

1 Waste Management Board

2

3 Adopted Rules Relating to Solid Waste Processing Facility

4 Capital Assistance and Demonstration Programs

5

6 Rules as Adopted

7

CAPITAL ASSISTANCE PROGRAM

8 9200.6000 DEFINITIONS.

9 Subpart 1. Scope. For the purposes of parts 9200.6000 to  
10 9200.6800 the following terms have the meaning given them,  
11 unless the context requires otherwise.

12 Subp. 2. Board. "Board" means the Minnesota Waste  
13 Management Board established in Minnesota Statutes, section  
14 115A.04.

15 Subp. 3. Chair. "Chair" means the chair and chief  
16 executive officer of the board.

17 Subp. 4. Cities. "Cities" has the meaning given it in  
18 Minnesota Statutes, section 115A.03, subdivision 4.

19 Subp. 5. Comprehensive solid waste management plan.  
20 "Comprehensive solid waste management plan" means a written plan  
21 prepared under Minnesota Statutes, section 115A.46.

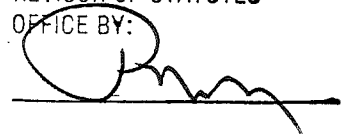
22 Subp. 6. Disposal. "Disposal" has the meaning given it in  
23 Minnesota Statutes, section 115A.03, subdivision 9.

24 Subp. 7. Final design and engineering/architectural  
25 plans. "Final design and engineering/architectural plans" means  
26 those engineering drawings and specifications used to secure  
27 bids for construction or equipment.

28 Subp. 8. Institutional arrangements. "Institutional  
29 arrangements" means methods of financing, marketing,  
30 procurement, securing the waste supply, or joint efforts by more  
31 than one local government unit.

32 Subp. 9. Mixed municipal solid waste. "Mixed municipal  
33 solid waste" has the meaning given it in Minnesota Statutes,  
34 section 115A.03, subdivision 21.

35 Subp. 10. On-site utilities. "On-site utilities" means



1 gas, electrical, water, and sewer facilities within the  
2 geographic boundaries of the waste processing facility site,  
3 that are used for facility operations, excluding transmission of  
4 energy to markets.

5 Subp. 11. Preliminary design and engineering/architectural  
6 plans. "Preliminary design and engineering/architectural plans"  
7 means conceptual plans adequate to obtain preconstruction  
8 permits and to meet the needs of an environmental assessment.

9 Subp. 12. Processing. "Processing" has the meaning given  
10 it in Minnesota Statutes, section 115A.03, subdivision 25.

11 Subp. 13. Project. "Project" means a processing facility,  
12 together with any transfer stations, transmission facilities,  
13 and other related and appurtenant facilities primarily serving  
14 the processing facility.

15 Subp. 14. Recyclable materials. "Recyclable materials"  
16 has the meaning given it in Minnesota Statutes, section 115A.03,  
17 subdivision 25a.

18 Subp. 15. Recycling. "Recycling" has the meaning given it  
19 in Minnesota Statutes, section 115A.03, subdivision 25b.

20 Subp. 16. Recipient. "Recipient" means an applicant who  
21 has received a grant under the solid waste processing facilities  
22 capital assistance program.

23 Subp. 17. Resource recovery. "Resource recovery" has the  
24 meaning given it in Minnesota Statutes, section 115A.03,  
25 subdivision 27.

26 Subp. 18. Resource recovery facility. "Resource recovery  
27 facility" has the meaning given it in Minnesota Statutes,  
28 section 115A.03, subdivision 28.

29 Subp. 19. Solid waste. "Solid waste" has the meaning  
30 given it in Minnesota Statutes, section 116.06, subdivision 10.

31 Subp. 20. Solid waste disposal facilities and equipment.  
32 "Solid waste disposal facilities and equipment" means  
33 structures, machinery, or devices at a disposal site necessary  
34 for efficient land disposal of solid wastes, including machinery  
35 or devices designed to move earth during burial of wastes or to  
36 increase the density of wastes buried or to be buried, and

1 facilities in which solid waste is temporarily stored and  
2 concentrated before transport to a disposal site.

3 Subp. 21. **Solid waste management district.** "Solid waste  
4 management district" has the meaning given it in Minnesota  
5 Statutes, section 115A.03, subdivision 32.

6 Subp. 22. **Special waste stream.** "Special waste stream"  
7 means materials normally found in the solid waste stream in  
8 sufficient quantity to be recovered for subsequent use, if  
9 separated from the solid waste stream and processed separately.  
10 Examples of special waste streams include waste tires, wood  
11 wastes, and agricultural wastes.

12 Subp. 23. **Transmission facilities.** "Transmission  
13 facilities" means any steam, water, or electrical lines that are  
14 used to transport energy to markets.

15 Subp. 24. **Transfer station.** "Transfer station" has the  
16 meaning given it in Minnesota Statutes, section 115A.03,  
17 subdivision 33.

18 Subp. 25. **Waste processing equipment.** "Waste processing  
19 equipment" means machinery or devices acquired and used as an  
20 integral component of a waste processing facility.

21 Subp. 26. **Waste processing facility.** "Waste processing  
22 facility" means structures and equipment, singly or in  
23 combination, that are designed, constructed, and used to  
24 separate, modify, convert, heat, prepare, or otherwise process  
25 solid waste so that materials, substances, or energy contained  
26 within the waste may be recovered for subsequent use.

27 9200.6100 SOLID WASTE PROCESSING FACILITIES CAPITAL ASSISTANCE  
28 PROGRAM.

29 Parts 9200.6000 to 9200.6800 implement the solid waste  
30 processing facilities capital assistance program created and  
31 described in Minnesota Statutes, sections 115A.49 to 115A.54, by  
32 establishing the substantive criteria and procedural conditions  
33 under which the board may award grants for capital costs of  
34 solid waste processing facilities.

35 9200.6200 GRANT APPLICATION PROCEDURES.

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1           Subpart 1. **Applications.** An application may be submitted  
2 to the board when the applicant has met the information and  
3 documentation requirements in parts 9200.6400 and 9200.6500.  
4 The applicant is encouraged to contact the chair and request a  
5 preapplication review of the proposed project.

6           Subp. 2. **Review of applications.** Upon receipt of an  
7 application, the chair or a designee shall conduct an initial  
8 review of the application under part 9200.6600. The board shall  
9 evaluate projects and award grants.

10          Subp. 3. **Applications accepted.** The board shall accept  
11 applications for funds under the solid waste processing  
12 facilities capital assistance program until all the funds for  
13 the program are awarded or until three months before the  
14 expiration of the board pursuant to law, whichever occurs first.

15          Subp. 4. **Legislative priorities.** The board shall give  
16 priority to projects located in cities, counties, or districts  
17 in which:

18           A. the natural geologic and soil conditions are  
19 unsuitable for land disposal of solid waste;

20           B. the capacity of existing solid waste disposal  
21 facilities is less than five years; or

22           C. the project serves more than one local government  
23 unit.

24 9200.6300 ELIGIBILITY CRITERIA.

25          Subpart 1. **Eligible applicants.** Eligible applicants are  
26 limited to cities, counties, and solid waste management  
27 districts established under Minnesota Statutes, sections 115A.62  
28 to 115A.72.

29          Subp. 2. **Eligible projects.** Six types of projects are  
30 eligible for grants: waste to energy; materials recovery;  
31 chemical, physical, or biological modifications; transfer  
32 stations; special waste streams; and waste incineration with  
33 resource recovery. Eligible projects are limited to those in  
34 which the land, buildings, and equipment are publicly owned.

35          Projects that were awarded assistance by the board pursuant

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1 to applications submitted under Minnesota Statutes, sections  
2 115A.49 to 115A.54 before July 1, 1985, are eligible for  
3 additional assistance under this program, but no project may  
4 receive a total amount of grant assistance in excess of the  
5 limits in part 9200.6700, subpart 1. Previously funded projects  
6 seeking additional funding under this program shall complete the  
7 documentation required under part 9200.6500.

8       Subp. 3. **Eligible costs.** Eligible costs under parts  
9 9200.6000 to 9200.6800 are limited to the costs of land; waste  
10 processing equipment; structures necessary to house the waste  
11 processing equipment; transmission facilities; appropriate and  
12 necessary on-site utilities; structures necessary to concentrate  
13 and temporarily store solid waste before transportation to a  
14 waste processing facility; trailers, containers, and roll-off  
15 boxes necessary to transport wastes from transfer stations to a  
16 processing facility, to transport processing facility products  
17 to market, or to transport residue from the processing facility  
18 to a solid waste land disposal facility; and final design and  
19 engineering/architectural plans.

20       Subp. 4. **Ineligible costs.** Ineligible costs include any  
21 costs related to solid waste disposal facilities and equipment,  
22 structures for housing and maintenance of rolling stock, or any  
23 costs related to resource recovery studies, feasibility  
24 analyses, or preliminary design and engineering/architectural  
25 plans.

26 9200.6400 INFORMATION REQUIRED ON GRANT APPLICATION.

27       Applications for waste processing facilities grants shall  
28 include the following information as required in the application  
29 forms supplied by the board:

30           A. the name of each applicant making the grant  
31 application;

32           B. the name of each political subdivision affected by  
33 the project, located in the area studied in the project, or  
34 located in the area in which the project is intended to be  
35 implemented;

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1 C. resolutions from each applicant in conformance  
2 with Minnesota Statutes, section 115A.54, subdivision 2a, clause  
3 (1) and subdivision 3;

4 D. the name, qualifications, and address of the  
5 project manager;

6 E. the name and qualifications of the facility  
7 operator, if available;

8 F. the total capital cost of the project;

9 G. the total grant-eligible cost of the project;

10 H. the amount of grant funding requested;

11 I. the amount and sources of all other funding  
12 contributions, including the amount of funds to be contributed  
13 by the applicant; and

14 J. the type of waste processing facility for which  
15 the grant application is being submitted: waste to energy;  
16 materials recovery; chemical, physical, or biological  
17 modification; transfer stations; special waste stream; or waste  
18 incineration with resource recovery.

19 9200.6500 SUPPORTING DOCUMENTATION REQUIRED TO BE SUBMITTED WITH  
20 GRANT APPLICATION.

21 Applications for waste processing facilities grants shall  
22 include the following supporting documentation:

23 A. A conceptual and technical feasibility report that  
24 includes at least the following: a detailed description of the  
25 proposed waste processing facility; a description of the  
26 institutional arrangements necessary for project implementation  
27 and operation; a description of the method of facility  
28 procurement; and an analysis of the waste stream for the  
29 facility.

30 B. A financial plan that contains:

31 (1) initial capital development costs and the  
32 method of financing those costs;

33 (2) annual operating and maintenance costs;

34 (3) projections of total facility costs and  
35 revenues over 20 years or for the term of the longest debt

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1 obligation, whichever is longer; and

2 (4) total capital costs per ton of installed  
3 daily capacity.

4 C. A report demonstrating that the project is not  
5 financially feasible without state assistance, due to the  
6 applicant's financial capacity and the problems inherent in  
7 waste management in the area. The report shall include the  
8 following documentation:

9 (1) capital financing alternatives and  
10 operational cost financing alternatives, both public and  
11 private, explored by the applicant for the project and reasons  
12 for selecting the proposed financing methods;

13 (2) information on the applicant's financial  
14 situation including the applicant's current credit rating on  
15 general obligation bonds, the amount of general obligation bonds  
16 outstanding, general obligation debt divided by market  
17 valuation, and debt service levy divided by total levy. If the  
18 applicant has issued general obligation bonds in the past two  
19 years, the documentation must include the most recent general  
20 purpose financial statements, current year budgets, and official  
21 statement on bond issuance;

22 (3) projected facility tipping fees, product  
23 revenues, and other project revenues, with and without board  
24 assistance;

25 (4) impact of proposed project on existing solid  
26 waste commitments, obligations and expenditures, and total  
27 current solid waste management costs on a per capita and per ton  
28 basis;

29 (5) general information pertinent to a  
30 determination of the applicant's financial capacity, including  
31 such factors as location, population characteristics, employment  
32 base, and other characteristics;

33 (6) transportation distances and estimated costs,  
34 both in waste collection and to markets for recovered resources;

35 (7) waste supply characteristics;

36 (8) availability of markets for recovered

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1 resources; and

2 (9) other characteristics of waste management in  
3 the area that render state assistance necessary to the financial  
4 feasibility of the project.

5 D. A comprehensive solid waste management plan.

6 E. Preliminary design and engineering/architectural  
7 plans and equipment specifications of the proposed waste  
8 processing facility.

9 F. Documentation that waste supplies will be  
10 committed to the project and that the applicant has the  
11 mechanism to commit the wastes.

12 G. A market analysis of recovered materials/energy,  
13 including documentation of market commitments such as letters of  
14 intent or contracts.

15 H. A report on the status of required permits from  
16 permitting agencies.

17 I. A report on time frames of project development.

18 J. Resolutions that comply with Minnesota Statutes,  
19 section 115A.54, subdivision 2a, clause (1) and subdivision 3.

20 K. If the applicant requests priority under Minnesota  
21 Statutes, section 115A.49, documentation:

22 (1) that the natural geologic and soil conditions  
23 are unsuitable for land disposal of solid waste;

24 (2) that the available capacity of existing solid  
25 waste disposal facilities is less than five years; or

26 (3) that the proposed project would serve more  
27 than one local government unit.

28 L. If the project has previously received funding  
29 from the board under the board's solid waste processing facility  
30 demonstration program, documentation of how the project has  
31 changed since the previous award and why the project is not  
32 financially feasible without additional funding. This  
33 documentation shall include:

34 (1) a description of changes in the scope or  
35 design of the project;

36 (2) a description of changes in major external



1 factors affecting the project;

2 (3) an explanation and demonstration of why the  
3 project is no longer financially feasible without additional  
4 state assistance; and

5 (4) a revised implementation schedule.

6 M. If the project serves eligible jurisdictions in  
7 only a single county, documentation demonstrating that  
8 cooperation with jurisdictions in other counties is not needed  
9 or not feasible, including:

10 (1) a description of past efforts to develop  
11 multi-county facilities or waste management programs; and

12 (2) a description of characteristics of the  
13 applicant's individual situation that preclude or inhibit  
14 cooperation with other counties, such as waste supply, market  
15 availability, technology constraints, geographic factors, or  
16 factors involving institutional arrangements.

17 9200.6600 REVIEW AND EVALUATION OF APPLICATIONS.

18 Subpart 1. Determination of eligibility and completeness.  
19 Upon receipt of an application, the chair or a designee shall  
20 determine the eligibility of the applicant, the eligibility of  
21 the costs identified in the application, the eligibility of the  
22 project identified in the application, and the completeness of  
23 the application.

24 Subp. 2. Notice of determination of eligibility and  
25 completeness. Within 14 days after receiving the application,  
26 the chair shall notify the applicant of the chair's  
27 determinations of eligibility and completeness. If the chair  
28 determines that the applicant or the project is ineligible, the  
29 chair shall reject the application, return it to the applicant,  
30 and notify the applicant of the reasons for the rejection. If  
31 the chair determines that any part of the project costs is  
32 ineligible or that the application is incomplete, the chair  
33 shall notify the applicant of the ineligible portion of the  
34 costs or of the deficiency. The applicant has 14 days after  
35 receiving the notice to correct any inadequacies identified by

1 the chair. If the inadequacies are corrected within the time  
2 allowed, the application will be further considered.

3 Subp. 3. Evaluation of need for financial assistance. In  
4 making its evaluation of the application, the board shall first  
5 evaluate the information supplied in part 9200.6500, item C to  
6 determine whether or not board assistance is necessary for  
7 facility development. If the board determines that assistance  
8 is not necessary, evaluation of the application shall cease and  
9 the application shall be returned to the applicant. If the  
10 board determines that assistance is necessary, evaluation will  
11 proceed to the second stage. During the second stage, the board  
12 shall evaluate documentation submitted under part 9200.6500,  
13 items A, B, and D to M.

14 Subp. 4. Evaluation of applications. If the board  
15 determines that the project is in need of state assistance, the  
16 board shall evaluate the application to determine whether the  
17 application demonstrates:

18 A. that the project is conceptually and technically  
19 feasible;

20 B. that affected political subdivisions are committed  
21 to implementing the project, providing necessary local  
22 financing, and accepting and exercising the government powers  
23 necessary for project implementation and operation;

24 C. that operating revenues from the project,  
25 considering the availability and security of sources of solid  
26 waste and of markets for recovered resources together with any  
27 proposed federal, state, or local financial assistance, will be  
28 sufficient to pay all costs over the projected life of the  
29 project;

30 D. that the applicant has evaluated the feasible and  
31 prudent alternatives to disposal and has compared and evaluated  
32 the costs of the alternatives, including capital and operating  
33 costs, the effects of the alternatives on the cost to  
34 generators, and the effects of the alternatives on the solid  
35 waste management and recycling industry within the project's  
36 service area;

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1 E. that for projects serving eligible jurisdictions  
2 in only a single county, cooperation with jurisdictions in other  
3 counties to develop the project is not needed or not feasible;

4 F. that resource recovery facilities that burn waste,  
5 convert waste to energy, or convert waste into materials for  
6 combustion will not accept recyclable materials except for  
7 transfer to a recycler; and

8 G. that the project is not financially feasible  
9 without state assistance, because of the applicant's financial  
10 capacity and the problems inherent in the waste management  
11 situation in the area, particularly transportation distances  
12 and limited waste supply and markets for resources recovered.

13 Subp. 5. **Board determination.** If the board determines  
14 that the application satisfies the requirements of subpart 4,  
15 the board shall determine the amount of the grant award and the  
16 applicant shall be notified. If the board determines that the  
17 application fails to satisfy the requirements of subpart 4, the  
18 board shall reject the application and the chair shall return  
19 the application to the applicant, together with a statement of  
20 the reasons for the determination.

21 Subp. 6. **Consultation with other agencies.** In its  
22 evaluation of the application, the board shall consider any  
23 recommendations provided by the Pollution Control Agency, the  
24 State Planning Agency, and the appropriate regional development  
25 commission or the Metropolitan Council.

26 9200.6700 LIMITATIONS.

27 Subpart 1. **Maximum grant award.** The maximum grant award  
28 is 25 percent of the eligible capital costs of the project or  
29 \$2,000,000, whichever is less.

30 Subp. 2. **Limitations on grant award.** The amount of the  
31 board's grant award shall be limited to an amount needed to  
32 complete the project considering all the sources of funding  
33 presently available to the applicant.

34 Grants shall not be awarded to cover any cost associated  
35 with tasks performed before the grant award or after the

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1 expiration of the grant agreement.

2 Subp. 3. Limitations on disbursement of funds. No funds  
3 shall be disbursed until the board has determined the total  
4 estimated capital cost of the project and ascertained that  
5 financing of the cost is assured by funds provided by the state,  
6 by an agency of the federal government within the amount of  
7 funds then appropriated to that agency and allocated by it to  
8 projects within the state, by any person, or by the  
9 appropriation of proceeds of bonds or other funds of the  
10 recipient to a fund for the construction of the project.

11 9200.6800 GRANT AGREEMENT.

12 Subpart 1. Requirements. A grant agreement shall:

13 A. include as attachments the resolutions required  
14 under Minnesota Statutes, section 115A.54, subdivision 2a,  
15 clause (1) and subdivision 3;

16 B. incorporate by reference the final grant  
17 application submitted to the board under part 9200.6200;

18 C. allow the recipient to enter into contracts to  
19 complete the work specified in the agreement subject to any  
20 board approval that may be required in the agreement;

21 D. provide that any cost overruns incurred in the  
22 development of the proposed facility shall be the sole  
23 responsibility of the recipient;

24 E. provide that the board will not accept amendments  
25 requesting that additional funds be awarded to the recipient;

26 F. require that the recipient provide periodic  
27 written reports to the board on the developmental and  
28 operational history of the project so that knowledge and  
29 experience gained from the project may be made available to  
30 other communities in the state;

31 G. require total repayment of the grant if the  
32 facility is sold to a private enterprise within three years of  
33 the effective date of the grant agreement. Beginning on the  
34 third anniversary of the grant, the amount of the grant that  
35 must be repaid shall be reduced ten percent each year. The

1 sales agreement between the recipient and the private enterprise  
 2 shall transfer the responsibilities in subpart 1, item F to the  
 3 private enterprise; and

4 H. require that the facility may only be sold to a  
 5 private enterprise in accordance with the constitution of the  
 6 state of Minnesota and any applicable Minnesota statutes and  
 7 rules.

8 Subp. 2. Rescission of grant. If a project is not  
 9 completed and operational in accordance with the terms and  
 10 conditions of the grant agreement, including time schedules, the  
 11 grant shall be rescinded, and the entire amount of the grant  
 12 shall be repaid unless the board determines that variances from  
 13 the respective agreements are justified and that the original  
 14 objectives of the project will be accomplished.

15 Subp. 3. Disbursement. The board shall disburse grants in  
 16 accordance with the payment schedule in the grant agreement.

17

18 Rules as Adopted

19

#### DEMONSTRATION PROGRAM

20 9200.8100 DEFINITIONS.

21 Subpart 1, and 2. [Unchanged.]

22 Subp. 3. Chair. "Chair" means the chair and chief  
 23 executive officer of the board.

24 Subp. 4. [Unchanged.]

25 Subp. 5. Comprehensive solid waste management plan.

26 "Comprehensive solid waste management plan" means a written plan  
 27 prepared under Minnesota Statutes, section 115A.46.

28 Subp. 6. [Unchanged.]

29 Subp. 7. Final design and engineering/architectural  
 30 plans. "Final design and engineering/architectural plans" means  
 31 those engineering drawings and specifications used to secure  
 32 bids for construction or equipment.

33 Subp. 9. Institutional arrangements. "Institutional  
 34 arrangements" means methods of financing, marketing,  
 35 procurement, securing the waste supply, or joint efforts by more

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1 than one local government unit.

2 Subp. 10. and 11. [Unchanged.]

3 Subp. 12. **Preliminary design and engineering/architectural**  
4 **plans.** "Preliminary design and engineering/architectural plans"  
5 means conceptual plans adequate to obtain preconstruction  
6 permits and to meet the needs of an environmental assessment.

7 Subp. 13. [Unchanged.]

8 Subp. 13a. **Project.** "Project" means a processing  
9 facility, together with any transfer stations, transmission  
10 facilities, and other related and appurtenant facilities  
11 primarily serving the processing facility.

12 Subp. 14. [Unchanged.]

13 Subp. 14a. **Recyclable materials.** "Recyclable materials"  
14 has the meaning given it in Minnesota Statutes, section 115A.03,  
15 subdivision 25a.

16 Subp. 14b. **Recycling.** "Recycling" has the meaning given  
17 it in Minnesota Statutes, section 115A.03, subdivision 25b.

18 Subp. 15. to 19. [Unchanged.]

19 Subp. 20. **Special waste stream.** "Special waste stream"  
20 means materials that are normally found in the solid waste  
21 stream in sufficient quantity to be recovered for subsequent  
22 use, if separated from the solid waste stream and processed  
23 separately. Examples of special waste streams include waste  
24 tires, wood wastes, and agricultural wastes.

25 Subp. 21. [See Repealer.]

26 Subp. 22. to 24. [Unchanged.]

27 9200.8200 SOLID WASTE PROCESSING FACILITIES DEMONSTRATION  
28 PROGRAM.

29 Parts 9200.8100 to 9200.9200 implement the solid waste  
30 processing facilities demonstration program created and  
31 described in Minnesota Statutes, sections 115A.49 to 115A.54, by  
32 establishing the substantive criteria and procedural conditions  
33 under which the board may award grants and loans for capital  
34 costs of waste processing facilities.

35 9200.8300 ELIGIBILITY CRITERIA.

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1 Subpart 1. [Unchanged.]

2 Subp. 2. Eligible projects. Only projects that  
3 demonstrate feasible and prudent alternatives to disposal are  
4 eligible for loans and grants. Three types of projects are  
5 eligible for loans and grants: materials recovery; chemical,  
6 physical, or biological modifications; and special waste streams.  
7 Eligible projects are limited to those in which the land,  
8 buildings, and equipment are publicly owned.

9 Subp. 3. Eligible costs. Eligible costs under parts  
10 9200.8100 to 9200.9200 shall be limited to the costs of land,  
11 waste processing equipment, structures necessary to house the  
12 waste processing equipment, appropriate and necessary on-site  
13 utilities, trailers, containers, and roll-off boxes necessary to  
14 transport products to market, or to transport residue from the  
15 processing facility to a solid waste land disposal facility, and  
16 final design and engineering/architectural plans.

17 Subp. 4. Ineligible costs. Ineligible costs include any  
18 costs related to solid waste disposal facilities and equipment,  
19 structures for housing and maintenance of rolling stock, or any  
20 costs related to resource recovery studies, feasibility  
21 analyses, or preliminary design and engineering/architectural  
22 plans.

23 9200.8400 INFORMATION REQUIRED ON APPLICATION.

24 Applications for grants, loans, or grants and loans for  
25 waste processing facilities shall include the following  
26 information as required in the application forms supplied by the  
27 board:

28 A. the name of each applicant making the application;

29 B. the name of each political subdivision affected by  
30 the project, located in the area studied in the project, or  
31 located in the area in which the project is intended to be  
32 implemented;

33 C. the name, qualifications, and address of the  
34 project manager;

35 D. the name and qualifications of the facility

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1 operator, if available;

2 E. the total capital cost of the project;

3 F. the total grant- or loan-eligible cost of the  
4 project;

5 G. the amount of grant, loan, or grant and loan  
6 funding requested;

7 H. the amount and sources of all other funding  
8 contributions, including the amount of funds to be contributed  
9 by the applicant;

10 I. the type of assistance applied for (grant, loan,  
11 or grant and loan together);

12 J. the type of waste processing facility for which  
13 assistance is being requested: materials recovery; chemical,  
14 physical, or biological modification; or special waste stream.

15 9200.8500 SUPPORTING DOCUMENTATION REQUIRED TO BE SUBMITTED WITH  
16 APPLICATION.

17 Applications for grants or loans for waste processing  
18 facilities shall include the following supporting documentation:

19 A. a conceptual and technical feasibility report that  
20 includes at least the following: a detailed description of the  
21 proposed waste processing facility; a description of the  
22 institutional arrangements necessary for project implementation  
23 and operation; a description of the method of facility  
24 procurement; and an analysis of the waste stream for the  
25 facility;

26 B. a financial plan that contains:

27 (1) initial capital development costs and the  
28 method of financing those costs;

29 (2) annual operating and maintenance costs;

30 (3) projections of total facility costs and  
31 revenues over 20 years or for the term of the longest debt  
32 obligation, whichever is longer; and

33 (4) total capital costs per ton of installed  
34 daily capacity;

35 C. a comprehensive solid waste management plan;

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1 D. preliminary design and engineering/architectural  
2 plans and equipment specifications of the proposed waste  
3 processing facility;

4 E. documentation that waste supplies will be  
5 committed to the project and that the applicant has the  
6 mechanism to commit the wastes;

7 F. a market analysis of recovered materials/energy,  
8 including documentation of market commitments such as letters of  
9 intent or contracts;

10 G. a report on the status of required permits from  
11 permitting agencies;

12 H. a report on time frames of project development;

13 I. resolutions that comply with Minnesota Statutes,  
14 section 115A.54, subdivision 3; and

15 J. if the applicant requests priority under Minnesota  
16 Statutes, section 115A.49, documentation:

17 (1) that the natural geologic and soil conditions  
18 are unsuitable for land disposal of solid waste;

19 (2) that the available capacity of existing solid  
20 waste disposal facilities is less than five years; or

21 (3) that the proposed project would serve more  
22 than one local government unit.

23 9200.8600 GRANT AND LOAN APPLICATION PROCEDURES.

24 Subp. 1a. **Applications.** An application may be submitted  
25 to the board when the applicant has met the information and  
26 documentation requirements in parts 9200.8400 and 9200.8500.  
27 The applicant is encouraged to contact the chair and request a  
28 preapplication review of the proposed project.

29 Subp. 2a. **Review of applications.** Upon receipt of an  
30 application, the chair or a designee shall conduct an initial  
31 review of the application under part 9200.8700. The board shall  
32 evaluate projects and award grants and loans.

33 Subp. 4. **Applications accepted.** The board shall accept  
34 applications for funds under the solid waste processing  
35 facilities demonstration program until all funds for the program

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1 are awarded or until three months before the expiration of the  
2 board pursuant to law, whichever occurs first.

3 Subp. 5. **Legislative priorities.** The board shall give  
4 priority to projects located in cities, counties, or districts  
5 in which:

6 A. the natural geologic and soil conditions are  
7 unsuitable for land disposal of solid waste;

8 B. the capacity of existing solid waste disposal  
9 facilities is less than five years; or

10 C. the project serves more than one local government  
11 unit.

12 9200.8700 REVIEW AND EVALUATION OF APPLICATIONS.

13 Subpart 1. [See Repealer.]

14 Subp. 2. **Determination of eligibility and completeness.**

15 Upon receipt of an application, the chair or a designee shall  
16 determine the eligibility of the applicant, the eligibility of  
17 the costs specified in the application, the eligibility of the  
18 project specified in the application, and the completeness of  
19 the application.

20 Subp. 3. **Notice of determination of eligibility and**  
21 **completeness.** Within 14 days after receiving the application,  
22 the chair shall notify the applicant of the chair's  
23 determinations of eligibility and completeness. If the chair  
24 determines that the applicant or the project is ineligible, the  
25 chair shall reject the application, return it to the applicant,  
26 and notify the applicant of the reasons for the rejection. If  
27 the chair determines that any part of the project costs is  
28 ineligible or that the application is incomplete, the chair  
29 shall notify the applicant of the ineligible portion of the  
30 costs or of the deficiency. The applicant has 14 days after  
31 receiving the notice to correct inadequacies identified by the  
32 chair. If the inadequacies are corrected within the time  
33 allowed, the application will be further considered.

34 Subp. 4. **Evaluation of applications.** If the applicant,  
35 the costs, and the project are determined to be eligible and the

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1 application is complete, the board shall evaluate the  
2 application to determine whether the documentation demonstrates:

3           A. that the project is conceptually and technically  
4 feasible;

5           B. that affected political subdivisions are committed  
6 to implementing the project, providing necessary local  
7 financing, and accepting and exercising the government powers  
8 necessary for project implementation and operation;

9           C. that operating revenues from the project,  
10 considering the availability and security of sources of solid  
11 waste and of markets for recovered resources together with any  
12 proposed federal, state, or local financial assistance, will be  
13 sufficient to pay all costs over the projected life of the  
14 project; and .

15           D. that the applicant has evaluated the feasible and  
16 prudent alternatives to disposal and has compared and evaluated  
17 the costs of the alternatives, including capital and operating  
18 costs, the effects of the alternatives on the cost to  
19 generators, and the effects of the alternatives on the solid  
20 waste management and recycling industry within the project's  
21 service area.

22           Subp. 5. **Consultation with other agencies.** In its  
23 evaluation of the application, the board shall consider any  
24 recommendations provided by the Pollution Control Agency, the  
25 State Planning Agency, and the appropriate regional development  
26 commission or the Metropolitan Council.

27           Subp. 6. **Board determination.** If the board determines  
28 that the application satisfies the requirements of subpart 4,  
29 the board shall determine the amount of the grant, loan, or  
30 grant and loan award and the applicant shall be notified of the  
31 grant, loan, or grant and loan awarded. If the board determines  
32 that the application fails to satisfy the requirements of  
33 subpart 4, the board shall reject the application and the chair  
34 shall return the application to the applicant, together with a  
35 statement of the reasons for rejection.

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1 9200.9000 AWARD OF GRANTS AND LOANS.

2 Subpart 1. to 3. [See Repealer.]

3 Subp. 4. **Maximum awards.** The maximum loan award shall be  
4 50 percent of the eligible costs specified in the application or  
5 ~~\$200,000~~ \$400,000, whichever is less. The maximum grant award  
6 shall be 50 percent of the eligible costs specified in the  
7 application or ~~\$200,000~~ \$400,000, whichever is less. The  
8 maximum combined grant and loan award is \$400,000.

9 Subp. 5. **Limitations.** The amount of the board's grant,  
10 loan, or grant and loan award shall be limited to an amount  
11 needed to complete the project considering all sources of  
12 funding presently available to the applicant.

13 Grants and loans shall not be awarded to cover any cost  
14 associated with tasks performed before the award of a grant,  
15 loan, or grant and loan or after the expiration of the grant,  
16 loan, or grant and loan agreement.

17 Subp. 6. **Limitations on disbursement of funds.** No funds  
18 shall be disbursed until the board has determined the total  
19 estimated capital cost of the project and ascertained that  
20 financing of the cost is assured by funds provided by the state,  
21 by an agency of the federal government within the amount of  
22 funds then appropriated to that agency and allocated by it to  
23 projects within the state, by any person, or by the  
24 appropriation of proceeds of bonds or other funds of the  
25 recipient to a fund for the construction of the project.

26 9200.9100 GRANT, LOAN, OR GRANT AND LOAN AGREEMENT.

27 Subpart 1. **Requirements.** A grant, loan, or grant and loan  
28 agreement shall:

29 A. include as attachments the resolutions required  
30 under Minnesota Statutes, section 115A.54, subdivision 3;

31 B. incorporate by reference the final application  
32 submitted to the board in accordance with part 9200.8600;

33 C. establish the term of the grant, loan, or grant  
34 and loan. Grants awarded under parts 9200.8100 to 9200.9100  
35 shall have a maximum term of two years. Loans awarded under

1 parts 9200.8100 to 9200.9100 shall have a loan life determined  
2 by considering facility type, expected life of equipment,  
3 capital cost of the project, and loan amount;

4 D. in the case of a loan agreement, include schedules  
5 for the repayment of principal and interest;

6 E. allow the recipient to enter into contracts to  
7 complete the work specified in the agreement subject to any  
8 board approval that may be required in the agreement;

9 F. provide that any cost overruns incurred in the  
10 development of the proposed facility shall be the sole  
11 responsibility of the recipients;

12 G. provide that the board will not accept amendments  
13 requesting that additional funds be awarded to the recipient;

14 H. require that the recipient provide periodic  
15 reports to the board on the developmental and operational  
16 history of the project so that knowledge and experience gained  
17 from the project may be made available to other communities in  
18 the state;

19 I. provide that if the recipient sells the facility  
20 to a private enterprise, all outstanding loan obligations to the  
21 board shall become due and payable upon sale to the private  
22 enterprise;

23 J. require total repayment of the grant if the  
24 facility is sold to a private enterprise within three years of  
25 the effective date of the grant agreement. Beginning on the  
26 third anniversary of the grant, the amount of the grant that  
27 must be repaid shall be reduced ten percent each year. The  
28 sales agreement between the recipient and the private enterprise  
29 shall transfer the responsibilities outlined in item H to the  
30 private enterprise; and

31 K. require that the facility may only be sold to a  
32 private enterprise in accordance with the constitution of the  
33 state of Minnesota and any applicable Minnesota statutes and  
34 rules.

35 Subp. 2. Rescission of grants and loans. If projects are  
36 not completed and operational in accordance with the terms and

1 conditions of the respective agreements, including time  
2 schedules, the grants and loans for those projects shall be  
3 rescinded, and the entire amount of grants and loans shall be  
4 repaid unless the board determines that variances from the  
5 respective agreements are justified and that the original  
6 objectives of the project will be accomplished.

7 Subp. 3. Disbursement. The board shall disburse grants in  
8 accordance with the payment schedule in the grant, loan, or  
9 grant and loan agreement.

10 Subp. 4. Interest payments. Interest payments on the loan  
11 shall be due annually and shall begin to accrue from the date  
12 the loan agreement is signed. The first repayment of the  
13 principal amount of the loan shall be due one year after the  
14 facility becomes operational or two years after the date the  
15 loan agreement is executed, whichever is earlier. The board  
16 shall consider the facility operational at the point where the  
17 facility meets all vendor guaranteed operating specifications.  
18 Subsequent repayments of principal and interest shall be due  
19 annually on the anniversary date of the first repayment.

20 Subp. 5. and 6. [See Repealer.]

21

22 REPEALER. Minnesota Rules, parts 9200.8100, subpart 21;  
23 9200.8700, subpart 1; 9200.8800; 9200.9000, subparts 1, 2, and 3;  
24 9200.9100, subparts 5 and 6; and 9200.9200 are repealed.