

1 Office of Waste Management

2

3 Adopted Permanent Rules Relating to Solid Waste Reduction Grant
4 and Loan Programs

5

6 Rules as Adopted

7 **SOLID WASTE REDUCTION GRANT AND LOAN PROGRAM**

8 9210.0700 SCOPE AND AUTHORITY.

9 Parts 9210.0700 to 9210.0770 implement the solid waste
10 reduction grant and loan program created and described under
11 Minnesota Statutes, sections 115A.53 and 115A.55, by
12 establishing the substantive criteria and procedural conditions
13 under which the director may award grants or loans for solid
14 waste reduction projects.

15 9210.0710 DEFINITIONS.

16 Subpart 1. **Scope.** The terms defined in this part apply to
17 parts 9210.0700 to 9210.0770. For terms not defined in this
18 part, the definitions in Minnesota Statutes, section 115A.03,
19 apply unless the context states otherwise.

20 Subp. 2. **Director.** "Director" means the director of the
21 Office of Waste Management.

22 Subp. 3. **Office.** "Office" means the Minnesota Office of
23 Waste Management established in Minnesota Statutes, section
24 115A.055.

25 Subp. 4. **Person.** "Person" means an individual,
26 partnership, association, public or private organization, or
27 other legal entity, the state, or an agency, department, or
28 political subdivision of the state.

29 Subp. 5. **Program.** "Program" means the Solid Waste
30 Reduction Grant and Loan Program.

31 Subp. 6. **Solid waste.** "Solid waste" has the meaning given
32 it in Minnesota Statutes, section 116.06, subdivision 10.

33 Subp. 7. **Solid waste reduction.** "Solid waste reduction"
34 means an activity that prevents the generation of solid waste
35 including:

1 A. producing, procuring, or using products or
2 packaging with a longer useful life;

3 B. producing, procuring, or using products or
4 packaging with reduced material; or

5 C. changing solid waste generation habits to result
6 in smaller quantities of solid waste generated.

7 Subp. 8. **Useful life.** "Useful life" means the length of
8 time or number of times that a product may be used or reused in
9 its original form.

10 9210.0720 APPLICATION PROCEDURES.

11 Subpart 1. **Notification by director.** To initiate the
12 process for awarding grants and loans for solid waste reduction
13 projects, the director shall publish a notice in the State
14 Register advising eligible applicants of the availability of
15 solid waste reduction grants and loans. The notice shall
16 describe the maximum amount of funding available for a project,
17 and establish a deadline by which proposals must be submitted.
18 In the notice, the director may also limit the types of projects
19 for which a grant or loan would be awarded in the funding round
20 initiated by the notice.

21 Subp. 2. **Proposals.** Following the publication of a notice
22 in the State Register, eligible applicants that seek assistance
23 must submit proposals to the director. Proposals must be
24 received by the director by the deadline established in the
25 notice. Upon the request of the applicant, the office shall
26 handle specific information as nonpublic data pursuant to
27 Minnesota Statutes, section 115A.06, subdivision 13; however,
28 all information developed as a result of a grant or loan shall
29 be made available to persons through the office's public
30 information program.

31 A. Proposals for grants under part ~~9210.0740~~
32 9210.0750 shall contain the information in part ~~9210.0740~~
33 9210.0750, subpart 5.

34 B. Proposals for grants under part ~~9210.0750~~
35 9210.0760 shall contain the information in part ~~9210.0750~~

1 9210.0760, subpart 5.

2 C. Proposals for loans under part ~~9210-0760~~ 9210.0770
3 shall contain the information in part ~~9210-0760~~ 9210.0770,
4 subpart 5.

5 Subp. 3. **Determination of eligibility and completeness.**

6 For all proposals received by the director by the deadline
7 established in the notice, the director shall determine the
8 eligibility of the applicant, the proposed project, the costs
9 identified in the proposal, and the completeness of the proposal.

10 Subp. 4. **Notice of determination of eligibility and**
11 **completeness.** The director shall notify the applicant of the
12 director's determination of eligibility and completeness of the
13 proposal. If the director determines that the applicant or the
14 project is ineligible, the director shall reject the proposal
15 and notify the applicant. If the director determines that any
16 of the project costs are ineligible or that the proposal is
17 incomplete, the director shall notify the applicant of the
18 ineligible portion of the costs or of the deficiency. The
19 applicant has 14 days after receiving the notice to correct any
20 inadequacies. Extensions shall be granted if requested in a
21 timely manner and good cause exists for the extension. If the
22 inadequacies are not corrected within the time allowed, the
23 proposal shall be rejected.

24 Subp. 5. **Evaluation of proposal.** The director shall
25 evaluate each proposal that is determined to be eligible and
26 complete.

27 A. Proposals for grants under part ~~9210-0740~~
28 9210.0750 shall be evaluated using the criteria in
29 part ~~9210-0740~~ 9210.0750, subpart 6.

30 B. Proposals for grants under part ~~9210-0750~~
31 9210.0760 shall be evaluated using the criteria in
32 part ~~9210-0750~~ 9210.0760, subpart 6.

33 C. Proposals for loans under part ~~9210-0760~~ 9210.0770
34 shall be evaluated using the criteria in part ~~9210-0760~~
35 9210.0770, subpart 6.

36 Subp. 6. **Award of grants or loans.** The director shall

1 award grants or loans for those projects that the director
2 determines best satisfy the criteria applicable to the program
3 under which the applicant is requesting financial assistance.
4 The director shall notify those applicants that do not receive
5 grant or loan awards. An applicant that does not receive an
6 award may resubmit a proposal upon future notice by the director
7 under subpart 1.

8 Subp. 7. **No grant or loan awards.** If the director
9 determines that no proposal will provide sufficient assistance
10 to the state in achieving its solid waste reduction goals, the
11 director may decide not to award any grant or loan. The
12 director may then reinitiate the process for awarding grants by
13 publishing a notice under subpart 1.

14 Subp. 8. **Consultation.** In the director's evaluation of
15 the proposal, the director shall consider recommendations
16 provided by the Solid Waste Management Advisory Council.

17 9210.0730 LIMITATIONS.

18 Subpart 1. **Reduced grant or loan awards.** The director
19 shall ask an applicant to document the impacts of reduced
20 financial assistance before awarding funds less than the
21 eligible amount requested by the applicant or less than the
22 maximum award established in the notice under part 9210.0720,
23 subpart 1. Reduced funds shall be awarded where the director
24 determines that:

25 A. program resources are insufficient to provide full
26 assistance to all applicants to which the director intends to
27 award grants or loans; or

28 B. the applicant could operate the project at a
29 reduced level and still achieve project objectives.

30 Subp. 2. **Limitations on disbursement of funds.** No grant or
31 loan funds shall be disbursed until the recipient has executed a
32 written grant or loan agreement with the director.

33 9210.0740 GRANT AND LOAN AGREEMENTS.

34 A grant or loan agreement shall:

35 A. incorporate by reference the proposal submitted to

1 the director;

2 B. provide that any cost overruns incurred in the
3 development and implementation of the proposed project shall be
4 the sole responsibility of the recipient;

5 C. require that the recipient provide periodic
6 written reports to the director on the implementation and
7 results of the project;

8 D. identify the interest rate and repayment
9 obligations for the loan recipient;

10 E. authorize the director to rescind the grant and
11 require the grant recipient to repay the grant in full if the
12 director determines that, due to the bad faith of the grant
13 recipient, a project has not been developed and implemented
14 according to the terms and conditions of the grant agreement;

15 F. authorize the director to determine that the loan
16 recipient is in default and require that loan recipient
17 immediately repay the loan in full if the director determines
18 that, due to the bad faith of the loan recipient, a project has
19 not been developed and implemented according to the terms and
20 conditions of the loan agreement;

21 G. authorize the director to cease making further
22 disbursements to the grant or loan recipient and to recover the
23 unspent funds if the director determines that, for reasons other
24 than bad faith, a project has not been developed and implemented
25 according to the terms and conditions of the grant or loan
26 agreement and amendment of the agreement is not justified;

27 H. require that the recipient perform and complete
28 project activities according to the work plan in the proposal
29 submitted to the director and incorporated into the grant and
30 loan agreement;

31 I. require that all information developed as a result
32 of a grant or loan shall be made available to other persons
33 through the office's public information program;

34 J. require that the recipient maintain detailed
35 records of all expenditures related to the project; and

36 K. establish other conditions or terms needed to

1 manage or implement the grant or loan agreement.

2 9210.0750 PUBLIC INSTITUTION GRANT PROGRAM.

3 Subpart 1. **Scope.** This part establishes the conditions
4 under which the director shall award solid waste reduction
5 public institution grants.

6 Subp. 2. **Eligible applicants.** Eligible applicants are
7 political subdivisions and other public entities, including
8 state, county, and local agencies; school districts,
9 universities, and hospitals; and solid waste management
10 districts established under Minnesota Statutes, sections 115A.62
11 to 115A.72. An eligible applicant may apply for a grant on
12 behalf of any person who is not an eligible applicant, but the
13 named recipient shall be the eligible applicant.

14 Subp. 3. **Eligible projects.** Eligible projects are
15 projects that study the technical and economic feasibility of
16 solid waste reduction activities or projects that implement
17 solid waste reduction activities. Projects that study or
18 implement composting or recycling are not considered eligible
19 projects.

20 Subp. 4. **Eligible costs.** Eligible costs are limited to:

21 A. 75 percent of the costs of technical and economic
22 feasibility studies, including labor and supplies necessary to
23 conduct these studies; and

24 B. 75 percent of the costs of implementing a waste
25 reduction project, except that only 50 percent of the cost of
26 purchasing and installing equipment are eligible.

27 The cost of operating or maintaining equipment, or of
28 purchasing or renting real property, are not eligible costs.
29 Regardless of the amount of eligible costs, no grant shall be
30 awarded for an amount that exceeds the maximum established by
31 the notice under part 9210.0720, subpart 1.

32 Subp. 5. **Proposal.** An eligible applicant shall submit a
33 proposal in the form specified by the director. The director
34 may request additional information from the applicant if it is
35 necessary to clarify the proposal. A proposal must include the

1 following information:

2 A. the names, qualifications, addresses of the
3 applicant and other project participants, and letters of
4 commitment or resolutions from the public entities participating
5 in the proposed project;

6 B. a description of the proposed project, including:

7 (1) a work plan that includes a list of project
8 activities, an implementation schedule with specific timelines,
9 and persons involved in completing each activity;

10 (2) location of the proposed project;

11 (3) type, source, and quantity of solid waste to
12 be eliminated by the proposed project, including an explanation
13 on how these estimates were determined;

14 (4) current status of the proposed project; and

15 (5) description or identification of persons that
16 the proposed project activities and results may be applicable
17 to;

18 C. a financial report including:

19 (1) an itemized description of the proposed
20 project costs, including the total estimated cost, total grant
21 eligible costs, the amount of grant funding requested, and a
22 discussion of the economic feasibility of implementing the
23 proposed project;

24 (2) an itemized description of the proposed
25 project financing, including the applicant contributions, other
26 government contributions, private contributions, and where
27 applicable, any projected revenues from the proposed project;

28 (3) a business plan that demonstrates ongoing
29 financial commitment over the life of the proposed project,
30 including financial commitment over the projected life of
31 equipment funded by the grant;

32 (4) if the applicant is applying on behalf of
33 another person that is not an eligible applicant, the proposal
34 must provide a credit history and the last three years'
35 financial statements for the ineligible applicant;

36 D. information demonstrating, where applicable, the

1 technical feasibility of the proposed project, including
2 preliminary design and engineering plans for capital
3 expenditures; and

4 E. information demonstrating that the project will
5 comply with applicable regulations, including a list of permits
6 required for the project.

7 Subp. 6. **Evaluation of proposals.** The director shall
8 evaluate each proposal that is determined to be eligible and
9 complete and shall award grants to those projects that, in the
10 director's view, best satisfy the following criteria:

11 A. the proposed project is technically and
12 economically feasible;

13 B. the applicant has the experience and knowledge to
14 complete the proposed project and is committed to implementing
15 the proposed project in a timely manner upon receipt of a grant
16 award;

17 C. the proposed project is consistent with the
18 office's solid waste reduction priorities;

19 D. the proposed project has the necessary financial
20 commitment to cover all proposed project costs;

21 E. the applicant has demonstrated that the proposed
22 project has the support of all public entities that are involved
23 in the proposed project; and

24 F. the proposed project complies with federal, state,
25 and local regulations.

26 In addition, the director shall give priority to solid
27 waste reduction projects that have broad application in the
28 state and that have the potential to significantly reduce the
29 generation of solid waste.

30 9210.0760 FEASIBILITY STUDY GRANT PROGRAM.

31 Subpart 1. **Scope.** This part establishes the conditions
32 under which the director shall award solid waste reduction
33 feasibility study grants.

34 Subp. 2. **Eligible applicants.** Eligible applicants are
35 private organizations that generate solid waste in Minnesota.

1 Subp. 3. **Eligible projects.** Eligible projects are
2 projects that study the technical and economic feasibility of
3 solid waste reduction activities that may be implemented by an
4 eligible applicant. Projects that study composting or recycling
5 are not considered eligible projects.

6 Subp. 4. **Eligible costs.** Eligible costs are limited to 50
7 percent of technical and economic feasibility studies, including
8 labor and supplies necessary to conduct these studies.
9 Regardless of the amount of eligible project costs, no grant
10 shall be awarded for an amount that exceeds the maximum
11 established by the notice under part 9210.0720, subpart 1.

12 Subp. 5. **Proposal.** An eligible applicant shall submit a
13 proposal in the form specified by the director. The director
14 may request additional information from the applicant if it is
15 necessary to clarify the proposal. A proposal must include the
16 following information:

17 A. the names, qualifications, and addresses of the
18 applicant and other project participants;

19 B. a description of the proposed project, including:

20 (1) a work plan that includes a list of project
21 activities, an implementation schedule with specific timelines,
22 and persons involved in completing each activity;

23 (2) location of the proposed project;

24 (3) type, source, and quantity of solid waste
25 that implementation of the proposed project may eliminate,
26 including an explanation on how these estimates were determined;

27 (4) current status of the proposed project; and

28 (5) identification of persons or organizations
29 that proposed project results may be applicable to;

30 C. a financial report including:

31 (1) an itemized description of the proposed
32 project costs, including the total estimated costs, total grant
33 eligible costs, the amount of grant funding requested, and a
34 discussion of the economic feasibility of implementing the
35 proposed project; and

36 (2) an itemized description of the proposed

1 project financing, including the applicant contributions, other
2 government contributions, private contributions, and where
3 applicable, any projected revenues from the proposed project;
4 and

5 D. information demonstrating that the project will
6 comply with applicable regulations, including a list of permits
7 required for the project.

8 Subp. 6. **Evaluation of proposals.** The director shall
9 evaluate each proposal that is determined to be eligible and
10 complete and shall award grants to those projects that, in the
11 director's view, best satisfy the following criteria:

12 A. the proposed project is technically and
13 economically feasible;

14 B. the applicant has the experience and knowledge to
15 complete the proposed project and is committed to implementing
16 the proposed project in a timely manner upon receipt of a grant
17 award;

18 C. the proposed project is consistent with the
19 office's solid waste reduction priorities;

20 D. the proposed project has the necessary financial
21 commitment to cover all proposed project costs; and

22 E. the proposed project complies with federal, state,
23 and local regulations.

24 In addition, the director shall give priority to solid
25 waste reduction projects that have broad application in the
26 state and that have the potential to significantly reduce the
27 generation of solid waste.

28 9210.0770 IMPLEMENTATION LOAN PROGRAM.

29 Subpart 1. **Scope.** This part establishes the conditions
30 under which the director shall award solid waste reduction loans.

31 Subp. 2. **Eligible applicants.** Eligible applicants are
32 private organizations that generate solid waste in Minnesota.

33 Subp. 3. **Eligible projects.** Eligible projects are
34 projects that implement solid waste reduction activities.
35 Projects that implement composting or recycling are not

1 considered eligible projects.

2 Subp. 4. Eligible costs. Eligible costs are limited to 50
3 percent of the costs of implementing a solid waste reduction
4 activity, except that only 20 percent of a loan award may be
5 spent for final design and engineering plan costs. In addition,
6 the cost of operating or maintaining equipment, or of purchasing
7 or renting real property, are not eligible costs. Regardless of
8 the amount of eligible costs, no loan shall be awarded for an
9 amount that exceeds the maximum established by the notice under
10 part 9210.0720, subpart 1.

11 Subp. 5. Proposal. An eligible applicant shall submit a
12 proposal in the form specified by the director. The director
13 may request additional information from the applicant if it is
14 necessary to clarify the proposal. A proposal must include the
15 following information:

16 A. the names, qualifications, and addresses of the
17 applicant and other project participants;

18 B. a description of the proposed project, including:

19 (1) a work plan that includes a list of project
20 activities, an implementation schedule with specific timelines,
21 and persons involved in completing each activity;

22 (2) location of the proposed project;

23 (3) type, source, and quantity of solid waste to
24 be eliminated by the proposed project, including an explanation
25 on how these estimates were determined;

26 (4) current status of the proposed project; and

27 (5) description or identification of persons that
28 the proposed project results may be applicable to;

29 C. a financial report including:

30 (1) an itemized description of the proposed
31 project costs, including the total estimated cost, total grant
32 eligible costs, the amount of grant funding requested, and a
33 discussion of the economic feasibility of implementing the
34 proposed project;

35 (2) an itemized description of the proposed
36 project financing, including the applicant contributions, other

1 government contributions, private contributions, and if
2 applicable, any projected revenues from the proposed project;

3 (3) a business plan that demonstrates ongoing
4 financial commitment over the life of the proposed project,
5 including financial commitment over the projected life of
6 equipment funded by the loan;

7 (4) a credit history of the organization; and

8 (5) financial statements for the last three
9 years;

10 D. information demonstrating the technical
11 feasibility of the proposed project, including preliminary
12 design and engineering plans for capital expenditures, if
13 applicable; and

14 E. information demonstrating that the project will
15 comply with applicable regulations, including a list of permits
16 required for the project.

17 Subp. 6. Evaluation of proposals. The director shall
18 evaluate each proposal that is determined to be eligible and
19 complete and shall award grants to those projects that, in the
20 director's view, best satisfy the following criteria:

21 A. the proposed project is technically and
22 economically feasible;

23 B. the applicant has the experience and knowledge to
24 complete the proposed project and is committed to implementing
25 the proposed project in a timely manner upon receipt of a loan
26 award;

27 C. the proposed project is consistent with the
28 office's solid waste reduction priorities;

29 D. the proposed project has the necessary financial
30 commitment to cover all project costs; and

31 E. the proposed project complies with federal, state,
32 and local regulations.

33 In addition, the director shall give priority to solid
34 waste reduction projects that have broad application in the
35 state and that have the potential to significantly reduce the
36 generation of solid waste.