

Septic System & Well Application

Information and Application Procedure

The ISTS Loan (Individual Sewage Treatment System) Program will be used to repair or replace existing septic systems and wells in Cass, Crow Wing, Morrison, Todd and Wadena counties. Loans at a rate of 3% will be provided to qualified property owners. The Minnesota Department of Agriculture has allocated funds to these counties to finance loans. The Region Five Development Commission will administer these funds.

Terms:

- No income limits but must show repayment ability
- On loans greater than \$5,000, the landowner is required to pay 10% of the amount over \$5,000 as an owner's equity injection into the project.
- Maximum interest rate shall be 3% per annum
- Maximum term is five (5) years
- An origination fee of ½% shall be charged to the borrower, along with other customary closing costs and recording fees.
- Landowner will sign a promissory note and mortgage lien on real estate to secure the loan.

Eligible Projects:

- Repair or replacement of an existing septic system or well that does not conform with the provisions of the MN Rules Chapter 7080.
- Relocation of ISTS out of environmentally sensitive area
- Replacement of septic system or well that is failing or non-conforming
- Mandated connection or hook-up to a city waste-water system. **Do not submit to county; send these project applications directly to Region Five**

Ineligible Projects:

- ISTS in excess of 5,000 gallons of waste water per day.
- Installation of ISTS or well for new construction, **new construction does not qualify.**
- Expansion or upgrading of a conforming ISTS due to construction of additional living quarters or expanded use.
- Costs incurred before the loan is approved, or before receiving a letter committing funds to your project.
- Costs incurred after the expiration date on the commitment letter.

Process:

1. Request or download an application. Loan funds can be disbursed to property owners in Cass, Crow Wing, Morrison, Todd or Wadena County.
2. Complete the application packet and return it to your county contact listed below. If the project is a city sewer hook-up, send the packet directly to Region Five. The application packet should include:

- Personal financial statement
 - County-wide ISTS Loan Application allowing credit check
 - A contractor's bid
 - Proof of income
 - Complete and accurate legal description
 - \$50 application fee, make the check out to: Region Five.
3. The loan board usually meets the second Thursday of each month. They review the financial package and make a recommendation to the Commission, the Commission gives final approval. Allow 2-4 weeks for a decision.
 4. You will receive the Board's decision in writing. If your request is approved, Region Five will send you a confirmation letter, committing funds to your project. Sign and return the commitment letter to Region Five.
 5. Retain the installer/contractor to begin the work.
 6. After the system is installed, contact Region Five to arrange a closing date. Funds will be disbursed for the bid amount authorized in your commitment letter. The check will be made out to both the applicant and the installer.

Cass County Environmental Services

Septic or well:

Dawn Berg

PO Box 3000

Walker, MN 56484

Phone: 1-218-547-7291

Or Brenda @ 218-547-7399

cass.esd@co.cass.mn.us

Crow Wing County Planning & Zoning

Septic or well:

Tom Espersen

322 Laurel Street; Suite 14

Brainerd, MN 56401

1-218-824-1134

tom.espersen@co.crow-wing.mn.us

Morrison County

Septic system:

Morrison County Soil & Water District

16776 Heron Rd

Little Falls, MN 56345

(320) 616-2479

Well:
Morrison County Planning & Zoning
Mark Anderson
213 1st Ave SE
Little Falls, MN 56345
(320) 632-0170
marka@co.morrison.mn.us

Todd County

Septic system:
Sarah Katterhagen
607 9th Street NE
Long Prairie, MN 56347
www.toddsxcd.org.
320-732-2644
sarah.katterhagen@co.todd.mn.us

Well:
ELRM ADMINISTRATOR
Garry Johanson
347 Central Ave; Suite 2
Long Prairie, MN 56347
(320) 732-4420
garry.johanson@co.todd.mn.us

Wadena County Soil & Water Conservation District

Septic or well:
Molly Costin
4 Alfred Street NE
Wadena, MN 56482
1-218-631-3195 x 3
molly.costin@mn.nacdnet.net

For information only:
Region Five Development Commission
Anne Hanson
200 1st Street NE STE 2
Staples, MN 56479
1-218-894-3233
ahanson@regionfive.org