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THE CODORUS CREEK WASTEWATER MANAGEMENT STUDY. APPENDIX C. ANAL--ETC(U)
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WASTEWATER MANAGEMENT STUDY

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THE
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WASTEWATER MANAGEMENT STUDY.
APPENDIX C. ANALYSIS OF INSTITUTIONAL ARRANGEMENTS.

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I. Existing Wastewater Management Institutions

General

The Codorus Creek basin, with an area of 280 square miles, is located predominantly in York County, Pennsylvania, with approximately one square mile in Maryland. The study area includes the entire Codorus Creek basin plus the parts of the boroughs of Hanover, New Freedom, Red Lion, Shrewsbury, and Winterstown lying outside the basin. Additionally, the borough of Dover, although it lies completely outside the basin, is included in the study area since it now has and will in the future have a wastewater relationship to the Codorus basin.

The study area is generally rural in nature, the major population center being the city of York and its surrounding communities. Presently, the study area is not part of the Northeastern megalopolis. However, it is served by the Interstate highway system and significant economic growth is a distinct possibility.

The quality of the water in the study area is now substandard. In order to provide the area with an amenable water environment and to afford the maximum utilization of this resource consistent with environmental constraints, governmental action, particularly on the local level, is a necessity.

The institutional question posed is how to accomplish this governmental action which will consist of implementing and managing a complex wastewater collection and treatment system.

This Appendix addresses itself to the institutional environment which will be involved in implementing and managing any given wastewater treatment alternative, be it regional, sub-regional, or individual municipality.

Local Government

The Constitution of the Commonwealth of Pennsylvania (Art. III, Sect. 20) provides for the establishment of several different types of local government, based mainly on population. Among these are: counties, cities, boroughs, and townships. The classification system is shown in detail in Attachment A. Following is a table listing the municipalities located in the study area:

| | | |
|------------------------------------|-----------------------------|------------------------------|
| County (Fourth Class) ¹ | - York | |
| City (Third Class) | - York | |
| Borough | - | |
| | 1. Dallastown | 10. North York |
| | 2. Dover ² | 11. Railroad |
| | 3. Glen Rock | 12. Red Lion ³ |
| | 4. Hanover ³ | 13. Seven Valleys |
| | 5. Jacobus | 14. Shrewsbury ³ |
| | 6. Jefferson | 15. Spring Grove |
| | 7. Loganville | 16. West York |
| | 8. New Freedom ³ | 17. Winterstown ³ |
| | 9. New Salem | 18. Yoe |

¹ The 1970 U.S. Census showed that York County now has a population large enough to qualify as a county of the third class. This classification change is expected to be realized officially sometime in 1972; this study considers York County a county of the third class.

² Located outside the Codorus basin but included in the study area for planning purposes.

³ Located partially outside the Codorus basin.

Township (First Class) - 1. Penn⁴
 2. Spring Garden⁵
 3. York⁵

Township (Second Class)- 1. Codorus⁵ 10. Paradise⁴
 2. East Manchester⁴ 11. Shrewsbury⁵
 3. Heidelberg⁵ 12. Springettsbury⁵
 4. Hopewell⁴ 13. Springfield⁵
 5. Jackson⁴ 14. West Manchester⁴
 6. Manchester⁵ 15. West Manheim⁵
 7. Manheim⁵ 16. Windson⁴
 8. North Codorus⁵
 9. North Hopewell⁴

Local governments exist to provide services for their constituencies. An indication of services provided is shown by the following breakdown of expenditures for all cities, boroughs and townships in Pennsylvania in 1964.⁶

| <u>Service</u> | <u>Expenditures (Millions)</u> |
|---|--------------------------------|
| Police | \$109 |
| Streets and highways | 104 |
| Municipal utilities and other public service expenditures | 51 |
| Fire | 45 |
| Health services | 40 |
| Interest | 31 |
| Parks and recreation | 26 |
| Libraries | 11 |
| Inspections | 7 |
| Miscellaneous | 42 |

While this breakdown indicates that although municipal utilities and other public service expenditures (in which wastewater management is included) formed a sizeable part of the total budget (11%), there are other services from a monetary standpoint of higher priority.

The governmental organization for each of the political subdivisions is shown in Attachment B.

⁴ Majority of township located outside basin.

⁵ Majority or all of township located within basin.

⁶ A Citizen's Guide to Pennsylvania Local Government, Department of Community Affairs, Commonwealth of Pennsylvania.

Authorities

Municipality debt is constitutionally limited to 15% of assessed municipality real property. Yet present borrowing by municipalities in the Codorus basin does not approach this limit.⁷ Perhaps the major reason for this is the existence of the Municipality Authorities Act,⁸ passed by the Pennsylvania legislature in 1945. The primary purpose of this act is to allow municipalities, acting singly or jointly, to finance public service projects without regard to debt limitations. A publication of the Pennsylvania Department of Community Affairs⁹ notes the significance of authorities:

“The growth in the number of authorities in Pennsylvania is impressive. As of December, 1965, there were 1690 authorities of which 744 were school, 220 water, 353 sewer, 143 multipurpose, 89 parking, 26 airport and 115 miscellaneous. These authorities have started or are operating 1846 projects which have been initially financed by bond issues totaling over three billion dollars.”¹¹

By 1967, the number of authorities was 1769¹⁰, and by November, 1971, this total had grown to 2042¹¹, more than any other class of local government in the Commonwealth.

In the Codorus basin study area, there are 14 existing authorities concerned with wastewater management. Of these, 9 have constructed sewage treatment facilities; 8 of these subsequently have been leased back to municipalities. Data on the Codorus basin wastewater management authorities are given in Table 1.

⁷As of 1970, York County is in debt to 0.5% of its assessed real property value, York City 0.08%, all boroughs to 0.05%, and all townships to 0.05%.

853 P.S. 301 et seq.

⁹A Citizen's Guide to Pennsylvania Local Government, op. cit., p. 9.

¹⁰Ibid., p. 1.

¹¹Telephone conversation between employee of Bureau of Municipal Statistics, Department of Community Affairs, Commonwealth of Pennsylvania, and author, 9 November 1971.

TABLE 1

EXISTING WASTEWATER MANAGEMENT AUTHORITIES IN THE CODORUS BASIN

| Name | Date of Orgn | Present Debt | Treatment Facility? | System Oper- ated By | Size (MGD) | Municipalities Served | Remarks |
|---|-----------------|--------------|------------------------|-------------------------|------------|--|--|
| Dallastown Sewer Authority | 1971 | -0- | NO | N/A | N/A | Dallastown Bor? | Sewage Sys- tem proposed |
| Dover Borough | 1957 | \$300,000 | YES | Dover Bor. | 0.25 | Dover Bor., north end Dover Twnsp | Debt as of 31 Dec 70 |
| Dover Township Sewer Authority | 1969 | -0- | NO | N/A | N/A | Dover Twnshp? | Sewage Sys- tem proposed |
| Glen Rock Sewer Authority | 1964 | \$510,000 | YES | Glen Rock Sewer Auth | 0.3 | Glen Rock Bor | Debt as of 31 Dec 70 |
| Hanover Borough, York County, Authority | 1955 | \$562,000 | YES | Hanover Bor | 2.5 | Hanover Bor. part of Penn Twnsp | Debt as of 31 Mar 70 |
| Manchester Township Sewer Authority | 1963 | \$1,135,000 | NO | Manchester Township | N/A | Manchester Twnsp | Debt as of 31 Aug 70 |
| New Freedom Borough Authority | 1948 | \$1,215,000 | YES | Under const | 1.35 | New Freedom Bor, Railroad Bor, Shrewsbury Bor, Shrewsbury Twnsp | Debt as of 9 Nov 71 |
| North York Borough Authority | 1951 | \$208,000 | NO | North York | N/A | North York Bor | Waste Water treated at York City plant. Debt as of 30 Jun 69 |
| Penn Township, York County, Authority | 1964 | \$1,375,000 | YES | Penn Twnsp | 1.75 | Penn Township | Debt as of 31 Mar 68 |

TABLE 1 (Cont.)
EXISTING WASTEWATER MANAGEMENT AUTHORITIES IN THE CODORUS BASIN

| Name | Date of Orgn | Present Debt | Treatment Facility? | System Oper- ated By | Size(MGD) | Municipalities Served | Remarks |
|---|-----------------|--------------|------------------------|----------------------------|-----------|---|---|
| Red Lion Municipal Authority | Before 1964 | \$2,856,000 | YES | Red Lion Borough | 0.7 | Red Lion Bor, York Twnsp | Proposal exists to connect to Springettsbury plant. Debt as of 6 Jul 71. |
| Spring Grove Borough Authority | 1951 | \$365,000 | YES | Spring Grove Borough | 0.25 | Spring Grove Borough | Debt as of 31 Jul 70. |
| Springettsbury Township Sewer Authority | 1952 | \$5,537,000 | YES | Springettsbury Township | 8.0 | Springettsbury Twnsp, part of Spring Garden Twnshp. | Proposals for increasing service area exist. Plant opened Aug 71. Debt as of 31 Dec 70. |
| York City Sewer Authority | 1950 | \$1,694,000 | YES | City of York | 18.0 | City of York, North York Bor, West York Bor, Spring Garden Twnsp, Manchester Twnsp, West Manchester Twnsp, York Township | Debt as of 28 Feb 70. |
| York Township Water and Sewer Authority | 1962 | \$1,489,000 | NO | York Township | N/A | York Township | Debt as of 31 Dec 69 Includes both sewer and water projects. |

It is significant to note that there are no public institutions other than authorities which have financed major municipal wastewater treatment plants in the Codorus Basin. Still, municipalities spent an average of about 16.5% of their annual expenditures in 1970 on sewage facilities.¹³ These expenditures consist of lease payments to authorities and operating and maintenance expenses for collection systems. Table 2 outlines expenditures for municipal waste water collection and treatment in the Codorus Basin in 1970.

TABLE 2¹⁴

CODORUS BASIN MUNICIPAL EXPENDITURES FOR WASTEWATER, 1970

| Municipality | Number | Number with waste-water expenditures | % of total muni revenues spent on wastewater | Remarks |
|-------------------------|--------|--------------------------------------|--|--|
| County | 1 | 0 | 0 | Not permitted under law, except as aid to lower municipalities |
| City | 1 | 1 | 18.1 | |
| Borough | 18 | 9 | 16.3 | |
| Township (First Class) | 3 | 3 | 16.0 | |
| Township (Second Class) | 16 | 4 | 17.6 | |

¹³Derived from editing sheets for financial reports for Codorus Basin municipalities, furnished by Bureau of Municipal Statistics, Department of Community Affairs, Commonwealth of Pennsylvania.

¹⁴ibid.

The existing institutional situation for wastewater management in the Codorus Basin study area is complex. Any regional wastewater plan must deal with five different levels of local government (county, city, borough, 1st class township, 2d class township) totaling 39 municipalities. It appears there would be great difficulty in obtaining substantive, coordinated, basinwide action on wastewater without some unifying institution being established and empowered to provide centralized leadership in organization, administration, planning, finance, construction, operation and maintenance. The number of wastewater authorities existing in the basin indicate this as the most promising institutional structure to consider.

II. Legal Analysis For Expanding Present or Developing New Institutions

Municipality Powers Regarding Wastewater Treatment

Cities, boroughs and townships are authorized to construct and operate wastewater treatment facilities. They need not form an authority to do this. Citations to Pennsylvania Statutes concerning these powers are shown in Table 3. Counties of the Third Class (York) can provide for wastewater systems only by formation of an authority, which they are legally permitted to do (53 P.S. 302-303). However, without forming an authority, they may appropriate monies to aid cities of the third class, boroughs, and townships for construction and operation of sewers and sewage treatment workd.

Generally, cities, boroughs and townships may joint with other municipalities to construct and operate sewers and sewage treatment facilities. Also, a city, borough or township may connect with an existing waste treatment system owned by an adjacent municipality if the court is of the opinion that such connection can be made without impairing the usefulness of existing sewers. Viewers will be appointed by the court of quarter

TABLE 3

MUNICIPALITY POWERS FOR CONSTRUCTION AND OPERATION OF WASTE WATER SYSTEMS

CITATIONS TO PENNSYLVANIA STATUTES

| | <u>General</u> | <u>Joint</u> | <u>Acquisition</u> | <u>Non-Debt Bonds</u> |
|--------------------------|----------------------|---------------------|-------------------------|-----------------------|
| Cities - Third Class | 53 P.S. 38201 et seq | 53 P.S. 38240(p.p.) | 53 P.S. 38220 38222 | 53 P.S. 37403(65) |
| Boroughs | 53 P.S. 47001 et seq | 53 P.S. 47021 | 53 P.S. 47041 | 53 P.S. 46202(72) |
| Townships - First Class | 53 P.S. 57401(p.p.) | 53 P.S. 57440 | 53 P.S. 57415 (p.p.) | 53 P.S. 56561(p.p.) |
| Townships - Second Class | 53 P.S. 66535 | 53 P.S. 66540 | 53 P.S. 66535 (p.p.) | 53 P.S. 65764(p.p.) |

p.p. - pocket part

sessions to assess the facts of the case when agreement cannot be reached between the serving and served municipalities. The municipalities concerned must then abide by the judgment of the court.

Cities of the third class may extend service to the county and other municipalities of the county in the vicinity of such cities but cannot construct sewers where sewage facilities are furnished by a private company or a municipality authority. Boroughs and townships may provide service to municipalities, persons and corporations outside their limits. In addition, municipalities may, by condemnation, acquire private or community sewage systems within their boundaries.

The attractiveness of authorities as a means of providing sewage treatment service has a number of possible explanations. Probably reasons are: 1) the low financial debt limit for municipalities (7% before 1966, 15% thereafter); 2) the aversion of municipalities to any significant debt; and 3) the ease and convenience of forming an authority, which in addition to not being a municipality debt, has no debt limit.

Formation of Authorities Under the Municipality Authorities Act of 1945, as amended (53 P.S. 301 et seq), any single municipality or two or more municipalities acting jointly may form an authority for purposes of constructing or operating wastewater treatment facilities. Also, authorities may be created to treat industrial waste.

Under 53 P.S. 2233, any county, city, borough or township may make an agreement for purposes of wastewater treatment with an authority organized by a county or city of the third class. Under this section, the County or City of York could form an authority to serve the whole county or basin.

Constraints on the formation of authorities are that they must be formed voluntarily, there is no provision for consolidating existing authorities for wastewater treatment, and local governments generally do not like to give up powers to authorities. However, there is a special provision for consolidating school authorities, 53 P.S. 305(1), that could be used as a basis for proposed legislation providing for consolidation of wastewater treatment authorities.

One other constraint is that "none of the powers granted by this act shall be exercised in the construction, improvement, maintenance, extension or operation of any project or projects which in whole or in part shall duplicate or compete with existing enterprises serving substantially the same purposes."¹⁵ By provisions of this section, this limitation does not apply to sanitary waste disposal or hospitals. This may provide a basis for legislation exempting wastewater treatment systems from the provisions of this section. On the other hand, it could possibly provide some difficulty for a regional wastewater authority desiring to phase out or replace existing facilities.

The Commonwealth of Pennsylvania does have some power to force joint consideration on planning wastewater treatment facilities, under the Clean Streams Law, as follows:

"... the department (Department of Environmental Resources) may issue appropriate orders to municipalities where such orders are found to be necessary to assure that there will be adequate sewer systems and treatment facilities to meet present and future needs or otherwise to meet the objectives of this act. Such orders may include, but shall not be limited to, orders requiring municipalities to undertake studies, to prepare and submit plans, to acquire, construct, repair, alter, complete, extend, or operate a sewer system or treatment facility, or to negotiate with other municipalities for combined or joint

¹⁵53 P.S. 306

sewer systems or treatment facilities. Such orders may prohibit sewer system extensions, additional connections, or any other action that would result in an increase in the sewage that would be discharged into an existing sewer system or treatment facility."¹⁶

This section of the law is applicable to an authority, a joint agreement between municipalities, or to individual municipalities. Important here is the leverage given the Commonwealth to force regionalization of waste water systems.

Lastly, once an authority is formed, other municipalities may apply to join; however, permission to join is discretionary with the authority (53 P.S. 304).

Land Acquisition Powers of Authorities and Municipalities

How to acquire land on which to locate wastewater collection and treatment facilities is a sensitive question. Desired is a process which would minimize disruption to individuals and communities. Yet if this is not possible, most forms of government possess the power of eminent domain, a legal philosophy which holds that the ultimate owner of any land is the ruling government administering the area in which the land is located. Generally, all municipalities, except counties, and all authorities have eminent domain power to acquire land for wastewater treatment facilities. Attachment D presents the specific land acquisition powers of municipalities and authorities.

¹⁶35 P.S. 691.203(b)

III. Institutional Alternatives

Within Existing Legislation

To provide a basis for discussion of the proper institution to implement a wastewater management plan, four institutional alternatives are presented below, along with the probable impacts of each. These four cover the range from total decentralization to complete centralization. They are: individual municipality action, joint municipal agreement(s), municipal authority below county level, and county authority.

Alternative 1, Upgrade Water Quality by Individual Municipality Action

Impacts: 1) Possible increase in local taxes and sewer rates.
2) Possible inefficiencies in water quality management in the study area due to fragmented control of discharges (primarily stemming from sophisticated skills required of system operators and managers).
3) Little disruption of existing institutional structure.
4) Some expenditure of State and Federal funds yielding some economic growth benefits.
5) Gradually lessening Commonwealth pressure as water quality improves.
6) Some improvement in the water environment.
7) Possible loss of economies of scale which might be gained through regionalization.
8) Possible difficulties in obtaining financing.

Alternative 2, Upgrade Water Quality by Joint Municipal Agreement(s)

Impacts: 1) Possible increase in local taxes and/or sewer rates.
2) Possible inefficiencies in water quality management in the study area due to fragmented control of discharges (primarily stemming from sophisticated skills required of system operators and managers).
3) Little disruption of existing institutional structure.
4) Some expenditure of State and Federal funds yielding some economic growth benefits.
5) Gradually lessening Commonwealth pressure as water quality improves.
6) Some improvement in the water environment.
7) Possible loss of economies of scale which might be gained through regionalization.
8) Possible difficulties in obtaining financing.
9) Possible aggravation of the economic have and have-not areas in the study area.
10) Need for increased municipal cooperation.

**Alternative 3, Upgrade Water Quality by Forming Municipal Authorities
Below County Level**

- Impacts:**
- 1) Possible increase in local taxes, and/or sewer rates.
 - 2) Accelerated improvement of water quality in some areas.
 - 3) Some changes in existing institutional structure.
 - 4) Possible larger influx of State and Federal funds providing larger economic spillovers.
 - 5) Lessening Commonwealth Pressure as water quality improves.
 - 6) Some improvement in the water environment.
 - 7) Possible realization of economies of scale through sub-regionalization.
 - 8) Financing relatively easy.
 - 9) Possible aggravation of the economic have and have-not areas in the study area.
 - 10) Need for increased municipal cooperation.
 - 11) Takeover or replacement of already financed existing facilities may pose difficulties.

Alternative 4, Upgrade Water Quality by Forming County Authority

- Impacts:**
- 1) Possible increase in local taxes and/or sewer rates.
 - 2) Accelerated improvement of water quality in entire study area.
 - 3) Some changes in existing institutional structure.
 - 4) Possible larger influx of State and Federal funds providing larger economic spillovers.
 - 5) Lessening Commonwealth pressure as water quality improves.
 - 6) Some improvement in the water environment.
 - 7) Possible realization of economies of scale through regionalization.
 - 8) Financing relatively easy.
 - 9) Unity of control for wastewater management in study area and thus possible equalization between economic have and have-not areas.
 - 10) Need for increased municipal cooperation.
 - 11) Takeover or replacement of already financed existing facilities may pose difficulties.
 - 12) Possible establishment of the study area as a national leader in wastewater management.

The four alternatives represent a range of institutional alternatives available within existing legislation. It can be surmised that wastewater management is presently considered a local problem by all three levels of government and, as such, that is where the management institution belongs.

Still, this philosophy may change in the years to come and it thus may be profitable, as a best guess to what the future holds, to consider the implications of proposed new legislation.

Pending Legislation

Two bills, HB 39 and HB 41, are currently in the Pennsylvania legislature. HB 39 would establish a State Water and Wastes Authority with broad powers, including eminent domain, to manage the Commonwealth's wastewater program. The concentration of power in one institution is significant. HB 41 then provides for the establishment of Regional Water and Wastes Management Authorities, also with broad powers, including the power to form regional authorities where municipalities do not do so within six months of having been so directed. Both new types of institution would have the power to "acquire, construct, reconstruct, alter, repair, improve, equip, furnish, maintain, own, lease, sell, convey, and operate water works, water supply facilities, water distribution systems and water pollution control collection transportation and treatment systems for industrial as well as domestic wastes, storm sewer systems, facilities for pollution abatement projects of all types including industrial wastes, mine drainage control, mine reclamation, and oil and gas field reclamation projects, and any other project that may be necessary for or aid in water pollution control."

The major impact of this new alternative, total state control of wastewater management, is the erosion of local control in this field. Champions can be found for either side of this issue; still, the concept runs contrary to Pennsylvania's history of home rule.

IV. Financial Assistance Available in Planning, Constructing and Operating Wastewater Treatment Systems

General

This section lists the sources of extent of financial assistance available to municipalities, groups of municipalities or authorities in the Codorus Creek study area for the purposes of constructing and operating wastewater treatment systems. Financial assistance is herein classified in three groups: Federal, State, and local. Programs and policies at all governmental levels are dynamic, however, and contact should be established directly with the appropriate governmental agency for current program status.

Federal Programs Providing Financial assistance

There are three Federal agencies with programs that could be applicable to the financing of a wastewater system in the study area. These are: the Environmental Protection Agency, the Department of Housing and Urban Development, and the Department of Agriculture's Farmers Home Administration. It should be noted that the study area does not qualify for either the Appalachian programs (it is not in Appalachia) or the Economic Development Agency programs (it is not classed as a depressed area).

The Environmental Protection Agency, under the Federal Water Pollution Control Act (P.L. 84-660), as amended, provides grants for construction of waste treatment works, including interceptors and outfalls. It will not provide grants for collector systems. For award of grants, it is required that discharge meet state standards of water quality, that the project or projects be a part of an approved regional plan, and that matching funds be provided by the state in accordance with the following schedule:

| <u>Federal Grant</u> <u>(% of construction costs)</u> | <u>Required</u> <u>State Grant</u> | <u>Total Grant</u> |
|--|---------------------------------------|--------------------|
| 30-33 | 0 | 30-33 |
| 40-44 | 30 | 70-74 |
| 50-55 | 25 | 75-80 |

The Department of Housing and Urban Development, under the Housing and Urban Development Act of 1965, as amended, provides grants for sanitary sewer systems for the collection, transmission and discharge of liquid wastes (excluding sewage treatment works) and storm sewer systems for the collection, transmission and discharge of storm water caused by rainfall or ground water runoff. Building or household connections and local distribution and collection laterals are not eligible for assistance. The facility system must be part of the comprehensively planned development of the area.

The Farmers Home Administration of the Department of Agriculture provides grants, direct loans and guaranteed/insured loans for installation, repair, improvement or expansion or rural waste disposal systems including the sewer lines, waste collection, and treatment of all wastes including solid wastes. Eligible are public or quasi-public bodies or corporations not operated for profit which will serve residents of open country and rural towns and villages up to 5,500 population when: 1) they are unable to obtain needed funds from other sources at reasonable rates and terms; 2) the proposed improvements will primarily serve farmers and other rural residents; and 3) they have legal capability to borrow, repay, and pledge security for the loan and to operate the facilities or services. Restrictions include a total indebtedness including both loans and grants not to exceed \$4,000,000. Development grants for construction cannot exceed 50 percent of the development cost.

There are eight other programs offered by the above agencies, as well as one other from the Department of Agriculture's Soil Conservation Service which could possibly lend financial assistance toward implementing a Codorus basin wastewater system. These programs, in addition to the three outlined in above, are presented in detail in Attachment D, derived from the 1971 Catalog of Federal Domestic Assistance.

State Programs Providing Financial Assistance

The Commonwealth of Pennsylvania has three major programs to provide financial assistance to municipalities for wastewater systems. These are: the Land and Water Conservation and Reclamation Act (Act 443) and the Clean Streams Law (as amended), both administered by the Department of Environmental Resources; and the redistribution of harness track tax revenues (Act 90), administered by the Department of Commerce.

Act 443 provided \$100,000,000 of funds beginning in 1968 for grants to political subdivisions and municipal authorities for the construction, reconstruction and improvement of municipal sewage treatment plants. To date it has been the source of matching funds for Federal grants under the Federal Water Pollution Control Act (P.L. 84-660).

The Clean Streams Act provides annual payments toward the cost of sewage treatment plant operation, maintenance and replacement. The payment is an amount not to exceed 2 percent of the acquisition and construction costs of such treatment plants.

The redistribution of harness track tax revenues pays up to 25 percent or \$50,000, whichever is less, of the cost of construction, rehabilitation, alteration, expansion, or improvement of sewage disposal facilities. However, this revenue is also distributed for water facilities and access roads. Eligible are boroughs having a population less than 10,000, townships with a population less than 12,000, each of their municipal authorities, or county authorities authorized to service the borough or township. One important restriction is that the project to receive distribution of this tax revenue must not be able to alternatively financed. Further, where the distribution of this income would cover but a small fraction of the total project cost, award of these funds is doubtful.

Local Programs Providing Financial Assistance

There are no specific local programs for financial assistance. Yet the Pennsylvania legislature has provided local municipalities much leeway in financing wastewater treatment systems by delegating them broad powers of taxation (53 P.S. 6901-6924), the authority to incur debt up to 15% of assessed valuation (53 P.S. 6201), the authority to issue revenue bonds (bonds repayed by future revenue received) (53 P.S. 6620), and the authority to issue general obligation bonds, not considered as debt (53 P.S. 6751-6772).

Also, under the Pennsylvania Sewage Facilities Act of 1966, each municipality must submit to the Department of Environmental Resources, "an officially adopted plan for sewerage systems serving areas within its jurisdiction." To assist municipalities in complying with this requirement, the Commonwealth has authorized grants to municipalities equal to one-half the cost of preparing these plans, exclusive of those costs paid by the Federal government.

V. SUMMARY

Overview. The existing institutional structure of the Codorus Basin study area permits implementation of a wastewater management plan on a regional, subregional or local basis. Cities, boroughs and townships hold powers permitting them to plan, finance, construct and operate sewage treatment and collection facilities, individually or jointly. An attractive alternative to accomplish the same end is the formation of authorities. Each method has been used with success in the study area. Yet problems of water quality remain. Perhaps this is so, not only due to the undesirable offshoots of expanding technology, but because something has been lacking in the institutional approaches to water quality.

One missing ingredient may have been local initiative to face and solve wastewater problems. It may be that local governments hold other community services to be of higher priority. Also it is possible that expertise in wastewater management is lacking on the local level. Some Pennsylvania legislators have recognized this apparent lack of initiative and are taking strong measures to rectify this situation. This trend is embodied by House Bill 41, previously discussed, which forces local governments to take action regarding wastewater or face state takeover. The merits of a program such as this are indeterminate now, yet it appears that local initiative would indeed be strengthened.

Also lacking may be timely marshalling of the resources needed to solve the wastewater problem. By this is meant the gathering of the necessary professional skills (to include local leaders, engineering experts, and Commonwealth and Federal representatives), funding power, and commitment to planning in a timely, organized and controlled manner. The approach of the Codorus Creek Wastewater Study has attempted to fill this gap. How well this strategy succeeds must be evaluated at a later date. Thus far it seems to have brought a more rational and purposeful methodology to wastewater management.

Conclusions. The most attractive institutional arrangement for wastewater management in the Codorus Basin study area is a County Wastewater Authority. This structure would provide central direction and control, assure representation to municipalities served, facilitate financial operations, and establish a regional solution to the wastewater problems of the study area. It is feasible under existing legislation and would probably find favor in Commonwealth and Federal agencies.

Certain problems must be faced in implementing this alternative. Among these are: inter-municipality cooperation, takeover financing of existing treatment facilities, public-private agreements on treatment and possible reuse of wastewater, and the actual planning for implementation of the system. Though these problems may be formidable, they should be faced at an early date so as to expedite attainment of the desired environment, in all senses of the word, in the Codorus Basin study area.

ATTACHMENT A

1. Commonwealth of Pennsylvania, Constitution, Article III

Section 20. Classification of municipalities

The Legislature shall have power to classify counties, cities boroughs, school districts, and townships according to population, and all laws passed relating to each class, and all laws passed relating to, and regulating procedure and proceedings in court with reference to, any class, shall be deemed general legislation within the meaning of this Constitution. (As amended 1967)

2. 53 P.S. 101-103 Classification of Cities (As amended 1961)

| | | | |
|------------------------------|---|----------------------------|----------------|
| Cities of the first class | : | 1,000,000 < Pop. | (Philadelphia) |
| Cities of the second class | : | 500,000 < Pop. ≤ 1,000,000 | (Pittsburgh) |
| Cities of the second class A | : | 135,000 < Pop. ≤ 500,000 | (Scranton) |
| Cities of the third class | : | Pop. ≤ 135,000 | (All others) |

3. 16 P.S. 210-211 Classification of Counties (As amended 1967)

| | | | |
|-------------------------|---|----------------------------|----------------|
| First class counties | : | 1,800,000 < Pop. | (Philadelphia) |
| Second class counties | : | 800,000 < Pop. ≤ 1,800,000 | (Allegheny) |
| Second class A counties | : | 500,000 < Pop. ≤ 800,000 | |
| Third class counties | : | 250,000 < Pop. ≤ 500,000 | |
| Fourth class counties | : | 150,000 < Pop. < 250,000 | |
| Fifth class counties | : | 95,000 < Pop. ≤ 150,000 | |
| Sixth class counties | : | 45,000 < Pop. ≤ 95,000 | |
| Seventh class counties | : | 20,000 < Pop. ≤ 45,000 | |
| Eighth class counties | : | Pop. ≤ 20,000 | |

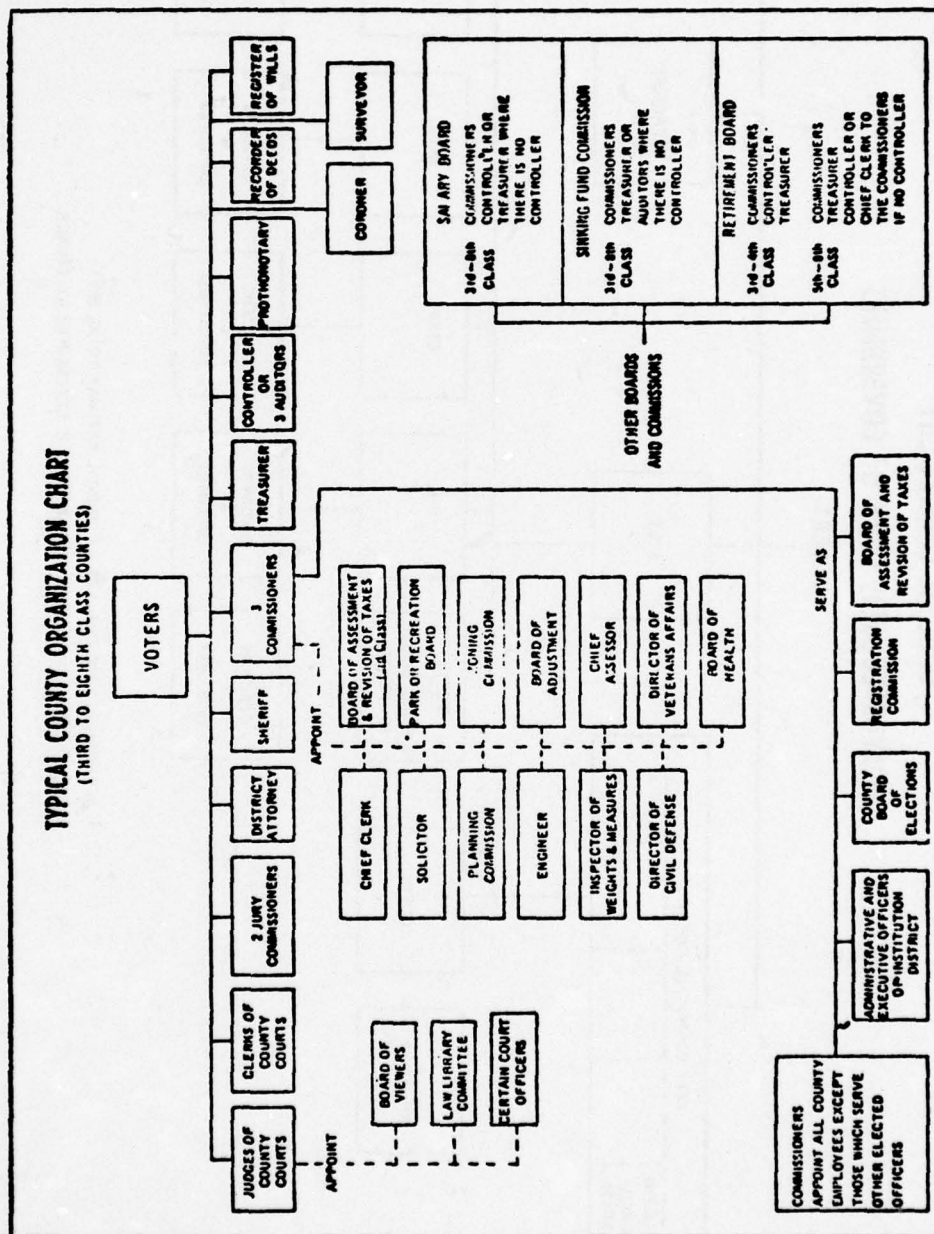
4. 53 P.S. 45201-45219 Incorporation of Boroughs (1966)

The courts of quarter sessions may incorporate any area within their jurisdiction, not already incorporated or a part of an incorporated municipality, as a borough, which, after having been so incorporated, shall be a body corporate and politic by the name which shall be decreed by the court. (Thus there is only one class of borough).

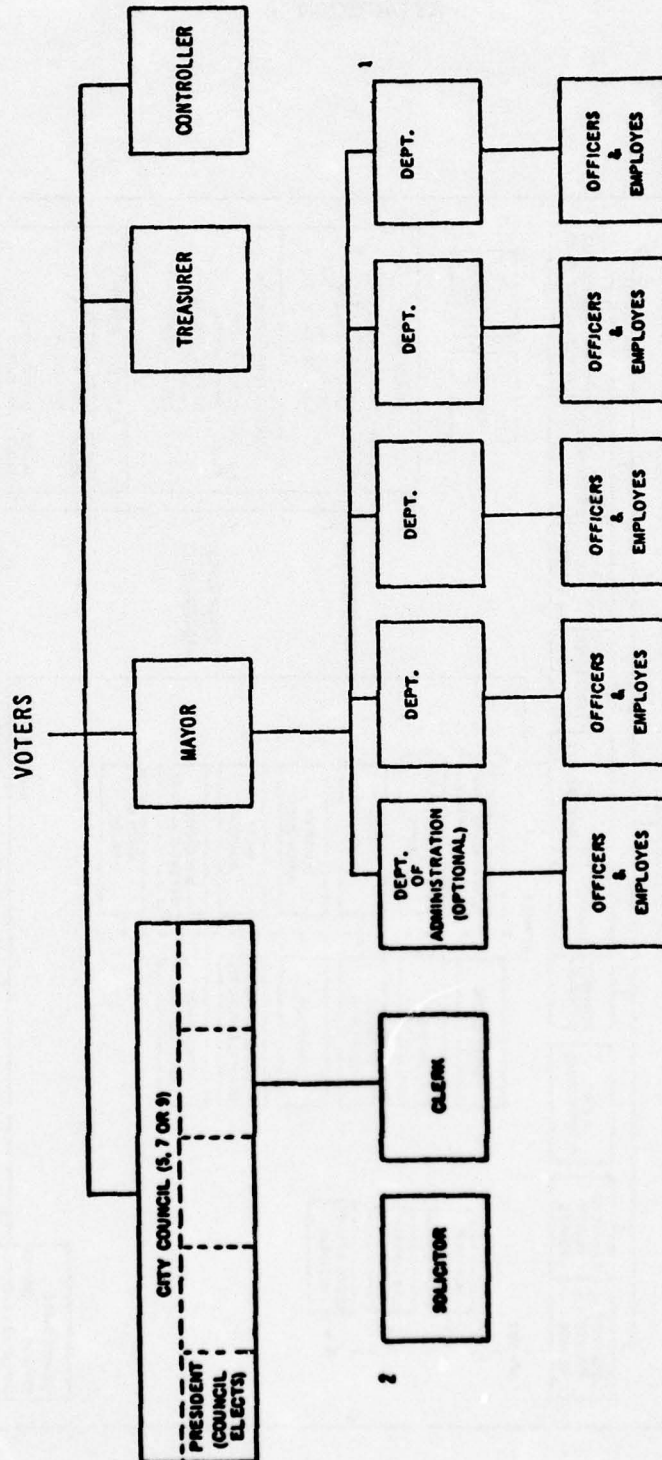
5. 53 P.S. 55201 Division into classes; change of class (Townships) (1949)

The townships now in existence and those to be hereafter created are divided into two classes. Townships of the first class shall be those having a population of at least three hundred inhabitants to the square mile, which have heretofore fully organized and elected their officers and are now functioning as townships of the first class, or which may hereafter be created townships of the first class in the manner provided in this act. All townships, not townships of the first class, shall be townships of the second class. A change from one class to the other shall hereafter be made only as provided by this act or the laws relating to townships of the second class.

ATTACHMENT B

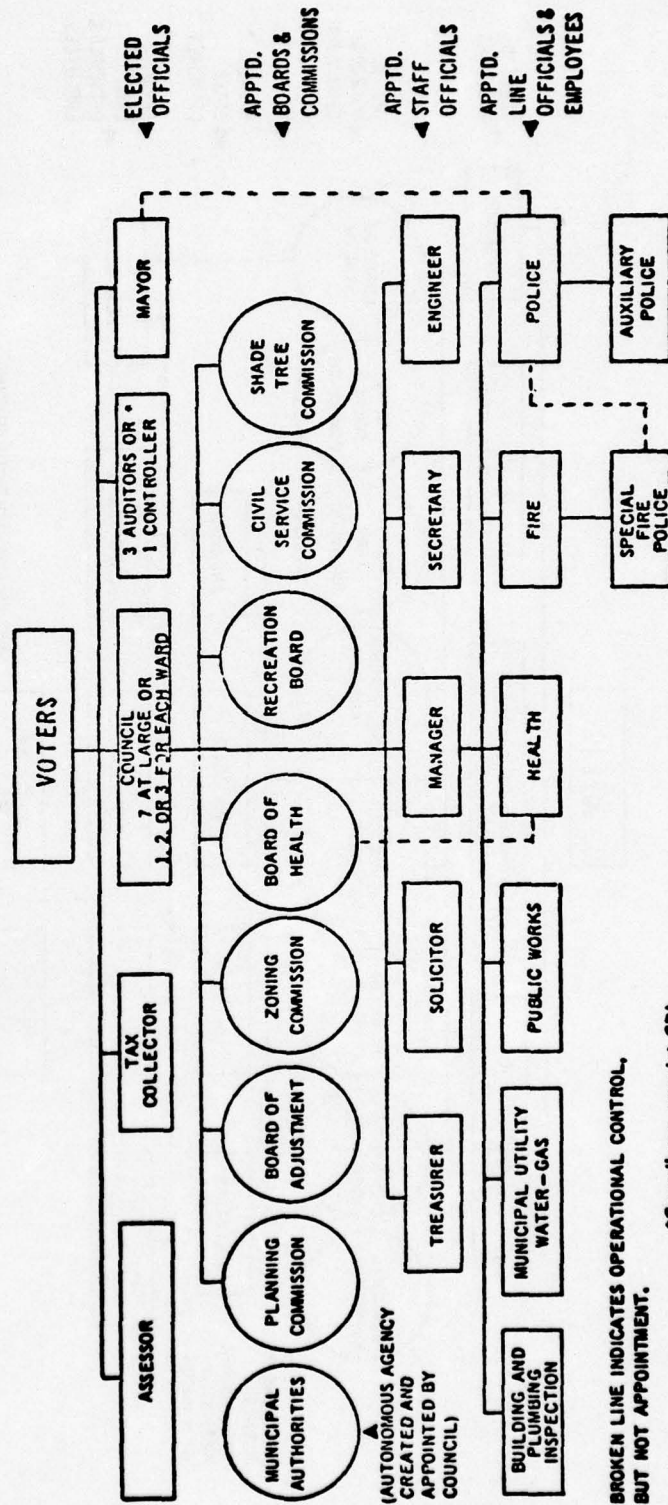


**TYPICAL ORGANIZATION OF PENNSYLVANIA
OPTIONAL CHARTER CITY
MAYOR-COUNCIL FORM OF GOVERNMENT**



- ¹ DEPARTMENTS ARE CREATED BY COUNCIL AND MAY TOTAL NINE
² THE SOLICITOR'S MANNER OF APPOINTMENT IS DETERMINED BY COUNCIL

TYPICAL ORGANIZATION OF PENNSYLVANIA BOROUGH GOVERNMENT



◀ ELECTED
OFFICIALS

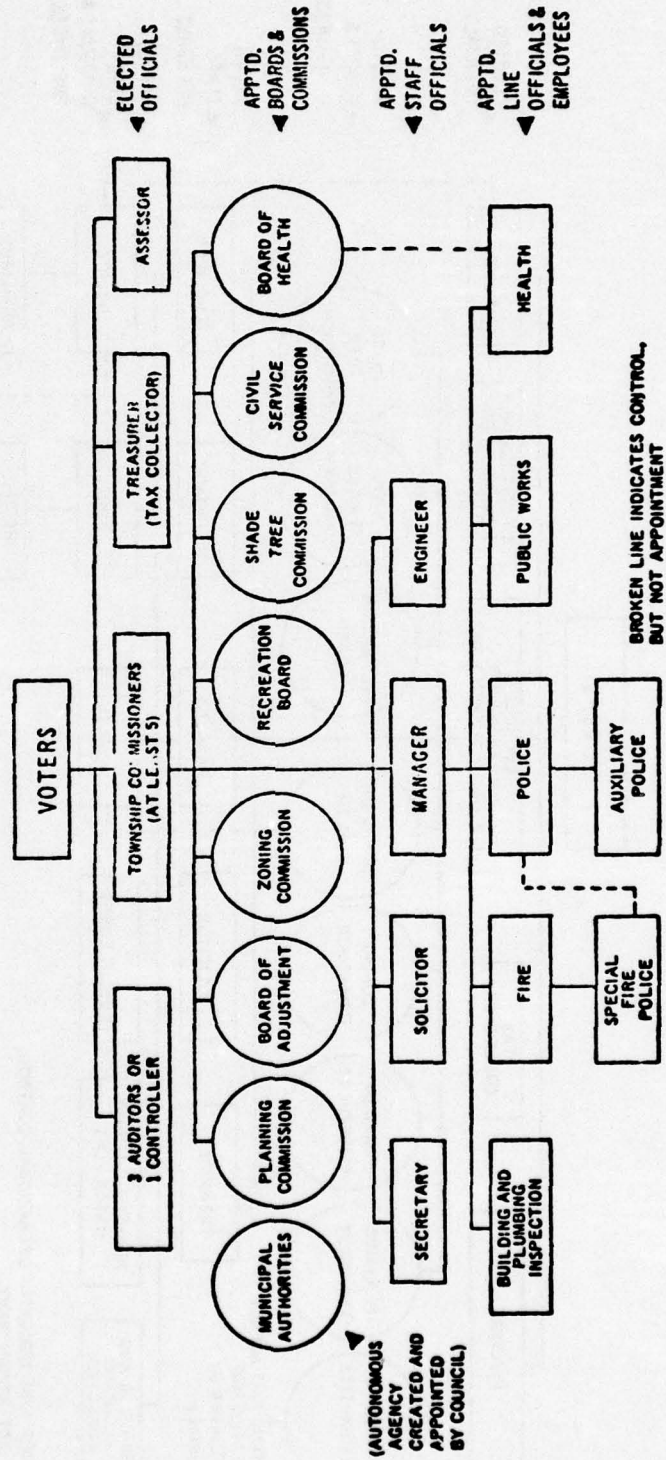
◀ APPTD.
BOARDS &
COMMISSIONS

◀ APPTD.
STAFF
OFFICIALS

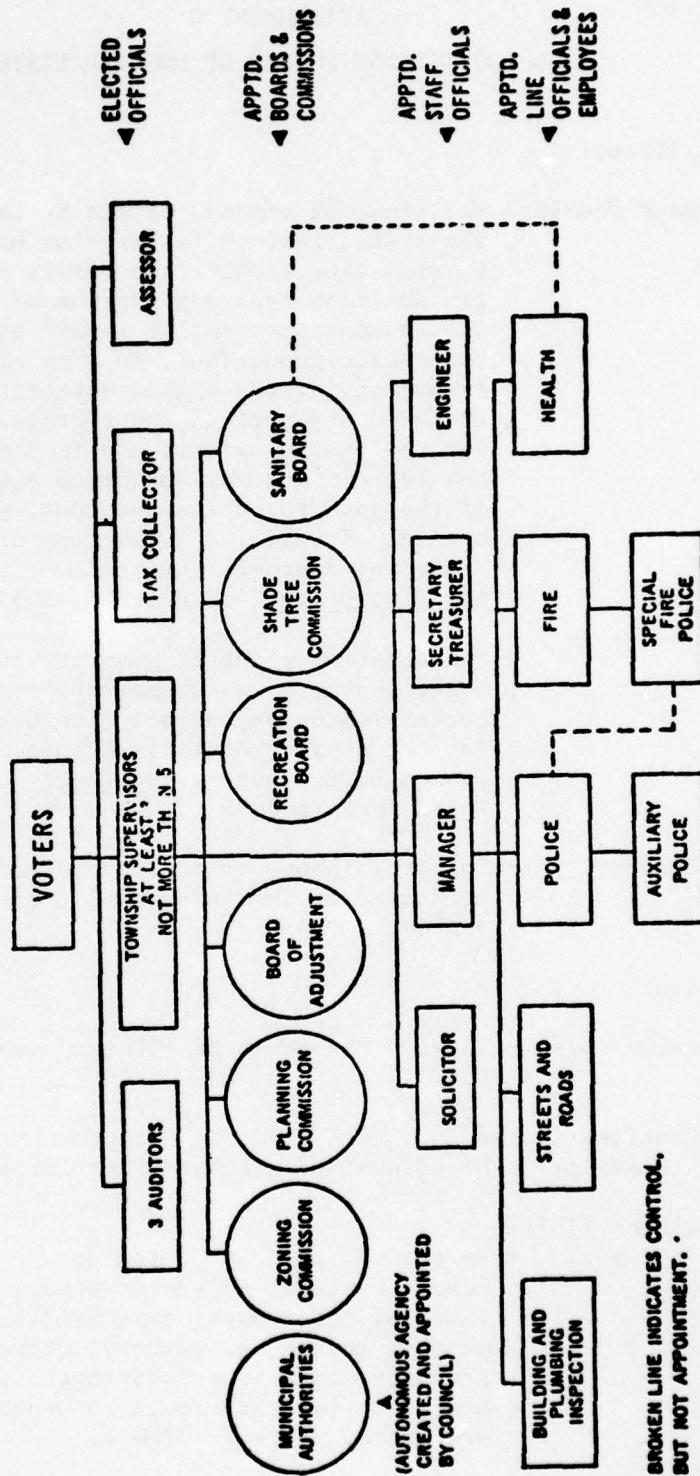
◀ APPTD.
LINE
OFFICIALS &
EMPLOYEES

TYPICAL ORGANIZATION OF PENNSYLVANIA TOWNSHIP GOVERNMENT

TOWNSHIPS OF THE FIRST CLASS



TYPICAL ORGANIZATION OF PENNSYLVANIA TOWNSHIP GOVERNMENT TOWNSHIPS OF THE SECOND CLASS



ATTACHMENT C
LAND ACQUISITION POWERS OF MUNICIPALITIES

I. Definitions:

Eminent Domain - The right of eminent domain is the right of the state, through its regular organization, to reassert, either temporarily or permanently, its dominion over any portion of the soil of the state on account of public exigency and for the public good. Thus, in time of war or insurrection, the proper authorities may possess and hold any part of the territory of the state for the common safety; and in time of peace the legislature may authorize the appropriation of the same to public purposes, such as the opening of roads, construction of defenses, or providing channels for trade or travel. (Black's Law Dictionary, 4th Edition, 1951).

The superior right of property subsisting in a sovereignty, by which private property may in certain cases be taken or its use controlled for the public benefit, without regard to the wishes of the owner. (Bouvier's Law Dictionary, Third Revision, 1914).

Condemn - To take, injure or destroy private property by authority of law for a public purpose. (26 P.S. 1-201).

II. Powers:

Authorities - To have the power of eminent domain. (53 P.S. 206(1)).

Counties (First

Class): - No eminent domain authority for wastewater treatment.

Cities (Third

Class): - In the . . . construction of . . . sewers, . . . sewage systems, sewage treatment works . . . a city may enter upon, appropriate, take, use, occupy, injure, or destroy, private lands, property, toll bridges or material. All such action by the city shall be provided for by ordinance. (53 P.S. 37801).

Boroughs: - In the . . . construction of sewers . . .
sewerage works, sewage treatment works . . .
a borough may enter upon, appropriate, injure,
or destroy, private lands, property or material
according to the proceedings set forth in the
law governing eminent domain. (53 P.S. 46501).

Townships,
First

Class: - Same wording as for boroughs. (53 P.S. 56901).

Townships,
Second

Class: - The supervisors shall make the necessary pro-
vision for the disposition of the sewage and
drainage within, or for carrying the same beyond,
the limits of the township, and, to this end,
they are hereby authorized to enter into con-
tracts with other municipalities and other
corporations or persons to purchase, acquire, enter
upon, take, appropriate, occupy and use such
lands, rights, and interests therein within the
corporate limits of other townships or boroughs
as shall be necessary for the proper location,
construction, maintenance, use, and operation
of sewer mains, drains or treatment works . . .
(53 P.S. 66504).

ATTACHMENT D

10.400 COMPREHENSIVE AREAWIDE WATER AND SEWER PLANNING GRANTS

FEDERAL AGENCY: FARMERS HOME ADMINISTRATION,
DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Consolidated Farmers Home Administration Act
of 1961, as amended, section 306; 7 U.S.C. 1926.

OBJECTIVES: To promote efficient and orderly development of rural
communities; to provide the information necessary to avoid
overlapping, duplication, underdesign or overdesign of the
community water and sewer facilities that may be constructed in
the area covered by the plan.

TYPES OF ASSISTANCE: Project Grants:

USES AND USE RESTRICTIONS: Comprehensive planning grants may
be made to provide technical and professional services and to pay
for necessary test wells and soil and water investigations. The plan
must be limited to a rural area and may not include towns or
villages with populations in excess of 5,500.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Organizations such as public bodies, counties,
townships, state, regional and local planning commissions are
eligible providing they: (1) lack the resources to immediately
finance the planning; (2) are broadly based and representative of
the interest of the rural area as it can be under state statutes; (3)
propose a plan that is supported by local officials and private and
public agencies interested in the development of water and sewer
facilities in the area; and (4) have authority to prepare official
comprehensive plans.

Beneficiary Eligibility: Planning must be limited to the rural areas.

Credentials/Documentation: The applicant must submit evidence of
authority to prepare official comprehensive plans, evidence that
resources are not immediately available to finance the plan and
evidence that plan is consistent with other plans.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: All proposals are reviewed by state,
metropolitan and local units of local government before an
application is filed. Up to 60 days is allowed for the review. Intent
to file must be coordinated in accordance with Office of
Management and Budget Circular No. A-95.

Application Procedure: SF 101, "Application, Federal Assistance for
Public Works and Facility Type Projects," is used. Send
application to local FHA office.

Award Procedure: After application has been approved by the
county supervisor and the county committee, it is given final
approval - depending on the size of the application by the county
supervisor, district supervisor or the state director. Following
approval, payment authorization is forwarded to the National

Finance Office who issues the check. Notification of award must
be given to the designated State Central Information Reception
Agency (SF 240).

Deadlines: None.

Range of Approval/Disapproval Time: 30 to 90 days.

Appeals: If an application is rejected, the reasons for rejection are
fully stated. The applicant may reapply at any time that the
reasons for rejection are corrected.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Grant assistance may be for
the total cost of the plan.

Length and Time Phasing of Assistance: Not applicable.

POST ASSISTANCE REQUIREMENTS:

Reports: Reports are required to the extent necessary to determine
that the provisions of the grant agreement are met.

Audits: Not required.

Records: Records are required to the extent necessary to determine
that the provisions of the grant agreement are met.

FINANCIAL INFORMATION:

Account Identification: 05-60-2066-0-1-352.

Obligations: (Grants) FY 70 \$3,019,000; FY 71 est \$4,000,000; and
FY 72 est \$2,000,000.

Range and Average of Financial Assistance: \$500 to \$317,000;
\$12,000.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1970, 179 grants
were made.

REGULATIONS, GUIDELINES, AND LITERATURE: Fact sheet,
"Grants for Preparation of Comprehensive Area Plans for Water
and Sewer Systems," no charge. "Farmers Home Administration,"
PA 705, no charge.

INFORMATION CONTACTS:

Regional or Local Office: Contacts should be made with the county
Farmers Home Administration office serving the area in which the
project is located. If unable to locate the county office contact the
headquarters office listed below.

Headquarters Office: Administrator, Farmers Home Administration,
U.S. Department of Agriculture, Washington, D.C. 20250.
Telephone: (202) 388-7968.

RELATED PROGRAMS: 10.411, Rural Housing Site Loans; 10.414,
Resource Conservation and Development Loans; 10.418, Water
and Waste Disposal Systems for Rural Communities; 11.302,
Economic Development - Planning Assistance; 14.301, Basic Water
and Sewer Facilities - Grants.

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10.409 IRRIGATION, DRAINAGE AND OTHER SOIL AND WATER CONSERVATION LOANS

FEDERAL AGENCY: FARMERS HOME ADMINISTRATION,
DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Consolidated Farmers Home Administration Act of 1961, as amended, section 306; 7 U.S.C. 1926.

OBJECTIVES: To increase the income of farm families and other rural residents and to readjust the use of land so that each acre is used for a purpose which will better serve the community.

TYPES OF ASSISTANCE: Direct Loans; Guaranteed/Insured Loans.

USES AND USE RESTRICTIONS: Loans may be made to eligible applicants for irrigation, drainage, or other soil conservation measures. The services or facilities must primarily serve farmers or rural residents.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Public or quasi-public bodies and corporations not operated for profit which will serve residents of open country and rural towns and villages up to 5,500 population may receive assistance when: (1) They are unable to obtain needed funds from other sources at reasonable rates and terms; (2) the proposed improvements will primarily serve farmers and other rural residents; and (3) they have legal capability to borrow, repay, and pledge security for the loan and to operate the facilities or services.

Beneficiary Eligibility: Facilities must primarily serve farmers and rural residents.

Credentials/Documentation: Applicant must submit the documents necessary to meet the eligibility requirements.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: All project proposals are reviewed by State, metropolitan, and local units of government before an application is filed. Up to 60 days is allowed for the review.

Application Procedure: SF 101, Application, Federal Assistance for Public Works and Facility Type Projects, is sent to local FHA office.

Award Procedure: After application has been approved by the County Supervisor and the county committee, it is given final approval - depending on the size of the application by the County Supervisor, District Supervisor or the State Director. Following approval, payment authorization is forwarded to the National Finance Office who issues the check.

Deadlines: None.

Range of Approval/Disapproval Time: 60 to 90 days.

Appeals: If an application is rejected, the reasons for rejection are fully stated. The applicant may reapply at any time that the

reasons for rejection are corrected.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The loan assistance may equal the project cost if the applicant is financially unable to contribute a part of the cost.

Length and Time Phasing of Assistance: Loans may be scheduled over a period of 40 years.

POST ASSISTANCE REQUIREMENTS:

Reports: During the first year of operation, monthly progress reports are to be made to the FHA county supervisor. Sometime after the first 4 months and before the end of the ninth month of operation, the FHA District Supervisor will review and make a report on the operation of the facilities.

Audits: Annual audits are required after the system goes into operation.

Records: Records and accounts are required to reflect the operations of the project.

FINANCIAL INFORMATION:

Account Identification: Direct loans, 05-60-4220-0-3-352; insured loans, 05-60-4140-0-3-352.

Face Value of Loans: FY 70 (Direct) \$70,000, (Insured) \$371,000; FY 71 est (Direct) \$900,000, (Insured) \$1,000,000; and FY 72 est (Direct) \$1,000,000, (Insured) 0.

Range and Average of Financial Assistance: \$45,000; \$1,600 to \$384,000.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1970, 2 direct and 18 insured loans were made.

REGULATIONS, GUIDELINES, AND LITERATURE: "Farmers Home Administration," PA 705, no charge.

INFORMATION CONTACTS:

Regional or Local Office: Contact should be made with the County Farmers Home Administration office serving the area in which the project is located.

Headquarters Office: Administrator, Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 388-7968.

RELATED PROGRAMS: 10.416, Soil and Water Loans; 10.419, Watershed Protection and Flood Prevention Loans; 10.902, Soil and Water Conservation; 10.904, Watershed Protection and Flood Prevention; 15.106, Indian - Construction, Maintenance, and Operation of Irrigation Projects and Related Power Systems; 15.501, Irrigation Distribution System Loans; 15.502, Irrigation Systems Rehabilitation and Betterment.

10.414 RESOURCE CONSERVATION AND DEVELOPMENT LOANS

FEDERAL AGENCY: FARMERS HOME ADMINISTRATION, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Food and Agriculture Act of 1963; Public Law 87-703; 1011 (supp. V) 1959-63; 7 U.S.C. 1010.

OBJECTIVES: To provide loan assistance to local sponsoring agencies in authorized areas where acceleration of programs of resource conservation, development, and utilization will increase economic opportunities for local people.

TYPES OF ASSISTANCE: Direct Loans.

USES AND USE RESTRICTIONS: Loan funds may be used to: (1) install or improve rural community outdoor-oriented recreational facilities; (2) install or improve soil and water, development, conservation, control and use facilities; (3) shift-in-land use facilities; (4) community water storage facilities; and (5) special purpose equipment necessary to carry out the above purposes. Project must be located in a designated area and the total indebtedness cannot exceed \$250,000. See also Soil Conservation Service program entitled, "Resource Conservation and Development."

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Public agencies and local nonprofit corporations in designated areas may be eligible for loan assistance provided they: (1) are unable to obtain needed credit from other sources; (2) have authority to borrow funds, repay the loan, and pledge security for the loan and to operate the facilities or services provided; and (3) are financially sound and so organized and managed that it will be able to provide efficient service.

Beneficiary Eligibility: Beneficiaries must be located in a designated Resource Conservation and Development Area.

Credentials/Documentation: None.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: All project proposals are reviewed by state, metropolitan, and local units of government before an application is filed. Up to 60 days is allowed for the review. Intent to file application must be coordinated in accordance with Office of Management and Budget Circular No. A-95.

Application Procedure: SF 101, "Application, Federal Assistance for Public Works and Facility Type Projects," is sent to local FHA office.

Award Procedure: After application has been approved by the county supervisor and the county committee, it is given final approval - depending on the size of the application by the county supervisor, district supervisor or the state director. Following approval, payment authorization is forwarded to the National Finance Office who issues the check.

Deadlines: None.

Range of Approval/Disapproval Time: 30 to 90 days.

Appeals: If an application is rejected, the reasons for rejection are fully stated. The applicant may reapply at any time that the reasons for rejection are corrected.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Loan assistance may equal the project cost if the applicant is unable financially to contribute a part of the cost.

Length and Time Phasing of Assistance: Loans may be scheduled over a period of 30 years.

POST ASSISTANCE REQUIREMENTS:

Reports: During the first year of operation, monthly progress reports are to be made to the FHA county supervisor. Sometime after the first four months and before the end of the ninth month of operation, the FHA district supervisor will review and make a report on the operation of the facilities.

Audits: Annual audits are required after the system goes into operation.

Records: Records and accounts are required to reflect the operations of the project.

FINANCIAL INFORMATION:

Account Identification: 05-60-4220-0-3-352.

Face Value of Loans: (Direct) FY 70 \$1,500,000; FY 71 est \$5,792,000; and FY 72 est \$3,300,000.

Range and Average of Financial Assistance: \$88,000; \$6,000 to \$250,000.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1970, 18 loans were made.

REGULATIONS, GUIDELINES, AND LITERATURE: Farmers Home Administration, PA 705, no charge.

INFORMATION CONTACTS:

Regional or Local Office: Contacts should be made with the county Farmers Home Administration office serving the area in which the project is located. If unable to locate the county office contact the headquarters office below.

Headquarters Office: Administrator, Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 388-7968.

RELATED PROGRAMS: 10.400, Comprehensive Area-wide Water and Sewer Planning Grants; 10.408, Grazing Association Loans; 10.413, Recreation Facility Loans; 10.050, Rural Environmental Assistance; 10.508, Extension Programs for Soil and Water Conservation; 10.901, Resource Conservation and Development; 10.902, Soil and Water Conservation; 15.504, Federal Reclamation Projects.

10.418 WATER AND WASTE DISPOSAL SYSTEMS FOR RURAL COMMUNITIES

FEDERAL AGENCY: FARMERS HOME ADMINISTRATION, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Consolidated Farmers Home Administration Act of 1961, as amended, Section 306; 7 U.S.C. 1926.

OBJECTIVES: To provide basic human amenities, alleviate health hazards and promote the orderly growth of the rural areas of the Nation by meeting the need for new and improved rural water and waste disposal systems.

TYPES OF ASSISTANCE: Project Grants; Direct Loans; Guaranteed/Insured Loans.

USES AND USE RESTRICTIONS: Funds may be used for the installation, repair, improvement, or expansion of a rural water system including distribution lines, well, pumping facilities and costs related thereto. The installation, repair, improvement, or expansion of a rural waste disposal system including the sewer lines, waste collection, and treatment of all wastes including solid wastes.

Restrictions include a total indebtedness including both loans and grant not to exceed \$4,000,000. Development grants for construction cannot exceed 50 percent of the development cost.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Public or quasi-public bodies and corporations not operated for profit which will serve residents of open country and rural towns and villages up to 5,500 population may receive assistance when: (1) they are unable to obtain needed funds from other sources at reasonable rates and terms; (2) the proposed improvements will primarily serve farmers and other rural residents; and (3) they have legal capability to borrow, repay, and pledge security for the loan and to operate the facilities or

services.

Beneficiary Eligibility: Eligibility for this assistance is limited to public or quasi-public bodies and corporations not operated for profit which serve residents of open country and rural towns and villages of not more than 5,500 population.

Credentials/Documentation: The applicant must furnish evidence of legal capacity to borrow and repay the loans, to pledge security for loans and to operate the facilities or services. Plans and specifications must be developed to comply with state and local health regulations and other requirements.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: All project proposals are reviewed by state, metropolitan, and local units of government before an application is filed. Up to 60 days is allowed for the review. Intent to file an application must be coordinated with Office of Management and Budget Circular No. A-95.

Application Procedure: SF 101 - Application, Federal Assistance for Public Works and Facility Type Projects, is sent to local FHA office.

Award Procedure: After application has been approved by the county supervisor and the county committee, it is given final approval - depending on the size of the application by the county supervisor, district supervisor or the state director. Following approval, payment authorization is forwarded to the National Finance Office who issues the check. Notification must be made to the public and designated State Central Information Reception Agency (SF 240).

Deadlines: None.

Range of Approval/Disapproval Time: 30 to 90 days.

Appeals: If an application is rejected, the reasons for rejection are fully stated. The applicant may reapply at any time that the reasons for rejection are corrected.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The loan and grant assistance may equal the project cost if the applicant is financially unable to contribute a part of the cost. Grant assistance is limited to one-half the project cost.

Length and Time Phasing of Assistance: Loans may be scheduled over a period of 40 years.

POST ASSISTANCE REQUIREMENTS:

Reports: During the first year of operation, monthly progress reports are to be made to the FHA county supervisor. Sometime after the first four months and before the end of the ninth month of operation, the FHA District Supervisor will review and make a report on the operation of the facilities.

Audits: Annual audits are required after the system goes into operation.

Records: Records and accounts are required to reflect the operations of the project.

FINANCIAL INFORMATION:

Account Identification: Direct loan - 05-60-4220-0-3-352; Development grants - 05-60-2066-0-1-352; Insured loan - 05-60-4140-0-3-352.

Obligations/Face Value of Loans: FY 70 (Grants) \$44,800,000, (Loans) \$146,000,000; FY 71 est (Grants) \$40,000,000, (Loans)

\$160,000,000; and FY 72 est (Grants) \$40,000,000, (Loans) \$189,000,000.

Range and Average of Financial Assistance: Not to exceed \$4,000,000 - average loan \$200,000; average grant \$80,000.

PROGRAM ACCOMPLISHMENTS: The Farmers Home Administration through its water and waste disposal facilities program has, as of the end of fiscal year 1970, made loans totaling \$878,000,000 and grants totaling \$134,000,000. It has financed: 3,799 water systems, 651 waste disposal systems, and 379 combination water and waste disposal systems. The systems financed have provided services to 748,259 families. In fiscal year 1970, 922 loans and 591 grants were made.

REGULATIONS, GUIDELINES, AND LITERATURE: Financial Assistance to Small Towns and Rural Groups - PA 707 - no charge; Farmers Home Administration, PA 705 - no charge.

INFORMATION CONTACTS:

Regional or Local Office: Contacts should be made with the County Farmers Home Administration Office serving the area in which the project is located. If unable to locate the county office contact the headquarters office shown below.

Headquarters Office: Administrator, Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 388-7968.

RELATED PROGRAMS: 10.400, Comprehensive Arcawide Water and Sewer Planning Grants; 11.302, Economic Development - Planning Assistance; 13.229, Indian Sanitation Facilities; 14.301, Basic Water and Sewer Facilities - Grants; 14.304, Public Facility Loans.

10.901 RESOURCE CONSERVATION AND DEVELOPMENT

FEDERAL AGENCY: SOIL CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Food and Agriculture Act of 1962; Public Law 87-703; 76 Stat. 607; 7 U.S.C. 1010, 1011 (Supp. V) 1959-1963; Public Law 91-343; 7 U.S.C. 1011(e); Public Law 74-46.

OBJECTIVES: Assist local people to initiate and sponsor program for developing and carrying out long-range program of resource conservation and development, develop dynamic rural community with satisfactory level of income and pleasing environment through planned improvement of resources, and create a favorable investment climate attractive to private capital.

TYPES OF ASSISTANCE: Project Grants; Advisory Services and Counseling.

USES AND USE RESTRICTIONS: Technical planning assistance is available only in project areas authorized for such planning. Technical and financial assistance is available for the installation of

land conservation and land utilization works of improvement specified in project plans. Financial assistance is provided only for measures having demonstrable favorable relationships between benefits and costs. Works of improvement may include measures serving purposes such as flood prevention, sedimentation and erosion control, public water based recreation and fish and wildlife developments, and agricultural water management purposes. See also Farmers Home Administration program entitled Resource Conservation and Development Loans.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Federal, state, territorial, or other public agency(ies) having legal authority, under state law, to plan, install, operate, and maintain community-type projects having public benefits.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: Applicant agency(ies) must document

fact that application is made as result of official action of the governing body. Applications are honored only from agencies for which applicant eligibility as shown above is or has been established.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: State, metropolitan, or regional planning and development clearinghouses, and Governor of state, or state agency he designates to handle Resource Conservation and Development program applications.

Application Procedure: Written application in form suggested in Resource Conservation and Development Projects Handbook.

Award Procedure: Details of the procedure are available from state and field offices of the Soil Conservation Service. Notification of award is made to the designated State Central Information Reception Agency (SF 240).

Deadlines: None.

Range of Approval/Disapproval Time: Indeterminate. Dependent upon rate of receipt of applications, and annual rate at which approval may be made as prescribed in appropriations act for the U.S. Department of Agriculture.

Appeals: Not applicable to application for project assistance.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Local or state agencies must provide land rights needed for the installation of all measures except for recreation and fish and wildlife developments where financial assistance may be available for up to 50 percent of the cost of land rights acquisition. Local or state agencies must provide for 50 percent of construction costs of agricultural water management, fish and wildlife and recreation structural measures, and must provide for operation and maintenance, and for all needed water rights. Loan assistance may be provided for the local share of project cost.

Length and Time Phasing of Assistance: Not applicable.

POST ASSISTANCE REQUIREMENTS:

Reports: Periodic inspections and reports to insure that structural measures for which Federal financial assistance has been provided are being properly operated and maintained in accordance with agreements.

Audits: None.

Records: None.

FINANCIAL INFORMATION:

Account Identification: 05-20-1010-0-1-354.

Obligations: (Grants) FY 70 \$11,101,000; FY 71 est \$15,075,000; and FY 72 est \$14,245,000.

Range and Average of Financial Assistance: \$2,000 to \$250,000; average, \$20,000.

PROGRAM ACCOMPLISHMENTS: SCS specialists gave assistance to 55 Resource Conservation and Development projects and helped with the development of plans of 13 others. The combined area of the 68 projects is 244 million acres. Completed project measures - the specific activities planned by local citizens to improve the economy and quality of living in project area - reached a total of 2,249.

REGULATIONS, GUIDELINES, AND LITERATURE: "What the Soil Conservation Service Does," SCS-CI-3; "Facts About Resource Conservation and Development Projects," SCS-CI-14.

INFORMATION CONTACTS:

Regional or Local Office: State and field offices of the Soil Conservation Service listed in appendix. For loans contacts should be made with the County Farmers Home Administration Office serving the area in which the project is located.

Headquarters Office: Administrator, Soil Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 389-4531.

RELATED PROGRAMS: 10.902, Soil and Water Conservation; 10.904, Watershed Protection and Flood Prevention; 10.050, Rural Environmental Assistance; 10.414, Resource Conservation and Development Loans; 10.508, Extension Programs for Soil and Water Conservation.

14.153 MORTGAGE INSURANCE - EXPERIMENTAL PROJECTS OTHER THAN HOUSING

FEDERAL AGENCY: HOUSING PRODUCTION AND MORTGAGE CREDIT/FHA, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AUTHORIZATION: National Housing Act as amended in 1968, Section 233; Public Law 90-448; 12 U.S.C. 1715(x).

OBJECTIVES: To help finance by providing mortgage insurance for the development of group medical facilities or subdivisions or new communities that incorporate new or untried construction concepts intended to reduce construction costs, raise living standards or improve neighborhood design.

TYPES OF ASSISTANCE: Guaranteed/Insured Loans

USES AND USE RESTRICTIONS: HUD/FHA insures lenders against loss on mortgage loans. These loans may be used to finance the construction or rehabilitation, using new technologies, of facilities, including major movable equipment, for group practice of dentistry, medicine, or optometry; they may also be used to finance the purchase of land and the development of building sites for subdivisions or new communities, including water and sewer systems, and streets, where new technologies are incorporated.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Interested sponsors eligible under HUD/FHA's land development or group practice medical facilities program are eligible. Title X and Title XI provisions apply to nonexperimental features.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: Documentation regarding the characteristics of the property and the qualifications of the mortgagor are assembled by the mortgagee and submitted with the application. Sponsors must prove that the property is an acceptable risk for testing advanced design or experimental property standards.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The sponsor will have a preapplication conference with the local HUD/FHA Area or insuring office to determine the preliminary feasibility of the project before a formal application is submitted. Please note intended experimental features at this time.

Application Procedure: The sponsor submits a formal application through an FHA approved mortgagee to the HUD/FHA insuring office for review and approval. A copy of the application is forwarded by the insuring office to the HUD central office in Washington for approval. The application should include the purpose of the experiment, a complete description, plans for use of results, possible damages and names/addresses of personnel involved in the experiment. The HUD headquarters office determines the suitability of the proposed experimental features for use in the (Section 233) program.

Award Procedure: See Application Procedure.

Deadlines: Deadlines are established on a case by case basis by the local insuring office, and are mutually agreed to at the preapplication conference.

Range of Approval/Disapproval Time: Processing time, depending upon the degree of preparation by the sponsor, and complexity

and scope of proposed project may range from 6 to 9 months from the first conference with FHA to the issuance of a firm commitment after approval for the experimental program.

Appeals: If an application for mortgage insurance is refused, FHA will state the reasons for the refusal. The applicant may reapply subject to concurrence of the lender.

Renewals: The term of a commitment to insure may be extended when more time is required.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The amount insurable, the downpayment, mortgage term, interest rate, and fees are governed by the FHA eligibility requirements of Title X, Land Development and New Communities, or Title XI, Group Practice Medical Facilities.

Length and Time Phasing of Assistance: See above.

POST ASSISTANCE REQUIREMENTS:

Reports: Any change of the mortgagor during the period of mortgage insurance must be approved by FHA. Defaults in meeting the mortgage terms must be reported. All mortgagors are required to submit an annual financial statement to FHA. All approved mortgagees at any time upon request by FHA must furnish a copy of their latest financial statement.

Audits: The Department of Housing and Urban Development reserves the right to audit the accounts of either the mortgagee or mortgagor in order to determine their compliance and conformance with HUD/FHA regulations and standards.

Records: Mortgagees are required to service and maintain records in accordance with acceptable mortgage practices of prudent lending institutions and the HUD regulations.

FINANCIAL INFORMATION:

Account Identification: 25-02-4070-0-3-556.

Face Value of Loans: New program - no activity.

Range and Average of Financial Assistance: Not applicable.

PROGRAM ACCOMPLISHMENTS: None in fiscal year 1970.

REGULATIONS, GUIDELINES, AND LITERATURE: "Land Development Handbook for Title X Mortgage Insurance," no charge; "Demonstration Cities and Metropolitan Development Act of 1966," no charge; "HUD Aids for Financing Group Practice Medical Facilities," no charge; 24 CFR 233.1 et seq.

INFORMATION CONTACTS:

Regional or Local Office: Persons are encouraged to communicate with the nearest local HUD Area or FHA insuring office.

Headquarters Office: Assistant Secretary for Research and Technology, Department of Housing and Urban Development, 451 7th Street, S.W., Washington, D.C. 20410. Telephone: (202) 755-5600.

RELATED PROGRAMS: 14.116, Mortgage Insurance - Group Practice Medical Facilities; 14.125, Mortgage Insurance - Land Development and New Communities; 14.207, New Communities - Loan Guarantees; 14.152, Mortgage Insurance - Experimental Homes; 14.154, Mortgage Insurance - Experimental Rental Housing; 45.001, Promotion of the Arts - Architecture and Design.

14.208 NEW COMMUNITIES SUPPLEMENTARY GRANTS FOR PUBLIC FACILITIES (Title VII Supplementary Grants)

FEDERAL AGENCY: COMMUNITY PLANNING AND MANAGEMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AUTHORIZATION: Title VII, Housing and Urban Development Act of 1970 (Urban Growth and New Community Development Act of 1970); Public Law 91-609.

OBJECTIVES: To encourage the development of well-planned, diversified, and economically sound new communities, including major additions to existing communities.

TYPES OF ASSISTANCE: Formula Grants; Project Grants.

USES AND USE RESTRICTIONS: The Secretary must determine that a project will be necessary or desirable for development of a new community. Grants may not exceed 20 percent of the cost of the facilities for which the grant is made, and in no case may total Federal contributions to the cost of the project exceed 80 percent. Eligible for supplementary grants are projects under section 3, Urban Mass Transportation Act of 1964; section 120(a) of Title 23, United States Code; section 19 of the Airport and Highway Development Act of 1970; Title VI of the Public Health Services Act; Title II of the Library Services and Construction Act; section 5 of the Land and Water Conservation Fund Act of 1965; Title VII of the Housing Act of 1961; section 702 or 703 of the Housing and Urban Development Act of 1965; section 8 of the Federal Water Pollution Control Act; section 306(a) (2) of the Consolidated Farmers Home Administration Act; Section 103 or 104 of the Higher Education Facilities Act of 1963; or section 101(a)(1) of the Public Works and Economic Development Act of 1965.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Any state or public body carrying out projects which will serve an eligible new community and which is eligible for assistance under one of the basic grant programs named above.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: Instructions to applicants may be obtained from Director, Office of New Communities Development.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Intent to file applications be coordinated in accordance with OMB Circular No. A-95.

Application Procedure: The application will ordinarily be submitted at or following the offer of a guarantee or interest loan

commitment or a finding of new community eligibility.

Award Procedure: Supplementary grant award made by HUD after basic grant approval by the agency responsible for the basis grant. Notification of award must be made to the designated State Central Information Reception Agency SF 240.

Deadlines: None.

Range of Approval/Disapproval Time: Varies dependent upon basic grant.

Appeals: None.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Grant may not exceed 20 percent of the cost of the facility for which grant is made, and in no case can total Federal contribution exceed 80 percent of project cost.

Length and Time Phasing of Assistance: Not applicable.

POST ASSISTANCE REQUIREMENTS:

Reports: Same as for basic grant.

Audits: Same as for basic grant.

Records: Same as for basic grant.

FINANCIAL INFORMATION:

Account Identification: 25-06-0149-0-1-552.

Obligations: (Grants) FY 70 \$1,075,000; FY 71 est \$6,425,000; and FY 72 est \$5,000,000.

Range and Average of Financial Assistance: \$100,000 to \$800,000; \$350,000.

PROGRAM ACCOMPLISHMENTS: Three grants have been awarded.

REGULATIONS, GUIDELINES, AND LITERATURE: New Community Regulations, Instructions to Applicants.

INFORMATION CONTACTS:

Regional or Local Office: Regional, area and headquarters offices for agency or department having basic responsibility for grant program.

Headquarters Office: Director, Office of New Communities Development, Department of Housing and Urban Development, Washington, D.C. 20410. Telephone: (202) 755-6175.

RELATED PROGRAMS: 14.207, New Communities Loan Guarantees;

14.211, Surplus Land for New Community Development; 14.125,

Mortgage Insurance - Land Development and New Communities;

14.153, Mortgage Insurance - Experimental Projects Other than Housing.

14.301 BASIC WATER AND SEWER FACILITIES - GRANTS (Water and Sewer Grants)

FEDERAL AGENCY: COMMUNITY DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AUTHORIZATION: Housing and Urban Development Act of 1965, section 702, as amended; Public Law 89-117, 79 Stat. 451, 489, 42 U.S.C. 3101.

OBJECTIVES: To provide grants to construct water and sewer facilities.

TYPES OF ASSISTANCE: Project Grants.

USES AND USE RESTRICTIONS: Types of eligible projects include facilities to store, supply, treat, purify or distribute water, sanitary sewer systems for the collection, transmission and discharge of liquid wastes (excluding sewage treatment works) and storm sewer systems for the collection, transmission and discharge of storm water caused by rainfall or ground water runoff. Building or household connections and local distribution and collection laterals are not eligible for assistance. The facility system must be part of the comprehensively planned development of the area.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Cities, towns, counties, Indian tribes, or public agencies or instrumentalities of one or more states or one or more municipalities which have the legal authority to plan, finance, construct and operate the facility.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: None.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Applicant should follow procedures established by Office of Management and Budget Circular No. A-95. Coordination is also maintained between the Department of Agriculture and Commerce and the Environmental Protection Agency. The HUD Area Office will provide guidance on specific problems and technical assistance in the preparation of applications.

Application Procedure: Application is made to the appropriate Area or Regional Office serving the project area. Following review of the submitted Standard Form 101 those applications that most clearly meet program objectives are invited to attend an application conference. At this conference the applicant is made aware of program requirements and the necessary supporting project documentation.

Award Procedure: The Area Office Director (if not yet established, the Regional Administrator) makes final decisions on individual applications. These offices are responsible for providing notification of the grant approval to the public body as well as to the designated State Central Information Reception Agency (on SF 240).

Deadlines: None.

Range of Approval/Disapproval Time: 90 to 180 days.

Appeals: No appeal procedures.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Program grants are not to exceed 50 percent of eligible land and construction costs for new water and sewer facilities. Under certain circumstances, communities having a population of less than 10,000 are eligible for 90 percent grant assistance. The applicant must provide sufficient funds in cash to complete funding of the project.

Length and Time Phasing of Assistance: Grant assistance is available for a reasonable length of time as required by project completion. Such funds are not disbursed until after the grantee's portion of project funds has been substantially expended. Federal funds are dispensed only in amounts estimated to meet project obligations for the ensuing 3 months.

POST ASSISTANCE REQUIREMENTS:

Reports: None.

Audits: All projects are subject to audit at grantee's expense.

Records: Weekly payroll records and other pertinent project documentation must be retained for 3 years.

FINANCIAL INFORMATION:

Account Identification: 25-12-0125-0-1-553.

Obligations: (Grants) FY 70 \$150,363,000; FY 71 est \$150,043,000; and FY 72 est \$100,000,000.

Range and Average of Financial Assistance: \$25,000 to \$1,500,000; \$440,000.

PROGRAM ACCOMPLISHMENTS: Since the inception of this program in 1966, 1,489 projects totaling \$664,957,000 in grant assistance have been approved under the Water and Sewer Program as of June 30, 1970. Of this total, 59 percent of all approved projects have been for water facilities and 41 percent for sewer facilities. Approximately 85 percent of all projects approved were for communities with populations under 50,000.

REGULATIONS, GUIDELINES, AND LITERATURE: Basic Water and Sewer Facilities Grants - HUD-100 MD; Project Evaluation System MPD 6220.2. Materials are available free of charge from HUD Area Offices. 44 CFR Part 707.

INFORMATION CONTACTS:

Regional or Local Office: Area Director, HUD Area Office (see appendix). For areas that are not yet served by an area office, public officials should contact the Assistant Regional Administrator for Metropolitan Planning and Development at the appropriate Regional Office listed in the appendix.

Headquarters Office: Community Development, Department of Housing and Urban Development, Washington, D.C. 20410.

RELATED PROGRAMS: 14.304, Public Facility Loans; 10.418, Water and Waste Disposal Systems for Rural Communities; 11.300, Grants and Loans for Public Works and Development Facilities; 66.400, Construction Grants for Wastewater Treatment Works.

14.304 PUBLIC FACILITY LOANS (PFL)

FEDERAL AGENCY: COMMUNITY DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AUTHORIZATION: Housing Amendments of 1955, Title II, as amended, Public Law 84-345, 69 Stat. 635, 642; 42 U.S.C. 1491.

OBJECTIVES: To provide loans for the construction of essential public works when credit is not otherwise available on reasonable terms.

TYPES OF ASSISTANCE: Direct Loans.

USES AND USE RESTRICTIONS: Loans are made to finance a variety of public works projects: construction of water and sewage facilities, gas distribution systems, street improvements, public buildings (excluding schools), recreation facilities, jails, or other public works. Loan aid is available only for those parts of a project not covered by aid provided under other Federal agency programs. The proposed development must be consistent with such comprehensive planning as may have been developed for the area.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Local units of government or state instrumentalities (cities, towns, villages, counties, special purpose districts, or Indian tribes). The applicant must have a population of under 50,000. In designated redevelopment areas the population may be up to 150,000. Areas near a NASA research and development installation are not subject to a population limit. A nonprofit private corporation serving a community under 10,000 population is eligible for loan assistance for water and sewer facilities only when no public body is able to provide the service.

Beneficiary Eligibility: The applicant community.

Credentials/Documentation: An applicant must have legal authority to plan, finance, construct, maintain and operate the proposed public facility. It must be established that the proposed loan is of sound value and so secured as to reasonably assure repayment. In addition a private nonprofit applicant shall evidence that there is no public body reasonably available to construct the proposed facility.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Intent to file an application must be in accordance with Office of Management and Budget Circular No. A-95. Coordination is also maintained between the Departments of Agriculture and Commerce and the Environmental Protection Agency as well as other Federal agencies. The HUD Area Office will provide guidance on specific problems and technical assistance in the preparation of applications.

Application Procedure: Application is made to the appropriate Area Office (listed in the appendix) serving the project area. If no Area Office has been established for the jurisdiction, the application should be submitted to the appropriate Regional Office (listed in the appendix). Following review of a Standard Form 101; Application for Federal Assistance for Public Works and Facility Type Projects, those applicants whose SF 101 most clearly meet program objectives are invited to attend an application conference

to discuss Federal Program requirements and submission of additional supporting project documentation.

Award Procedure: The Area Director (if not yet established, the Regional Administrator) makes final decisions to approve, hold, or reject individual projects. Those offices are responsible for providing notification of the loan approval to the applicant as well as to the designated State Central Information Reception Agency.

Deadlines: None.

Range of Approval/Disapproval Time: 9 months.

Appeals: Not applicable.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The applicant must provide the difference between the loan amount and total project cost although loans may be made to finance up to 100 percent of the construction of the proposed project.

Length and Time Phasing of Assistance: Indeterminate.

POST ASSISTANCE REQUIREMENTS:

Reports: None.

Audits: Project audit, plus annual audits during life of the loan.

Records: Payroll.

FINANCIAL INFORMATION:

Account Identification: 25-12-4234-0-3-553.

Face Value of Loans: (Direct) FY 70 \$39,959,000; FY 71 est \$40,041,000; and FY 72 est \$65,000,000.

Range and Average of Financial Assistance: \$25,000 to \$1,000,000; \$520,000.

PROGRAM ACCOMPLISHMENTS: Since program inception in fiscal year 1956, 1,359 loans totaling \$553,180,000 have been approved as of June 30, 1970. Of this total, 59 percent were for water works, 23 percent for sewer, 8 percent for health related facilities and 10 percent for all other.

REGULATIONS, GUIDELINES, AND LITERATURE: Public Facility Loans Program, HUD-24-MD; available free of charge from HUD Area Offices.

INFORMATION CONTACTS:

Regional or Local Office: The appropriate HUD Area Office listed in the appendix. Those communities which are not as yet served by an area office should contact the appropriate assistant Regional Administrator at the appropriate Regional Office listed in the appendix.

Headquarters Office: Community Development, Department of Housing and Urban Development, Washington, D.C. 20410.

RELATED PROGRAMS: 10.418, Waste and Water Disposal Systems for Rural Communities; 11.300, Grants and Loans for Public Works and Development Facilities; 14.214, Urban Systems Engineering Demonstration Grants; 14.301, Basic Water and Sewer Facilities Grants; 66.400, Construction Grants for Wastewater Treatment Works.

66.400 CONSTRUCTION GRANTS FOR WASTEWATER TREATMENT WORKS

FEDERAL AGENCY: WATER QUALITY OFFICE, ENVIRONMENTAL PROTECTION AGENCY

AUTHORIZATION: Federal Water Pollution Control Act, as amended; Grants for Construction, section 8; Public Law 84-600, as amended; by Public Laws 87-88, 89-234, 89-753, 91-224, and 91-439; 33 U.S.C. 466, et seq.; 18 CFR, Part 601, Subpart B.

OBJECTIVES: To accelerate joint programs of waste treatment works construction by providing grants for part of the eligible construction costs to state, municipal, intermunicipal, or interstate agencies.

TYPES OF ASSISTANCE: Project Grants.

USES AND USE RESTRICTIONS: Grants under this program are limited to the construction of waste treatment works, including intercepting and outfall sewers, by eligible applicants. Collector sewers and water supply systems are not eligible for grant assistance. Grants cannot be made to a project or portion thereof treating 100 percent industrial wastes, unless:

a. The project qualifies for assistance under the Public Works and Economic Development Act of 1965 (Public Law 89-136), or any other Federal law designed to stimulate economic development or ease the impact of Federal action, or

b. the applicant demonstrates that the public benefits of the project greatly outweigh any benefits to industry.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Any state, municipality, intermunicipal or interstate agency eligible for waste treatment works constructions. Certification by the state, indicating priority of the project, on the basis of financial and water pollution control needs, is required before a grant may be made.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: (a) A certified copy of the authorization from the applicant's governing body for the filing of the application. The authorization must be current, and must designate by name and title the individual who will represent the applicant. (b) A current general description of the project. (c) Current engineering reports. (d) If interceptor sewers, pumping stations, or force mains are included in the project, a map of the proposed interceptor, sewers, pumping stations, or force mains are included in the project, a map of the proposed interceptor, sewers, pumping stations, or force mains, showing their relationship to the existing sewer system, and designating points of interception and discharge. (e) An itemized estimated construction cost breakdown. (f) A statement explaining the exact nature of any other Federal funds which may be used to finance the project. (g) Comments and recommendations of the state, metropolitan or regional clearinghouse as to the project's conformance with the comprehensive plan developed for the area and a statement from the applicant relative to clearinghouse review. (h) Form 1350, "Assurance of Compliance" (Title VI, Civil Rights Act of 1964).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Intent to file must be coordinated with Office of Management and Budget Circular No. A-95.

Application Procedure: Initial inquiry on standard form 101, application, Federal Assistance for Public Works and Facility Type Projects; or formal application on FWPCA-7, application for Federal Grant for Sewage Treatment Under 33 U.S.C. 466, et seq. Submission should be through the state water pollution control agency.

Award Procedure: Award is made following certification by the state agency and approval by a regional Water Quality Office. Notification of award must be made to the designated State Central Information Reception Agency (SF 240).

Deadlines: None.

Range of Approval/Disapproval Time: 20 to 60 days after state certifications, and receipt in the regional office.

Appeals: Whenever necessary, projects are referred to headquarters for final eligibility determination, by the regional office.

Renewals: Justifiable time extensions requested by the applicant, if authorized by the state agency, are permitted.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Formula provides that 50 percent of the first \$100,000,000 of appropriations allotted to the states in the ratio that the population of each state bears to the population of all states, and 50 percent in the ratio that the quotient obtained by dividing the per capita income of the United States by the per capita income of each state bears to the sum of each quotient for all states. Appropriation in excess of \$100,000,000 are allotted on basis of relative population; or as specified in the Appropriation Act.

Matching Requirements: 30 to 33 percent grant, no state matching program. 40 to 44 percent grant, 30 percent state matching program. 50 to 55 percent grant, 25 percent state matching program, and discharge to meet approved state water quality standards (enforceable).

Length and Time Phasing of Assistance: Length of Assistance Period: Final grant payment when the construction is completed and the treatment works is operating satisfactorily.

Time Phasing of Assistance: Grant payments may be made based on 25, 50, 75, 100 percent of construction completed, or equipment delivered to the project site.

POST ASSISTANCE REQUIREMENTS:

Reports: Under 18 CFR 601, Subpart B, an annual inspection by state agency for the first 3 years of operation including a written report concerning the operation and maintenance of the waste treatment facility.

Audits: Fiscal audit after project completed. On site operational audit annually by state for 3 years after treatment facilities become functional.

Records: Records kept as required by the state agency, to indicate the level of performance. Labor standards records must be kept 3 years after completion of the project. Fiscal records must be kept 3 years after completion of a project or in accordance with state and local laws, whichever is longer.

FINANCIAL INFORMATION:

Account Identification: 20-00-0103-0-1-401.

Obligations: (Grants) FY 70 \$425,600,000; FY 71 est \$1,200,000,000 (includes carryover funds from preceding years); and FY 72 est \$1,900,000,000.

Range and Average of Financial Assistance: \$1,000 to \$15,000,000; \$1,600,000.

PROGRAM ACCOMPLISHMENTS: During fiscal year 1970, 1,053 new projects were assisted. In fiscal year 1971, an estimated 1,650 new projects will be funded.

REGULATIONS, GUIDELINES, AND LITERATURE: 18 CFR 601, Subpart B; Federal Guidelines, Design, Operation and Maintenance of Waste Water Treatment Facilities; Federal grants for clean water CWA-6, January 1969; Fact Sheet, November 1967; Showdown for water, CWA-11, October 1968, Federal Water Pollution Control Act. Government Printing Office 1970, 0-389-779; Clean Water, Washington, D.C. 20240.

INFORMATION CONTACTS:

Regional or Local Office: Refer to appendix, Environmental Protection Agency, Water Quality Office, for regional office addresses, and for the state and interstate water pollution control agency addresses.

Headquarters Office: Director, Division of Facilities Construction and Operation, Water Quality Office, Environmental Protection Agency, Washington, D.C. 20460.

RELATED PROGRAMS: 66.401, Water Pollution Control Comprehensive Basin Planning Grants; 66.405, Water Pollution Control - Research, Development, and Demonstration; 66.407, Water Pollution Control, State and Interstate Program Grants; 66.409, Water Pollution Control - Technical Assistance and Pollution Surveillance.

66.401 WATER POLLUTION CONTROL COMPREHENSIVE BASIN PLANNING GRANTS (Water Quality Management Planning Grants or 3(c) Grants)

FEDERAL AGENCY: WATER QUALITY OFFICE, ENVIRONMENTAL PROTECTION AGENCY

AUTHORIZATION: Federal Water Pollution Control Act, section 3(c); Public Law 89-753, section 101; U.S.C. 466 et seq.

OBJECTIVES: Development of comprehensive water quality control and abatement plans in river basins or portions thereof.

TYPES OF ASSISTANCE: Project Grants.

USES AND USE RESTRICTIONS: Funds may be used for payment of administrative costs, including cost of planning, consultant services and equipment purchases directly related to the development of a comprehensive plan for water quality control and pollution abatement. The only restriction on the grants is that funds may be expended only for direct planning purposes. Expenditures are subject to the budgetary and accounting practices of the planning agency, the approved budget, and generally accepted accounting practices.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Application is made by Governor of the state concerned, or a majority of Governors if more than one state is concerned, and he designates the recipient public agency. The agency must provide appropriate local, state, interstate, and (when appropriate) international representation and be capable of developing an effective, comprehensive plan for pollution abatement.

Beneficiary Eligibility: The states concerned.

Credentials/Documentation: The Governor's letter designating the planning agency as the official agency to receive and administer Federal grant funds and the signed application.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The program requires compliance with OMB Circular A-95. Coordination is accomplished with local governments, other state agencies, other Federal grantor agencies, international agencies (when appropriate) prospective contractors, and EPA regional offices. Assistance is available from EPA regional offices. A preapplication form is not required.

Application Procedure: The application form, FWPCA Form-147 (8-67), must be accompanied by letters from the Governor making the actual request for a grant and designating the recipient agency as the official planning agency. All clearinghouse information required by Office of Management and Budget Circular No. A-95 must accompany the application.

Award Procedure: The EPA-WQO regional office recommends approval to the EPA-WQO Headquarters which reviews the application and regional comments. Upon satisfactory review Headquarters recommends the project to the Commissioner, Water Quality Office, EPA for approval of the award. Standard Form 240 is completed and distributed by Headquarters following grant acceptance.

Deadlines: None.

Range of Approval/Disapproval Time: 90 days.

Appeals: No limitation has been set on rework. There is no provision for appeal.

Renewals: Renewals are possible up to a maximum total period of 3

years. Satisfactory annual reports and formal requests are necessary for renewal.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: There is no legislative provision for grant funds allocation and the small size of the program has made an allocation formula unnecessary. Matching funds are restricted to non-Federal, governmental sources and must be at least equal to the grant requested. Planning grants have been made solely on the anticipated merit of their output.

Length and Time Phasing of Assistance: Assistance has a statutory limitation of 3 years. Applicants are requested to complete work within 2 years so that the plan will impact more rapidly on overall water pollution control programs. Funds are paid in advance of each quarter.

POST ASSISTANCE REQUIREMENTS:

Reports: Brief quarterly financial statements are required. Semiannual and annual progress and financial reports are required.

Audits: A formal audit will be made at the conclusion of the project. Additional interim audits may be made clearing the first and second years of operation of a 3-year project.

Records: Basically only financial records are required. The applicant must maintain these for a 3-year period after grant support is terminated.

FINANCIAL INFORMATION:

Account Identification: 20-00-0100-0-1-999.

Obligations: (Grants) FY 70 \$823,110; FY 71 est \$1,658,470; and FY 72 est \$2,353,000.

Range and Average of Financial Assistance: \$23,430 to \$339,890; \$92,980.

PROGRAM ACCOMPLISHMENTS: Seven grants were approved during fiscal year 1970 in the amount of \$823,100, and so far in fiscal year 1971, 12 grants have been approved in the amount of \$1,658,470. To date none of the 23 active grants has yet been completed.

REGULATIONS, GUIDELINES, AND LITERATURE: Guidelines for grants, "Comprehensive River Basin Planning." Grant application procedures and requirements for planning grants. No charge.

INFORMATION CONTACTS:

Regional or Local Office: Information pertaining to this program may be obtained from each of the EPA regional offices listed in the appendix.

Headquarters Office: Chief, Planning Branch, Division of Planning and Interagency Programs, Water Quality Office, Environmental Protection Agency, Washington, D.C. 20460. Telephone: (703) 557-7716.

RELATED PROGRAMS: 66.400, Construction Grants for Wastewater Treatment Works; 66.404, Water Pollution Control - Interstate Cooperation and Uniform Laws; 66.405, Water Pollution Control - Research, Development, and Demonstration; 66.407, Water Pollution Control, State and Interstate Programs Grants; 66.409, Water Pollution Control - Technical Assistance and Pollution Surveillance; 66.413, Water Quality Management Technical Planning Assistance; 66.414, Water Hygiene Research Grants.

66.405 WATER POLLUTION CONTROL - RESEARCH, DEVELOPMENT & DEMONSTRATION GRANTS

FEDERAL AGENCY: WATER QUALITY OFFICE, ENVIRONMENTAL PROTECTION AGENCY

AUTHORIZATION: Federal Water Pollution Control Act as amended; Public Law 84-660; 33 U.S.C. 466, et seq.

OBJECTIVES: The prime objective is to develop by the late 1970's techniques for complete elimination of point-source wastes as well as to develop and demonstrate technology for the renovation of waste waters for reuse.

TYPES OF ASSISTANCE: Project Grants.

USES AND USE RESTRICTIONS: Only those projects intended and designed to establish, discuss, develop, elucidate, demonstrate, or confirm information on the causes, control, and prevention of water pollution.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: States, municipalities, interstate and intermunicipal agencies, public and private institutions, industry and individuals.

Beneficiary Eligibility: Same as applicant eligibility.

Credentials/Documentation: None.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Approval by State Water Pollution Control Agencies for storm and combined sewer and advanced waste treatment projects. In other cases, no coordination is required. Applications preparation assistance available in Regional Offices (see appendix).

Application Procedure: Use application form FWPCA 211. Obtain state approval as discussed in preapplication coordination required for consistency with state plan. Submit to WQO-EPA Headquarters for review.

Award Procedure: Final award authority - Commissioner, Water Quality Office.

Deadlines: None.

Range of Approval/Disapproval Time: 45 to 75 days.

Appeals: Not applicable.

Renewals: Reapplication using FWPCA Form 211 for renewals; time extensions, of no increase in cost, may be approved when justified for up to 6 months by project officer.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: No formula for allocating

funds among states or their subdivisions. Matching minimum of 5 percent for grant to universities. Maximum award for industrial grants 70 percent, but not more than \$1,000,000. Maximum for storm and combined sewer, and advanced waste treatment, 75 percent.

Length and Time Phasing of Assistance: Length of assistance varies and funded on a quarterly basis.

POST ASSISTANCE REQUIREMENTS:

Reports: Quarterly interims and final progress and expenditure reports.

Audits: Final audit report upon project completion.

Records: Maintain books and records in accordance with generally accepted accounting principles and procedures. Keep books and records until 3 years after final audit.

FINANCIAL INFORMATION:

Account Identification: 20-00-0100-0-1-999.

Obligations: (Grants) FY 70 \$25,200,000; FY 71 est \$22,300,000; and FY 72 est \$21,500,000.

Range and Average of Financial Assistance: University Grants - \$10,000 to \$50,000; \$30,000. Industry and Municipalities - \$40,000 to \$1,000,000; \$125,000.

PROGRAM ACCOMPLISHMENTS: Economical and practical methods of achieving high efficiency removal of suspended solids, BOD, phosphorus, nitrogen and refractory organics have been developed and are being demonstrated for municipal wastes and major industrial wastes.

REGULATIONS, GUIDELINES, AND LITERATURE: EPA Clean Water Fact Sheets (free); R&D Grant Application Packet of Information (free); Code of Federal Regulations - Title 18 - Chapter V, Part 601, Subpart D.

INFORMATION CONTACTS:

Regional or Local Office: Regional Water Quality Director, EPA Regional Office (see appendix).

Headquarters Office: Assistant Commissioner, Research and Development, Water Quality Office, Environmental Protection Agency, Washington, D.C. 20460.

RELATED PROGRAMS: 15.950, Additional Water Resources Research; 66.400, Construction Grants for Wastewater Treatment Works.