

# Act 76 Subgroup Newsletter 1

Released March 7, 2022: covering February content.

This newsletter is intended to provide updates, information, and resources on Act 76 Subgroups. If you would like to be removed from the subgroup newsletter listserv, wish to add a recipient, or have any questions, please email Rachel Wood at [rachel.wood@vermont.gov](mailto:rachel.wood@vermont.gov).

**Newsletter Content** (click to jump to sections): covers subgroup meetings that occurred in February 2022 and may include earlier meeting summaries.

- [Chapters 2-4 Guidance](#)
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## Chapters 2-4 Guidance

- **Team Lead Contact:** Chris Rottler
- **Subgroup Purpose:** Review draft chapters of CWSP guidance as chapter language is available.
- **Meeting Summary:**
  - Date: January 7, 2022
    - Received input on Chapter 4; staff are processing comments and hope to have a revised draft ready by early March.
    - Similar processes are occurring with Chapters 2 and 3.
- **Next Meeting**
  - Date: March 4, 2022
  - Agenda: Changes made and incorporated into Chapter 4

## Data Management and Reporting – Coming Soon

- **Team Lead Contact:** Helen Carr
- **Subgroup Purpose:** Review clean water project data management (funding, performance measures, phosphorus reductions, and reporting) and how it flows from CWSPs to DEC and back.
- **Meetings-** Stay tuned for upcoming meetings for this subgroup. Topics to include: online forms for submitting data to WPD, queries to retrieve data from WPD, discussion of tools needed for planning and tracking.

## Enhancement Grant Structure

- **Team Lead Contact:** Gianna Petito
- **Subgroup Purpose:** To cover distinction from formula grants, eligible project types, prioritization, grant-making structure (i.e., block grants?), and project phasing.
- **Meeting Summary:**

- Date: February 1, 2022
  - Focus was on the grant-making structure for Enhancement grants. CWIP provided an overview of the current CWIP funding programs and opportunities in SFY 2022 Spending Plan to show how existing block grants are structured. General agreement that block grant model has worked well and interest in supporting structures/entities that have evolved to facilitate these.
  - Discussion on how to package block grants (by project type? Project step?) and challenges of 1) distinguishing between development and preliminary design-type tasks, and 2) comparing projects across project types in a single grant round (for example comparing a stormwater to a buffer project).
  - Reviewed what a master contract is, and concern was raised about this funding type cutting out watershed groups and community-based organizations in favor of directly contracting with engineering/for-profit consultancy firms.
  - Discussed additional protections for state investments beyond the standard O&M agreement, conversation flagged for future discussion.
  - Use of Enhancement funds for match against other funders, and the availability of training and tools for co-benefit analysis requested.
- **Next Meeting:**
  - Date: March 2, 2022
  - Agenda:
    - Review of points of agreement to date
    - Continued discussion on granting structure
    - Wrap up of project type eligibility

## Formula Grant and Fund Allocations

- **Team Lead Contact:** Emily Bird and Ben Copans
- **Subgroup Purpose:** to build stakeholder understanding of targets and fund allocation methodology and to gather and address stakeholder input prior to posting methodology for 30-day public notice/comment.
- **Meeting Summaries:**
  - Date: January 27, 2022
    - Kick-off subgroup meeting series and identify goals and plan for subgroup
    - Focus of the meeting was on non-regulatory phosphorus reduction targets per watershed and definition of regulatory versus non-regulatory phosphorus reduction targets.
  - Date: February 10, 2022
    - Focus of the meeting was on methodology to estimate cost rates per unit of phosphorus reduced by clean water project categories, including proposed options for incorporating project identification and development costs.
    - Cost rate methodology is built from bottom-up approach looking at project categories' cost rates and then averaged at the sector level.
    - CWSPs in attendance discussed how they imagine using the cost rate methodology to inform project-level funding decisions in a cost-effective range

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while also trying to keep the process flexible and adapt as processes change and improve.

- Date: February 24, 2022
  - Focus of meeting was correlation of cost rates to non-regulatory phosphorus reduction targets to establish Formula Grant fund allocations.
  - Meeting included presentation of how cost rates by project categories were clustered into land use sectors and averaged to represent average sector cost rates.
  - Meeting included presentation of spreadsheet with targets, cost rates, and fund allocation calculations, as well as how targets were scaled to total funds available in SFY 2023. Noted a number of areas of uncertainty with regard to estimating total funding need, including some outstanding questions about reductions expected to be gained through regulatory programs and accounting for projects already implemented.
  - Subgroup members requested to be part of the ongoing conversation on total funding need. Subgroup members noted there are other gaps besides funding to meeting targets, including: 1. staff capacity of project implementers, 2. willing landowners, 3. viable projects, 4. tree availability at nurseries for riparian buffer plantings, and more.
- **Next Meeting:**
  - Date: March 10, 2022
  - Agenda:
    - Resolve any outstanding comments/questions that were identified during previous meetings
    - Discuss how this high-level budget exercise translates into project-level planning/decision making
    - Revisit methodology to incorporate project identification and development costs in cost rate methodology
    - Review plan to maintain/update targets, cost rates, and fund allocation methodology
    - Prepare to post for public comment
    - Wrap-up subgroup meeting series

## Operation and Maintenance (O&M)

- **Team Lead Contact:** Helen Carr and Jill Sarazen
- **Subgroup Purpose:** To review Operation and Maintenance manual, develop training structure and data management for Operation and Maintenance Verification.
- **Meeting Summaries:**
  - Date: 11/22/2021
    - Kick-off meeting to meet group members. Provided update on Act 76 timeline, gathered feedback from group members' involvement in previous project O&M activities and suggestions for the new program under Act 76.

- Group requested more information on framework for responsibilities of the entities involved in O&M – CWSPs, maintainers, verifiers, & DEC.
  - Date: 1/25/2022
    - Helen provided an overview of the current BMP Verification process and directed everyone to the Best Management Practice Verification webpage: [Best Management Practice \(BMP\) Verification | Department of Environmental Conservation \(vermont.gov\)](#)
    - Helen provided a high-level overview of proposed O&M roles and responsibilities of CWSPs, Verifier, Maintainer, and DEC. A draft document is available upon request.
    - Jill Sarazen provided an overview of the draft O&M manual including goals, organization, and current development process. Draft document available upon request.
    - Helen provided an overview of the current O&M agreement- discussion on how it might be updated for CWSPs under Act 76
  - Date: 2/22/2022
    - Jill Sarazen provided an overview of O&M manual comments- Jill (Comments were incorporated. We provided the rest of the O&M manual for review before the next meeting.)
    - Jill led an additional discussion on Roles and responsibilities document (document is available upon request.)
    - Helen led a discussion on O&M process map. (A draft O&M process has been outlined, we will review and update as needed)
    - We are having internal conversations on the update to the O&M plan and agreement template. We will provide more information next meeting.
    - Next steps- discuss further comments on the manual and O&M process map. DEC to send out completed projects query by basin. Discuss training framework.
- **Next Meeting:**
  - Date: 3/29/2022
  - Agenda:
    - Discuss further comments on the manual and O&M process map
    - DEC to send out completed projects query by basin
    - Discuss training framework

## Resources/Links

- [The Clean Water Service Delivery Act | Department of Environmental Conservation \(vermont.gov\)](#)

## Other News

- News from Chapters 2-4 Guidance Subgroup: Staff are working on Chapter 6 (project identification, selection/prioritization, and advancement) and hope to provide a draft of the chapter in March or April.
- Next newsletter will be released in early April and will cover content of March subgroup meetings.