

Point Source Implementation Grant Program

Guidance document

PLEASE NOTE: THE MINNESOTA STATE FISCAL YEAR IS FROM JULY 1 – JUNE 30

This document is intended to expand upon the steps of the overview flowchart for the Point Source Implementation Grant (PSIG) Program. You can find the Stormwater PSIG Program flowchart here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-60.pdf>

A word about deadlines:

It is important to note that the deadlines listed in this guidance and on the overview flowchart for the PSIG program are the **last** dates to submit the materials required in that step. It is always an option—and is always encouraged by the Minnesota Pollution Control Agency (MPCA)—to submit the material to the MPCA **before** those deadlines.

Submitting the required material early gives the engineers at the MPCA more time to review your submittal and makes it more likely that they will have the chance to get their review finished within the required timeframes. MPCA engineers review projects in the order that they are submitted. As such, in a program where stormwater improvement projects are competing for limited financial resources and financial assistance is in high demand, it is beneficial for you to submit your materials early.

Step one – Apply to the MPCA for placement on the PPL for the coming Fiscal Year.

After determining that your project is eligible for a PSIG, the first step in the process is to submit a complete Project Priority List (PPL) application and scoring worksheet to the MPCA. The PPL is a list on which projects eligible for state financial assistance are ranked according to a score given to the project using the PPL Stormwater Projects Scoring Worksheet. This ranking determines the priority order for projects to receive funding when the available PSIG funds are distributed each Fiscal Year (FY) by the Public Facilities Authority (PFA).

It is important to note that placement on the PPL does not guarantee that your project will get funded in that FY. Getting a score on the PPL is just the first step that lets the PFA know who is looking for financial assistance that FY. There is great demand for financial assistance for clean water projects—as such, the PFA must set a fundable range for eligible projects each FY. The fundable range is not a set point value. There are a number of factors that affect where the cutoff line on the PSIG Applicant Annual List is drawn each year, including how much total funding is available for the PFA to distribute. The finalized PPL for the current FY is usually published by the MPCA in the month of September.

What you need to do:

1. Fill out and submit to the MPCA a PPL Stormwater Application.

Deadline: First Friday in March

The application form can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-33.doc>

2. Fill out and submit to the MPCA a PPL Scoring Worksheet – Stormwater.

Deadline: First Friday in March

The scoring worksheet can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-36.doc>

For additional information and guidance when filling out the PPL Stormwater Projects Scoring Worksheet, please refer to the Stormwater Project Priority List Scoring Worksheet Guidance Document:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-61.pdf>

What does the MPCA do during Step one?

After you submit the PPL Stormwater application and the PPL Scoring Worksheet – Stormwater to the MPCA, a stormwater engineer at the agency will review your submittal and assign your project a PPL score based on the information you submitted.

It is important to submit all of your application materials on time and to respond promptly to the MPCA if additional information is requested. This gives the MPCA engineer time to finalize your project's score by June 1 in order to get your project listed on the PPL for the coming FY.

Step two – Submit a PSIG application to the PFA for funding in the current Fiscal Year.

The next step down the path towards receiving a PSIG is to submit a completed PSIG application to the PFA. The PFA will post a notice on their website prior to July notifying potential applicants that the application for the current FY is now available. You should make sure to keep an eye out for the notification—the PFA will not reach out to you to let you know that the application has been posted.

The deadline for this step is an important one to meet if you are looking to close on a grant with the PFA within the FY that you are applying in. Please keep in mind that the Minnesota state FY runs from July 1 to June 30.

What you need to do:

1. Fill out and submit to the PFA a PSIG application.

Deadline: End of July

The application form can be found under the Forms tab on the PFA website here:

<https://mn.gov/deed/pfa/funds-programs/point-source-grants.jsp>

Tip: Start your application early and read through the application thoroughly. If you do not leave enough time to complete the application before the deadline, your project will need to wait until the next FY for funding.

Step three – Submit an Abbreviated Project Plan in addition to Plans and Specifications to the MPCA for approval and project certification.

After successfully applying to the PFA in July, you have some time to complete step three in the process—submitting both your Abbreviated Project Plan and your Plans and Specifications to your project engineer at the MPCA. This step is an important and detailed step in the process. The Plans and Specifications that you will submit are intended to be final plans for your project that show the MPCA exactly what you intend to build. This level of detail is necessary for the MPCA to certify to the PFA that your project meets accepted engineering standards and is likely to function as stormwater treatment as intended.

An important component of the Plans and Specifications that you will be submitting in this step in the process is the detailed cost estimate for the project, including operation and maintenance costs. Caution should be used when developing this best estimate so as not to underestimate the costs of the project—the grant amount

awarded for your project will either be the as-bid construction costs for the project (submitted to the PFA during Step four in the process) or the engineer's best estimate that is submitted during this step, whichever is less.

Something to note—you will not be required to submit as-bid costs as part of the Plans and Specifications submittal in order to be certified by the MPCA. The administrative, bidding, and contract documents that you **do** need to submit as part of the Plans and Specifications include the documents that will be used to advertise the bid, an unsigned copy of a 100% performance bond document to be signed by the chosen contractor, and any contract documents required by the PFA.

For additional information, visit the PFA website (<https://mn.gov/deed/pfa/funds-programs/cleanwaterrevolvingfund.jsp>), or get in touch with your PFA loan officer.

What you need to do:

1. Submit an abbreviated stormwater project plan to the MPCA for preliminary approval.

Deadline: Any time before April 30

There is not a hard deadline for submitting an abbreviated stormwater project plan for your project—it just needs to be in at or before the time of submittal for your full Plans and Specifications. That being said, it is to your advantage to get your abbreviated stormwater project plan in to the MPCA as soon as possible. This allows time for the MPCA to more accurately score your project, to provide feedback during a preliminary stage in the planning process and to head off potential problems or setbacks early.

You can find a checklist outlining what is needed in the Abbreviated Project Plan here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-58.doc>

The contents of the abbreviated stormwater project plan are taken from Minn. R. 7077.0277, subp. 2, A. – F. and subp. 3, E. – F. If you would like to read the exact language, the rule can be found here:

<https://www.revisor.mn.gov/rules/?id=7077.0277>

2. Submit a full set of Plans and Specifications for project certification.

Deadline: Any time before April 30

You can find a checklist outlining what is needed in the Plans and Specifications for your project here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-55.doc>

The contents of the Plans and Specifications checklist are taken from Minn. R. 7077.0279. If you would like to read the exact language, the rule can be found here:

<https://www.revisor.mn.gov/rules/?id=7077.0279>

What does the MPCA do during Step three?

After you submit your Abbreviated Stormwater Project Plan and your full Plans and Specifications for the project, a stormwater engineer from the MPCA will thoroughly review your submittals. They will be looking to make sure that all of the information requested in the checklists for both documents are present and that the designs for your project's treatment system meet accepted engineering standards. The PFA needs assurance from the MPCA that your project is well-designed and is likely to function as intended so that state funds are not allocated to projects that will not have a positive impact on water quality.

After an MPCA engineer and the MPCA Clean Water Revolving Fund (CWRF) coordinator has certified your project and approved your Abbreviated Project Plan, you can expect to receive:

1. A copy of a certification form that the MPCA sends to the PFA to notify them that the project has been certified
 2. A letter from the MPCA officially notifying you that your project has been certified and your Abbreviated project Plan has been approved
-

What does certification mean for your project?

Certification is an important step in the PSIG process if you are looking to move forward with your project within one to two FYs. First of all, you need to be certified by the MPCA if you want to move forward at all. Certification lets the PFA know that your project has concrete plans and is ready to move forward if the funding is available. It is recommended to proceed with developing Plans and Specifications with the intent to be certified even if your project has a lower score than is usually fundable.

The final PSIG list is usually published by the PFA in the month of September. This PSIG list will show the fundable range for the current FY. If your project is within that fundable range for the FY, you have until June 30—the last day of that FY—to get certified if you want to receive the money that your project is eligible for from the pool of money that is available in that FY. If your project is not certified by that June 30 deadline, you must reapply to the PFA in July of the next FY to have your project placed on next year's PSIG list. There is no guarantee that your project will be in the fundable range for the new FY.

If you are **not** within the fundable range for the FY in which the PSIG list is published, you should still aim to be certified by that June 30 deadline. Certification indicates to the PFA that you are ready to move forward on your project if the funds become available. As such, projects that were below the funding cutoff line on the PSIG list but were certified before the June 30 deadline get placed in a priority Certified Projects section on the PSIG list for the next FY. This Certified Projects section will receive funding before new projects that have yet to be certified. As such, even projects with lower PPL scores than are normally fundable may be able to move forward after certification.

It is important to note that placement in the Certified Projects section does not guarantee that your project will be funded. The same fundable range concept still applies to the projects in that section—if the available funding for that FY runs out midway down the Certified Projects section, projects below that funding line will still not be eligible to receive funding for that FY. The benefit of being in the Certified Projects section is that your project will be placed higher on the PSIG list than all new projects, making it more likely that your project will fall within the fundable range. If your project is not certified by June 30 within the same FY that you applied to the PFA, you will need to submit a new PSIG application to the PFA by the July deadline of the next FY.

Why the April 30 deadline?

You may be wondering why you need to submit your Plans and Specifications and your Abbreviated Project Plan by April 30 if your project does not need to be certified until June 30. This April deadline ensures that the stormwater engineer at the MPCA that is working through your project with you has sufficient time to fully review all the information provided. It also gives you time to compile any requested information that the engineer needs to complete the review that may have been absent from your original submittal.

It may be possible for the MPCA to review your project in fewer than 60 days but you will need to communicate closely with your MPCA engineer. Providing timely responses and complete answers will be essential to get your project certified on time. It would also be helpful to get your Abbreviated Stormwater Project Plan in to the MPCA early if you are looking for a shorter review time for your Plans and Specifications as this will break up the workload for the MPCA engineer.

Step four – Submit a grant agreement and accepted as-bids to the PFA.

After completing the certification process with the MPCA, the next step towards receiving funding through the PSIG program takes you back to communicating directly with the PFA. Step four deals with some administrative aspects of the funding process that need to be completed before you can receive your grant and begin construction.

What you need to do:

1. Complete a grant agreement with the PFA.
Deadline: Before the start of construction
2. Submit as-bid construction costs to the PFA.
Deadline: Before the start of construction

You should be contacting your PFA loan officer for this step in the process. A map specifying which loan officer you should contact for your region of the state can be found under the Regional Contacts tab here: <https://mn.gov/deed/pfa/contact/>

Prior to submitting as-bid costs, the only project cost information that was required was an engineer's best estimate of probable cost. Caution should be used when developing these best estimates—the grant amount that will be awarded for the project will take either the as-bid construction costs for the project or the engineer's best estimate for the cost of the project, whichever is less.

Step five – Begin construction of the project. Submit inspection reports to the MPCA.

Once you have completed the administrative aspects of receiving your grant with the PFA, you can begin the actual construction phase of the project.

Important note: If you need a Construction Stormwater (CSW) General Permit for your project through the MPCA, you must obtain permit coverage **before** you start any earth disturbing activities. Your project will need a CSW General Permit if your project is disturbing one or more acres of land during the construction of your treatment system. It is also important to note that your project will need to go through a more extensive review process (up to 30 days) to obtain permit coverage if your project disturbs greater than or equal to 50 acres and is located within one mile (and drains to) a special or impaired water.

The CSW General Permit application can be found under the Permit and Forms tab here: <https://www.pca.state.mn.us/water/construction-stormwater>

What you need to do:

1. Submit inspection reports to the MPCA throughout the duration of construction for the project.

Deadline: Monthly

The monthly inspection reports should be completed by the project's Resident Inspector and submitted to the MPCA engineer that has been working with you throughout the project. The Monthly Inspection Report Form can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-53.doc>

2. Submit any change orders necessary for the project to the MPCA for approval.

Deadline: Before enacting the change

It is important to submit a change order any time that the project is significantly changed from the Plans and Specifications that were approved by the MPCA.

What does the MPCA do during Step five?

The MPCA will conduct at least one on-site visit during the construction of your project. The engineer that does the inspection is going to be looking for confirmation that the treatment system that is being constructed matches up with the planned treatment system that was approved by the MPCA during the PSIG application process. Additionally, the engineer is going to be looking to see that the appropriate sediment and erosion control measures are in place and functional on the construction site.

It is important that you communicate project timelines with the MPCA engineer throughout the life of the project. The ideal time for the on-site inspection during the construction process is while the actual stormwater treatment system is being built. This provides the most insight for the engineer conducting the inspection.

Step six – Notify the MPCA, in writing, of the completion of your project.

After you have completed construction of the designed stormwater treatment system, you must notify the MPCA of the completion. This written notification serves as the date of Initiation of Operation for stormwater projects and so serves as the start date for the yearlong Performance Period for the treatment system.

The Performance Period for the newly constructed stormwater treatment system is intended to show that the treatment system is still operating as designed and will continue to do so in the future. There can be some uncertainty involved in the long-term functionality of stormwater treatment systems that may not be readily apparent right after construction. For example, the vegetation incorporated into the treatment system may not survive the first year and may have to be replanted in order for the treatment system to continue functioning as it was designed. It is important to assess the performance of the treatment system during the performance period to catch issues that may not be apparent right after construction is completed.

What you need to do:

1. If a CSW General Permit was required for the project, submit an official Notice of Termination (NOT) to the MPCA.

Deadline: When the project meets the Final Stabilization requirements in the CSW General Permit

- Vegetative cover with a density of 70% of its expected final growth density
- Permanent stormwater management system is constructed and is operating as designed
- All temporary synthetic and structural BMPs have been removed
- Drainage ditches have been stabilized
- All conveyances and sedimentation basins have been cleaned out and returned to design capacity

If you would like to read the full language describing Final Stabilization, the CSW General Permit can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-strm2-68a.pdf>

The NOT terminates the CSW General Permit coverage for the construction project. The NOT form can be found under the Permit and Forms tab here:

<https://www.pca.state.mn.us/water/construction-stormwater>

2. Notify the MPCA stormwater engineer in writing that construction has finished on the project.

Deadline: When the NOT is submitted or within 10 days after the completion of construction

You must notify the MPCA in writing that construction of the project has concluded whether or not a CSW General Permit was required for the project. The NOT does not serve as a substitute for the written notification. The written notification should be submitted directly to the engineer that you have been working with through the duration of the project.

If a CSW General Permit was required for the project, the written notification should be submitted to the MPCA when the NOT is submitted. If your project did not require a CSW General Permit, the written notification should be submitted to the MPCA within 10 days of the completion of construction of the project.

Step seven – Submit a performance certification of the stormwater treatment system to the MPCA.

The last step in the PSIG program process comes at the end of the Performance Period of your new stormwater treatment system, one year after the Initiation of Operation of the system. This step in the process serves as a verification to the MPCA that your treatment system is still operating as intended and meets the performance standards for the project.

What you need to do:

1. Submit a Performance Certification Report to the MPCA.

Deadline: One year after the submittal of written notification of completion of construction

The One-year Performance Certification Report Checklist can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-54.doc>

- Note any problems with the treatment system (if any) and corrective actions taken to resolve the problems.
Deadline: Within 30 days of the performance certification date or within 30 days of the Commissioner's determination that the project does not meet the project's performance standards

If your treatment system is not operating as it was intended to you must take corrective actions to rectify the problems and return the treatment system to working condition. The corrective actions necessary must be documented and submitted to the MPCA in a Corrective Action Report.

The Corrective Action Report form can be found here:

<https://www.pca.state.mn.us/sites/default/files/wq-wwtp2-52.doc>

What does the MPCA do during Step seven?

After you submit the one-year Performance Certification Report, the MPCA will complete one last on site inspection to verify that your treatment system is still operating as intended.

After verifying that the constructed stormwater treatment system is operating as intended and meets the project's performance standards, the MPCA will send you written notice of project's satisfactory performance.
