Section (i)(2)(cc) the list of segments in order of priority. The provisions of this subsection shall take effect upon the effective date of this regulation.

~~(e)~~ (h) ADMINISTRATION OF CONSTRUCTION GRANTS.

(1) The priority ratings of the applications on the list of municipalities and the project list for fiscal year ~~1973~~ 1974 and succeeding years shall be established in accordance with ~~paragraph (f)~~ Section (i). The priority ratings for project applications submitted in and certified for fiscal year ~~1972~~ 1973 and earlier years shall remain as determined by the Agency on the basis of the established criteria, and such prior actions of the Agency are also hereby

affirmed insofar as they relate to federal grant increases and state grants for such projects as authorized by the statutes and the EPA.

(2) ~~These projects~~ Municipalities on the list of municipalities which receive a priority rating sufficiently high in relation to available funds and are placed on the project list ~~shall~~ may be certified to the ~~appropriate federal agency~~ EPA for a grant, but such certification may in any fiscal year be withheld or withdrawn by the Director if the project is not or can not be implemented according to an acceptable schedule or otherwise poses a substantial likelihood of causing a loss of federal funds to the State.

(3) Federal grant funds allocated under ~~paragraph (f)~~ Section (i)(1) to outstate projects and for which there are not any certiable outstate projects by December 31 of the fiscal year may be reallocated by the Agency to the seven-county Twin Cities Metropolitan Area. Any such federal grant funds which in fiscal year 1972 or succeding fiscal years are re-allocated to the seven-county Twin Cities Metropolitan Area shall be recoverable for allocation to outstate projects in later fiscal years only to the extent of $2,000,000 in any one fiscal year. Grant funds allocated to the seven-county Twin Cities Metropolitan Area which are unused are subject to similar provisions for re-allocation to and recovery from outstate projects.

(4) After the ~~federal agency (EPA)~~ EPA has determined the eligibility of the application and tendered a federal grant, the state shall make a similar grant offer to the municipality in an amount not less than that required ~~in~~ by federal law and regulations as a

condition for the increased grant of federal funds or in an amount not less than that allowed by state statutes where not required by federal law. In the case of a project for which the applicant has solicited and received bids on construction contracts which exceed the costs estimated in the application, the Director may ,after consideration of available federal funds and in accordance with EPA regulations, recommend a grant ~~increases~~ increase ~~:if the resulting increase in the federal grant does not exceed five per cent. Federal grant increase endorsements greater than five per cent may be made by the Director only upon authorization of the~~

(5) ~~Agency.~~ To the extent it determines reimbursement funds are available, the Agency shall authorize grants or grant increases for fiscal year 1972 and earlier eligible projects up to the required federal matching ratio, with such available funds being divided proportionally in accordance with ~~paragraph (f)~~ Section (i)(1) between the seven-county Twin Cities Metropolitan Area and the area of the state outside the seven-county Twin Cities Metropolitan Area, and eligible projects being funded in order of established priority, such increases to be paid subject to conformance with EPA requirements and authorization thereof by the EPA.

(6) Notwithstanding subsection (4) or (5) of this section, the Agency may, to the extent allowable by the EPA, limit grant increases to less than the eligible amount to provide a proportionate share to all eligible projects.

~~(5)~~ (7) Any proposed changes in the contract which result in cost increases greater than that of the base contract plus contingencies as stated in the project summary or other proposed changes regard-

less of cost which substantially alter the type of treatment process, or its efficiency, versatility or reliability, shall be submitted to the Director for prior approval, except where the work is agreed by the chief water pollution control engineer to be of an emergency nature. Change orders not requiring prior approval of the Director shall be submitted for review and approval within one month after the date on which the change is ordered by the applicant its engineer or other authorized agent.

~~(6)~~ (8) Installment payments may be requested from the EPA* and the Agency when twenty-five (25) per cent, fifty (50) percent and seventy-five (75) per cent of the eligible construction, as measured by its cost, has been completed, or in accordance with a schedule and conditions agreed upon between the grantee, EPA* and the Director. The Director shall authorize such proportional installment payment upon notificationfrom the EPA* that a federal installment payment has been authorizedin a given amount. Installment payments at the fifty (50) per cent level shall not be made until the applic has in its employ for the operation of the project treatment works, a wastewater treatment works operator having a valid state certificate or one who iscapable of obtaining such a certificate for operation of the designated class of treatment works within a reasonable period of time. State installment payments at the seventy-five (75) percent level, and beyond the seventy-five (75) per cent level, shall be based on an assessment, including but not limited to, the applicant's development of and progress towards completion of an acceptable manualfor operation and maintenance of the disposal system. The proportional installment payment to be made by the Agency shall not bein excess of the overall federal-sta

project cost ratio as authorized by the Agency and Director.

Installment payments shall not be made on the cost of eligible parts of sewer systems unless adequate treatment works exist or are under construction, nor shall such payments be made for project which upon completion of con struction will not be reasonably useable or effective without construction ofdditional works.

~~(f)~~ (i) - CRITERIA FOR DETERMINING PRIORITY

(I) Federal funds allocated to Minnesota under the program administered by the EPA* for fiscal year 1972 and each succeeding fiscal year and state funds in like proportion shall be allocated initially by the Agency to the Twin Cities Metropolitan Area, consisting of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties, and the outstate areas consisting of the remainder of the counties of the state in approximately the same ratio which the population of the sewered municipalities of the seven counties bears to the sewered population of the outstate counties. Allocations made by the Agency for fiscal year ~~1972~~ 1973 and prior years are hereby re-affirmed.

~~(2) The determination of the order of priority of the fiscal year 1973 and later applications for state and federal grants and state loans originating in the Twin Cities Metropolitan Area shall be in accordance with objective criteria developed and adopted by the Metropolitan Council and the Metropolitan Sewer Board or their successors, subject to review and approval of the same by the Agency for conformance with the intent of Section 116.16 et seq. If such criteria are not developed, adopted and approved as indicated in the preceding sentence, the Agency may apply for fiscal year 1973 and late~~

~~the same criteria set forth in paragraph (f)(3).~~

~~(3)~~ (2) The determination of the order of priority of the ~~outstate applications~~ municipalities for state and federal grants for fiscal year 1973 1974 and succeeding years shall be in accordance with the following criteria , except that subsection (ee) shall not be considered in establishing the list of municipalities or the project list for federal grant purposes. The determination of the order of priority for grants certified for funding in fiscal year ~~1972~~ 1973 and prior years shall be as set forth in actions of the Agency heretofore based on criteria duly established for such years, the same to apply also to grant increases for EPA* eligible projects.

(aa) Extent and Nature of Pollution. Water pollution control priority points shall be established as set forth below from a determination of the highest single beneficial water use seriously affected, or if no pollution problem currently exists, from a determination of the highest single beneficial water use to be preserved.

Water Use	Point Rating
Class 1 ~~Municipal~~ Domestic Water Supply	
A. Direct consumption (groundwater)	70
B. Consumption after only disinfection by chlorination	65
C. Consumption after moderate water treatment process	60
D. Consumption after very complete water treatment process	55

Water Use		Point Rating
Class 2	Fisheries and Recreation Waters:	
A.	Propagation and maintenance of cold water fishery and all recreational uses	60
B.	Propagation and maintenance of mixed fishery and all recreational uses	50
C.	Propagation and maintenance of rough fishery and non-contact recreational uses	40
Class 3	Industrial Consumption, except food processing and related uses:	
A.	Direct use without chemical treatment	40
B.	Use with moderate treatment	30
C.	Use for cooling and material transport	20
Class 4	Agriculture and Wildlife:	
A.	Irrigation of agricultural crops of all kinds	35
B.	Watering of livestock and wildlife	30
Class 5	Commercial navigation and waste disposal	10

(bb) Population Affected. Water pollution control priority points shall be assigned for each type of project based on the population of the municipality, or population of the municipalities served by such project as determined by the most recent Federal census, as follows:

(1)	Municipal population under 250	2
(2)	Municipal population from 251 - 500	4
(3)	Municipal population from 501 - 750	6
(4)	Municipal population from 751 - 1000	8
(5)	Municipal population from 1001 - 1500	10

(6) Municipal population from 1501 - 3000	12
(7) Municipal population from 3001 - 5000	14
(8) Municipal population from 5001 - 10,000	16
(9) Municipal population from 10,001 - 20,000	20
(10) Municipal population from 20,001 - 50,000	25
(11) Municipal population from 50,001 - 450,000	35
(12) Municipal population in excess of 450,000	50

(cc) List of Segments. Pursuant to Section 303(e) of the Act and guidelines and regulations thereto relating to the state continuing planning process, all waters of the state shall be divided into segments and each segment classified as either water quality orffluent limited. The Director shall annually develop a list of segments, and after giving consideration to (i) population density per square mile; (ii) the volume of discharges within the segment, excluding sewer system Overflows and those discharges for which adequate treatment works are now or will be under construction, not in compliance or without additional disposal system improvements would not remain in compliance with effluent and/or water quality standards; (iii) the feasibility of joint municipal-industrial treatment works; and (iv) such other factors as deemed appropriate, including, national priorities as determined by the Administered and preservation of an area designated as a component of the national wild and sconic rivers system, shall rank all segments in order of priority. The segment ranked number-one shall be awarded a priority rating equal to the total number (N) of segments with any subsequent

segment receiving a priority rating of N + 1 minus the numerical ranking of the segment. Priority points shall be accordingly awarded to a municipality for the type of project located in a segment.

(dd) TYPE OF PROJECT. Priority points shall be allocated on the basis of the single highest disposal system or part thereof, improvement to prevent, control, and abate the source of pollution as follows:

Point Rating

(1) Provision of tertiary treatment (secondary treatment or its equivalent plus additional treatment works to remove additional 5-day biochemical oxygen demand, suspended solids, or dissolved solids) for a discharge of sewage and industrial waste. For the purpose of this regulation, treatment works which provide for regulated discharge of effluents in lieu of tertiary treatment shall be construed to provide tertiary treatment. 40

(2) Provision of secondary treatment for a municipality which does not have a disposal system, other than individual on lot septic tank systems, or has inadequate secondary treatment, or provides no treatment or only primary treatment for its sewage and industrial waste 30

(3) Provision of a disposal system or part thereof by a municipality for adequate disposal of wastes from its water treatment plant, or power plant or similar pollutants.

(4) Provision of a new sewer system or portion thereof for a municipality, in existance on October 18,1972 with sufficient existing or planned capacity to adequately treat such collected sewage or industrial waste.

(5) Provision by a municipality of storm water disposal system, including sewer systems to separate existing combined sanitary and storm sewers or treatment works;

(6) Subsections (1), or (2) whichever is applicable, may also include treatment works and/or any portion of sewer system improvements deemed necessary by the Director to insure the integrity and performance of a disposal system;

(7) An interceptor sewer which eliminates any existing treatment works or which, in accordance with an approved basin plan, climinates the need for construction of new treatment works shall be considered equivalent to tertiary or secondary treatment and allocated the appropriate priority points pursuant to

subsections (1), or (2), whichever is applicable.

~~(bb)~~ (ee) Financial Aspects. Priority points shall be awarded by summing up the applicable rating points for the project from Tables 1, 2, and 3 relative to per capita project cost, the ratio of bonded debt to assessed evaluation and per capita buying income.

Table 1

Per Capita Cost of Project

Per Capita Cost ($)	Point Rating
0-40	1
41-80	3
81-120	5
121-160	7
161-200	9
201-240	11
241-280	13
over 280	15

Table 2

Ratio of Bonded Debt to Assessed Evaluation**

Ratio x 100	Point Rating
0-3	3
4-9	5
10-15	7
16-21	9
22-27	11
28-33	13
over 33	15

** Based on bonded debt and assessed evaluation data obtained from the Department of Public Examiner and Research and Planning Unit of the Minnesota Department of Taxation, respectively.

Table 3

Per Capita Buying Income***

Percent of Average	Point Rating
0-50	15
51-60	13
61-70	11
71-80	9
81-90	7
91-100	5
101-110	3
over 110	1

~~(cc) Technological Feasibility.-- Priority points shall be assigned based on the engineering status of the project at the time of the filing of the application, as follows:~~

	~~Point Rating~~
~~(1) Construction completed under the reimbursement or contract provisions of the applicable federal statutes and for which all applicable state and federal requirements have been met~~	~~50~~
~~(2) Construction started under federal reimbursement or contract provisions~~	~~30~~
~~(3) Final plans and specifications approved and commitment made to proceed under federal reimbursement or contract provisions~~	~~20~~
~~(4) Final plans and specifications approved by Agency~~	~~10~~
~~(5) Final plans and specifications submitted to the Agency for review and approval~~	~~6~~

***Based on the report "Survey of Buying Power," by Sales Management, I:

~~(6)--Final-plans-and-specifications-authorised-and any-necessary-consulting-contracts-awarded 4--~~

~~(dd)-OPERATION-AND-MAINTENANCE.--Priority-points-shall-be awarded-for-accomplishment-of-the-following-prior-to the-filing-of-the-application.~~

	~~Point-Rating~~
~~(1)--Adequate-annual-budget-and-funding-established~~	~~20~~
~~(2)--Minimal-annual-budget-and-funding-established~~	~~10~~
~~(3)--Certified-operator-hired~~	~~20~~
~~(4)--Satisfactory-commitment-to-hire-operator~~	~~10~~

~~(ee)~~ (ff) Other. Additional points may be granted ~~at-~~ in the discretion of the Agency ~~for-a-construction-project based-on:~~ to an application which:

(i) ~~An-approved-stipulation-with-the-Agency-for-providing adequate-improvement-to-a-non-conforming-disposal system~~ relates to a point source or disposal system which is located within ... an area designated by the Administrator in writing to have national priority; and/or ~~25~~ 10

(ii) Includes planned participation in a sanitary district and/or other multi-municipal disposal system 10

~~(4)~~ (3) The numerical rating points established in paragraph ~~(f)(3)~~ Section (i)(2) shall be subject to readjustment in value for any category or class prior to the ~~deadline-date-for-acceptance-of application~~ mailing of the public hearing notice established in ~~paragraph (d)(6)~~ Section (g)(8) if it is determined to be in the

best interests of the state by resolution of the Agency. At least 30 days notice of such proposed readjustments shall be furnished by United States mail to all persons registered on the appropriate list maintained by the secretary of state, and all persons wishing to do so shall be given an opportunity to present their views on the proposals to the Agency prior to final Agency action.

(4) If in the determination of the order of priority on the list of municipalities, two or more municipalities have the same total number of priority points, the municipality in accordance with subsection (c)(aa) that has the highest single beneficial water use seriously affected or to be preserved shall be ranked higher. If two or more municipalities have the same total number of priority points and the same highest single beneficial water use seriously affected or to be preserved the municipalities shall be ranked based on population as determined by the most recent federal census in decending order below the municipality with the largest population.

(5) Notwithstanding any other provision in this regulation including, but not limited to ~~paragraphs (f)(1), (f)(2), (f)(3), and (f)(4)~~ Sections (i)(2) and (i)(3), to the contrary, the Director may, as necessary to establish criteria for determining priority for applications for federal and state sewage construction ~~grants assistance~~ grants under the Federal Water Pollution Control Act, as amended, and regulations and guidelines of the United States Environmental Protection Agency promulgated pursuant thereto, and Minnesota Statutes, Chapter 115 and 116, as amended, establish such criteria for determining priority upon a basis other than that provided herein, to the extent required to comply with said

federal act, guidelines and regulations or resulting therefrom.

~~(g) APPLICATIONS FOR STATE INTEREST GRANTS.--~~

~~(1) The application forms of paragraph (d)(1) and (2) with supporting attachments specified in subparagraphs (a) and (b) of this paragraph shall constitute the interest grant application.--~~

~~(aa) Resolution of the governing body requesting that the application be processed under the reimbursement or contract provisions of the applicable federal statutes, and that the applicant be considered for a state construction interest grant.~~

~~(bb) A statement setting forth the amount and sources of funds to be made available by the applicant to finance the project.~~

~~(2) Applications may be submitted at any time, unless otherwise specified by the director.~~

~~(3) Application shall be accepted only for projects or portions thereof for which contracts can be awarded and construction started within ten months of the date of submission.~~

~~(4) The construction interest grant application form and attachments shall be submitted in triplicate to the Agency at the address specified by the director.--Substantial deficiencies in the application and/or supporting documents or failure to conform with applicable requirements such as these set forth in the current Agency water pollution control program plan or the applicable basin, regional or area water quality management plan or Agency policy requirements may be grounds for rejection.--Any application may be rejected at the discretion of the Agency if it does~~

not include an engineering report acceptable to the chief water pollution control engineer, or does not include an adequate commitment for support of operation and maintenance of the project, or does not conform to the intent of the applicable statutes; or does not conform to the intent of the applicable statutes; or does not conform to the intent of the applicable statutes; or does not contribute to the overall objective of effective water quality management, or is not considered to be in the best interests of the state.

(5) Priority ratings shall be established each fiscal year for those interest grant applications filed on or before the deadline date to be established annually by the director. Applications postmarked or delivered after that date, may be rejected at the discretion of the Agency.

(h) ADMINISTRATION OF STATE INTEREST GRANTS

(1) The allocation of state interest grant funds and priority rating points shall be established in accordance with paragraph (f). The priority rating points assignable to an application will be multiplied by the number of fiscal years such application remains unfunded. Funds allocable to interest grants shall be determined each fiscal year by the Agency on the basis of total availability and demand for construction grants and loans, and the funds set aside for interest grants shall not be more than ten (10) per cent of the total funds available in any fiscal year, unless the Agency by resolution determines that another per cent level would be in the best interests of the state.

(2) After the EPA has determined the eligibility of the project for

a-grant-under-the-reimbursement-or-contract-provisions-and-the applicant-has-solicited-bids,-awarded-construction-contracts-and-sold-the-required-bonds-or-otherwise-borrowed-the-funds needed-to-finance-the-project,-the-Agency-may-if-funds-are-available,-offer-a-grant-for-payment-of-the-interest-on-the-funds-borrowed-by-the-municipality,-such-funds-to-be-in-an-amount-not exceeding-the-amount-for-which-the-project-is-found-eligible-for and-EDA*-and-state-construction-grant,-upon-submission-of-the following-information-items-(all-certified-copies):

(a)--Minutes-of-meeting-of-council-or-other-governing-body relating-to-receipt-of-construction-bids;

(b)--Minutes-of-meeting-of-council-or-other-governing-body relating-to-determination-of-the-cost-of-the-project;

(c)--Approving-opinion-on-the-bonds-issued;

(d)--Net-interest-rate-on-bonds;-

(e)--Dates-on-which-bond-interest-payments-have-been-and/or are-required-to-be-made-by-the-municipality;

(3)-Interest-grant-funds-allocated-under-paragraphs-(f)-and-(h)(i)-to the-outstate-area-and-which-are-not-used-by-December-31-of-the fiscal-year-in-which-allocated-may-be-re-allocated-by-the-Agency to-the-Twin-Cities-Metropolitan-Area-without-provision-for-recoverability.

(4)-The-municipality-shall-establishe-a-separate-construction-account for-each-application-and-a-bond-sinking-fund;--Any-interest-grant money-received-from-the-Agency-shall-be-placed-in-the-bond-sinking fund-account-of-the-municipality-for-payment-of-bond-interest-unless-the-Agency-by-resolution-agrees-to-waive-this-requirement-in

special cases upon adequate justification by the grantee.

(5) The municipality shall provide for capitalized interest on the entire amount of the bond issue and not for its part of the project cost only. Paying agent fees shall be paid by the municipality.

(6) Any proposed changes in the contract which result in cost increases greater than that of the base contract plus contingencies as stated in the project summary or other proposed changes regardless of cost which substantially alter the type of treatment process or its versatility, efficiency, or reliability shall be submitted to the director for prior approval, except where the work is agreed by the chief water pollution control engineer to be of an emergency nature. Change orders not requiring prior approval of the director shall be submitted for review and approval within one month after the date on which the change is ordered by the applicant, its engineer or other authorized agent.

(7) Those projects which receive a priority rating sufficiently high in relation to available funds shall be tendered a state construction interest grant offer. State interest payments on applications which have not paid any bond interest prior to receipt of a state interest grant shall be at least fifteen (15) days prior to the due date. Those applications where construction has been started or completed prior to receipt of a state interest grant shall be paid a lump sum for past interest payments made by the municipality with subsequent interest payments to be made at least fifteen (15) days prior to the due date. The interest rate to be paid shall not exceed the net interest rate of the bonds issued by the municipality. The interest paid shall be based on a percentage

~~share of the actual interest paid by the municipality on its bonds. The percentage share to be paid shall be in the same proportion to the actual interest paid by the municipality as the possible reimburseable federal construction grant bears to the total project cost for which the bonds were issued. No interest grant payments shall be made after the application has been certified under paragraph (c)(2) for a construction grant. After fifty (50) per cent of the eligible construction as measured by its cost has been complete, no paymnt shall be made if the applicant has not hired a wastewater operater with the proper certificate or an operator capable of obtaining the certificate for the designated class of the project treatment works within a reasonable period of time. Payments at the seventy five (75) per cent level, shall be based on an assessment, including but not limited to, applicant's development of and progress towards completion of an acceptable operation and maintenance manual for the disposal system. No interest payments shall be made on eligible sanitary sewers unless adequate treatment works exist or are under construction or if the facilities upon completion of construction will not reasonably be useable without construction of additional works.~~

~~(i)~~ (j) APPLICATIONS FOR DISPOSAL SYSTEM PLANNING AND CONSTRUCTION LOA

(1) The application form shall be of the type set forth on the followin page:

MINNESOTA POLLUTION CONTROL AGENCY
Division of Water Quality

Application for Disposal System Planning and/or Construction Loan	To be Filled in by State Date Received: Project Number
Legal Name of Applicant	Loan Request
Address, Zip Code	

Hereby Makes Application to the Pollution Control Agency of the State of Minnesota for a Loan of Funds for the Planning and/or Construction of:

Financial Aspects:

Estimated Project Cost	$
State Loan Funds	
Local Funds	
Other Funds	

Project Schedule:

Project Starting Date	
Time to Complete Project	

Name and Title of Representative	Signature of Representative	Date

(2) The planning loan application form shall be supported by the following attachments:

(aa) Resolution of the governing body authorizing the filing of the application and designating the official municipal representative.

(bb) Resolution of the governing body obligating the municipality to repay the loan to the state treasurer in annual installments including both principal and interest, each in an amount sufficient to pay the amount due, within five (5) years, from user charges, taxes, special assessments, or other funds available to it.

(cc) Resolution of the governing body obligating the municipality to establish rates and charges or the execution of contracts sufficient to produce the revenues pledged if required by the Agency.

(dd) Proposed method of loan repayment.

(ee) Proposed contracts for engineering, legal, planning and other consulting services.

(3) The construction loan application form shall be supported by:

(aa) The attachments of paragraph subsection (2)(aa , (cc) and (dd) of this paragraph section and the ~~attachments of paragraph (d)(2)(bb) through (d)(2)(jj)~~ items of section (g)(5). The Director for just cause may waive or defer the submission of any items required pursuant to section (g)(5).

(bb) Resolution of the governing body obligating the municipality to repay the loan to the state treasurer in

annual installments including both principal and interest, each in an amount sufficient to pay the principal amount within twenty (20) years or lesser time interval if found to be in the best interest of the state, from user charges, taxes, special assessments, or other funds available to it

(4) The loan application form and attachments shall be submitted in duplicate to the Agency at the address specified by the Director. Substantial deficiencies in the application and supporting documents or failure to conform with applicable requirements such as those set forth in the current Agency water pollution control program plan or the applicable basin, regional or area water quality management plan or Agency policy requirements may be grounds for rejection. Any construction loan application may be rejected at the discretion of the Agency if it does not include an engineering report acceptable to the chief water pollution control engineer, or does not include an adequate commitment for support of operation and maintenance of the project, or does not conform to the intent of the applicable statutes, or does not contribute to the overall objectives of effective water quality management, or is not considered to be in the best interests of the state.

(5) Applications must be restricted to those projects or portions thereof for which service contracts or construction contracts can be awarded by June 1, or other date as may be specified by the director, of the fiscal year in which the loan is applied for.

(6) Applications may be submitted at any time, unless otherwise specified by the Direct.

~~(j)~~ (k) ADMINISTRATION OF STATE DISPOSAL SYSTEM PLANNING AND CONSTRUCTIO LOANS.

(1) The allocation of state funds ~~will~~ shall be established in accordance with ~~paragraph (f)(1)~~ section (i)(1) and priority rating point assignable to loan applications shall be established in accordance with ~~paragraphs (f)(1) and (k)~~ section (1). Funds allocable to loans shall be determined each fiscal year by the Agency on the basis of total availability and demand for federal matching construction grants and construction ~~and interest~~ grants and there shall not be set aside for loans more than five (5) per cent of the total funds available in any fiscal year, unless the Agency by resolution determines that another per cent level would be in the best interests of the state.

(2) Those planning applications which receive a priority rating sufficiently high in relation to available funds shall be tendered a state planning loan. Within sixty(60) days after the acceptance of the offer and award of ~~service~~ contracts, for engineering, legal and other consulting services the state payment shall be made.

(3) Those construction loan applications which receive a priority rating sufficiently high in relation to available funds shall be tendered a state construction loan. Within thirty (30 days after the acceptance of the offer and award of the construction contract for the project, the state payment shall be made.

(4) Principal and interest, each in an amount sufficient to pay the principal amount within the loan period, shall be paid in annual installments to the state treasurer. Interest shall be calculated on the declining balance at a rate not less than the average

annual interest rate on state bonds of issue from the proceeds of which the loan was made. ~~If the municipality receives a total or partial federal grant on the loan project under the program administered by the EPA, the principal of the state loan shall be converted after the federal grant offer is tendered to a nonrepayable state grant in total or in proportion to the partial federal grant, as the case may be, and in an amount not less than that required by applicable federal law and regulations.~~

(5) Priority ratings shall be established each fiscal year for those loan applications filed on or before a date to be set annually by the Director. Applications postmarked or delivered after that date may be rejected at the discretion of the Director.

(6) Funds loaned to a municipality shall not be usable for the purpose of matching an offered federal grant where the same is ineligible under federal statutes or regulations.

~~(k)~~ (l) CRITERIA FOR DETERMINING LOAN PRIORITY

(1) The loan funds set aside in any fiscal year shall be allocated in the ratio of twenty-five (25) per cent for planning and seventy-five (75) per cent for construction, unless the Agency by resolution determines that another ratio would be in the best interests of the state.

(2) The determination of the order of priority for ~~outstate~~ planning loan applications shall be in accordance with

(aa) The criteria set forth in ~~paragraphs (f) (3) (aa) and (bb)~~ section (i)(2), including subsection 2(ee), and (bb) of this subsection.

(bb) Technolical Feasibility . Priority points shall be assigned

based on the planning needs as set forth below:

		Point Rating
(i)	~~Report on sources of and measures to control groundwater infiltration and storm water influx.~~ Sewer system evaluation which shall demonstrate to the satisfaction of the Director and Regional Administrator that each sewer system discharging into such treatment works is not subject to excessive infiltration/inflow, through an infiltration/inflow analyses and, where appropriate and authorized by the Regional Administrator, a sewer system evaluation survey.	50
(ii)	Report on wastewater disposal concepts	40
(iii)	Regionalization evaluations.	30
(iv)	Other planning activities including assimilation studies	20

~~(cc) Other additional points up to a total of 25 may be granted at the discretion of the Agency for a project based on an approved stipulation with the Agency.~~

(3) The determination of the order of priority for ~~outstate~~ constructio loan applications shall be in accordance with ~~paragraphs (f)(3)(aa)(I), (f)(3)(bb), (f)(3)(ee) (ee-3) through (ee-6), (f)(3)(dd), and (f)(3)(ee)~~ section (i)(2), including subsection (2)(ee).

(4) The numerical rating point established in ~~paragraphs (k)~~ subsection

(2) and ~~(k)~~ (3) of this section shall be subject to readjustment in value for any category or class prior to the deadline date for acceptance of applications established in ~~paragraph (j)(5)~~ section (k)(5) if it is determined to be in the best interests of the state by resolution of the Agency. At least thirty (30) days notice of such proposed readjustments shall be furnished to all persons registered on the appropriate list maintained by the secretary of state, and all persons wishing to do so shall be given an opportunity to present their views on the proposals to the Agency prior to final Agency action.

~~(l)~~ (m) ADDITIONAL PURPOSES OF STATE AND FEDERAL FUNDS.

(1) ~~As set forth and~~ In accordance with Minnesota Statutes, Chapter 116 ~~1971, Section 116.18, Subdivision 2~~, as amended, the Agency may ~~if~~ where it ~~finds a~~ determines that the prevention, control and abatement of water pollution and the public health of the state requires the construction of a project and the municipality is unable to provide ~~20~~ 10 per cent of the eligible cost of a disposal system project, expend funds for hardship cases to reduce or eliminate the municipal ~~cost to not less than 15 per cent~~ portion of the eligible cost. Each such hardship grant shall be made only to applicants who apply for consideration prior to initiation of construction and attain a minimal point rating of 40 under the criteri of ~~paragraph (f)(3)(bb)~~ Section (i)(2)(ee) or such other numerical hardship levels as may be specified annually by the Agency for rating purposes under that section.

(2) After consideration of the amount of state funds required to match federal funds, the Agency may tender a grant of state funds not ex-

ceeding 25 per centum to a municipality that would qualify for a grant of federal funds, but desires to initiate construction of a project without a federal grant, where such project is necessary to abate an immediate health hazard. The Agency may limit the scop and eligible cost of such project. After it has been determined by theAgency that any project, or portion thereof, is necessary to abate an immediate health hazard, and available funds exist, the criteria for determining priority to be utilized for order of priority shall be Section (i)(2), including but not limited to subsection (2)(ee). No municipality shall be eligible for considerati if construction of the project has been initiated prior to submission of the application and the items of section (g)(5). The Director for just cause may waive or defer the submission of any item required pursuant to sectio (g)(5).

(3) In accordance with section 109(b) of the Act and any guidelines or regulations thereto, the Agency may request, with or without giving consideration to section (i)(1), the Administrator to make a grant of up to $250,000 from any allocation of federal funds to Minnesota for any additional cost of construction of a treatment works required for a facility to train and upgrade waste treatment works operation and maintenance personnel.

STATE OF MINNESOTA
MINNESOTA POLLUTION CONTROL AGENCY
AFFIDAVIT

State of Minnesota)
ss
County of Hennepin)

Ralph Sellers being duly sworn deposes and says:

1. That he is an employee of the Pollution Control Agency of the state of Minnesota.

2. That on the 7th day of August, 1973, he went to the Secretary of State's office for the state of Minnesota and requested a corrent list of all representatives of associations or other interested groups or persons who had registered their names with the Secretary of State for the purpose of obtaining notices of public hearings relating to the promulgation of rules pursuant to M.S. 15.0412.

3. That on the 7th day of August, 1973, in response to the above request, the Secretary of State provided him with such a list, a copy of which is attached hereto and incorporated by reference.

Ralph Sellers

Subscribed and sworn to before me this 12th day of September, 1973 at Minneapolis, Minnesota.

Lila Holmdahl

LILA HOLMDAHL
Notary Public, Hennepin County, Minn.
My Commission Expires Oct. 31, 1976

STATE OF MINNESOTA

COUNTY OF HENNEPIN

In the Matter of Amendments to WPC 34 Relating to Rules for the Administration of the Municipal Facilities Assistance Program and the Minnesota State Water Pollution Control Fund, and Associated Matters Relating to Federal-State Construction Grants for Publicly-Owned Treatment Works

AFFIDAVIT OF MAILING

Mary Nikkari , being first duly sworn, deposes and says:

That on the 10th day of August, 1973, at the City of Minneapolis, County of Hennepin, State of Minnesota, she served the attached Notice of Hearing by depositing in the United States mail at said City of Minneapolis, a true and correct copy thereof, properly enveloped, with postage prepaid, to all persons and associations at the addresses on the attached list.

Mary Nikkari

Subscribed and sworn to before me this 12th day of September, 1973.

Lila Holmdahl

LILA HOLMDAHL
Notary Public, Hennepin County, Minn.
My Commission Expires Oct. 31, 1976

STATE OF MINNESOTA

COUNTY OF HENNEPIN

MINNESOTA POLLUTION CONTROL AGENCY

In the Matter of Proposed Amendments to Agency Regulation WPC 34 Relating to the Administration of Municipal Facilities Assistance Program and Minnesota State Water Pollution Control Fund and Federa Grants Funds allotted to Minnesota

FINDINGS OF FACT

The above-entitled matter came on for public hearing before the Minnesota Pollution Control Agency beginning at 9:00 a.m. on September 12, 1973, in the Bemidji High School Auditorium, Bemidji, Minnesota, and continuing at 9:00 a.m. on September 13, 1973, in Room D of the Veterans Service Building, St. Paul, Minnesota, after proper notice as required by Minnesota Statutes, Section 15.0412 (1971), was served upon all interested persons, associations, and groups.

After affording interested parties an opportunity to present written and oral data, statements and arguments, having heard all the testimony, having considered all other evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above-captioned regulation, the Agency finds the following:

I.

The Municipal Facilities Assistance Program and the Minnesota State Water Pollution Control Fund were created by the legislature in 1971. The 1973 session of the legislature amended the law (Chapter 423, Laws of 1973). This proposed revision

of the regulation also pertains to federal funds allotted to this state. These programs provide financial assistance to municipalities for the construction of waste disposal facilities. WPC 34 is an Agency regulation governing these programs. The Federal Water Pollution Control Act (Public Law 92-500) (hereinafter the Act) various federal regulations and guidelines are applicable to this program.

II.

The regulation (WPC 34) is being revised to reflect changes which have occurred in state and federal law. The United States Environmental Protection Agency (EPA) has required this Agency to revise its basis for determining priority. The consequence of not revising the regulation may cause the loss of the allotment to this state.

III.

Sections a, b, and c pertain to purpose, definitions and severability, respectively. Because of comments received by this Agency from the EPA, an additional list will be prepared by this Agency called a municipal discharge inventory which will list municipalities which have waste disposal needs and those municipalities which have an adequate discharge. This inventory will establish the order of priority for issuing National Pollution Discharge Elimination System permits and provide an input establishing an order of priority for funding municipalities with waste disposal needs.

IV.

Section d pertains to the uses of state funds which are as follows: Grants of funds for construction in an amount not less

than that required in applicable federal law and regulations for projects for which there becomes available, through use of these funds, a grant of federal funds at a percentage of cost exceeding the percentage which would be available for the project if these state funds were not available; grants of nonrepayable funds for construction of disposal systems in the amount of 15 percentum of the eligible cost of construction for projects tendered a grant of federal funds under Section 201(g), Section 203, or Section 206(f) of the Act at 75 percentum of the eligible cost of construction; grants of state funds not exceeding 25 percentum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant where such project is necessary to abate an immediate health hazard.

The major changes in Section d relate to the 15 percent state grant where the EPA tenders a 75 percent grant where previously the state made a 25 percent grant and the EPA tendered a 50 percent grant and the state tenders a 25 percent grant to abate an immediate health hazard to a municipality that qualifies for an EPA grant but because of a shortage of federal funds wishes to proceed with construction immediately. Subsection 1 is now applicable only to projects which receive reimbursement funds under seciton 206 of the Federal Water Pollution Control Act.

V.

Section e pertains to the use of federal funds as

follows: (1) certify applications which have priority for a grant of federal funds, and (2) to utilize up to $250,000 from funds allotted or reallotted to the state for the construction of a treatment facility to train and upgrade waste treatment works operation and maintenance personnel. The significant change here is the Agency's ability to utilize funds for training purposes.

VI.

Section f pertains to the list of municipalities and the project list. The municipal discharge inventory will set the priority order for issuing the NPDES permits for all municipalities. It will also in large part establish the priority order for grants to municipalities with waste treatment needs. It provides the authority for the Director to define the step of the application, split or stage construction, recommend projects in a variety of steps, recommend a number of projects which would utilize all or a portion of the current fiscal year federal allocation. This will provide the Agency with needed flexibility in the preparation of the project list.

VII.

Section g pertains to applications for state and federal construction grants and makes it mandatory for a municipality to file a construction grant application or complete one that is already on file within 30 days after notification by the Director to do so. It also details the requirements for a Step 1 (preliminary engineering studies to include infiltration/inflow analysis and evaluations), Step 2 (final construction plans and

specifications), and Step 3 (construction of project) grant application. It also provides for updating applications and grounds for rejection of an application. Applications should be submitted at least 30 days prior to the public hearing in order to allow adequate time for the preparation of the inventory, needs list and the project list. A major reason for submitting an application is to indicate to the Agency that the municipality has a waste disposal need that we may not be aware of. Every municipality with a need should be on the inventory and the list of municipalities (needs list). If this is the case, the municipality will not have to fill out and complete an application until funds are available for their project. This would eliminate the need for updating grant applications. Municipalities can still be considered for funding even though they make a late application if they were on the list of municipalities the previous year.

VIII.

Section h pertains to the administration of contruction grants. Subsection C will provide the Agency with the flexibility needed to treat municipalities in an equitable manner. It will most likely affect projects which were funded from fiscal year 1972 funds but because of an overrun on the bids from the estimated cost, the community received less than the maximum federal grant allowable. The EPA will not allow grant increases for these projects from fiscal year 1973 or any succeeding fiscal

year allocations. It is proposed that each community funded from fiscal year 1972 funds which has received bids higher than the estimated costs receive a pro rata share of the remaining pre-fiscal year 1973 funds.

IX.

Section i pertains to criteria for determining priority. It will continue to split the state's allocation between the Twin Cities Metropolitan Area and outstate, based on the sewered population of each area. It is to provide one statewide basis for determining priority. The same criteria will be used to rate every project in the state in a uniform manner. The EPA requires the change in our criteria for determining priority to the extent that financial need and readiness to proceed should not be considerations in establishing priority for federal grants. The intention is to use water uses affected, population affected, priority of segment, type of project, financial aspects to the extent of awarding higher state grants where necessary for hardship cases, and other points if the project is in an area designated by the Administrator to have national priority or if the project is part of a multi-municipal disposal system. The significant changes in section i include the deletion of readiness to proceed and the elimination of financial need except to a very limited extent. This was done at the insistence of the EPA. In the March 27, 1973, Federal Register, the criteria to be taken into consideration in funding projects were listed as follows:

1. Severity of pollution problems.

2. Population affected.

3. Need for preservation of high quality waters.

4. National priorities as determined by the Administrator.

Subsection (i)(4) provides criteria for breaking ties on the municipal discharge inventory. The sections on state interest grants have been deleted entirely because the reimbursement provisions of the Federal Water Pollution Control Act as amended October 18, 1972 were not continued.

X.

Section j pertains to application for disposal system planning and construction loans. No major changes were made in this section.

XI.

Section k pertains to the administration of state disposal system planning and construction loans. No major changes were made in this section. Loans are for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control and abatement of water pollution. The Agency will disburse state funds in any fiscal year to the extent that money is available and requested in the following order of priority: Federal matching construction grants, construction grants, and planning and construction loans.

XII.

Section l pertains to criteria for determining loan priority. This section is changed to reflect the previously

discussed basis for determining priority. It also reflects the requirements for preliminary engineering and deletes consideration for stipulations.

XIII.

Section m pertains to additional purposes of the state and federal funds. It relates to the increasing of grants in hardship cases and the requirements that must be met. It provides for grants up to 25 percent to municipalities that qualify for a grant from the EPA but are too far down on a priority list to receive funds to abate an immediate health hazard. The Agency can limit the scope of the project and the eligible cost of the project. It also establishes the criteria for establishing priority. Grants made under this subsection are subject to the availability of funds. It also provides for the utilization of up to $250,000 for training purposes as previously discussed under section e.

Dated this 11th day of October, 1973.

STATE OF MINNESOTA
POLLUTION CONTROL AGENCY

Harold D. Field, Jr.
Chairman

STATE OF MINNESOTA

COUNTY OF HENNEPIN

MINNESOTA POLLUTION CONTROL AGENCY

In the Matter of Proposed Amendments to Agency Regulation WPC 34 Relating to the Administration of Municipal Facilities Assistance Program and Minnesota State Water Pollution Control Fund and Federal Grants Funds allotted to Minnesota

STATEMENT OF NEED

The need to adopt these amendments is to implement the provisions of Minnesota Statutes, Chapters 115 and 116 (as amended by Minnesota Laws 1973 (Chapter 423 and Chapter 771) and to comply with the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92-500) and guidelines and regulations pursuant thereto. It is necessary to establish procedures relating to the Federal construction grants and State construction grant and loan programs for their orderly administration by the Minnesota Pollution Control Agency.

Dated: October 16, 1973

Harold D. Field, Jr.

Harold D. Field, Jr., Chairman
Minnesota Pollution Control Agency

STATE OF MINNESOTA

COUNTY OF HENNEPIN

BEFORE THE BOARD OF THE MINNESOTA POLLUTION CONTROL AGENCY

In the Matter of Proposed Amendments to Agency Regulation WPC 34 Relating to the Administration of Municipal Facilities Assistance Program and Minnesota State Water Pollution Control Fund and Federal Grants Funds allotted to Minnesota

ORDER ADOPTING REGULATION

The above-entitled matter came on for public hearing before the Minnesota Pollution Control Agency beginning at 9:00 a.m. on September 12, 1973, in the Bemidji High School Auditorium, Bemidji, Minnesota, and continuing at 9:00 a.m. on September 13, 1973, in Room D of the Veterans Service Building, St. Paul, Minnesota, after proper notice as required by Minnesota Statutes, Section 15.0412 (1971), was served upon all interested persons, associations, and groups.

After affording interested parties an opportunity to present written and oral data, statements and arguments, having heard all the testimony, having considered all other evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above-captioned regulation, the Agency issues the following order:

NOW, THEREFORE, IT IS ORDERED that the amendments to Minnesota Pollution Control Agency Regulation WPC 34 are adopted this 4th day of October, 1973, pursuant to authority vested in me as Chairman of the Board of the Minnesota Pollution Control Agency.

MINNESOTA POLLUTION CONTROL AGENCY

Harold D. Field, Jr.

Harold D. Field, Jr., Chairman

CERTIFICATE OF BOARD'S

ADOPTION OF RULES RESOLUTION

I Grant J. Merritt, do hereby certify that I am Executive Director of the Minnesota Pollution Control Agency, and agency duly authorized under the laws of the state of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Board of the Minnesota Pollution Control Agency, duly and properly called and held on the 16th day of October, 1973; that a quorum was present at said meeting; that a majority of those present voted for the resolution; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> Resolved, that Agency regulation WPC 34 relating to the administration of municipal facilities assistance program and Minnesota state water pollution control funds and Federal grant funds allotted to Minnesota be and it is hereby approved and adopted, pursuant to authority vested in the Agency by Minnesota Statutes, Chapters 115 and 116 and that Harold D. Field, Jr., Chairman of the Board of the Minnesota Pollution Control Agency, be and hereby is authorized to sign the statement of need, findings of fact and an order adopting the amendments to this regulation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this day of October, 1973.

John J. Merritt

Grant J. Merritt, Executive Director
Minnesota Pollution Control Agency

STATE OF MINNESOTA)

COUNTY OF HENNEPIN)

AFFIDAVIT

Ralph L. Sellers, being sworn on oath deposes and says:

1) That he is an employee of the Minnesota Pollution Control Agency, State of Minnesota.

2) That on the 9th day of August, 1973 he delivered to the Procurement Office of the Department of Administration, State of Minnesota a list of the official county newspapers and sufficient copies of the Notice of Hearing for WPC- 34, for the purpose of state wide publication of the Notice.

Further affiant sayeth not.

Ralph L Sellers

Subscribed and sworn to before me
this 27th day of September, 1973.

Lila Holmdahl

LILA HOLMDAHL
Notary Public, Hennepin County, Minn.
My Commission Expires Oct. 31, 1976