

27—30.40(159,161A,455H) Allocation of funds. Funds will be allocated by the division for specific agricultural drainage well closure and alternative drainage system improvement projects. Allocations shall be 75 percent of the estimated cost of installing the alternative drainage system improvements as defined by Iowa Code section 468.3, except as limited by the total allocation provision of subrule 30.40(2). Allocations of financial assistance funds will be in accordance with either subrule 30.40(1) or subrule 30.40(2).

30.40(1) *Allocation by a priority system based on contamination potential.* Funds will be allocated by the division for project applications which meet all program requirements set forth in these rules and both of the following priority criteria:

a. The proposed project provides for closure of agricultural drainage wells in watershed areas which include one or more designated agricultural drainage well area(s), and

b. The proposed alternative drainage system will provide an alternative drainage outlet to allow for closing all agricultural drainage wells in the watershed area.

30.40(2) *Allocation for a single drainage improvement project which will allow for the closing of 30 or more agricultural drainage wells.* Funds will be allocated by the division for a single drainage improvement project which will provide alternative drainage outlets to allow for the closing of 30 or more agricultural drainage wells constructed by a drainage district established under Iowa Code section 468.22 on or after July 1, 1987, and prior to July 1, 1997, for which a construction contract for the project is successfully let prior to March 1, 1998.

The allocation under this subrule shall not exceed \$500,000 for the fiscal year beginning July 1, 1997, and ending June 30, 1998, and \$500,000 for the fiscal year beginning July 1, 1998, and ending June 30, 1999, for a total allocation not to exceed \$1 million.

30.40(3) *Application for fund allocation.* Application for fund allocation to a new drainage district shall be submitted to the division by the board of supervisors on behalf of eligible owners of land following receipt of petition to establish a drainage district pursuant to Iowa Code section 468.8 and before the hearing on establishment pursuant to Iowa Code section 468.22. Application for fund allocation to an existing drainage district shall be submitted to the division by the district board on behalf of eligible owners of land prior to the hearing on improvement pursuant to Iowa Code section 468.126. The application for fund allocation shall be in writing and shall identify:

- a.* Approximate location and boundary of the watershed area served by the proposed project.
- b.* Approximate watershed drainage area.
- c.* Expected number of agricultural drainage wells to be closed.
- d.* Location of any anaerobic lagoon or earthen manure storage basin required to obtain a construction permit by the department of natural resources.
- e.* Preliminary cost estimate for the alternative drainage system.
- f.* Anticipated project time line.
- g.* Anticipated or actual date of establishment of the drainage district under Iowa Code section 468.22.