

1.1 **Pollution Control Agency**

1.2 **Adopted Permanent Rules Relating to Clean Water Partnership**

1.3 **7076.0100 PURPOSE.**

1.4 This chapter provides for the administration of the state clean water partnership
1.5 financial assistance program and the federal nonpoint source management program
1.6 as provided by the federal Water Pollution Control Act, United States Code, title 33,
1.7 sections 1329 and 1330, as amended, commonly referred to as sections 319 and 320 of
1.8 the federal Clean Water Act. Parts 7076.0100 to 7076.0290 implement these programs
1.9 by establishing the conditions under which the agency may award state matching grants,
1.10 provide technical assistance for the development and implementation of nonpoint source
1.11 projects, and award low-interest loans from the state clean water revolving fund for the
1.12 implementation of nonpoint source projects.

1.13 **7076.0110 DEFINITIONS.**

1.14 [For text of subps 1 to 3, see M.R.]

1.15 Subp. 4. **Commissioner.** "Commissioner" means the commissioner of the Pollution
1.16 Control Agency or delegate.

1.17 Subp. 4a. **Financial assistance.** "Financial assistance" means a project grant or
1.18 project loan.

1.19 [For text of subps 5 and 5a, see M.R.]

1.20 Subp. 6. **Local share.** "Local share" means the contributions of a local unit of
1.21 government and project partners to the eligible cost of a project, including the value
1.22 of cash expenditures; project loans used on eligible project activities; and in kind
1.23 contributions of labor, equipment, material, and real property used for and expended on
1.24 eligible project activities.

2.1 [For text of subps 7 and 8, see M.R.]

2.2 Subp. 8a. **Measurable outcomes.** "Measurable outcomes" has the meaning given
2.3 under Minnesota Statutes, section 3.303, subdivision 10, paragraph (b).

2.4 [For text of subp 9, see M.R.]

2.5 Subp. 10. **Official controls.** "Official controls" means ordinances and regulations that
2.6 control the physical development of the whole or part of a local unit of government or that
2.7 implement the general objectives of the local unit of government.

2.8 [For text of subps 11 and 12, see M.R.]

2.9 Subp. 13. **Project area.** "Project area" means the area identified as hydrologically
2.10 contributing to the water of concern.

2.11 Subp. 14. [Repealed, 20 SR 1245]

2.12 Subp. 15. [See repealer.]

2.13 Subp. 16. [Repealed, 16 SR 584]

2.14 Subp. 17. [Repealed, 16 SR 584]

2.15 Subp. 18. [See repealer.]

2.16 Subp. 18a. [See repealer.]

2.17 Subp. 19. **Project grant or grant.** "Project grant" or "grant" means a grant from the
2.18 agency to the project sponsor for the implementation of a nonpoint source project.

2.19 Subp. 19a. **Project loan.** "Project loan" or "loan" means a loan from the agency to the
2.20 loan sponsor for the implementation of a nonpoint source project.

2.21 Subp. 19b. **Project loan set rate.** "Project loan set rate" means the prime interest rate
2.22 as published in the current Wall Street Journal.

3.1 Subp. 19c. **Project period.** "Project period" means a three-year period as found in a
3.2 project contract for completion of project activities defined in a project work plan. This
3.3 period may be extended an additional year upon written approval by the commissioner.

3.4 Subp. 19d. **Project partners.** "Project partners" means local individuals and local
3.5 organizations that will assist the project sponsor in the development and implementation
3.6 of the project.

3.7 Subp. 20. **Project sponsor.** "Project sponsor" means the local unit of government that
3.8 is responsible for development and implementation of the project, applies for financial
3.9 assistance, and is a party to all grant and loan contracts entered into by the agency to
3.10 provide financial assistance.

3.11 Subp. 20a. [See repealer.]

3.12 Subp. 20b. [See repealer.]

3.13 [For text of subp 20c, see M.R.]

3.14 Subp. 20d. **Second-tier loan.** "Second-tier loan" means a loan made by the loan
3.15 sponsor, using project loan funds, for implementation of project activities by a person
3.16 other than the loan sponsor.

3.17 [For text of subps 20e to 22, see M.R.]

3.18 Subp. 23. **Water of concern.** "Water of concern" means the specific surface water or
3.19 groundwater of the state which the project is focused on protecting, enhancing, or restoring.

3.20 Subp. 24. **Work plan.** "Work plan" means a document prepared by a project sponsor
3.21 that describes in detail the work activities to be undertaken by the sponsor to fulfill the
3.22 requirements of Minnesota Statutes, sections 103F.701 to 103F.755, and is approved by
3.23 the commissioner.

4.1 **7076.0120 AVAILABLE ASSISTANCE.**

4.2 Subpart 1. **Grants.** The grants available for nonpoint source projects are for a
4.3 maximum of 50 percent of the eligible cost of the project.

4.4 Subp. 1a. **Loans.** Loans may cover up to 100 percent of the eligible costs of the
4.5 project or may be used to finance the local share of a project grant.

4.6 Subp. 2. **Technical assistance.** Within the limits of available resources, the agency
4.7 may provide technical assistance to local units of government in order to ensure efficient
4.8 and effective development and implementation of projects.

4.9 **7076.0130 ELIGIBILITY CRITERIA.**

4.10 Subpart 1. **Grant-eligible proposers.** Only local units of government are eligible to
4.11 apply for grants and receive technical assistance. A local unit of government is eligible to
4.12 apply for grants and request technical assistance if it has the following:

4.13 [For text of item A, see M.R.]

4.14 B. the authority to generate cash revenues and in kind contributions for the local
4.15 share of a project; and

4.16 C. an approved local water plan that addresses the water of concern.

4.17 Subp. 1a. **Loan-eligible proposers.** Only local units of government that meet the
4.18 requirements of subpart 1 are eligible to apply for loans and receive technical assistance.
4.19 A local unit of government is eligible to receive a loan if it has the following:

4.20 A. the ability to pledge its full faith and credit to ensure repayment of a project loan;

4.21 B. the authority to generate cash revenues for the repayment of a loan; and

4.22 C. the authority to enter into a loan agreement with the agency.

4.23 If the local unit of government submitting the proposal does not meet the criteria in
4.24 items A to C, it must submit a resolution from at least one local unit of government that
5.1 does meet the criteria stating that the loan-eligible local unit of government resolves to
5.2 participate in the project as a loan sponsor.

5.3 Subp. 2. **Eligible costs.** Project costs are eligible for financial assistance if they are
5.4 reasonable, necessary, and allocable to the project. The dredging of harbors, lakes,
5.5 ditches, constructed wetlands, and existing sedimentation basins; sewage treatment
5.6 system upgrades; and the use of ferric chloride, aluminum sulfate, or other chemicals to
5.7 precipitate phosphorus are eligible for loan funds but are not eligible for grant funds. In
5.8 addition, costs related to any of the following activities are eligible for financial assistance:

5.9 [For text of items A and B, see M.R.]

5.10 C. selection, design, layout, and installation of best management practices
5.11 consistent with the federal Water Pollution Control Act, United States Code, title 33,
5.12 sections 1329 and 1330, referred to as sections 319 and 320 of the federal Clean Water
5.13 Act, as amended;

5.14 [For text of items D to I, see M.R.]

5.15 Subp. 3. **Ineligible costs.** Ineligible costs include any costs that are not related to the
5.16 activities in subpart 2. Costs identified under subpart 2 are ineligible if the related project
5.17 activities are started before the grant contract has been signed by the commissioner or
5.18 before the loan contract has been signed by the commissioner and the commissioner
5.19 of management and budget. In addition, the following costs are ineligible for financial
5.20 assistance whether or not they relate to the activities in subpart 2:

5.21 A. operation and maintenance of best management practices;

5.22 B. activities regulated by the Petroleum Tank Release Cleanup Act, Minnesota
5.23 Statutes, chapter 115C; the Environmental Response Compensation and Liability Act,
5.24 Minnesota Statutes, chapter 115B; the Agricultural Chemical Liability Act, Minnesota
5.25 Statutes, chapter 18D; the Comprehensive Environmental Response, Compensation,
6.1 and Liability Act, United States Code, title 42, sections 9601 to 9675; and the Resource
6.2 Conservation and Recovery Act, United States Code, title 42, sections 6901 to 6991;

6.3 C. activities regulated by the national pollutant discharge elimination system
6.4 permit program, parts 7001.1000 to 7001.1100, except that the following are eligible costs:

6.5 [For text of subitems (1) and (2), see M.R.]

6.6 D. activities regulated by a condition of a solid waste or hazardous waste permit
6.7 or the agency solid waste rules, chapter 7035; or the agency hazardous waste rules,
6.8 chapter 7045;

6.9 E. activities funded by state or federal grants or loans for publicly owned treatment
6.10 works;

6.11 F. regulated practices to control spills of pesticides, fertilizer, petroleum, and
6.12 related materials from bulk storage facilities;

6.13 G. regulated practices to manage toxic or hazardous materials;

6.14 H. commercial operations and industrial processes and land use and land
6.15 management activities directly related to commercial operations and industrial processes
6.16 including plant yards, access roads, drainage ponds, refuse piles, storage piles, and
6.17 material product loading areas, excluding farming operations occurring on the farm itself;

6.18 I. active and inactive mining activities;

6.19 J. building and utility construction;

6.20 K. highway and road construction;

6.21 L. activities intended primarily for flood control; and

6.22 M. activities that violate local, state, and federal statutes, rules, and regulations.

6.23 Subp. 4. **Eligible local share for project grants.** Any grant- or loan-eligible project
6.24 costs as described in subparts 2 and 3 that are not funded through a project grant are
7.1 eligible as local share. At least 30 percent of the project costs must be derived from
7.2 nonstate and nonfederal sources. Project loans are considered nonstate and nonfederal

7.3 sources for the purposes of this subpart. Costs incurred by a land occupier or project
7.4 partner for the installation of best management practices may be considered a part of the
7.5 local share provided the following conditions are met:

7.6 A. the primary purpose of the best management practices is for protection,
7.7 enhancement, or restoration of water quality;

7.8 [For text of item B, see M.R.]

7.9 C. any equipment purchased for operational best management practices must
7.10 have a minimum effective life of ten years and be maintained or replaced by the land
7.11 occupier during this period of time, or there must be a plan approved by the commissioner
7.12 scheduling the phase-out of the operational best management practices; and

7.13 D. there must be an operation and maintenance plan for the minimum effective life
7.14 of the best management practices.

7.15 **7076.0140 NOTICE OF FINANCIAL ASSISTANCE AVAILABILITY.**

7.16 Subpart 1. **Notice.** The commissioner will publish in the State Register a notice that
7.17 proposals for project grants and loans will be accepted whenever the commissioner
7.18 determines that funds are available to award the financial assistance. The notice will
7.19 contain the requirements necessary for the proposal and a deadline for proposal submittal,
7.20 which must be no less than 60 days from the date of publication.

7.21 Subp. 2. [See repealer.]

7.22 Subp. 3. **Financial assistance proposal periods.** The commissioner must establish at
7.23 least one financial assistance proposal period each calendar year, if funds are available.

8.1 **7076.0150 FINANCIAL ASSISTANCE PROPOSAL.**

8.2 Subpart 1. **General requirements.** The financial assistance proposal must be
8.3 submitted by the project sponsor on an agency form designed to comply with subpart 2.

8.4 Subp. 2. **Proposal requirements.** A project proposal must contain the following
8.5 information:

8.6 A. a resolution by the project sponsor, authorizing the filing of the proposal and
8.7 designating an official authorized to execute the grant and loan proposal;

8.8 B. written statement that the project sponsor has consulted with the local water
8.9 planning authority, soil and water conservation districts, and watershed districts in the
8.10 project area in preparing the proposal;

8.11 C. identification of local units of government, agencies, and organizations that
8.12 will be involved in the project;

8.13 D. an estimated project budget and the amount of grant and loan funding requested,
8.14 based on estimated project costs;

8.15 E. a list identifying the amount, type, and source of the local share;

8.16 F. preliminary goals and objectives;

8.17 G. a statement of existing water quality conditions and problems and the existing
8.18 and desired uses of the water of concern;

8.19 H. an identification and summary of activities that the grant and loan would make
8.20 possible;

8.21 I. a preliminary schedule of project activities;

8.22 J. documents required by state or federal statutes, rules, and regulations; and

8.23 K. if the proposer is requesting a loan:

9.1 (1) identification of the dedicated sources of revenue to be used for repayment
9.2 of the project loan from the agency;

9.3 (2) a resolution from each loan sponsor authorizing the filing of the proposal,
9.4 stating:

9.5 (a) the total project loan amount requested; and

9.6 (b) the amount of the total loan that the loan sponsor is requesting which,
9.7 when added to all other loan sponsor requests, must equal the total project loan request; and

9.8 (3) an opinion and supporting documentation from the project sponsor's
9.9 attorney stating that the project sponsor and participating local units of government have
9.10 the legal authority to conduct the project.

9.11 Subp. 3. [See repealer.]

9.12 **7076.0160 REJECTION OF FINANCIAL ASSISTANCE PROPOSAL.**

9.13 Subpart 1. **Grounds.** A proposal for financial assistance shall be rejected by the
9.14 commissioner for the following reasons:

9.15 A. an ineligible proposer;

9.16 B. ineligible costs;

9.17 C. a late submittal;

9.18 D. failure to comply with any requirement of statute or rule;

9.19 E. recent agency experience of grant noncompliance by the local unit of
9.20 government; or

9.21 F. an incomplete proposal.

9.22 Subp. 2. **Procedure.** The commissioner shall review each financial assistance proposal
9.23 within 30 days after the deadline for proposal submittal. The commissioner shall notify
10.1 each rejected proposer of the rejection of its proposal and the reasons for the rejection, as
10.2 provided under subpart 1.

10.3 Subp. 3. **Effect of rejection.** A proposer whose proposal is rejected may reapply in a
10.4 subsequent proposal period to be considered for financial assistance.

10.5 **7076.0170 PROJECT RANKING.**

10.6 Subpart 1. **Process of ranking.** Upon completion of the commissioner's review of
10.7 the proposals for acceptability, the agency shall rank the acceptable proposals in order
10.8 of priority. Each project for which an acceptable proposal has been submitted must be
10.9 awarded the number of priority points to which the project is entitled under subpart 2. The
10.10 proposal with the highest number of priority points will be given the highest priority. All
10.11 proposals will be given a ranking depending on the number of points awarded.

10.12 Subp. 2. **Priority points for project proposals.**

10.13 A. The agency must use the criteria in item B to determine the number of priority
10.14 points to be awarded in the evaluation of each project proposal. Each project shall receive a
10.15 whole number from zero to ten under each of the following criteria, depending on how well
10.16 the project satisfies each criteria. The number of points awarded under each of the criteria
10.17 assigned by the agency must be added together to determine the project's total point value.
10.18 This total number must be used to determine the project's overall ranking and priority.

10.19 B. The criteria for the project proposals are as follows:

10.20 (1) the extent to which the project proposal clearly identifies water quality
10.21 concerns, goals, and objectives;

10.22 (2) the extent to which the proposed project demonstrates a high potential for
10.23 project success based on participation, coordination, and cooperation between local units
10.24 of government, public agencies, and other local stakeholders within the project area;

11.1 (3) the extent to which the proposed project activities are technically feasible
11.2 relative to the cost of the project; and

11.3 (4) the extent to which the proposed project activities will lead to protection,
11.4 enhancement, or restoration of the water of concern.

11.5 Subp. 3. [See repealer.]

11.6 Subp. 4. [See repealer.]

11.7 **7076.0180 ALLOCATION OF FUNDING.**

11.8 Subpart 1. [See repealer.]

11.9 Subp. 2. **Grant fund allocation.** Within 60 days following the close of a proposal
11.10 period, the agency shall determine how much of the funds will be made available for
11.11 project grant awards. In deciding how much money to make available for new grant
11.12 awards, the agency shall consider the necessity to have money available for subsequent
11.13 grant periods and other factors relating to the agency's ability to ensure that money will be
11.14 available for upcoming projects. If the agency is appropriated grant funding for special
11.15 purposes, that funding can be set aside for a designated use.

11.16 Subp. 3. [See repealer.]

11.17 Subp. 4. **Loan fund allocation.** Within 60 days following the close of a proposal
11.18 period, the agency shall determine how much of the loan funding will be made available
11.19 for project loan awards. In deciding how much money to make available for new loan
11.20 awards, the agency shall consider the necessity to have money available for subsequent
11.21 loan periods and other factors relating to the agency's ability to ensure that money will be
11.22 available for upcoming projects.

12.1 **7076.0190 SELECTION OF PROJECTS FOR AWARD.**

12.2 Subpart 1. **Ranking.** The agency shall complete its ranking of all projects for which an
12.3 acceptable proposal has been submitted within 60 days of the close of the proposal period.

12.4 Subp. 2. **Projects funded.** The agency shall offer financial assistance to the highest
12.5 priority proposals within the limits of available funds established under part 7076.0180.
12.6 A project that receives 50 percent or less of the available points will not be considered
12.7 for award of funds.

12.8 Subp. 3. **Agency decision.** All decisions of the agency in ranking projects and
12.9 awarding financial assistance must be made by the commissioner.

12.10 Subp. 4. **Timing.** The agency shall make its decision on fund allocation, project
12.11 ranking, and projects to which financial assistance will be awarded within 60 days
12.12 following the close of the proposal period. After the decision is made, a proposer may
12.13 request a written explanation of the priority points awarded the proposal by the agency.

12.14 Subp. 5. **Reapplication.** A proposer whose proposal is not awarded financial assistance
12.15 may reapply in a subsequent proposal period to be considered for financial assistance.

12.16 **7076.0210 GRANT CONDITIONS.**

12.17 Subpart 1. **Amount.** A grant may be made for a maximum of 50 percent of the eligible
12.18 cost of the project. When awarding grants, the agency may award the project all or part of
12.19 the grant request identified in the proposal.

12.20 Subp. 2. [Repealed, 20 SR 1245]

12.21 Subp. 3. **Grant contract.** The project sponsor must enter into a grant contract with the
12.22 agency to receive grant funds. The grant contract may be amended upon agreement of the
12.23 agency and the project sponsor and execution by all the parties that signed the original
12.24 contract, or their successors in office. Grant increase amendments shall be subject to the
13.1 availability of funds. The project period for a grant shall be for up to three years, with a
13.2 possible one-year extension upon approval by the commissioner. The grant contract must:

13.3 [For text of items A to E, see M.R.]

13.4 Subp. 4. **Records.** The project sponsor shall maintain all records relating to the receipt
13.5 and expenditure of grant funds for at least six years from the date of termination of the
13.6 grant contract. Records relating to the installation, operation, and maintenance of best
13.7 management practices shall be maintained for three years beyond the design or useful
13.8 life of the practice.

13.9 Subp. 5. **Audit.** The project sponsor must agree that the books, records, documents,
13.10 and accounting procedures and practices of the project sponsor relevant to this program
13.11 may be examined at any reasonable time and location by the commissioner, legislative
13.12 auditor, or state auditor.

13.13 [For text of subps 6 to 9, see M.R.]

13.14 Subp. 10. **Eligible costs.** No grant funds shall be provided to the project sponsor for
13.15 grant eligible project activities started before the project period established in the grant
13.16 contract or continuing after the end of the project period established in the grant contract.

13.17 **7076.0215 LOAN CONDITIONS.**

13.18 Subpart 1. **Amount.** A loan may be made for up to 100 percent of the eligible cost of a
13.19 project, or for all or part of the local share of a project grant. When awarding loans, the
13.20 agency may award the project all or part of the loan request identified in the proposal.

13.21 Subp. 2. **Interest rate.** The interest rate of the project loan must be at or below the
13.22 project loan set rate. The commissioner shall determine the project loan interest rate for
13.23 each application cycle based on current market conditions, the project loan set rate, and
13.24 the need to maintain the fiscal integrity of the state revolving fund.

14.1 [For text of subp 3, see M.R.]

14.2 Subp. 4. **Repayment.** Repayment of loan funds received must begin not more than
14.3 one year after the end of the project period, and the loan must be fully amortized not later
14.4 than 20 years after the end of the project period. Loan repayments must be remitted to the
14.5 agency at least annually, according to a schedule set forth in the loan contract.

14.6 Subp. 5. **Loan contract.** To receive loan funds, the project sponsor and one or more
14.7 loan sponsors must enter into a loan contract with the agency. A loan contract may be
14.8 amended upon agreement of the agency, the project sponsor, and the loan sponsor and
14.9 executed by all parties that signed the original contract, or their successors in office. Loan

14.10 increase amendments are subject to the availability of funds. The project period for a loan
14.11 shall be for up to three years, with a possible one-year extension upon approval by the
14.12 commissioner. All loan contracts must:

14.13 A. establish the terms and conditions of the loan;

14.14 B. require the loan sponsor to undertake an irrevocable obligation and secure the
14.15 project loan with its full faith and credit, and include an opinion from a bond counsel
14.16 attorney stating that the loan sponsor has the authority to pledge its full faith and credit;

14.17 [For text of items C to E, see M.R.]

14.18 F. require that the project sponsor submit periodic progress reports and a final
14.19 report to the commissioner in a form and schedule prescribed by the commissioner;

14.20 [For text of items G to I, see M.R.]

14.21 Subp. 6. **Records.** The project sponsor and any loan sponsors must maintain all
14.22 records relating to the receipt and expenditure of loan funds for at least six years from
14.23 the date of termination of the loan contract, according to the responsibilities identified
14.24 in the loan contract. Records relating to the installation, operation, and maintenance
15.1 of best management practices must be maintained for three years beyond the design or
15.2 useful life of the practice.

15.3 Subp. 7. **Audit.** The project sponsor and any loan sponsors must obtain audits in
15.4 accordance with the Single Audit Act of 1984, United States Code, title 31, sections 7501 to
15.5 7507, and federal Environmental Protection Agency regulations, including Code of Federal
15.6 Regulations, title 40, section 31.26, as applicable. All books, records, documents, and
15.7 accounting procedures and practices of the project sponsor and any loan sponsors relevant
15.8 to this program may be examined at any reasonable time and location by the commissioner,
15.9 the legislative auditor, the state auditor, or the Environmental Protection Agency.

15.10 Subp. 8. **Eligible costs.** No loan funds shall be provided to the loan sponsor for
15.11 loan-eligible project activities started before the project period established in the loan
15.12 contract, or continuing after the end of the project period established in the loan contract.

15.13 **7076.0225 WORK PLAN AND REPORTS FOR PROJECT GRANTS AND LOANS.**

15.14 Subpart 1. [See repealer.]

15.15 Subp. 1a. **Work plan.** The project sponsor, in cooperation with agency staff, must
15.16 prepare a work plan after the grant and loan is awarded, in a form prescribed by the
15.17 commissioner, and must submit the work plan to the commissioner for approval. The
15.18 work plan must provide measurable outcomes. When selecting best management practices
15.19 for inclusion in a project, the project sponsor shall consider each of the following factors
15.20 in evaluating the best management practices:

15.21 A. whether the best management practice will achieve the desired project objectives;

15.22 B. whether the best management practice will create other water quality or
15.23 environmental problems;

15.24 C. the degree of nonpoint source control achieved for the amount of resources
15.25 allocated for that control;

16.1 D. whether a less costly best management practice could achieve a similar result;

16.2 E. whether the best management practice is reasonably suited for the individual
16.3 site or priority management area; and

16.4 F. the likelihood of adoption of the best management practice.

16.5 Subp. 2. **Semiannual progress report.** The project sponsor must submit a progress
16.6 report to the commissioner, in a form prescribed by the commissioner, by August 1 and
16.7 February 1 for the six-month period of January through June and July through December,
16.8 respectively, of each calendar year of the project period.

16.9 Subp. 3. [See repealer.]

16.10 Subp. 3a. **Project review and budget adjustment.** Upon expenditure of 50 percent
16.11 of the project grant or loan, the project sponsor must submit to the commissioner for
16.12 review and approval a detailed summary of project expenditures and completed work
16.13 activities. The commissioner shall review the summary to verify cost eligibility and
16.14 acceptable completion of work plan activities, to compare actual expenditures with the
16.15 approved project work plan budget, and to verify that the terms of the grant or loan
16.16 contract are being met.

16.17 Subp. 4. [See repealer.]

16.18 Subp. 5. **Project final report.** Upon completion of the project, and in a form
16.19 prescribed by the commissioner, the project sponsor must submit to the commissioner
16.20 for review and approval a detailed summary of project expenditures, completed work
16.21 activities, and measurable outcomes. The commissioner shall review the summary to
16.22 verify cost eligibility and acceptable completion of work plan activities, to compare actual
16.23 expenditures with the approved project work plan budget, and to verify that the terms of
16.24 the grant or loan contract are being met. If the commissioner finds that any funds were
17.1 used for ineligible project costs, those funds must be returned to the agency, along with
17.2 any interest or fees, as outlined in the contract.

17.3 **7076.0280 GRANT PAYMENTS.**

17.4 Subpart 1. **Initial payment.** After the commissioner has signed the grant contract
17.5 between the agency and the project sponsor, and contingent upon the availability of grant
17.6 funds, the agency shall provide to the project sponsor 25 percent of the grant award
17.7 provided in the grant contract. After the project sponsor has spent this amount, the sponsor
17.8 shall provide, in a form prescribed by the commissioner, an accounting for the grant and
17.9 match expenditures to the commissioner for review.

17.10 Subp. 2. [See repealer.]

17.11 Subp. 3. [See repealer.]

17.12 Subp. 4. [See repealer.]

17.13 Subp. 5. [See repealer.]

17.14 Subp. 5a. **Reimbursement payments.** Following approval of the accounting in
17.15 subpart 1, the agency shall promptly pay the project sponsor for any expenses incurred
17.16 after the sponsor presents an itemized invoice, in a form prescribed by the commissioner,
17.17 for work actually performed.

17.18 Subp. 6. **Final payment.** The agency shall withhold a minimum of ten percent of the
17.19 grant award until the agency is satisfied that the project has been completed according to
17.20 the terms of the grant contract and parts 7076.0100 to 7076.0290. More than ten percent
17.21 of the grant award shall be withheld if, after the project review outlined in part 7076.0225,
17.22 subpart 3a, the costs necessary to complete the project are less than those identified in
17.23 the grant contract.

17.24 Subp. 7. [Repealed, 20 SR 1245]

18.1 **7076.0285 LOAN PAYMENTS.**

18.2 Subpart 1. **Payments.** The project sponsor or loan sponsor must submit to the agency
18.3 a certification of incurred costs in a form and schedule prescribed by the agency, which
18.4 certifies that eligible costs have been incurred, but not necessarily paid, by the project
18.5 sponsor or loan sponsor for work on the project. Upon receiving the certification, the
18.6 agency must pay the project sponsor or loan sponsor if the sponsor is in compliance with
18.7 the conditions of the loan contract and the requirements of parts 7076.0100 to 7076.0290.

18.8 Subp. 2. [See repealer.]

18.9 Subp. 3. [See repealer.]

18.10 **7077.0117 POINTS FOR PROJECTS WITH EXISTING NPDES OR SDS PERMIT.**

18.11 [For text of subps 1 to 14, see M.R.]

18.12 Subp. 15. **Project implements corrective measures.** Five points shall be assigned
18.13 to a project if it implements actions that contribute to the correction of a water quality
18.14 problem identified in one or more of the following studies or an equivalent study:

18.15 A. a clean water partnership project pursuant to chapter 7076;

18.16 [For text of items B and C, see M.R.]

18.17 [For text of subps 16 and 17, see M.R.]

18.18 **7077.0118 PRIORITY POINTS FOR PROJECTS IN UNSEWERED AREAS.**

18.19 [For text of subps 1 to 7, see M.R.]

18.20 Subp. 8. **Project implements corrective measures.** Five points shall be assigned to a
18.21 project if it implements actions that contribute to correction of a water quality problem
18.22 identified in one or more of the following studies or an equivalent study:

18.23 A. a clean water partnership project pursuant to chapter 7076;

19.1 [For text of items B and C, see M.R.]

19.2 [For text of subps 9 and 10, see M.R.]

19.3 **7077.0119 POINTS FOR STORM WATER PROJECTS.**

19.4 [For text of subps 1 and 2, see M.R.]

19.5 Subp. 3. **Project implements corrective measures.** Five points shall be assigned to a
19.6 project if it implements actions that contribute to correction of a water quality problem
19.7 identified in one or more of the following studies or an equivalent study:

19.8 A. a clean water partnership project pursuant to chapter 7076;

19.9 [For text of items B and C, see M.R.]

19.10 [For text of subps 4 and 5, see M.R.]

19.11 **REPEALER.** Minnesota Rules, parts 7076.0110, subparts 15, 18, 18a, 20a, and 20b;
19.12 7076.0140, subpart 2; 7076.0150, subpart 3; 7076.0170, subparts 3 and 4; 7076.0180,
19.13 subparts 1 and 3; 7076.0200; 7076.0225, subparts 1, 3, and 4; 7076.0230, subparts 1, 1a,
19.14 and 2; 7076.0240, subparts 1, 2, 3, and 4; 7076.0250; 7076.0260; 7076.0270; 7076.0280,
19.15 subparts 2, 3, 4, and 5; and 7076.0285, subparts 2 and 3, are repealed.