

Vermont Clean Water Board Meeting Minutes

Date/Time: Wednesday, October 13, 2021, 8:00–9:30 am

Virtual Option to Attend: Microsoft Teams Meeting

Physical Location to Attend In-Person: Agency of Natural Resources, One National Life Drive, Montpelier, VT 05602 in the Catamount Room (Davis Building, 2nd Floor, Room D215).

Meeting agenda, materials, minutes, and recording are posted online at: <https://dec.vermont.gov/water-investment/cwi/board/meetings>

Clean Water Board Members/Designees:

Susanne Young, Agency of Administration (AoA) Secretary and Clean Water Board Chair (Present)
Tayt Brooks, Agency of Commerce and Community Development (ACCD) Deputy Secretary (Present)
Alison Conant (Absent)
Bob Flint, public member (Present)
Joe Flynn, Agency of Transportation (VTrans) Secretary (Present)
James Giffen, public member (Present)
Julie Moore, Agency of Natural Resources (ANR) Secretary (Present)
Anson Tebbetts, Agency of Agriculture, Food and Markets (AAFV) Secretary (Present)
Chad Tyler, public member (Present)

1. Welcome

Susanne Young, Secretary of Administration and Clean Water Board Chair

The Chair, AoA Secretary Susanne Young convened the meeting at 8:02 am and reviewed the agenda. Clean Water Board members reviewed meeting minutes from the August 12, 2021 meeting. Motion was made by VTrans Secretary Joe Flynn to approve minutes, seconded by ANR Secretary Julie Moore. Motion passed.

2. Review State Fiscal Year (SFY) 2023 Clean Water Budget process

Emily Bird, Department of Environmental Conservation Clean Water Initiative Program Manager

Emily Bird described the SFY 2023 Clean Water Budget development process as outlined in Supporting Materials #2. If possible, a quorum of Clean Water Board members at the public forum on November 4th would be much appreciated. If the Board has any additional recommendations for public outreach in regards to the public comment period they are encouraged to contact Emily. No further questions were offered.

3. Review Clean Water Fund operating statement and revenue projections

Emily Byrne, Agency of Natural Resources Director of Finance and Administration

Emily Byrne provided an overview of Clean Water Fund operating statement (Supporting Material #3). Materials reflect no substantive changes from operating statement as presented at the August 12, 2021 meeting but includes an update to show obligated funds as proposed in the SFY 2023 draft Clean Water Budget. The SFY 2023 budget proposes to fully utilize the unallocated/unobligated Clean Water Funds from prior fiscal years less \$500,000 which will be held in reserve in case revenue projections fall short. Byrne will share these updated materials with the Board. No questions were offered.

4. Review draft SFY 2023 Clean Water Budget recommendation

Julie Moore, Secretary of Natural Resources

ANR Secretary Moore provided overview of updated budget framework reflecting Clean Water Service Delivery Act (Act 76 of 2019) funding priorities and programs (Supporting Material #4) and the proposed draft SFY 2023 Clean Water Budget for public comment (Supporting Material #5). There are three pools of funding for the Clean Water Budget this year including the Clean Water Fund, with operating levels as described by Emily Byrne, State Capital Dollars, and American Rescue Plan Act (ARPA) Dollars. In total this exceeds \$46 million of state investments into clean water and, when considering federal dollars leveraged, will likely exceed \$60 million. Secretary Moore invited questions from the Board but had particular interest in hearing their response to 1) how funds were distributed across the three tiers of funding priorities, 2) where certain line-items were placed, and 3) any questions or responses to new programs or initiatives.

Questions/Discussion on Proposal:

- Bob Flint asked ANR to rethink zero-ing out the *Innovative or Alternative Technologies or Practices to Improve Water Quality* line item. Secretary Moore mentioned that part of budget considerations included the expected large influx of dollars towards the Lake Champlain Basin Program which similarly funds innovative or alternative technologies and practices. She expects to have more details on the Lake Champlain Basin Program budget plans by the time the Clean Water Board reconvenes in December and how that may impact this line item. Emily Bird indicated that a question about project ideas or opportunities for this line item also can be included in the public comment questionnaire.
- James Giffen asked whether there was any discussion about partner capacity to spend the influx of dollars available in this year's budget. Emily Bird described the plans for capacity support in the following forms: 1) Start-up funds towards Clean Water Service Providers to assist in launching the Water Quality Restoration Formula Grant program, 2) engagement with partners to guide spending of roughly \$300,000 in SFY 2022 dollars to invest in organizational capacity development and to address bottlenecks in our system that help get funds on the ground, 3) proposed continued capacity support through the SFY 2023 budget under the Partner and Program line item (#1.62 in Supporting Material #5). There's also substantial investments under Tier 2 priorities to assist municipalities in meeting their regulatory stormwater obligations.
- AoA Secretary Young indicated additional flux in the proposed budget given the ARPA dollars and pending guidance from the U.S. Treasury offices. AoA is trying to target funds towards the most transformational projects and Secretary Young hopes to know more by the December Clean Water Board meeting whether this may impact any budget decisions.
- ANR Secretary Moore discussed the pending investment from the Infrastructure Investment and Jobs Act (IIJA) should it pass the U.S. Congress, and the increase in demand for municipal pollution control funding. Taken together these additional investments would increase the demand for state match spending by over \$7 million. There is no specific action requested of the Board at this time, but Secretary Moore wanted to highlight that while there is significant opportunity for more federal dollars, it will grow demand on state dollars to be leveraged as match. No further questions were offered.

5. Review draft SFY 2023 Clean Water Budget public comment online questionnaire

Emily Bird, Department of Environmental Conservation Clean Water Initiative Program Manager

Emily Bird provided an overview of the public comment online questionnaire and solicited input from the Clean Water Board. Changes from last year include an educational component, and an emphasis on collecting public comment in areas where decision-making is actually happening by the Clean Water Board.

- Bob Flint suggested the survey might have too much technical jargon and encouraged reframing for a lay audience.
- James Giffen asked whether there was enough investment in water quality monitoring. ANR Secretary Moore described the different layers of on-going monitoring across the State and the attempt to strike a balance between knowing “enough” to effectively target clean water dollars, while reserving as much funds for actual implementation as possible. Emily Bird indicated the SFY 2023 also proposes to continue to support the lab expenses for water quality analysis for partners performing water quality sampling through the Partner and Program line-item (#1.62 in Supporting Material #5).
- AoA Secretary Young asked whether the line-item descriptions in plain English would be shared with the public who are participating in the online questionnaire. Emily Bird said yes these are linked throughout the questionnaire along with a one-page cover sheet, but that staff can also work to intergrate more plain language into the questionnaire itself.

6. Public Comment

- John (guest) expressed concern that Lakes in Crisis was underfunded at \$50,000. Emily Bird explained that the Lakes in Crisis fund was established to support the initial response to a State designation but that other funding has and continues to support improvements in the Lake Carmi watershed. This includes the new Water Quality Restoration Formula Grants which will provide funds to several watershed basins including the Missisquoi to implement non-regulatory clean water projects.
- Vermont Association of Conservation Districts Executive Director Jill Arace asked whether this budget was split by proportion allocated to Lake Champlain Basin as opposed to other watersheds in the state. Emily Bird replied most of the funding initiatives listed are available statewide with the exception of Water Quality Restoration Formula Grants and Three-Acre General Permit compliance funding/financing, which are specifically targeted in the Lake Champlain and Lake Memphremagog basins. Municipal Separate Storm Sewer System (MS4) funding is also geographically limited to only MS4 communities located in the Lake Champlain Basin. Within the Lake Champlain and Lake Memphremagog basins the DEC is working on a methodology to allocate funding to specific sub-watersheds based on phosphorus reduction targets as required under Act 76 and that methodology will be put out on Type 3 notice for public comment likely around January 2022.
- Andrea Englehardt thanked all the agencies for their continued support in Lake Carmi but brought pictures of the algae blooms from this summer and indicated that more needed to be done. She supports the idea to make more investments in Innovative and Alternative Approaches.
- Rob Evans echoed Andrea’s appreciation for agency support and advocated for continued monitoring of Lake Carmi to find where Phosphorus is entering. Rob also encouraged the Clean Water Board to think about not just sustaining the \$50,000 funding level but also to look for avenues to increase the investments.
- Lake Champlain Committee Representative Jared Carpenter expressed concern that Enhancement Grants were being short-changed the full \$5 million by including VHCB’s Land Conservation and Water Quality Projects as a supporting program and counting their \$2 million on capital dollars as part of the \$5 million cap.
- Vermont Land Trust Vice President for Strategic Communications Abby White expressed concern about including VHCB’s Land Conservation and Water Quality Projects as a supporting program under the Enhancement Grants because it pulled away from the full \$5 million in Enhancement. White suggests there’s plenty of funding to fully fund both programs and also that VHCB’s Land Conservation and Water Quality Projects program is not specifically focused on clean water, clean water is just one of the program’s goals. White suggests that while VHCB

activities are consistent with the language of Enhancement Grants as described in Act 76, VLT doesn't think it's consistent with the intent of the Act which was actually to provide \$5 million for a new program.

7. Discuss and approve draft SFY 2023 Clean Water Budget to post for public comment

Full Board

No further Board discussion on the budget or the public comment questionnaire. Motion was made by VTrans Secretary Joe Flynn to approve the draft SFY 2023 Clean Water Budget and associated materials to post for public comment. Motion was seconded by ANR Secretary Julie Moore. No discussion. Motion passed.

8. Discuss Program Audit of Clean Water Fund

Susanne Young, Secretary of Administration and Clean Water Board Chair

AoA Secretary Young indicated no questions and no bids were submitted in response to the open request for proposals for a Clean Water Fund audit. AoA has no clear answer why there's limited interest in the request for proposals except it does require that the audit be performed by an independent organization with sweeping knowledge of the Clean Water Act, Water Quality Requirements, the TMDL, and programmatic elements of the Clean Water Initiative which may be a tall order. AoA has reposted the request for proposals and will bring some recommendations for next steps back to the Board in December should they still receive no interest.

9. Adjourn

Prior to adjournment ANR Secretary Moore recognized AoA Secretary Young's 40 years of public service in advance of her pending retirement in November 2021. The Board thanked her for her great service particularly as the Clean Water Board Chair and indicated she will be greatly missed. Motion was made by ANR Secretary Julie Moore to adjourn. Motion was seconded by VTrans Secretary Joe Flynn. Motion passed, meeting adjourned at 9:21 am.

Supporting Materials:

1. August 12, 2021 Draft Clean Water Board Meeting Minutes
2. SFY 2023 Clean Water Budget Process
3. Clean Water Fund Operating Statement and Revenue Projections (August 9, 2021)
4. Draft SFY 2023 Clean Water Budget Overview (September 28, 2021)
5. Draft SFY 2023 Clean Water Budget (October 4, 2021)
6. Draft SFY 2023 Clean Water Budget Public Comment Online Questionnaire
7. Program Audit of Clean Water Fund Request for Proposals

MEMORANDUM

To: The Clean Water Board

From: Emily Bird, Department of Environmental Conservation (DEC) Clean Water Initiative Program (CWIP) Manager

Through: Julie Moore, Agency of Natural Resources (ANR) Secretary

Date: December 8, 2021

Subject: State Fiscal Year (SFY) 2023 Clean Water Budget Public Comment Responsiveness Summary

Attached to this memorandum, please find the public comments received during the SFY 2023 Clean Water Budget public comment period, as well as a summary of themes emerging from public comment for the Clean Water Board's consideration in finalizing its SFY 2023 clean water budget recommendation.

Compilation of Public Comment

The Clean Water Board posted its draft SFY 2023 Clean Water Budget for public comment October 19- November 19, 2021. Input on budget priorities and comments were collected via online questionnaire; 95 individuals responded to the questionnaire, and 9 email correspondence letters were received. The Clean Water Board also held a Clean Water Budget public hearing on November 4, 2021, with 20 public/stakeholder attendees. Attachments include:

1. Public comment online questionnaire results compiled/summarized (see page 9).
2. Public comment letters submitted via email compiled (see page 46).
3. November 4, 2021 SFY 2023 Clean Water Budget Public Hearing DRAFT meeting minutes (see page 70).
4. PDF copy of the original online questionnaire for your reference/records (see page 74).

Public Comment Themes and Proposed Responses

Clean Water Fund Revenue

1. **Theme:** Comment on total Clean Water Fund annual revenue.

Summary of Comment: The online questionnaire asked, "Factoring in the funding provided by the Capital Bill and ARPA, do you believe there are sufficient funds projected in the Clean Water Fund for State Fiscal Year 2023 (\$25.9 million)?" Thirty-nine percent answered "no," 28% answered "yes," and 33% answered "unsure." Those who answered "no" recommended a median value of \$40 million and mean/average value of \$49.6 million per year in revenue to the Clean Water Fund.

Response: ANR-DEC is developing methods to: (a) identify phosphorus reduction targets for regulatory and non-regulatory programs and (2) establish standard costs per unit of phosphorus reduced by land use sector. This analysis, once complete, will provide additional insights on gaps in revenue needs. In the meantime, the State of Vermont is leveraging significant federal investments in clean water through American Rescue Plan Act (ARPA) and the Infrastructure Investment and Jobs Act (IIJA). No increase in Clean Water Fund revenue is recommended in SFY 2023.

Clean Water Service Delivery Act (Act 76 of 2019) Updates to Clean Water Budget Structure Effective SFY 2023

2. **Theme:** Comment on the allocation of funds across High/Tier 1, Medium/Tier 2, and Low/Tier 3 budget priorities established in 10 V.S.A. § 1389.

Summary of Comment: The online questionnaire asked, “Do you agree with the percent of funds allocated to high, medium, and low priorities in the proposed State Fiscal Year (SFY) 2023 Clean Water Budget?” Approximately half (48%) answered “no,” 32% answered “yes,” and 20% answered “unsure.” The 48% who answered “no” recommended an average 7% decrease in the High Priority Tier to 47%, an average 1% decrease in the Medium Priority Tier to 28%, and an average 8% increase in the Low Priority Tier to 25%. Related, comments submitted via online questionnaire expressed support for the following Medium/Tier 2 and Low/Tier 3 programs:

- Funds to support municipal compliance with the Municipal Separate Storm Sewer System (MS4) and Three-Acre General Permit stormwater regulations (Medium/Tier 2 priority);
- Funds to support small business and homeowner compliance with the Three-Acre General Permit (Low/Tier 3 priority), citing affordability concerns; and
- Lake in Crisis Funds to support implementation of *Lake Carmi’s Lakes in Crisis Response Plan*.

Conversely, multiple commenters highlighted that the statutory budget priorities in 10 V.S.A. § 1389 direct the Board to fully fund High/Tier 1 priority budget items before allocating funds to the Medium/Tier 2 and Low/Tier 3 budget priorities, with one specific recommendation to increase funds to the Water Quality Enhancement Grants (summarized below) by shifting Clean Water Fund dollars from the Medium/Tier 2 priority section of the budget into the High/Tier 1 priority section of the budget.

Response: Results of the online questionnaire, in aggregate, do not suggest significant changes across budget priority tiers. However, comments received highlight the need to fully fund High/Tier 1 priority budget items before allocating funds to lower priority tiers and strongly recommend the Board increase funds for the Water Quality Enhancement Grant Program (High/Tier 1 budget priority) to its statutorily \$5 million ceiling (described in Theme #7 below). Therefore, the revised draft SFY 2023 Clean Water Budget shifts \$2 million from the Medium/Tier 2 priority to the High/Tier 1 priority to align with the Clean Water Fund priorities established in law. As described in Theme #7 below, the \$2 million increase in the High/Tier 1 budget priority will come from the Medium/Tier 2 budget priority line item 2.23 “Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4).” Commenters supportive of funds for stormwater compliance should note that there are significant funding/financing resources leveraged outside the scope of this Clean Water Budget through ARPA, IJJA, and the Clean Water State Revolving Fund (CWSRF). Affordability will be factored into the level of financial assistance provided. Regarding comments recommending increased funds to support Lakes in Crisis, please see Theme #11 below.

3. **Theme:** Comment on how Clean Water Service Providers’ (CWSP) sufficient progress determination impacts authorization of Developed Lands Implementation Grants and Municipal Stormwater Implementation Grants.

Summary of Comment: Multiple commenters questioned if it is appropriate/premature to fund Developed Lands Implementation Grants and Municipal Stormwater Implementation Grants, citing

that these grants “shall only be available in basins where a CWSP has met its annual goals or is making sufficient progress, as determined by the Secretary, towards these goals.” (10 V.S.A. §§927, 928)

Response: Attainment of adequate yearly progress is a function of incremental progress towards five-year pollution reduction targets, as described in the Clean Water Service Provider Rule. CWSPs are only now setting the stage to begin incremental work towards these targets. It would be unreasonable to hold funding for these important additional sectors to await determination of progress. For SFY 2023, ANR-DEC expectations for sufficient progress is defined as active participation in CWSP Start-up grants scope of work in SFY 2022. CWSP Start-up grants are intended to prepare CWSPs and their partners to launch the Water Quality Restoration Formula Grants in SFY 2023 and include a variety of tasks such as establishment of Basin Water Quality Councils (BWQCs), project and financial tracking systems, procurement of pre-qualified project implementers and contractors, and more.

- 4. Theme:** Comment on investments in clean water project identification, prioritization, and development funds.

Summary of Comment: Multiple commenters highlighted the importance of providing substantial funds for clean water project identification, prioritization, and development, especially in the early stages of implementing funding programs established under the Clean Water Service Delivery Act (Act 76 of 2019), effective SFY 2023.

Response: Water Quality Restoration Formula Grants and Water Quality Enhancement Grants line items are planned to support all aspects of project identification and development. This ranges from sector-based assessments to identify projects (e.g., River Corridor Plans), to project development/outreach activities occurring between project steps to aid in project advancement. The Water Quality Restoration Formula Grants standard cost per unit phosphorus reduced by land use sector will incorporate project identification and development activities. ANR-DEC acknowledges that Formula Grant investments in the initial stages of Act 76 implementation will likely be weighted heavily toward project identification and development to prepare projects for implementation to meet phosphorus reduction targets. It is understood that some non-regulatory projects identified may not be viable to implement and ANR-DEC will work to factor this contingency into the Formula Grant fund allocation methodology, while also putting procedures in place to terminate unfeasible projects early in the project lifespan.

Comments on Individual Budget Line Items

- 5. Theme:** Comments on costs of clean water project operation and maintenance (O&M) related to “Water Quality Restoration Formula Grants to Clean Water Service Providers (O&M)” line item 1.2.

Summary of Comment: Commenters acknowledged that O&M costs will increase over time as more projects are implemented; commenters asked for basis of how O&M costs were calculated in the draft SFY 2023 Clean Water Budget.

Response: SFY 2023 is the first-year funds will be provided for clean water project O&M. In this first year, most of the O&M work will focus on inventorying existing clean water projects and conducting inspection and verification of project performance. ANR-DEC anticipates this level of effort to equate to approximately 0.3 full time equivalents (FTE) for CWSPs or partners hired by CWSPs; assuming 1 FTE is approximately \$100,000, 0.3 FTEs would amount to approximately \$30,000 per each of the seven basins with operational CWSPs, totaling \$210,000. Inspection and verification activities funded with

SFY 2023 dollars will inform the scope of need for O&M activities in future budget cycles. ANR-DEC is developing cost estimation tools for O&M activities in partnership O&M partners to establish quantitative budget targets in future years.

- 6. Theme:** Comment recommending increase in “Basin Planning, Basin Water Quality Council Participation, Education, and Outreach” line item 1.3.

Summary of Comment: Multiple commenters recommended increased Tactical Basin Planning funds to fully compensate Basin Water Quality Council (BWQC) member participation for all Council members without impacting funds available for other core Tactical Basin Planning activities statewide.

Response: The proposed \$600,000 budgeted for line item 1.3 already includes compensation for Basin Planning statutory partners’ (established in 10 V.S.A. § 1253) participation on BWQCs at \$500 per BWQC member per quarterly meeting (\$50/hour, assuming 10 hours of meeting and preparation time per quarter), totaling \$2,000 per BWQC member per year. Commenters recommended line item 1.3 be increased to compensate all BWQC members in 10 V.S.A. § 924. Addressing the BWQC participation funding gap would mean funding three additional individuals for each of the seven BWQCs: one representative from a local or statewide land conservation organization and two persons representing municipalities within the basin.

ANR-DEC agrees all BWQC members should be compensated for BWQC participation. The revised draft SFY 2023 Clean Water Budget proposes increasing line item 1.3 by \$50,000 to fill this compensation gap. The \$50,000 increase is proposed to come from line item 2.23, based on the requirement to fully fund High/Tier 1 priority budget items before allocating funds to lower priority tiers.

The rationale for the \$50,000 increase being: 3 additional individuals per each of the 7 BWQCs, totaling 21 individuals; BWQC members compensated \$500 per quarterly meeting (\$50/hour, assuming 10 hours of meeting and preparation time per quarter), totaling \$2,000 per BWQC member per year. The cost estimate to compensate 21 additional BWQC members at \$2,000 per member is \$42,000, plus \$4,667 (10%) available for Tactical Basin Planning block grant recipients administering passthrough funds to BWQC members for a total estimated \$46,667. ANR-DEC acknowledges that SFY 2023 is the first year BWQCs will be in operation and the demand for BWQC meetings/hours may need to be refined. Therefore, ANR-DEC proposes rounding this increase up to \$50,000 to build in contingency.

- 7. Theme:** Comment recommending increase in “Water Quality Enhancement Grants, Statewide Non-regulatory Clean Water Projects (not to Overlap with Formula Grants)” line item 1.41.

Summary of Comment: Multiple commenters recommended increasing Water Quality Enhancement Grants to support statewide non-regulatory clean water projects from \$3 million to \$5 million, fully funded from the Clean Water Fund. Commenters did not agree with the budget proposal to use Vermont Housing and Conservation Board’s (VHCB) Land Conservation and Water Quality Projects, funded with \$2 million from the Capital Bill, to contribute toward meeting the \$5 million ceiling defined in 10 V.S.A. § 1389.

Commenters cited statutory intent of the Enhancement Grant budget targets defined in 10 V.S.A. § 1389 and the importance of Enhancement Grants to ensure geographic distribution of funds, given the Formula Grant’s initial focus on the Lake Champlain and Lake Memphremagog basins.

Commenters recommended addressing this gap by redirecting funds from lower priority budget tiers, citing the statutory requirement for High/Tier 1 budget priorities to be fully funded before allocating funds to Medium/Tier 2 and Low/Tier 3 budget priorities.

Response: The revised draft SFY 2023 Clean Water Budget proposes a \$2 million increase in line item 1.41 to meet the \$5 million ceiling for Water Quality Enhancement Grant Programs. ANR-DEC evaluated reallocating \$2 million from the Clean Water Fund from scale-able line items in the Medium/Tier 2 and Low/Tier 3 budget priorities, based on the statutory requirement for High/Tier 1 budget priorities to be fully funded before allocating funds to Medium/Tier 2 and Low/Tier 3 budget priorities.

ANR-DEC identified line item 2.23 “Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4)” as the best fit to for reallocating funds to address public comment, as this line item can leverage federal ARPA, IJJA, and CWSRF funding/financing. To partially offset the reduction in Clean Water Fund dollars for line item 2.23, the revised draft SFY 2023 Clean Water Budget proposes shifting \$0.5 million in ARPA funds from line item 3.1 “Developed Lands Implementation Grants” (supports Three-Acre General Permit compliance for non-municipal/private entities) to line item 2.23.

For context, the SFY 2022 Clean Water Budget “Stormwater Project Delivery, Planning and Implementation” line item was funded at approximately \$5 million total and supported both regulatory and non-regulatory activities, with a portion contributing to municipal stormwater regulatory requirements. This SFY 2023 Clean Water Budget line item 2.23 “Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4)” totals approximately \$6 million, representing an increase compared to prior years. However, ARPA funds are only available through SFY 2024, and the Board may need to revisit how it allocates Clean Water Fund dollars across budget priority tiers in the future.

- 8. Theme:** Comment recommending increase in enforcement of regulations to address agricultural sources of pollution.

Summary of Comment: Multiple commenters expressed support for focus on agricultural efforts to reduce pollution. Multiple commenters urged increase in enforcement of regulations.

Response: Enforcement of regulatory requirements is beyond the scope of the Clean Water Budget, although the State of Vermont acknowledges the importance of funding technical assistance efforts to aid regulated communities in complying with regulations. Additionally, AAFM’s Program Support line item 1.61 funds a portion of AAFM water quality staff responsible for conducting farm inspections and technical assistance.

- 9. Point of Budget Clarification** on the scope of “Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4)” line item 2.23. ANR-DEC is requesting the Board approve broadening the scope of line item 2.23 to include funds to municipalities to purchase equipment to implement Municipal Roads General Permit (MRGP) standards. ANR-DEC has administered this program for several years, funded from prior Clean Water Budgets’ “Stormwater Project Delivery, Planning and Implementation” line item. ANR-DEC recently learned of additional demand for this program. SFY

2023 funds would provide a final opportunity for all municipalities to participate in the program.

10. Theme: Comment recommending investments in “Innovative or Alternative Technologies or Practices to Improve Water Quality” line item 2.4.

Summary of Comment: Multiple commenters recommended investment in innovative techniques/technologies to address water pollution.

Response: The State of Vermont welcomes input from public/stakeholders on opportunities to develop and use of technologies, practices, or policies that facilitate, optimize, or accelerate cost-effective nutrient pollution removal strategies. This line item is populated with funds on an as-needed basis. No funding needs are projected for SFY 2023, as the AAFM-administered Vermont Phosphorus Innovation Challenge (VPIC) is still in progress with prior year funding. The State of Vermont will review the results of the VPIC projects and identify funding needs for innovation investments as part of the SFY 2024 Clean Water Budget process. It should be noted that “innovation” is not isolated to Clean Water Budget line item 2.4. Innovation is woven into many State of Vermont clean water funding initiatives, with examples ranging from investments in building organizational capacity of clean water project proponents/partners, to developing new methods to identify and prioritize river/floodplain restoration projects through the Functioning Floodplain Initiative, to helping farmers use innovative equipment to reduce nutrient pollution from agricultural fields.

11. Theme: Comment related to “Lakes in Crisis Fund” line item 4.1.

Summary of Comment: Multiple commenters recommended increasing the Lakes in Crisis Fund line item; some commenters requested an increase from \$50,000 to \$100,000. Commenters also recommended the following, related to the Clean Water Budget.

- Funds for an additional year of high frequency monitoring of the Lake Carmi aerator system and for enhanced monitoring to better understand nutrient loading to the Lake and project effectiveness;
- Funds to increase the Franklin Watershed Committee Coordinator to full time;
- Funds for extended maintenance contract with the Lake Carmi aerator vendor;

Response:

Background on the Lakes in Crisis Fund: Pursuant to 10 V.S.A. § 1314, \$50,000 was appropriated from the Clean Water Fund in SFY 2019 to the Lake in Crisis Fund for initial response to the lake in crisis designation, which was continued in SFY 2020-2022 and is proposed to continue in SFY 2023.

Investments in the Lake Carmi watershed, including Lakes in Crisis Funds, are guided/prioritized by the Missisquoi Bay Tactical Basin Plan and the Lake Carmi Crisis Response Plan. The Lakes in Crisis Funds to date have been used to support Lake Carmi water quality monitoring, aeration system operation, soil health assessments and manure injection equipment technical assistance. In addition to the Lakes in Crisis Fund, the state invested approximately \$1.4 million in support of the *Lake Carmi Crisis Response Plan* in SFY 2016-2019 and updated investment data will be available in January 2022 through the [Clean Water Interactive Dashboard](#). The Lakes in Crisis Fund requires recipients to pay at least 35 percent of project costs (10 V.S.A. § 1313).

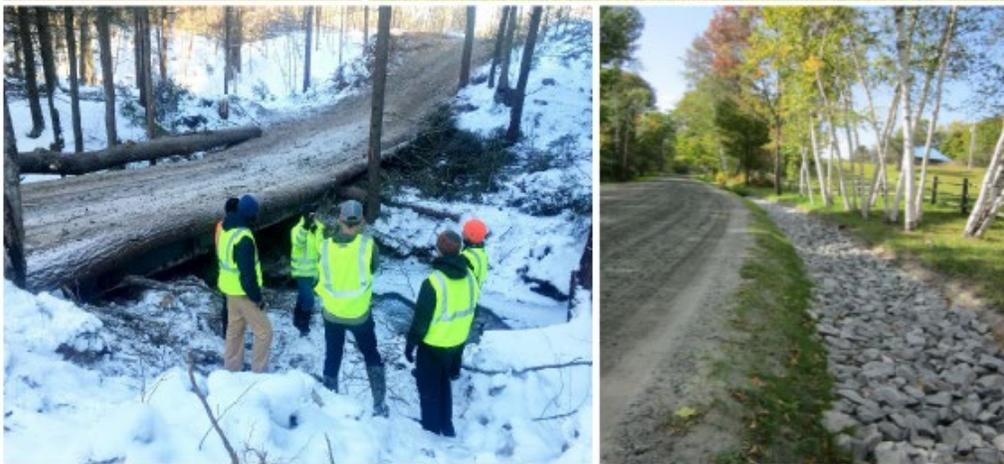
Regarding comments requesting increase in Lakes in Crisis Funds: ANR-DEC does not recommend an increase in the Lakes in Crisis Fund allocation in SFY 2023 because significant clean water funding is available to support projects in the Lake Carmi watershed with less than 35% to no match requirement. Projects implemented to reduce phosphorus in the Lake Carmi watershed also reduce phosphorus loading to Lake Champlain and would be eligible for funds under the Water Quality Restoration Formula Grants, effective in SFY 2023. Additionally, Agency of Agriculture, Food and Markets (AAFM) will continue to provide funding to partners and farmers to implement agricultural best management practices and technical assistance; some of which may be implemented in the Lake Carmi watershed.

- *Regarding comments on Lake Carmi monitoring recommendations:* ANR-DEC has obligated funds to extend high frequency monitoring of the Lake Carmi aerator system into the 2022 field season, and this information will be available again on a quasi-real time basis through the [UVM EPSCoR website](#) for Lake Carmi. The ANR-DEC Lakes and Ponds Program also continues to monitor Lake Carmi and its tributaries to track changes in phosphorus concentrations and other water quality parameters.
- *Regarding comments on organizational capacity development:* ANR-DEC is working to increase the capacity of clean water project partners. ANR-DEC will be offering organizational capacity development funds in SFY 2022-2023; these funds could support capacity building of watershed organizations like Franklin Watershed Committee. ANR-DEC also recently advertised a request for proposals for competitive funds for agricultural, shoreland, and natural resources best management practice (BMP) implementation in the Lake Carmi watershed, to be funded with Lakes in Crisis Funds, and these funds can also be used to support personnel time at watershed organizations.
- *Regarding comments on extended Lake Carmi aerator maintenance contract:* ANR-DEC recognizes the importance of ensuring that whoever owns the aeration system is qualified and equipped to operate and maintain this important (and expensive) equipment. ANR-DEC wants to avoid a situation where the system sits idle on the bottom of the lake due to maintenance problems or lack of funds to pay for system operation. For that reason, ANR-DEC is using \$10,000 of Lakes in Crisis Funds annually to support half the electricity costs to operate the system and used \$50,000 of remaining Capital Bill funds to support Everblue Lakes to maintain the system in 2021 and 2022, beyond ANR-DEC's initial agreement to provide this support only through the end of 2020. ANR-DEC also included scope in Everblue Lakes' contract extension to train Town of Franklin employees in all aspects of system operation and maintenance. ANR-DEC is not in the business of operating lake-specific management equipment, which are best owned and operated by local entities. However, given the complexity of the system and its operational challenges to date, ANR-DEC agrees that an annual maintenance contract beyond the end of the 2022 aeration season is worth considering, and DEC may be able to use a portion of the Lakes in Crisis Funds to support some of these costs, with some financial contributions from local organizations as well to help cover the full suite of costs.

12. Theme: Comment related to improvements to wastewater systems, including activities funded under "State Match to Clean Water State Revolving Fund (CWSRF) Federal Grant" line item 4.4 and "Municipal Pollution Control Grants" line item 4.5.

Summary of Comment: Multiple commenters expressed support for investments to eliminate combined sewer overflows (CSOs), improve private onsite wastewater systems (e.g., septic systems), and assist municipal wastewater systems in treatment of emerging contaminants (e.g., PFAS).

Response: The State of Vermont is actively engaged in development and execution of ARPA funding programs to address CSOs and onsite water/wastewater. In SFY 2022, the Agency of Administration approved, and ANR-DEC issued award notifications to four communities for \$10 million of CSO elimination work, in Vergennes, Montpelier, Northfield, and St. Johnsbury. Pending additional appropriation, ANR-DEC anticipates a similar slate of awards in SFY 2023, for communities with ongoing CSO needs. In addition, the Agency of Administration has approved implementation of nearly \$1M million in funding to support low or no-cost replacement of failing onsite septic systems or wells for low-income Vermonters. The ANR-DEC is launching this program presently. With respect to emerging contaminants such as PFAS, as a result of IJJA, the State anticipates receipt of \$8 million/year over five years to support remediation of PFAS in drinking water systems, and approximately \$1 million/year over five years to remediate PFAS in wastewater systems. These funds come with no matching requirements and are required to be issued at 100% subsidy.



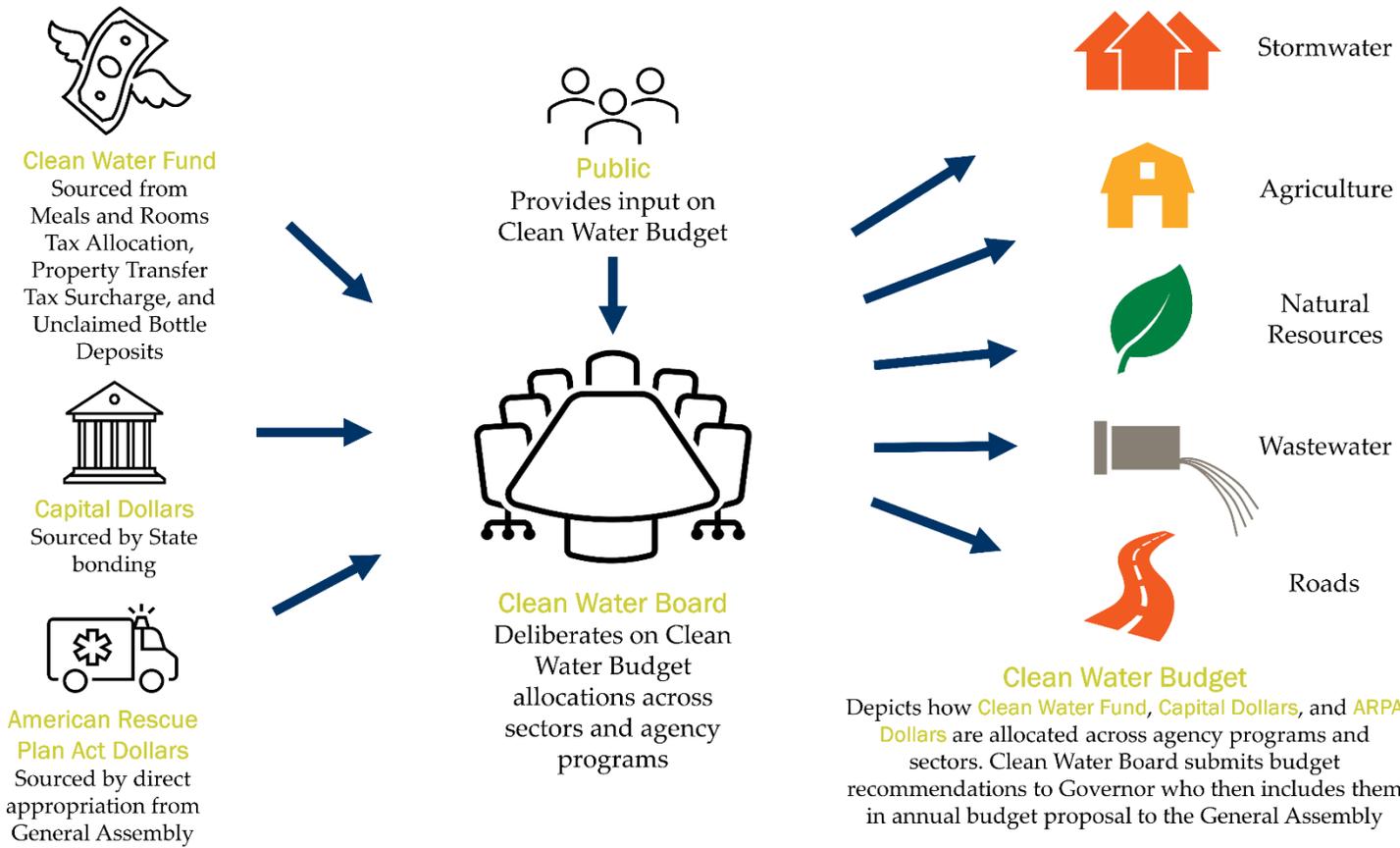
State Fiscal Year 2023 Clean Water Budget

Results of Public Comment Online Questionnaire
Open October 19-November 19, 2021



- AGENCY OF ADMINISTRATION
- AGENCY OF AGRICULTURE, FOOD & MARKETS
- AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
- AGENCY OF NATURAL RESOURCES
- AGENCY OF TRANSPORTATION

Clean Water Budget Process



Public Comment Period Participation

- November 4, 2021 Public Hearing attended by 20 (excluding Board members and state staff) with 13 commenters
- Online questionnaire open October 19-November 19, 2021 received 95 responses
- 8 letters/emails received October 19-November 19, 2021

Summary of State Fiscal Year (SFY) 2023 Clean Water Budget Public Comment Online Questionnaire Results



SFY 2023 Clean Water Budget Public Comment Questionnaire

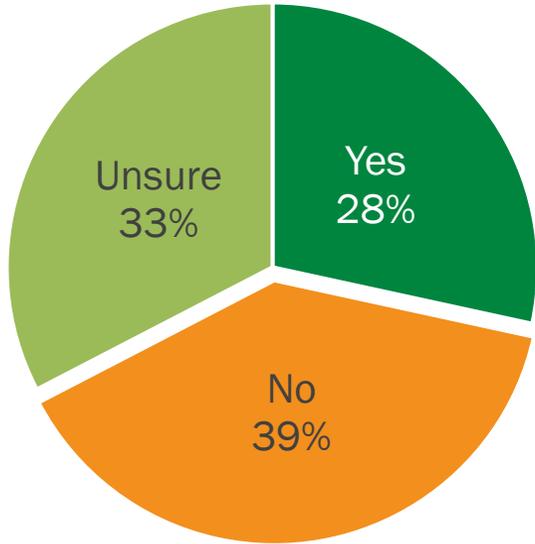
- Do you think funding levels sufficient, and if not, what additional funding is recommended?
- Do you agree with the proposed % allocation of funds across Tier 1 (high), Tier 2 (medium), and Tier 3 (low) budget priorities, and if not, what % breakdown is recommended?
- Do you agree with the proposed ranking of budget line items within each priority tier, and if not, what ranking is recommended?
- General comments: weigh-in on unmet needs and/or recommendations for development/use of innovative techniques and share other comments



Do you think funding levels sufficient, and if not, what additional funding is recommended?

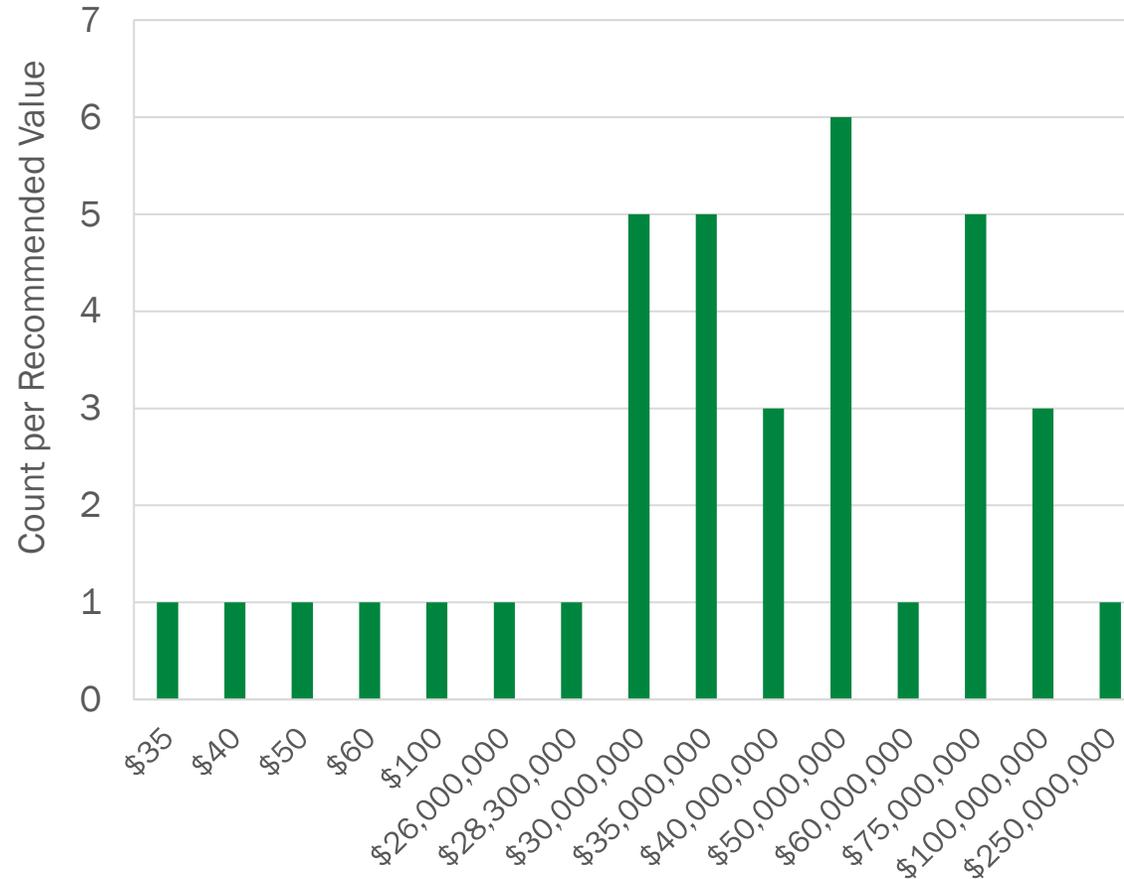


1. Factoring in the funding provided by the Capital Bill and ARPA, do you believe there are sufficient funds projected in the Clean Water Fund for State Fiscal Year 2023 (\$25.9 million)?



39% answered “No” and recommended a different funding level. See Figure →

2. If you answered “no” to Question #1 (39% of responses), what is the total size (in dollars) of the Clean Water Fund you would like to see the Board recommend to the Governor and the Legislature?



- Current projected Clean Water Fund revenue for State Fiscal Year 2023: \$25.9 million
- Minimum recommended value: \$35*
- Median (middle) recommended value: \$40,000,000
- Mean (average) recommended value: \$49,563,897
- Maximum recommended value: \$250,000,000

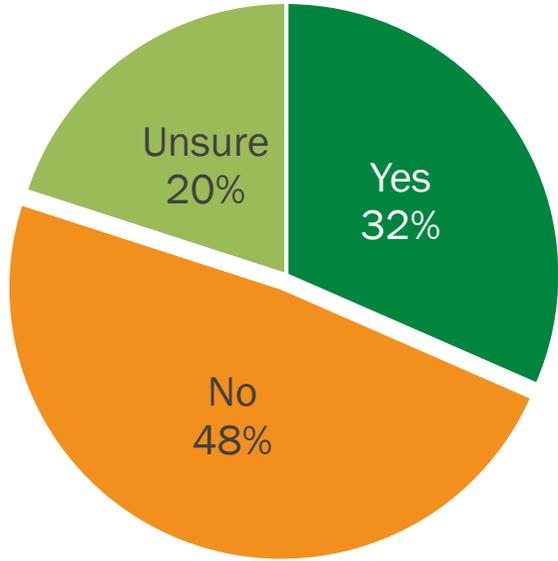
*Possibility responses of \$35, \$40, \$50, \$60, and \$100 may have intended to indicate \$ in millions.



Do you agree with the proposed % allocation of funds across Tier 1 (high), Tier 2 (medium), and Tier 3 (low) budget priorities, and if not, what % breakdown is recommended?

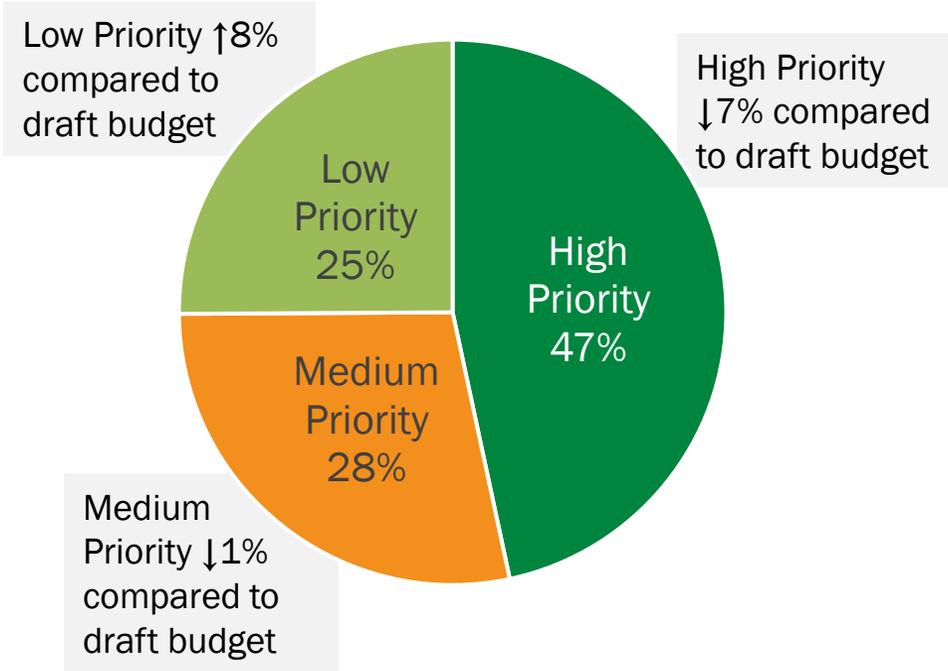


3. Do you agree with the percent of funds allocated to high, medium, and low priorities in the proposed State Fiscal Year (SFY) 2023 Clean Water Budget?

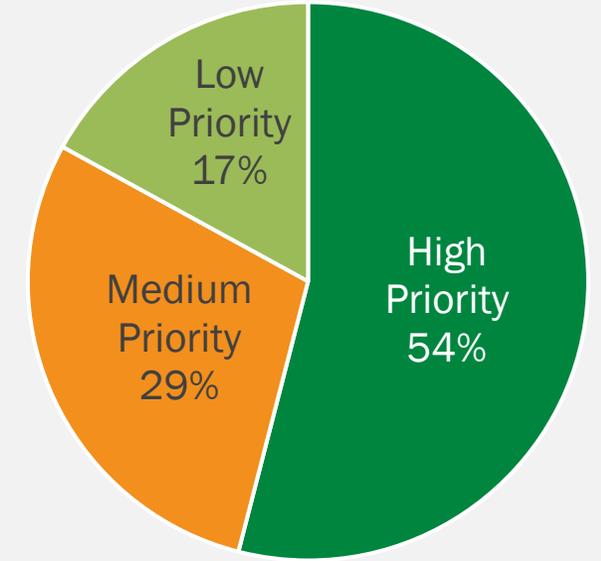


48% answered “No” and recommended a different % allocation. See Figure →

4-6. If you answered "no" to Question #3 (48% of responses), what percent of the funds would you allocate to the high, medium, and low priority tiers?



Average/mean percent of funds recommended per priority tier

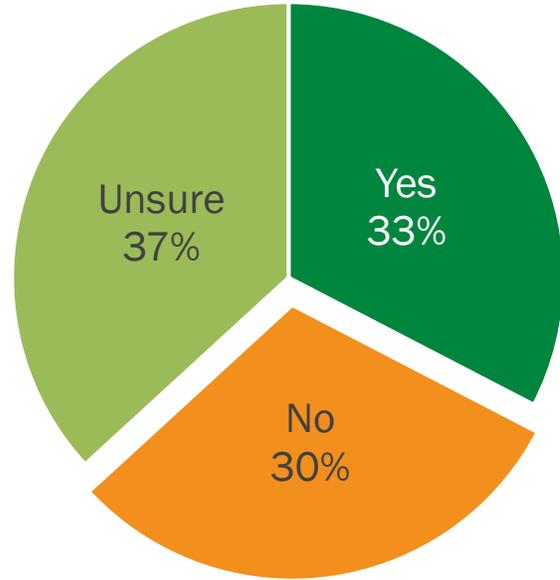


Percent of funds allocated per priority tier in draft State Fiscal Year 2023 Clean Water Budget for Context

Do you agree with the proposed ranking of budget line items within each priority tier, and if not, what ranking is recommended?



7. Do you agree with the allocation of funds within the high priority budget tier?

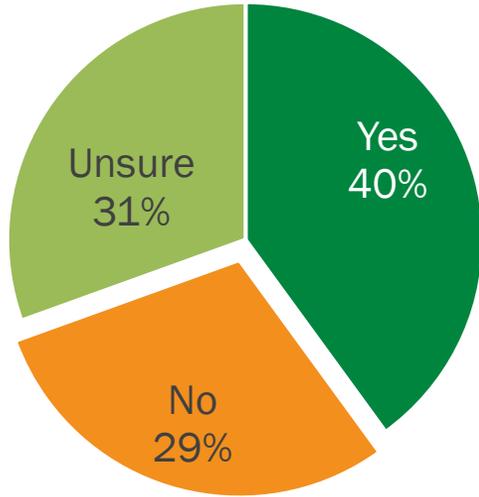


30% answered “No” and recommended adjusted ranking. See Table →

8. If you answered "no" to Question #7 (30% of responses) and disagree with the proposed breakdown of funds by budget program/activity within the high priority budget tier, please re-rank the programs/activities to reflect your preferred priorities.

High Priority Budget Line Items	Draft Budget Ranking	Adjusted Ranking
Agency of Agriculture Water Quality Grants to Partners and Farmers	1	1 (No Change)
Water Quality Restoration Formula Grants to Clean Water Service Providers	2	2 (No Change)
Statewide Non-regulatory Clean Water Projects - Clean Water Initiative Program Water Quality Enhancement Grants	3	3 (No Change)
Land Conservation and Water Quality Projects - Vermont Housing & Conservation Board Water Quality Enhancement Grants	4	5 (↓1 Change)
Clean Water Initiative Program and Partner Support	5	4 (↑1 Change)
Agency of Agriculture Program Support	6	8 (↓2 Change)
Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	7	7 (No Change)
Water Quality Restoration Formula Grant to Clean Water Service Providers (Operation & Maintenance)	8	6 (↑2 Change)

9. Do you agree with the allocation of funds within the medium priority budget tier?

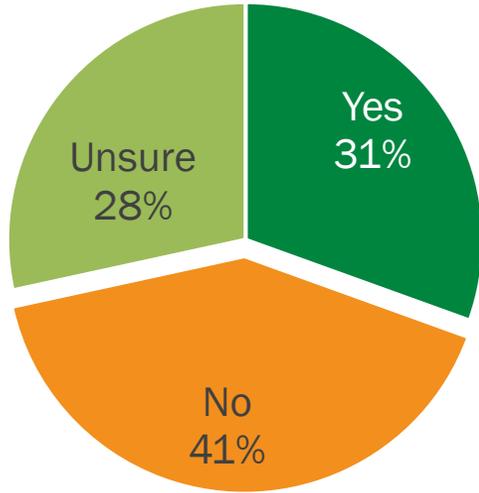


29% answered “No” and recommended adjusted ranking. See Table →

10. If you answered "no" to Question #9 (29% of responses) and disagree with the proposed breakdown of funds by budget program/activity within the medium priority budget tier, please re-rank the programs/activities to reflect your preferred priorities.

Medium Priority Budget Line Items	Draft Budget Ranking	Adjusted Ranking
Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4)	1	1 (No Change)
Municipal Roads Grants-in-Aid	2	2 (No Change)
Municipal Better Roads	3	3 (No Change)
Water Quality Farm Improvement and Retirement Projects	4	4 (No Change)
Implement Best Management Practices at State Forest, Park, Recreational Access Roads	5	5 (No Change)
Forestry and Portable Skidder Bridges and Water Quality Practices	6	7 (↓1 Change)
Innovative or Alternative Technologies or Practices to Improve Water Quality	7	6 (↑1 Change)

11. Do you agree with the allocation of funds within the low priority budget tier?



41% answered “No” and recommended adjusted ranking. See Table →

12. If you answered "no" to Question #11 (41% of responses) and disagree with the proposed breakdown of funds by budget program/activity within the low priority budget tier, please re-rank the programs/activities to reflect your preferred priorities.

Low Priority Budget Line Items	Draft Budget Ranking	Adjusted Ranking
Municipal Pollution Control Grants	1	1 (No Change)
Developed Lands Implementation Grant	2	3 (↓1 Change)
State Match to Clean Water State Revolving Fund Federal Grant	3	4 (↓1 Change)
Better Connections and Downtown Transportation Fund	4	5 (↓1 Change)
Lakes in Crisis Fund	5	2 (↑3 Change)
Stormwater Utility Payments	6	6 (No Change)

General comments: weigh-in on unmet needs and/or recommendations for development/use of innovative techniques and share other comments

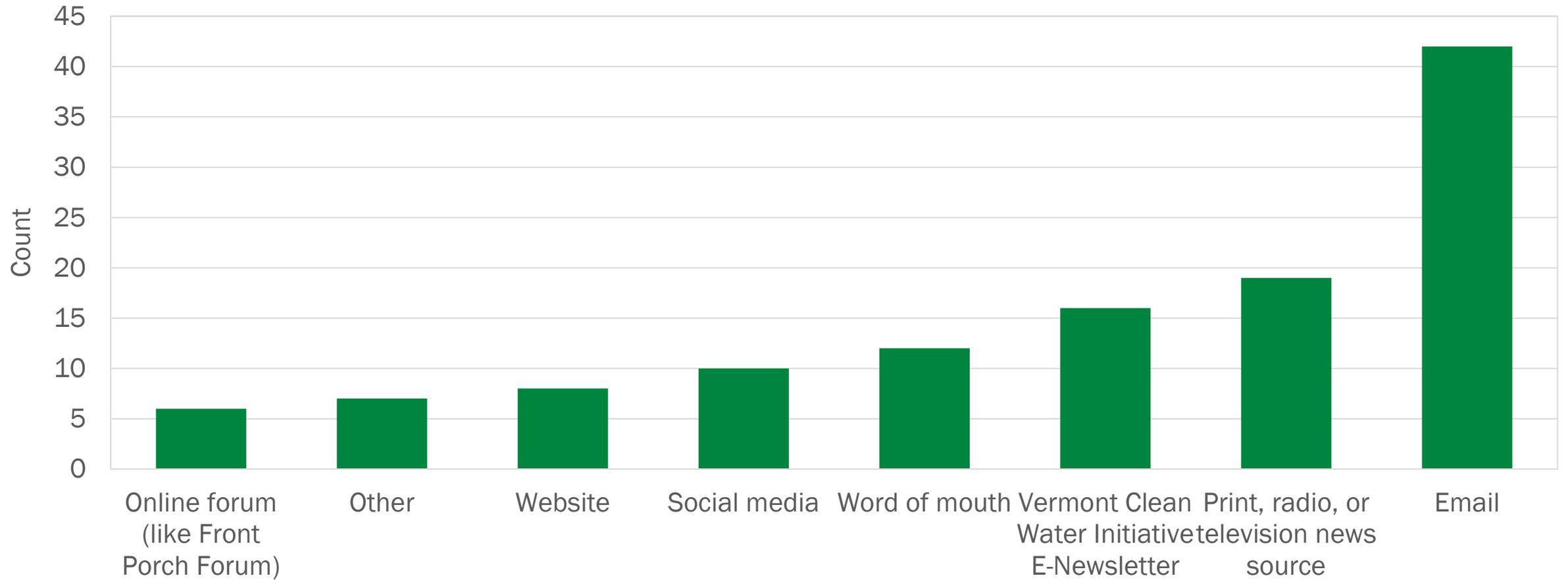
See Compilation of Responses to Open-Ended Questions 13-16



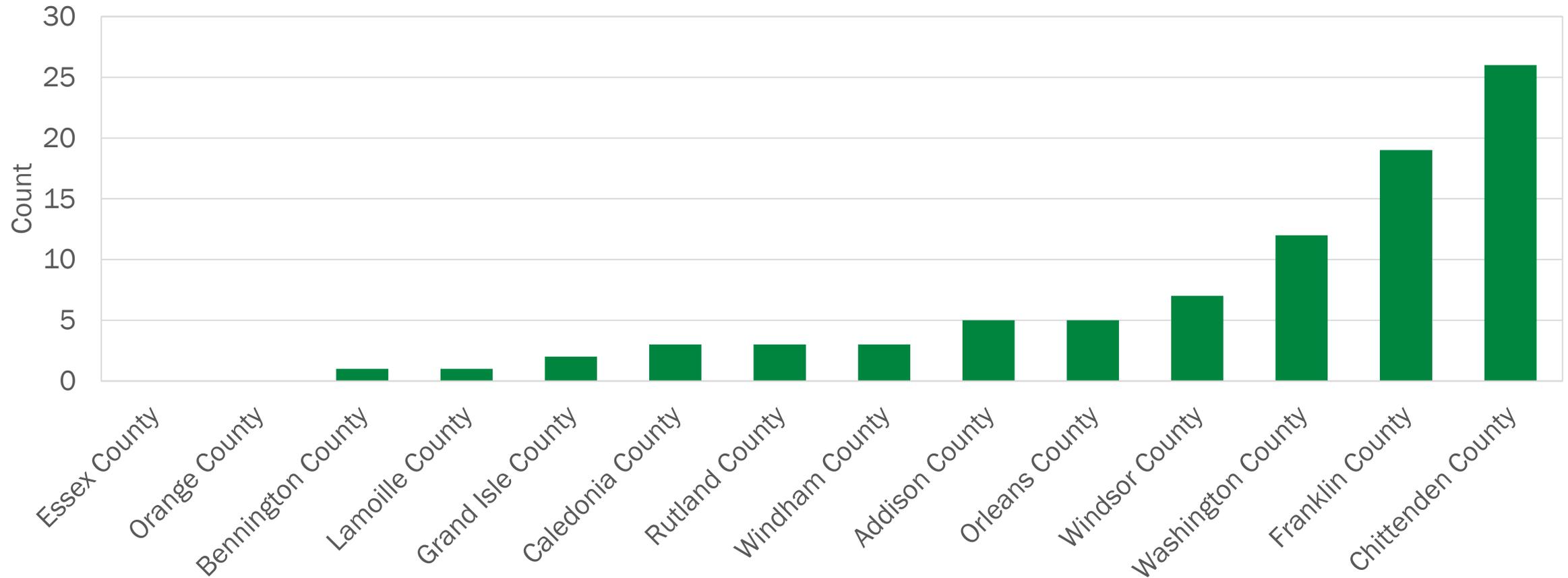
Online Questionnaire Participants' Demographics



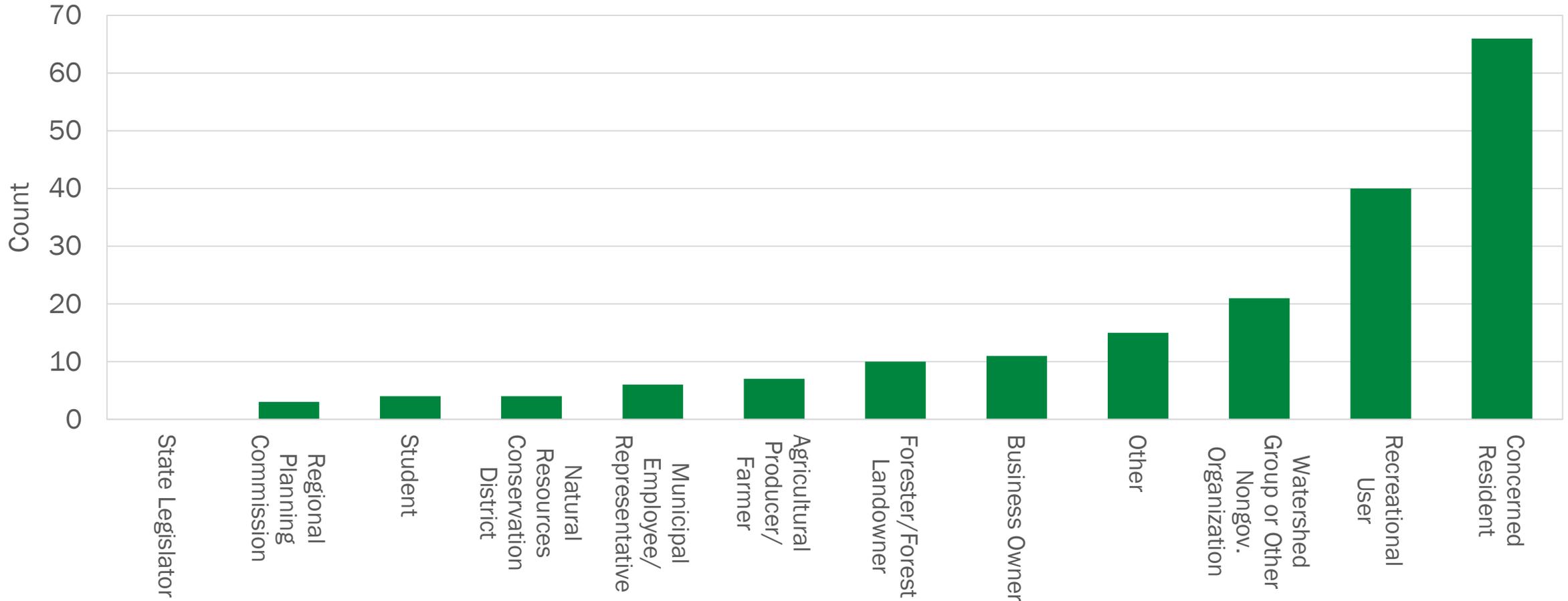
17. How did you hear of this questionnaire (select all that apply)?



18. Please enter your zip code to help us understand the statewide distribution of responses to this questionnaire. (91 Responses, 87 in state, 4 out of state or invalid)



19. We are interested to know who is completing this questionnaire. Which groups do you belong to or identify with? Select all that apply.



Compilation of Responses to Open-Ended Online Questionnaire Questions, Questions 13-16

<p>Question 13. Do you feel there are any unmet needs in supporting clean water priorities based on the programs/activities presented in the draft State Fiscal Year (SFY) 2023 Clean Water Budget? (70 Responses)</p>
<p>Yes. The fund is inadequate to fund all the natural resources projects that have been developed and are pending, both for design and implementation. More funds need to be directed to these projects, and NOT via direct funding to VHCB or others who have lobbyist in Montpelier to get special line item appropriations.</p>
<p>Insufficient funds for stormwater remediation.</p>
<p>no</p>
<p>100-200k floodplain restoration projects are part of missing middle unfundable set</p>
<p>I believe Budget line items 1.3 and 1.41 are underfunded (see more detailed comments in #14 below), creating unmet needs in supporting clean water priorities. As a result, I urge the Clean Water Board to consider increasing funding in line item 1.3 to at least \$1,000,000 from the Clean Water Fund and to fully-fund line item 1.41 at \$5,000,000 from the Clean Water Fund as required by law.</p>
<p>We need more funds to protect Vermont's lakes, which are suffering from increased nutrient pollution and blue-green algae blooms and invasive plants</p>
<p>More funds should be allocated to innovation, particularly as it relates to phosphorus removal. P is a major player in the deterioration of water quality and needs to be aggressively dealt with.</p>
<p>Funds should be allocated to support the Town of Franklin for electric costs of the aeration system, as well as its maintenance.</p>
<p>The aeration system at Lake Carmi needs to be fully funded by the state and maintained by professionals for its expected life span. This is to insure its appropriate functioning so that it does not increase the phosphorus level in the lake which creates additional Cyanobacteria blooms. Money for a maintenance and operations contract needs to be budgeted.</p>
<p>Also, more innovative techniques need to be tried in order to get results in Lake Carmi. The guidance in place has been followed by all - agriculture, town, state park, summer camp owners - and yet the dissolved phosphorus levels have not been shown to have been reduced by actual water sampling.</p>
<p>I don't know where PFAS fits into this....but there needs to be far more testing of our rivers and Lake Champlain. We need to be testing fish. We need to be looking at technology that will take PFAS out of the water, leachate, wastewater, etc.</p>
<p>Yes. With the summer weather being warmer and warmer each year and more heat waves, we need our clean lakes to aid communities.</p>
<p>Best Management Practices should be implemented for all distressed/impaired waters.</p>
<p>There is not enough money provided for supporting water quality testing and education and outreach for partner programs.</p>
<p>More money to stop partially treated sewage into Lake Champlain</p>
<p>There should be a program that includes municipalities and private landowners to control erosion from class 4 roads, with an emphasis on those being impacted by recreational vehicles. FPR should also be directed to use some of their allocation to relocate or mitigate erosion on historic trails not meeting current standards.</p>
<p>The unmet needs are on the Connecticut River watershed. Please don't leave this side of the state out of at least some of your focus and funding. We are sick of being short changed!</p>
<p>Prevention of polluted water is the way to go</p>

Question 13. Do you feel there are any unmet needs in supporting clean water priorities based on the programs/activities presented in the draft State Fiscal Year (SFY) 2023 Clean Water Budget? (70 Responses)

More for Wetland Designations, Studies, Rehab and Community Education on the importance of Wetlands

I would like to see more emphasis on cleaning up our beautiful lakes, addressing pollution and algae in Lake Champlain

na

More funding for Tier 1 activities. Enhancement Grants should be \$5m. VHCB programs should be in addition to Enhancement Grants. Increase support for Tactical Basin Planning.

Let's keep the cows out of the rivers; Stop planting corn right to the water

The allocation of grants (stormwater) is being done in a way that is very difficult for municipalities to achieve goals. Majority of projects are awarded at <\$50,000...which does little to pay for \$500,000 systems.

Treated water doesn't belong in fresh water lakes and rivers. Moving priorities within tiers isn't allowed in the survey. Industrial users aren't easily prioritized in the survey.

Lake Champlain needs attention. We saw more blue green algae on Thompson's Point this summer (and even on October 20th!) than ever before.

Yes. The Lake in Crisis fund should be moved to top of low priority section. Though I would argue it should be in the mid priority section. We don't want to also be known as the Green Lake State.

Just clean up the treatment plants along all the rivers that feed Lake Champlain and other waterways and STOP wasting money on stupid programs!!!!

In-lake management and nutrient interception coming into lakes or being discharged; nutrient interception leaving MS4

End CSOs into Lake Champlain. Improve capacity and technology at municipal wastewater treatment plants. Purchase permanent buffer easements along the Lake's tributary rivers and streams to prevent and filter agricultural pollution. Protection and improvement of water quality in Lake Champlain and its tributaries should be the highest priority. The Lake is Vermont's crown jewel. It is a resource for all Vermonters. It should be swimmable at minimum. Cyanobacteria blooms are even impacting real estate values. Water quality in the Lake is currently a tragic embarrassment. It is long past time for Vermont's leadership to step up to the plate and make major long-lasting investments for our communities, our children, and grandchildren.

I do not believe there is enough information presented for the lay citizen to make informed responses to most of this survey. I am not sure if infrastructure improvements of the treatment plants are a high priority in this budget.

State needs to step in and hold Burlington and other towns accountable for their Treatment Plant overflows. Its been years and years of treatment plant overflow in Burlington into the lake. That needs to be fixed, and the state should pay for it Burlington needs to pay for it or the State starts finning them.

Yes, Burlington and St Albans must stop dumping waste / storm water in to the lake.

I did not see any mention of the 3 acre impervious soil and its effects on small business. I realize the need to deal with cleansing the wastewater from municipalities, but small businesses can not be charged with the cost of cleanup that is being imposed upon them by the 3 acre law. The state also need to address the over use of road salt.

Waste water treatment requires investment in new technologies that will keep pollution out of Vermont waterways. The state has focused on agricultural pollution to the exclusion of the pollution caused by leachate and medicines, among others.

Additional funding needed to support municipal 3 acre general permit and MS4, especially for Ledge Knoll Development, So. Burlington, that has a 1987 storm water permit expiring Dec. 1,

Question 13. Do you feel there are any unmet needs in supporting clean water priorities based on the programs/activities presented in the draft State Fiscal Year (SFY) 2023 Clean Water Budget? (70 Responses)

2021. As 1 of the 58 residences, I feel we should be grandfathered in. Funding will be needed for engineering feasibility studies, construction of a single settling pond or probably multiple settling ponds on individual properties or the roadway and thus moving multiple underground utilities and replacing everything. Without a storm water permit, if necessary to sell due to downsizing, ill health, transfer for employment, we could lose our equity in our homes while this is pending. Not only that but we drain off two adjacent groups of individual homes from HIGHLAND Terrace and WILDFLOWER Drive and since neither is part of our development we must pay the brut of the cost.

I think the State and individual municipalities, not individual homeowners, should be responsible for upgrading stormwater runoff sites. I fully support funding Municipal Three-Acre General Permit and MS4 projects.

Joan C. Britt, South Burlington

Need to prioritize separation of storm water and sewage discharge. For every connection that you separate then you can move towards effective storm water treatment and making sewage treatment more efficient and effective.

Yes, need additional monies to adequately fund state and community WQ monitoring such as the LaRosa Partnership Program

No funding for WQ monitoring to track progress of funds spent on projects.

Yes. More than half of the clean water funding spent to date has been in the Lake Champlain Basin, even though the law and stated Board goals is to fund projects statewide. And this proposal makes it even more lopsided, proposing even a higher percentage of funds to the LCB. The ANR and CW Board need to distribute the funding more evenly across the entire State!

I feel very strongly that we need to focus on agricultural runoff, municipal wastewater overflows/discharges, and road runoff (especially winter road brine). While I am not an expert, it seems these three are causing the most harm to our state waterways.

We believe the following programs are not appropriately funded - 1) the Enhancement Grants should be funded at the full \$5,000,000 to invest in all waters and address all impairments, stressed waters, antidegradation and the protection of high quality waters. 2) additional funds will be needed to support Tactical Basin Planning and Basin Water Quality Council work 3) education and outreach is identified as a top priority in Act 76 but this work is not reflected in a meaningful way in the Clean Water Fund budget 4) Water Quality Monitoring efforts by partners has been cut and underfunded over the last several years. We believe the state should invest in water quality monitoring and restore and increase funding to partner organizations for their water quality monitoring work they provide the state.

Yes, the farms need to address their run off, it is not acceptable. Ask a farmer not from FRanklin or Chittenden, or Addison county and they laugh at Runoff. Also All Golf Courses need to be monitored for runoff.

More funding and regulatory flexibility should be encouraged for dealing with sludge/biosolids. When a state is exporting more than 50% of it's sludge/biosolids - that reflects policy and funding in need of realignment.

Water Quality Enhancement Grants are not properly funded - at least 20% of the Clean Water Fund dollars should be allocated to this area as described in Act 76.

There should be more funding for enforcement of existing regulations and requirements.

Sufficient funding to fully cover cost of upgrading storm water systems for residents affected by the three-acre storm water permit upgrade requirements. These subdivisions met state regulations at the time they were developed. Many of these residents live in subdivisions without HOA's our communal property and had no involvement with initial development are facing very

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substantial costs associated with these new regulations. I live in a 40 year old subdivision and own a .3 acre lot and I am being told I need to share the cost (\$500,000 million) with some of my neighbors while houses up hill from us are not subjected to these regulations. This is community infrastructure upgrades and maintenance that should not be borne by a small percentage of the residents.

the storm water project in south burlington by overlook condos need support

You make no mention of issues surrounding Lake Memphremagog, yet you seem to gear only towards the Lake Champlain Basin. I also do not see anything to help those affected, especially residential areas / homeowners in the North East Kingdom / Lake Memphremagog area who are impacted by the upcoming 3-9050 Stormwater Permit Requirements; we have to meet the standards much sooner than other parts of Vermont and must come up with the planning and money to make the modifications years sooner than other parts of the state. We need help!!!! especially financial!!!!

No clue

Yes.

Yes. In my work I see lots of folks who: skirt the wastewater rules by over occupying STR houses; avoid the required upgrade of private WW systems by claiming their homes will continue to be seasonal; need financial support to upgrade private WW systems where there is will but no way. We need to enforce/update laws around upgrading personal WW systems in a way where there is no wiggle room for skirting; improve compliance or penalties for folks who rent out STR's without abiding by occupancy limits. Enforcement; become more hard-nosed.

I just wanted to point out that it is a huge Conflict of Interest for the ANR Secretary, who sits on the board of the VHCB, to propose millions of direct appropriations to the organization whose board she sits on!

A lot of the grants offered to innovative remediation for water quality are small. If there is a way for them to be larger to support longer term studies, better results would likely ensue that can inform BMPs.

"Headings and Topics" are left to the imagination as to what they mean and what the benefit of their individual outcomes will be. ie Formulas? This survey doesn't allow me to go back and cross reference other topics...

Yes

Lake Carmi is the only Vermont lake deemed "In Crisis". The Lake Carmi TMDL dates back to 2009 and does not require the current 18 ug/l VT water quality standards for Class B (2) lakes but rather 22 ug/l. We are not achieving target goals. I feel that Lake Carmi should be a high priority in terms of needs.

I am concerned that that \$2 million for VHCB, though supporting a great program, appears to be 'taken' from the \$5 million earmarked for the water quality enhancement grants. Please consider additional funds for the enhancement grants or using other funds for the VHCB water quality grants. I am also concerned that the O&M fund will need to be increased, though perhaps you are waiting until the CWSPs begin their work. How did you determine the amount that would be allocated to the O&M fund?

Yes, small community wastewater refurbishment projects.

There is a large over-prioritization and funding allocation to the Lake Champlain and Memphremagog watersheds over those in the rest of the State. These basins make up 53% of VT and the CT River and Hudson River make up 47%, a fairly even coverage. Of the \$10.2M funding allocations for Formula grants to LC and Memph and Enhancement grants to the CT and Hudson,

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over 70% of the funding allocation goes to LC and Memph while under 30% is available to the remainder of the state. A very inequitable distribution

It would be great to see the end of the hiring freeze that is limiting ANR financial administration staff capacity, which seems to be a major time bottle neck in the grant approval and implementation processes.

There have been many studies completed in the past about causes of blue green algae and milfoil growth in Lake Champlain. Why aren't you using the results of all those prior studies to determine funding priorities? Why does it seem we are always doing more studies vs getting something done?

I believe there should be more money to support staff with WUV for monitoring and lab analysis and that it include monitoring for E. coli. Land use practices have to change fundamentally as we can't mitigate the volume of manure on dairies close to waterways. The technical basin plans have identified "critical source areas" in our various basins and those should be prioritized for mitigation and farm buyouts.

Yes, the Vermont Conservation Districts are quasi state entities and are significant implementers of the states water quality goals but yet do not see any direct allocation of funds to efficiently deliverer our impressive results. If VTNRCDs had an allocation of of at least \$50k per NRCD per year (\$700k annually) we would be in a position to increase our deliverables with increased administration of our NRCDs and staffing resources. Please consider the option of direct support to NRCD, like their is direct support for VHCB and RCPs, as an important avenue for increasing capacity and thus long term success of meeting our shared water quality goals.

No

Yes

Lake Carmi funding need to be raised to at least \$100,000 per year to insure the progress that has been made continues. Maintenance of the Lake Carmi aeration system needs to be funded at the highest level in the low priority funding.

There should be a carrot and stick proposal to farmers in the watershed. It makes no sense to see efforts to reduce manure/fertilizer runoff by farmers using good practices only to drive by fields without buffer strips at a river's edge. There should be an "if/ then" policy from the state to encourage good practices and discourage, i.e., penalize, poor ones. I recommend this as a former dairy producer.

Need to plan for long-term maintenance of these improvements - agreements for each project and who pays those future costs (relatively easy to build, harder to maintain long-term)

Tactical Basin Planning could use more funds.

To: VT Clean Water Board

From: Rich Earth Institute

RE: VT FY23 Clean Water Budget - public comments

Thank you for the opportunity to provide input on the FY23 Clean Water Budget. It is clear that great attention is being paid to protecting Vermont's water resources.

The Rich Earth Institute, a Brattleboro-based environmental non-profit organization active since 2012, has developed and operates a community-based urine diversion program that provides the multiple benefits of: 1) reduced potable water use from avoided toilet flushes; 2) reduced nutrient loading via sewerred home and public building connections to waste treatment plants, with accompanying reduction of downstream pollution of receiving water bodies; and 3) creation of state-approved Class A fertilizer for application to local farms.

Question 13. Do you feel there are any unmet needs in supporting clean water priorities based on the programs/activities presented in the draft State Fiscal Year (SFY) 2023 Clean Water Budget? (70 Responses)

The most notable impact of these urine diversion activities is the reduction of nitrogen and phosphorus loading, with additional benefits from reduction in biological oxygen demand. The urine-diverting fixtures installed to date by the Rich Earth Institute in homes and public buildings (including a library and brewery) are permitted by the state under its Innovative & Alternative technologies (I/A) program. We note that Line 2.4 of the proposed Budget—"Innovative or Alternative technologies or practices to improve water quality"—is described as being funded on an "as-needed" basis, and that no funds are currently allocated in the current budget version.

Several years of successfully piloting our Urine Nutrient Recycling Program (UNRP) in southern Vermont have led to the collection of over 50,000 gallons of urine, processed and applied to local farms, with a savings of nearly 2 million gallons of potable water. The Rich Earth Institute now aims to replicate this program across the state, and beyond. Currently we are replicating another UNRP in Rockingham, and seek to scale up the adoption of this community-based program; we also consider it imperative to promote and advance related efforts developed and offered by others, with their attendant environmental, sanitation and agricultural benefits.

We therefore request consideration of a "Vermont Nitrogen Innovation Challenge," at a similar scale to the Phosphorus Challenge that has been part of line 2.4. With appropriate funding, the benefits of a Nitrogen Challenge to Vermont would substantially advance the goal of reducing nutrient pollution, especially in areas where nitrogen pollution is a significant concern; these include the Connecticut River watershed, and the many village centers served by private wells.

Thank you for your forward-thinking stewardship of our lands, waters and communities.

Ivan Ussach
Executive Director
Rich Earth Institute
355 Old Ferry Road
Brattleboro, VT 05301
ivan@richearthinstitute.org
802-631-0196

Question 14. Do you have any recommendations for the Clean Water Board to support investments in the development of innovative or alternative technologies or practices to improve clean water? (53 Responses)

No.

No

greater cooperation with other states to understand new technologies they are introducing

Not at this time.

Technology to remove cyanobacteria from lakes

Refer to question 12 above.

Ag field practices need to be explored and studied continuously for ways to minimize nutrient loading into lakes, rivers and ponds.

Adjust the dates where spreading of manure is allowed to reflect the growing season in Vermont which is generally accepted to be May to October. Ban all manure spreading when plants can not absorb and use the nutrients being added to the land. If agriculture does not have sufficient storage capacity, support the building of additional storage so that these valuable nutrients can be saved until the crops can benefit from them.

Support trucking of surplus manure to areas of the state where the land could benefit from additional nutrition.

Have a moratorium on manure spreading in the Lake Carmi watershed for 5 years to allow the lake to reduce its phosphorus load. Compensate landowners for loss of revenue of rented fields for spreading and compensate agriculture for the increased cost of removing the manure from the Lake Carmi watershed.

PFAS technology for remediation and cleanup.

Don't forget Lake Carmi. It is still in crisis. This is a complex report for the layman and I don't understand why Lake in Crisis funds are low priority.

Need to look at the root cause. Agricultural manure spreading practices are having a very negative impact on our lakes from downstream runoffs and thus algae blooms which are very dangerous to health.

Not sure.

Make farms create settling ponds before allowing field runoff into Lake Champlain

Invest in research to understand the water quality impacts of dogs and geese in and around municipalities and to come up with more precision in determining buffer sizes and configurations on different types of water bodies

Fine people for using toxic products that run off into our lakes and streams.

unsure

na

Look for additionality in programs you support, especially the interface with climate change, economic and social justice initiatives.

Please. No more money on consultants. Enough already

Remove clean water as the transportation for waste products. Eliminate land treatment for waste products. Rewrite state septic regulations. Rewrite zoning to always provide on site waste disposal. Septic tanks and more municipal dumping is not a path to clean water.

Just clean up the treatment plants along all the rivers that feed Lake Champlain and other waterways and STOP wasting money on stupid programs!!!!

Question 14. Do you have any recommendations for the Clean Water Board to support investments in the development of innovative or alternative technologies or practices to improve clean water? (53 Responses)

In-lake management and nutrient interception coming into lakes or being discharged; nutrient interception leaving MS4

End CSOs into Lake Champlain. Improve capacity and technology at municipal wastewater treatment plants. Purchase permanent buffer easements along the Lake's tributary rivers and streams to prevent and filter agricultural pollution. Protection and improvement of water quality in Lake Champlain and its tributaries should be the highest priority. The Lake is Vermont's crown jewel. It is a resource for all Vermonters. It should be swimmable at minimum.

Cyanobacteria blooms are even impacting real estate values. Water quality in the Lake is currently a tragic embarrassment. It is long past time for Vermont's leadership to step up to the plate and make major long-lasting investments for our communities, our children, and grandchildren.

Invest in storm water run-off innovations to separate run-off from waste water, with the goal of reducing raw sewage discharges into our public waterways.

Need to start with the basics, state did a great job with livestock not being allowed in the lake and it has done a great job with keeping the lake clean, now its onto the treatment plants. Make sure they are safe and not discharging untreated waste or water.

The State needs to study the effects of road salt and the associated increases in the water salinity. The salinity of the water has a direct bearing on what type of algae bloom will occur. Furthermore, as we pour tons of salt into our water ways, we are pickling our lakes.

The State needs to study large scale sand and slate gravel filtration as a method of removing phosphorous.

Do research on emerging technologies and take steps to assist Vermont waste-water treatment facilities to upgrade their equipment and processes. This is an ongoing priority, not a one shot deal. Phosphorus isn't the only pollutant going into our water-ways; industrial, waste, and medicinal contaminants must also be removed.

NO. I am not an engineer, just a homeowner who is concerned by the situation and lose of home equity. What about health issues from mini settling ponds from increased mosquitoes carrying lime disease and West Nile or encephalitis and the settling materials.

Do we have technologies to take out the "micro-plastics" in the waste streams? Are we collecting all the possible sources of methane in an effective way? (not simply flaring off)

No

No

Please do everything you can to stop farm runoff and also municipal sewage from entering our lakes and waterways.

Farms are by far the biggest issue Look at where most of the Blue Green Algae is, look where the farms are.

Improve options for sludge/biosolids management at WWTFs.

Enforce current regulations

Sufficient funding to fully cover cost of upgrading storm water systems for residents affected by the three-acre storm water permit upgrade requirements. These subdivisions met state regulations at the time they were developed. Many of these residents live in subdivisions without HOA's our communal property and had no involvement with initial development are facing very substantial costs associated with these new regulations. I live in a 40 year old subdivision and own a .3 acre lot and I am being told I need to share the cost (\$500,000 million) with some of my neighbors while houses up hill from us are not subjected to these regulations. This is community infrastructure upgrades and maintenance that should not be borne by a small percentage of the residents.

Question 14. Do you have any recommendations for the Clean Water Board to support investments in the development of innovative or alternative technologies or practices to improve clean water? (53 Responses)

You make no mention of issues surrounding Lake Memphremagog, yet you seem to gear only towards the Lake Champlain Basin. I also do not see anything to help those affected, especially residential areas / homeowners in the North East Kingdom / Lake Memphremagog area who are impacted by the upcoming 3-9050 Stormwater Permit Requirements; we have to meet the standards much sooner than other parts of Vermont and must come up with the planning and money to make the modifications years sooner than other parts of the state. We need help!!!! especially financial!!!

dont waste it

Yes. We need to change. Take back the old fashion sewage. Dig hole let the sewage drain and pure itself through the soil. Do not put chemicals in the sewage plants then drain into the Lake then bring back to drink with added chemicals. We are polluting our own beaches. Farmers should have a manure pit they can fill then when it is not frozen they are aloud to take and spread that upon their fields. Farmers aren't as bad as News state. I feel our water and septic systems need to be change such as the electric cars. I used to own America Septic in the 1970's. Many people don't realize we are making ourselves sick with what we are doing. The amount of monies wanting to be used for surveys is wrong. Take that money and start changing our present septic problems. So many people don't realize that pipes are connected and put out into the Lake for the treated sewage to run into. The water gets moved back to the shores and make blue algae. And we drink that?

A revolving fund of no interest loans for homeowners to upgrade ww systems.

No

Yes, there is a lot of cutting edge research out there that needs more support. Municipal compost toilet infrastructure so that waste is no longer going in water.

In this day and age, there is absolutely NO excuse to allow sewage treatment plants to overflow and spill into waterways that eventually end up in "Pe-ton-bowk."

Yes

There is a manure digester at the Benjamin Farm. It has been out of operation for quite some time. It is my understanding that the farmer is unwilling to spend the money to repair it. It appears to be an example of the State allocating money for a project and then not following through to ensure that it is utilized. The same can currently be said for the expensive grass field manure injector that became inoperable at the beginning of August 2021 and to my knowledge was not used after that date. Even the corn field injector seems to be underutilized. It is much easier and economical for farmers to broadcast spread. I consider the above innovative technologies that need attention.

No

I believe there should be slightly more focus on addressing the impact that agriculture has on Vermont's water quality going forward. Providing greater funding for innovative/alternative technologies and Best Management Practices should be considered for the near future.

Many more green technology projects implemented in our downtowns considering the accelerating runoff from development's impervious surfaces.

Please deal with CSOs.

Pay farmers for keeping land undeveloped. worked with your counter parts to address the dairy task forces and the PES working group recommendations.

No

Yes

Question 14. Do you have any recommendations for the Clean Water Board to support investments in the development of innovative or alternative technologies or practices to improve clean water? (53 Responses)

In the Lake Carmi watershed we need 100% manure injection compliance. No broadcast spraying. Also we need to have some stream work done by the state on Marsh Brook. The study has been done. Also State help on some private roads and culverts.

Sure. The Lake Carmi aeration system should be supported until effects can be reliably measured. It deserves a real trial, over perhaps 10 years, and not less.

As noted in Q.6: We therefore request consideration of a “Vermont Nitrogen Innovation Challenge,” at a similar scale to the Phosphorus Challenge that has been part of line 2.4. With appropriate funding, the benefits of a Nitrogen Challenge to Vermont would substantially advance the goal of reducing nutrient pollution, especially in areas where nitrogen pollution is a significant concern; these include the Connecticut River watershed, and the many village centers served by private wells.

Question 15. Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board? (64 Responses)

DEC's administration of the funding is completely flawed. They pay \$75,000 for engineering design on a project, and then say that there is a \$100,000 limit on implementation (even though the project will cost \$180,000 etc.). How does that make any sense? We are either wasting money on design, or have spread the funding so thin across political lines to appease VHC, Agency of Ag, etc. that we can't actually implement any natural resources projects with CWBG funding!

Stormwater remediation: The State makes no determination of ability to pay for stormwater remediation of homeowners living on fixed incomes. Although state may say a house is a house... and runoff is the same from each house.....the ability of a millionaire to pay for remediation is different than a senior citizen living on fixed income.

astronger link with climate control initiatives

VT is small but we have created quite a CWIP bureaucracy to track our investments...this takes time and money...is it all necessary?

I have viewed the water crisis at Lake Carmi first hand. The actions taken at this lake have been helping but more is desperately needed. I'd like to see continued funding for the aeration system that has lowered the incidence of algae blooms but needs more work to keep running. I think progress on agricultural run-off has begun but we are still seeing a lot of manure spreading around the lake. The state needs to implement and require better practices to reduce DP. In order to attain these goals I'd like to see an increase of at least \$100,000.00 for the Lake in Crisis funding.

Thank you for the opportunity to provide comments on the DRAFT FY23 Clean Water Budget (Budget).

I believe two Clean Water Fund allocations in Tier 1 of the Budget are both inconsistent with the law and also insufficient to meet our collective clean water goals.

More specifically I'd like to comment on Budget line items 1.3 and 1.41.

First Budget line 1.3 is the proposed \$600,000 Clean Water Fund allocation to ANR for four purposes described in Act 76: "Basin Planning, Basin Water Quality Council Participation, Education, and Outreach." The FY22 budget allocated \$600,000 for only one of the four required purposes: Basin Planning grants to three statutory partners, including conservation districts, regional planning commissions, and watershed groups. So it appears the proposed FY23 allocation underfunds three of the four required purposes. Given the importance of Basin Planning to the accomplishment of clean water goals state-wide; given the increased role Basin Water Quality Councils (BWQC) will play in FY23, as required by the Act, working alongside Clean Water Service Providers "to establish policy and make decisions...regarding the most significant water quality impairments that exist in the basin and prioritizing the projects that will address those impairments based on the basin plan"; given the requirements of Act 76 related to BWQC membership beyond the three statutory partners mentioned above; and given the statutory requirement to fund both education and outreach, I believe line item 1.3 should be increased to at least \$1,000,000 from the Clean Water Fund.

Moving on to Budget line 1.41, which is the proposed \$3,000,000 Clean Water Fund allocation to ANR for "Statewide Non-Regulatory Clean Water Projects." Section 1389 subsection (e) of Act 76, titled Clean Water Board Priorities, states: "...regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize as follows: (1) as a first priority... (D) the Water Quality Enhancement Grants ... at a funding level of at least 20 percent of the annual balance of the Clean Water Fund..." not to exceed \$5,000,000. Two things are clear from this language. First 20% of the annual balance of the Clean Water Fund should be allocated to this line item; in FY23

Question 15. Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board? (64 Responses)

anticipated Clean Water Fund revenue is over \$25,000,000, 20% of which is at least \$5,000,000. And second, the \$5,000,000 allocation must be Clean Water Fund dollars. As a result, the proposed allocation of \$3,000,000 falls short by \$2,000,000 from the Clean Water Fund.

In sum I urge you to consider increasing funding in line item 1.3 to at least \$1,000,000 from the Clean Water Fund and to fully-fund line item 1.41 at \$5,000,000 from the Clean Water Fund as required by law. This would require moving \$2,400,000 from an existing Clean Water Fund line item in the Budget. I suggest moving \$2,400,000 from Clean Water Fund line item 2.23 because "Three-Acre General Permit and MS4" projects are regulatory, non-voluntary projects that can be funded readily from Capital Bill or ARPA funds.

Thank you again for this opportunity to provide comments.

Funds need to be provided to keep clean waters of the State clean. I'm not sure where those funds are in the budget, likely in many of the categories.

It is vital that the government, which is charged with the stewardship of the natural resources of our state, protect the waters of Vermont that have not YET been degraded. It is much more cost effective to keep nutrients out of the waters of the state than try to remove them once they have been added.

Speaking from the view point of non-profit watershed organization whose fund raising ability has been curtailed by Covid, it is imperative that the state recognize that the boots-on-the-ground personnel who are working up projects with land owners need more support from the state to keep up with the strong support that has been provided by federal sources. More funding to the Tactical Basin Planning Efforts and the Enhancement Grants are needed to support the vital small non-profits' important role in identifying and administering improvement projects.

Enforce your permits for discharges, etc. Provide far more oversight. We should not be allowing polluters to get away with degrading our environment. Furthermore, we should not be encouraging growth/housing in communities that don't have the infrastructure to support that growth.

Let's develop better agriculture practices to help that industry and our lakes. Clean water is a must.

The state must source out alternatives to manure spreading.
Must be more oversight on industrial dairy operation.

Protection of Lake Champlain and the Connecticut River should be given higher priority

Consider how to protect water quality in larger communities with more and smaller treatment systems when planning for upgrades dealing with stormwater

Lake Champlain water quality has really not improved. I think the majority of these monies should be put in that bucket.

Remember the eastern side of the state!

Use simple English

review the 3 priority tiers

I feel more funding for the ONLY Lake in Crisis (Lake Carmi) needs to be a priority for the board. We are not seeing the legacy phosphorous reductions we need to see. We are NOT seeing significant decreases in the sediment coming into the lake. We continue to see large manure spreading in the impacted watershed. We need significant effort in wetland and tributary enhancements to help with our water quality issues.

Thank you for your hard work!

See above

Question 15. Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board? (64 Responses)

Stormwater Utility payments haven't been received for FY21 or FY22- so it makes it an unreliable funding source. I would prefer having a greater amount allocated to each utility

Lake Champlain should be a priority, addressing all problem pollution sources. This summer brought the most days of Cyanobacteria blooms that I've ever seen (Thompson's Point, Charlotte). Measures to slow climate warming must also be implemented, because clean but hot water would not be a solution.

The state should continue provide funding to cover the operation and long term maintenance of Lake Carmi Aeration System and increase the Lake in Crisis funding to at least \$100,000 a year.

Agricultural Activities continue in our impacted watershed (Lake Carmi) and despite some progress on Required Ag. practices and their implementation, there is still significant manure spreading and high DP concentrations in our streams that lead into our lake. Practices to reduce DP (which is known to drive blooms) need to be prioritized.

Just clean up the treatment plants along all the rivers that feed Lake Champlain and other waterways and STOP wasting money on stupid programs!!!!

In-lake management and nutrient interception coming into lakes or being discharged; nutrient interception leaving MS4

End CSOs into Lake Champlain. Improve capacity and technology at municipal wastewater treatment plants. Purchase permanent buffer easements along the Lake's tributary rivers and streams to prevent and filter agricultural pollution. Protection and improvement of water quality in Lake Champlain and its tributaries should be the highest priority. The Lake is Vermont's crown jewel. It is a resource for all Vermonters. It should be swimmable at minimum. Cyanobacteria blooms are even impacting real estate values. Water quality in the Lake is currently a tragic embarrassment. It is long past time for Vermont's leadership to step up to the plate and make major long-lasting investments for our communities, our children, and grandchildren.

Please stop the raw sewage spills with the goal of reducing blue green algae blooms.

Be smart, stop wasting money on studies and all this stuff ever year. The big issues for the lake pollution was livestock and treatment plants. State did a great job with the livestock and move on to the treatment plants.

I feel the 3 acre impervious soil regulation will be extremely costly and will only line the pockets of a few while not solving the true underlying issue- INCREASED SALINITY LEVELS.

I do appreciate being able to express my opinions to the board.

Thank You

Jonathan Hill

Greenstone Slate 8022874333

Keep in mind that once our lakes are polluted, we will not be able to restore them to pristine condition easily, if ever. Since tourism is a major economic driver in Vermont, we would do well to invest heavily in keeping our waters as clean as technologically possible.

Vermont municipal sewer treatment plants discharging partially treated/raw sewage to the state's surface waters under a NPDES permit should develop a strict timeline for bringing themselves into compliance with the Federal Clean Water Act, with the threat of a moratorium on new sewer hookups being put into place at those municipalities that do not agree to establishing a timeline for completing necessary upgrades.

No

Our 35-year-old neighborhood is being forced to upgrade the stormwater runoff system and I truly think this should be a municipal responsibility. I wholeheartedly support the need for improvements, but truly feel stormwater management should be treated as a utility.

Question 15. Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board? (64 Responses)

Is there synergism within the clean water initiatives that effect global warming?

My only comment is farmers are saying they are not the issue. If they want to stick by that, why are we giving them so much money? We need to stop letting them add drainage tile to thier fields and let the soil and environment do the work. I constantly see new tile being put in. If we want to make improvements, start buying farm land and digging up the tile and plant trees.

The State must continue to provide funding to cover the operation and long term maintenance of the critically needed aeration system at Lake Carmi. The Lake in Crisis funding must be increased to at least \$100,000 a year to ensure that Lake Carmi water quality continues to improve. Agricultural Activities continue in our impacted watershed and despite some progress on Required Ag. practices and their implentation, there is still significant manure spreading and high DP concentrations in our streams that lead into our lake. Practices to reduce DP (which is known to drive blooms) need to be prioritized.

More funding should be allocated to statewide non-regulatory enhancement grants, less funding to VHCB.

Yes. You aren't following the law as passed by the Legislature and signed into law by the Governor with this proposal. If changes aren't made, we'll have to go back to the Legislature to fix these discrepancies.

Thank you for your hard work on this.

We have submitted separate written comments to the Clean Water Board. Thank you for your consideration of all comments.

Work with 4 H, County Fairs, and meet the farmers head on with facts and data

Thanks for your service!

Please stop paying farmers to comply with current rules. I'm a homeowner nobody pays me not to pollute the waterways.

Sufficient funding to fully cover cost of of upgrading storm water systems for residents affected by the three-acre storm water permit upgrade requirements. These subdivisions met state regulations at the time they were developed. Many of these residents live in subdivisions without HOA's our communal property and had no involvement with initial development are facing very substantial costs associated with these new regulations. I live in a 40 year old subdivision and own a .3 acre lot and I am being told I need to share the cost (\$500,000 million) with some of my neighbors while houses up hill from us are not subjected to these regulations. This is community infrastructure upgrades and maintenance that should not be borne by a small percentage of the residents.

I would like to see as much monetary support as possible for MS4 projects. Although I understand the need for improvements of stormwater systems it seems unfair for the new storm water regulations to saddle current condominium residents with large costs for upgrades when it is not their fault that these are needed!

You make no mention of issues surrounding Lake Memphremagog, yet you seem to gear only towards the Lake Champlain Basin. I also do not see anything to help those affected, especially residential areas / homeowners in the North East Kingdom / Lake Memphremagog area who are impacted by the upcoming 3-9050 Stormwater Permit Requirements; we have to meet the standards much sooner than other parts of Vermont and must come up with the planning and money to make the modifications years sooner than other parts of the state. We need help!!!! especially financial!!!

Pretty charts

Stop over paying yourself and get some real work done.

Question 15. Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board? (64 Responses)

VHCB should not receive direct allocations under this proposal.

Good start, keep going.

Agricultural buffer zones adjacent to creeks, rivers and streams are "laughable," or rather "cry-able." I have witnessed areas of the New Haven River that flood onto agricultural lands where the supposed buffer zones continue to erode away. A buffer zone on an agricultural floodplain should only allow for NON-TILLABLE agricultural practices. And other existing buffer zones should be multiplied at least five times from what is currently defined. ALSO:

Road ditches! This is not only true in Vermont, but I have witnessed road ditches in Iowa and elsewhere that are treacherously close to the "right of way," ie: NO SHOULDER! No shoulder means NO BUFFER ZONE to road salt, (not to mention, if you had to pull off the road for emergency purposes, you would end up in one of these ditches and need to be towed out) agricultural spillage, automobile leaks.... All of this just ends up as point source pollution, and ends up in water ways. There are not even as much as catch basins within watersheds to intercept the run-off from roadside ditches. Currently, roadside ditches also are not graded to drain effectively. Any puddling within the stretch of a ditch is breeding habitat for mosquitoes; specifically Culex pipiens which is a potential vector for West Nile Virus. They thrive in stagnant water that concentrates pollutants and could eventually get flushed into Pe-ten-bowk. ALSO:

MEGA DAIRY FARMS put both ground water and surface water at risk of pollution. There is absolutely no need for any dairy operation to have more than 500 cattle per 2000 acres. What is being evaluated and calculated with regard to the carrying capacity of the land to support mega herds? Plus, economically, from both the environmental and the farmers perspective, what is better? I would rather drink milk from cows that are pastured (within the carrying capacity of the land/herd) and see the light of day than cows that are in stalls and only move from their stalls to the milking parlour and back to their stalls... We need to bring back the small farmers and procure opportunities for more organic dairies. I shutter every time I hear about (and have witnessed) milk being dumped in excess due to market prices and associated values. Water quality issues have to address the bigger picture and that means looking at the economic picture. Maybe we should be paying \$5.00+/gallon of milk. We may drink less of it, eat less ice cream and have better hearts and health and still provide the financial support for dairy farmers. ALSO:

Improved infrastructure for public transportation could have have significant results in improving water quality...Here's something you've probably not heard of. What if our public roadways were heated with solar power in the winter which would result in less road salt and during the summer (off season months) that electricity was fed back into the grid?

Yes

The primary source of water pollution in lake Carmi remains agricultural. Extreme measures must be mandated and taken if we are to achieve the reduction necessary for a clean lake.

No

There are water quality issues beyond phosphorus and sediment in the state that need to be addressed. CW funding priorities MUST be expanded and made available to address these other pollutants.

thanks for the opportunity!

DEC improving partnerships with local watershed groups in prioritizing site clean up projects. Improve lab access so that E.coli can be monitored and analyzed within the 6 hour hold time.

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The blooms are getting worse and we're headed towards Lake Erie conditions that I believe will impact drinking water supplies, especially in the islands.

Appointment someone to develop an option for longterm sustainable support for VTNRCDs!

No

Yes

No.

Full \$5M to Clean Water Initiative Program as required by statute. VHCB funds should be drawn from other categories

Thank you

Question 16. Do you have any suggestions on how we can improve future Clean Water Budget public comment periods, including improvements to the online questionnaire? (50 Responses)

Maybe some of the board members could come out into the field to see the issues, concerns, and waste of money and time to see for themselves. Not popular I realize. Easier to go to a completed project and pat ourselves on the back.

No

no

I appreciate the background information included in the questionnaire, which makes this complex topic more accessible to a general audience. I also appreciate the short length of the survey, which makes it time-efficient to complete.

That said I would suggest changing questions 8, 10, and 12 to allow for specific comments related to questions 7, 9, and 11. For example, if you answer "no" to question 7, indicating you do not agree with the allocation of funds in the Tier 1 budget items, question 8 does not allow you to recommend different funding allocation levels. And, in this case, if specific changes to the funding allocation levels do not change the overall prioritization of the budget line items, there is no way to answer question 8 to recommend relative changes within the existing prioritization order, e.g. increasing "Enhancement Grant" funding allocation levels from \$3M to \$5M would not change the existing prioritization order.

Current process seems much better than previous questionnaires. Congrats to all who worked on this effort.

The Clean Water Board has done an excellent job in reaching out to the public to inform the public and also to listen to comments from the public. The questionnaire was well designed and user friendly.

Not at this time.

This is a tough questionaire. I don't know the answer but I did not feel like I had the credentials to properly comment on dollars and percentages. I can just tell you what is important to me and it is reducing pollution and increasing water quality in our lakes. (Lake Carmi)

Glad that they are available to all

Provide a list of impaired bodies of waters to better educate residents as to the severity of the state's problem so everyone can try to do a better job.

Provide more transparency as to exactly how funds will be spent, as opposed to the existing general groupings. Provide more information about how other sources of State income will be spent to address clean water projects.

Not really able to comment on additional programs, or advise cuts/additions to the specific programs in each tier.

I had trouble finding the survey. Times Argus article had the incorrect link. More publicity about comment period with dates in bold letters.

unsure

na

None

This questionnaire made answers extremely one sided.

Provide drill down or additional details by each line item.

Thanks for soliciting opinions and ideas. Great job.

Get the job done and don't waste money doing it!!!

No

Question 16. Do you have any suggestions on how we can improve future Clean Water Budget public comment periods, including improvements to the online questionnaire? (50 Responses)

Make it easier for the layperson to quickly figure out what the myriad listed programs are intended to do (without leaving the survey page).

Clearer description of goals

With out studying how the the public comment period was created and its intent, I can not make improvements to the questionnaire.

Many Vermonters lack access to Internet connections, and many older people lack computer skills. You will need to put the surveys in paper form in order to get a wider response. I suggest printing info about the comment period and a response form that can be completed and mailed to you in the local papers. Grocery stores would also be a good place for citizens to pick up survey forms. To increase the return rate, set up drop-off locations for completed surveys or make them postage paid.

No

Thank you for doing this. I appreciate the opportunity to share my thoughts.

Questionnaire wasn't the greatest. I wasn't able to move things from priorities... only state how much I thought each one should get.

The guide provided with the questionnaire and description of the process was really helpful. I found it somewhat difficult to parse out the different funding options in the report. Perhaps organizing these as they are organized in the online questionnaire would be helpful.

No

These online questionnaires are great!

Thank you for providing the presenting materials. While it was well organized, it feels difficult to provide meaningful comments in the context of this questionnaire. I think it would be better for people to have the opportunity to comment on the specific programs. Given the number of programs under each tier, it feels difficult to provide percentages that have meaning. Also, I think that it might be beneficial to have two questionnaires - one focused on getting general public comment that is more about what people want to see the state invest in and the other would be for practitioners that could be more focused on the programs.

no

You make no mention of issues surrounding Lake Memphremagog, yet you seem to gear only towards the Lake Champlain Basin. I also do not see anything to help those affected, especially residential areas / homeowners in the North East Kingdom / Lake Memphremagog area who are impacted by the upcoming 3-9050 Stormwater Permit Requirements; we have to meet the standards much sooner than other parts of Vermont and must come up with the planning and money to make the modifications years sooner than other parts of the state. We need help!!!! especially financial!!!!

this presentation seemed like eerything was already done

The questionnaire was informative but left little room for comment.

Farmers are getting boatloads of money but continue to act in ways that jeopardize clean water. Again, because these are 'sacred cows', things move too slowly.

Why can't we improve our local zoning laws to require a 50 or 100 foot setback from all streams without the local farmer threatening us with the Dept of Ag.?

No

It is challenging to look at it from a systems perspective to know how much to allocate for each as the problems are vast. More education as to why these allocations.

I believe I answered that in the previous question. However, when it comes to inferences and acronyms, please clarify what it is you are trying to convey and be more specific. I have already

Question 16. Do you have any suggestions on how we can improve future Clean Water Budget public comment periods, including improvements to the online questionnaire? (50 Responses)

spent over two hours answering this survey. And I confess I don't know all the conversations you've had with regard to this topic.

Yes

The questionnaire is almost impossible for the ordinary citizen to respond to, due to the technical jargon. For example, I have no idea what the high priority items really are based on this survey's language.

It would be helpful to have a chance to comment after each slide/question so we can explain our no and/or unsure answers... THANK YOU.

No

The questionnaire was very informative and well designed. Money allocation to projects that will make a difference have to address the proximity of dairy farms to waterways as open ditches and subsurface tile drains, even with buffers, are totally inadequate to mitigate manure/pesticide/fertilizer runoff. One 1,400 lb lactating cow produces 120lb of waste/cow/day. Dairies proximity to waterways is the Ag issue for water quality improvements in much of the basin.

Attend select board meetings.

No

Yes

More notice on public hearings.

No.

Programs listed for funding should have example past projects within those programs that have been funded in the past with successful outcomes.

From: [Evans, Robert](#)
To: [ANR - Clean Water VT](#)
Cc: [Peter Benevento](#); [Ernie Englehardt](#); [Ernie & Andrea Englehardt](#)
Subject: "SFY 2023 Clean Water Budget Public
Date: Thursday, November 4, 2021 10:05:43 AM
Attachments: [image001.png](#)

EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.

Good morning...

Below please find an e-mail sent to Commissioner Walke that was submitted by the Franklin watershed Committee that I would like to have added to the permanent record please.

Dear Commissioner Walke,

As the President of the Franklin Watershed Committee and the Vice President of the Lake Carmi Campers Association (representing well over 240 members), I am writing to request your additional support for continued work to address the significant water quality challenges we face at the Lake Carmi, the state's only designated "Lake in Crisis". While we appreciate the support we have received over the years from our state legislators, our state water quality partners, our farming community, town officials and campers, much more work needs to be done to meet our water quality goals and objectives. I would like to highlight a few areas that I feel are critical to our collective clean water work.

1. We feel strongly that the data collection tool (UVM sampling platform) has been critical in providing real time data for monitoring weather, water conditions, dissolved oxygen, blue green algae and chlorophyll in and around our lake. This data has not only been able to help us assess the effectiveness of the in-lake aeration system currently deployed in the lake but has also been able to help assess the way the lake is reacting to current weather, wind and other environmental conditions. For the past (3) years, we have failed to have an entire summer where the aeration system has been fully functioning. In fact, we have had several weeks during each of the past (3) summers, when both the northern and southern systems have been down due to maintenance challenges. While we feel we have finally addressed these challenges, we feel we have missed the opportunity to fully understand how the lake will respond when we have an entire summer when the aeration system is fully operational. As you know, when dealing with water quality challenges, the key to developing solutions to address these challenges is high quality data. For this reason, we respectfully request that the (UVM platform) be brought back to the lake for the summer of 2022 to support our data collection efforts.
2. We know from the data that we have to date, that the high phosphorous levels in our lake are a result of the direct impacts from decades of agricultural activity in our watershed. While we acknowledge that we all have a role to play (shoreline protection, road improvements, septic system improvements etc.), we must continue to aggressively monitor the agricultural practices currently being used in our watershed and ensure all farms are implementing the strategies identified in the Best Management Practices, especially as they relate to "tile drains" and broadcast manure spreading. The continued high levels of total phosphorous and

the significant algae blooms that continue today in our lake, clearly demonstrate we are not doing enough!

3. It is our understanding that in 2023, the maintenance of the aeration system will be turned over to the town of Franklin. Seeing firsthand the challenges we have experienced with this system (one of the systems originates on my property), this projected hand off of maintenance responsibility in our opinion needs to change. These systems are highly technical, involve high pressure compressors, miles of plastic tubing, underwater diffusers and air cooling systems. Turning the annual maintenance and trouble-shooting responsibilities over to the town will only ensure the state's ¾ of a million dollar investment will sit idle on the bottom of the lake! We need to find a financial solution to the annual maintenance contract that allows the vendor who developed this system to provide the on ground support needed to keep the system functioning for the next 17 years it was designed to be in place.
4. While we have appreciated the annual investment of 50K dollars, included in the state's Lake in Crisis Response, this simply is not enough. We recognize the need to support the Town of Franklin for a portion of the electrical costs associated with the operation of the aeration system. The financial needs of our grass roots work around the lake, to include the funding of our Watershed Coordinator has sadly been dependent on state/federal grants and public/private donations. We have dedicated thousands of hours of volunteer work around the lake and will continue to do so but we need additional funding to support the many local organizations that provide the organizational support and direction for much of this work.
5. We would like to request that the Lake Carmi TMDL be immediately revised on a more sound scientific basis and in line with current VT Water Quality Standards and requirements for unimpaired waters of 18 ug/L total phosphorus, instead of the anecdotally-defined 23 ug/L target in the current TMDL.

I am extremely grateful for the work that has been done so far to improve the conditions at Lake Carmi. If you could have seen the last TMDL Implementation Team's virtual meeting, you would have witnessed a host of local community members, scientists, UVM extension personnel, campers, local legislators, rep's from DEC, AOT, Ag. Food and Markets and others, all collaborating together with one goal in mind, to clean up Lake Carmi. We really are a shining example of what can be done if we all work together. As we have said all along, if it can't be done at Lake Carmi.... It can't be done anywhere else in Vermont! My colleagues and I would be happy to discuss our suggestions if you feel you need more information.

Respectfully,

Rob Evans
President, Franklin Watershed Committee
Vice President, Lake Carmi Campers Association





Robert L. Evans
Director, K-12 Services | Margolis Healy
Maple Tree Place | Suite 255
121 Connor Way | Williston, VT 05495
P: 802-839-0448 F: 802-391-3935
Pronouns: He, Him, His
[Email](#) | [Map](#) | margolishealy.com

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From: [Dan Albrecht](#)
To: [ANR - Clean Water VT](#)
Subject: SFY 2023 Clean Water Budget Public Comment
Date: Thursday, November 4, 2021 10:23:44 AM

EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.

I commend the Board for funding line items 2.23 and 3.21.

Can the Board and/or DEC via updating its CWIP funding policy provide more guidance on how a Developed Lands Implementation Grant project would be prioritized/selected for funding.

Demand for these funds by 700+ landowners subject to 3-9050 permit will be high. Will Public-Private-Partnership projects received Priority? Will DEC administer these grants or will these be passed through to VAPDA-MARC, WUV and AssocOfConservationDistricts administer these?

Thanks, Dan

Dan Albrecht, Senior Planner

Chittenden County Regional Planning Commission

110 West Canal Street, Suite 202

Winooski, VT 05404

The CCRPC is open to visitors. I am in the office most days and can be reached at 802-861-0133.

Feel free to call my cell at 802-324-4642 if you don't hear back from me in a few hours.





Clean Water Board FY23 Draft Budget Public Hearing
November 4, 2021

Windham Regional Commission testimony

I'm John Bennett, Associate Director of the Windham Regional Commission. I am testifying to advocate for the Board to provide the full \$5 million allocation of funding from the Clean Water Fund for the enhancement grant program. Specifically, Line item 1.41 Statewide Non-regulatory Clean Water Projects should be funded at \$5 million rather than the \$3 million shown in the Clean Water Board DRAFT State Fiscal Year (SFY) 2023 Clean Water Budget.

As the regional planning commission for 27 towns in southeastern Vermont, the WRC has a long history of working collaboratively with towns, non-governmental organizations, and the County Natural Resources Conservation District on important water quality work, from helping towns and landowners with managing stormwater to developing river corridor management plans and implementing river protection and restoration projects. One of the biggest challenges we collectively face is a lack of funding for project development and implementation.

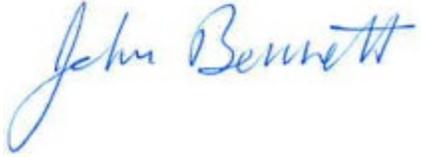
Tropical Storm Irene damage repair and restoration efforts have taken a long time as we have had to pull together funding from multiple sources in collaboration with many partners. We have been working with the Conservation District for years to secure resources to support a stream geomorphic assessment and develop a corridor plan for the West River, the largest in the region. We have successfully developed corridor plans for other rivers in the region and the result is a large number of water quality restoration projects that need funding to construct.

We have had the wettest four months of summer on record and the biggest flooding event since Tropical Storm Irene. Road foremen have been telling us that managing stormwater is becoming exhausting. In addressing the increasing impacts of changing climate conditions, funding to support water quality work with towns and other partners is critically important.

Regional commissions and many others sought and obtained \$5 million for enhancement grants for clean water projects in areas of the state outside the Lake Champlain watershed. Providing only \$3 million of the \$5 million appears contrary to Legislative intent and will shortchange the watersheds and threaten water quality in the region. The proposed draft budget does not seem to meet the statutory requirement of 10 VSA 1389(e)(D) to provide at least 20% of the Clean Water Fund for the Water Quality Enhancement Grant program. The Program is vital to funding

projects that maintain high quality waters and address water quality issues in the state outside the Lake Champlain Basin.

Thank you for the opportunity to comment.

A handwritten signature in blue ink that reads "John Bennett". The signature is written in a cursive style with a large, looping initial "J".

John Bennett
Associate Director

From: [Moore, Julie](#)
To: [Bird, Emily](#)
Cc: [Farnham, Douglas](#)
Subject: FW: Lake Carmi
Date: Wednesday, November 10, 2021 6:10:46 AM

I believe these are similar to comments received from Rob Evans and the Engleharts, but am passing them along so that they are part of the record.



Julia S. Moore, P.E | Secretary (she/her)
Vermont Agency of Natural Resources
1 National Life Dr, Davis 2 | Montpelier, VT 05620-3901
802-828-1294 office
julie.moore@vermont.gov
anr.vermont.gov

This is our shot, Vermont! Everyone age 5 and older is now eligible for a COVID-19 vaccine. Sign up for your shot today at healthvermont.gov/MyVaccine or follow @healthvermont on [Facebook](#) and [Twitter](#) for walk-in opportunities. #OurShotVT

From: Peter Benevento <peterrben@gmail.com>
Sent: Tuesday, November 9, 2021 8:58 PM
To: Moore, Julie <Julie.Moore@vermont.gov>
Subject: Lake Carmi

EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.

Julie,

Pete Benevento here from the Lake Carmi Camper's Assoc. and the Franklin Watershed Committee. I am writing you in respect to your position on the VT Clean Water Board.

I have been involved in the movement to improve the water quality of Lake Carmi for the past fifteen years. In 2006 we had a horrible blue algae bloom that closed beaches and shut down the lake. Unfortunately, despite our earnest efforts since then, nuisance, horrific algae blooms still plague our lake. The attached PowerPoint that documents the algae blooms this season is clear evidence that much work still needs to be done to clean up Lake Carmi.

Lake Carmi has been designated an impaired lake by Vermont Water Quality standards for decades. In 2009 the EPA approved a TMDL for Lake Carmi and in 2018 the VT legislature declared Lake Carmi a "Lake in Crisis". We are still a lake in crisis and the environment and economy around the lake as well as the health of its

residents depends on your actions. Continued funding of the projects and initiatives at Lake Carmi is imperative to reaching our water quality goals. Please find below what local stakeholders in the Lake Carmi Watershed believe to be priority interventions for State Fiscal Year 2023 Clean Water Funding.

UVM Sampling / Research Platform: This has been an amazing tool in understanding aeration and its impact on preventing nutrients from being released in the water column.

It gives the scientists critical information in real time and has helped identify specific conditions and parameters in the lake during an algae bloom. We consider the sampling/research platform essential to further understanding and preventing blue green algae blooms at Lake Carmi. Continued funding of the platform for summer 2022 and hopefully beyond is a must.

UVM Extension in the Watershed: UVM Extension has been working with the farmers in the watershed to implement Agricultural Best Management Practices (BMPs) and, more recently, Required Agricultural Practices. Despite best efforts to follow BMPs and reduce external loading of phosphorous into Lake Carmi, we are still experiencing significant algae blooms. It is essential, therefore, that these agricultural BMP/RAP projects continue. Agricultural activity has been identified as a major source of nutrient loading to the lake. The technical expertise of UVM Extension and its ability to assist farmers is invaluable to ensuring agricultural activity has a reduced impact on the lake. Especially in the areas of tile drains and manure spreading which we know from tributary monitoring are still contributing important amounts of dissolved phosphorous into the lake. It is perplexing that manure is still being spread in the watershed of an impaired lake with a TMDL that has been legislatively designated a "Lake in Crisis" but if it must continue, it must be done in a precise, exacting manner. This takes time and specialized equipment that needs to continue operating in the watershed. Please help ensure this continues.

Ownership /Maintenance of Aeration System: The original plan for the Aeration System was to eventually transfer ownership and maintenance of the system to the Town of Franklin. The Lake Carmi aeration process involves two high tech compressors, miles of tubing and eighty diffusers lying at the deepest parts of the lake. Trouble shooting the issues that have surfaced in the past two years clearly indicate that the vendor is by far best suited to fix the system and resolve problems. Moreover the eighty diffusers in the lake need to be cleaned annually. This entails retrieving them from the bottom of the lake, cleaning them and then replacing them in specific locations. Again, the vendor would be best equipped to accomplish maintenance tasks and we ask that funding be applied to an extended maintenance agreement.

Lake in Crisis Funding: The Lake in Crisis funding received the past two years is appreciated and has helped the Town of Franklin to defray the significant electrical costs associated with the Aeration System. We ask that the funding be augmented to support the activities of local groups working in the watershed. In addition to the many volunteer hours devoted to our clean water work, the need exists for paid contractors to achieve our goals. Despite numerous hours donated by volunteers in

both the Lake Carmi Camper's Association and the Franklin Watershed Committee the need exists for a paid coordinator to request and administer grants and to oversee projects. The coordinator also provides a continuity of workflow and is the common denominator for all projects and activities in the watershed. Today this important coordination role is played in the Lake Carmi watershed by the Franklin Watershed Committee Coordinator. The coordinator is the only paid position in the watershed and is essential to achieving our goals. FWC only has funding to maintain the coordinator in a part time role, but we are seeking funding to expand this position to a full time position. Please help us keep this an ongoing and possibly full time position.

Thank you for your attention and consideration. Lake Carmi has sustained many years of unabated pollution and it will take years to make it environmentally whole. There is no lack of vigor or commitment to clean up Lake Carmi. We just need the funding and the technical assistance from various state and local partners.

Peter Benevento, Pres.
Lake Carmi Camper's Assoc., Inc.

[Lake Carmi Algae Photo Journal 2021 \(2\).pptx](#)

November 15, 2021

Vermont Clean Water Board
c/o Emily Bird, Program Manager
Clean Water Initiative Program
Vermont Department of Environmental Conservation
Water Investment Division
Davis Building - 3rd Floor
One National Life Drive
Montpelier, VT 05620-3510

ANR.CleanWaterVT@vermont.gov

Re: State Fiscal Year 2023 Draft Clean Water Budget

Dear Ms. Bird:

Connecticut River Conservancy submits the following comments regarding the Agency of Natural Resources' draft Clean Water Budget for the 2023 fiscal year. The funding plan as outlined does not meet the statutory requirements of Act 76 and limits access to Clean Water Funds for much of the geography of the State.

According to 10 V.S.A. § 1389 (e) the Clean Water Board shall make funding recommendations giving "equal priority" for what are now considered Tier 1 budget lines, which consist of: administrative costs of Clean Water Service Providers (CWSPs), the Formula Grants, AAFM water quality programs, Water Quality Enhancement Grants, and funding to partners for basin planning, basin water quality council participation, education, and outreach.

Further, 10 V.S.A. § 1389 (e)(1)(D) states, that the Water Quality Enhancement Grants are to be funded at a level which is "at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended under this subdivision (D) in any year shall not exceed \$5,000,000.00."

CRC contends that the allocation in the draft budget for Water Quality Enhancement Grants does not meet the statutory requirement laid out in Act 76. The draft budget that ANR proposes only allocates \$3 million for the Enhancement Grants, while the total draft Clean Water Budget is \$25,879,149, 20% of which would be \$5,175,830. Tier 2 and Tier 3 priorities should not be funded until Tier 1 needs are met. CRC requests that the budget be amended to fully fund the 1.41 Multi-sector line at \$5 million.

Included on line 1.42 is an allocation of \$2 million from the Capital Bill for VHCB Natural Resource projects. CRC argues that the allocation to VHCB should not be considered a Water Quality Enhancement Grant because the intent of this section in Act 76 was to provide funding for water quality projects to be carried out in basins not immediately covered by the transition to Clean Water Service

Providers during the implementation of Act 76. By statute, Water Quality Enhancement Grants are funded out of the Clean Water Fund, not the Capital bill. CRC supports land conservation as an additional means of protecting water quality and multiple ecosystem functions, and the Agency can certainly allocate funding to VHCB, but that funding should be in addition to the \$5 million in funding for the Enhancement grant to not shortchange the implementation of other water quality projects throughout the state.

The Water Quality Enhancement Grants are the primary grants that can be used in the Hudson and Connecticut River basins for any water quality project work. CRC's recollection regarding the legislative intent of this grant program was to ensure that while the CWSPs are being established there would be funding available to continue clean water projects in those basins that were not being prioritized under Act 76 - namely the Connecticut River and Hudson River watersheds - and to continue clean water projects that are focused on other sources of pollution besides phosphorus - such as nitrogen, bacteria, sewage, etc. Those of us that work in Hudson and Connecticut River watersheds already struggle to access State funding since so much of it is understandably directed toward Lake Champlain and Lake Memphremagog. We rely on the Water Quality Enhancement Grants as the major funding source to support projects in the eastern and southwestern parts of the State and they are the only funds available for state-wide non-regulatory work.

To help illustrate how the draft budget allocation would be spent geographically, of the total \$25,879,149 allocated for the Clean Water Fund, \$15,202,496 is dedicated to projects that would **only occur**¹ in the Lake Champlain and Lake Memphremagog watersheds. The remaining \$10,676,653 would then be allocated State-wide, with some percentage of this amount **also** going to the Lakes.

Additionally, the Clean Water Performance report shows that of the \$194 million in Clean Water Funds spent since 2016, \$120 million has gone to the Lake Champlain Basin. Only \$53 million (or 27% of the total) has gone to support projects in the Connecticut River side of the state, which makes up 42% of the geographic area of the state. In the future, it would be more transparent and create additional equity if the Clean Water Fund budget explicitly stated exactly how each line item might be allocated across the four major watershed basins in the state.

CRC is also concerned that funding allocated for the Developed Lands Implementation Grant as a Tier 3 project is premature. According to Act 76, the Developed Lands Implementation grant "shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress." According to the Clean Water Service Provider Final rule adopted on August 12, 2021, the initial term for the CWSPs in the Lake Champlain and Lake Memphremagog basins begins on July 1, 2022, which would mean that an assessment of whether they are meeting annual goals would not be possible until after their first annual report is received, likely after July 2023. Given that, it is unclear why any money has been allocated to this grant program, as there is no way that the currently identified CWSPs can show progress.

Similarly, Line 1.2 is money allocated to support Operation and Maintenance of projects undertaken by CWSPs. If the initial term for the designated CWSPs does not begin until July of 2022, there can not be any completed projects that require operation and maintenance support. CRC is confused about what

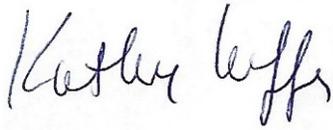
¹ This includes the programs associated with budget lines 1.2, 1.2, 2.21, 2.22, 2.23, 3.1, 4.1, and 4.2. The description for Line 2.21 and line 2.22 references, 10 V.S.A. § 928, which states, "The grant program shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress."

this \$210,00 would be spent on.

One final concern, Line 1.3 is money allocated for partner support of the tactical basin planning process and basin water quality council participation. This funding is incredibly important to coordinate implementation of projects and priorities in the Tactical Basin Plans. Our understanding is that the amount allocated is the same as last year, while additional money will be needed beginning this year to support the BWQCs in the newly designated CWSP basins. CRC is concerned that this will result in an overall reduction of funding for tactical basin planning support. Please increase this line item to appropriately plan for the additional investment needed for BWQCs without reducing existing Tactical Basin Planning support.

CRC appreciates the opportunity to comment on these funding priorities.

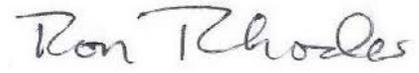
Sincerely,



Kathy Urffer
River Steward, VT/NH
Brattleboro



Fritz Gerhardt
Conservation Scientist
Newark



Ron Rhodes
Director of Restoration Programs
Pomfret

CC: Windham, Windsor, Orange, Essex, and Caledonia County Legislators

November 19, 2021

Secretary Julie Moore
Agency of Natural Resources
1 National Life Drive, Davis 2
Montpelier, VT 05620

Dear Secretary Moore and Members of the Clean Water Board,

The undersigned groups appreciate the opportunity to comment on the proposed FY23 Clean Water Budget (“Draft Budget”) and generally on the Clean Water Fund (CWF) as it transitions to support the Act 76 Clean Water Service Provider (CWSP) program.

Act 76 provides that the Clean Water Fund should focus on Tier One programs

We are concerned that the Clean Water Board is allocating funds to too many programs, resulting in inadequate funding for the programs established in 10 V.S.A. §1389(e)(1), which are the primary priorities of the statute. Over the next two to three years, while federal funding from the American Rescue Plan Act (ARPA) is available for allocation to municipal stormwater and developed lands programs, the Clean Water Fund should focus first on ensuring the pollution reduction goals and the obligation for water quality projects are met.

Act 76 establishes the Water Quality Restoration Formula Grant Program (10 V.S.A. §925), the Water Quality Enhancement Grant Program (10 V.S.A. §926), the Developed Lands Implementation Grant Program (10 V.S.A. §927), and the Municipal Stormwater Implementation Grant Program (10 V.S.A. §928). The Draft Budget sets these Grant Programs in a tiered structure, with the Formula and Restoration Grants in Tier One, Municipal Stormwater Grants in Tier Two, and Developed Land Grants in Tier Three.

The Clean Water Board has generally allocated 60% of the Draft Budget to Tier One, 30% to Tier Two, and 10% to Tier Three, although because of the temporary nature of the ARPA funds, these percentages are not exact for FY23. This allocation is arbitrary and does not align with statutory intent. While only hindsight will prove whether enough funding was provided for Tier One programs, this percentage allocation may provide too much funding to municipal and private developed lands at the expense of the priorities in Tier One.

Under 10 V.S.A. §1389(e)(1), within Tier One there must be equal prioritization to Clean Water Service Provider (CWSP) costs, Restoration Formula Grants, AAFM Water Quality Grants, Enhancement Grants, and funding for basin planning and education. Under the statute, (e)(2) and (e)(3), namely Tiers Two and Three, are given “next priority” for funding after Tier One obligations are met.

Further, the statute states that the Developed Lands and the Municipal Stormwater Grants “shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards these goals.” (10 V.S.A. §§927, 928) Per statute, funds cannot be spent on Developed Lands and Stormwater Grants until the CWSPs have had an opportunity to meet their goals.

As expanded on below, revenue from the Clean Water Fund should be increased for Tier One programs. This includes more funding for Restoration Formula Grants to ensure all aspects of project identification, development, implementation, and maintenance are fully funded. Additionally, funding must be increased for Enhancement Grants, so it is within statutory requirements to ensure adequate funding is available for water quality projects outside of the Lake Champlain Basin. Finally, funding for basin planning should be increased to compensate groups that are establishing the Basin Water Quality Councils (BWQC) as well as for the development of Tactical Basin Plans.

To ensure that CWSPs will be able to reach their goals and there are enough funds in Tier One, we lean on the provisions in Act 76 that state Tier One is the priority and therefore no Clean Water Funds be made available for Tiers Two and Three until the goals of Tier One are met. We ask that revenue from the Clean Water Fund for the Developed Lands and Stormwater Grants be delayed for several years until pollution reduction goals, or progress towards those goals, can be established and verified.

Specific Grant Programs

Enhancement Grants

The funding levels and structure of the Enhancement Grants are inadequate and miss the intent, the spirit, and the plain language of Act 76. The House Committee on Natural Resources, Fish & Wildlife created the Enhancement Grant program to address concerns that all funding would be focused on phosphorus reduction in the Lake Champlain Basin to the detriment of water quality in the rest of the state, particularly protection and restoration of fish and wildlife habitat. Under this Draft Budget, these types of projects are short-changed.

In the Draft Budget, the Clean Water Board allocates \$3 million in revenue from the Clean Water Fund to the Enhancement Grants. The statute clearly states the Board must fund “the Water Quality Enhancement Grants ... at a funding level of at least 20 percent of the annual balance off the Clean Water Fund, provided that the maximum amount recommended under this subdivision (D) in any year shall not exceed \$5,000,000.” (10 V.S.A. § 1389(e)(1)(D)). Twenty percent of the \$25.8 million projected total of the Clean Water Fund is \$5.16 million, which is more than the maximum amount of \$5 million. Therefore, the Enhancement Grants should receive \$5 million from the Clean Water Fund, not the proposed \$3 million.

Further, the Board included the Vermont Conservation and Housing Board (VHCB) Land Conservation and Water Quality Projects funding as part of the Enhancement Grants. While we

acknowledge that VHCB does outstanding work on the same types of state-wide clean water projects funded by the Enhancement Grants, adding the \$2 million allocation of capital funds for VHCB to the \$3 million in Clean Water Funds for a total of \$5 million is inconsistent with the spirit of Act 76 and the language of the statute. Moreover, the funds allocated for VHCB are unavailable for other entities that perform this type of work, creating an unnecessary competition for the remaining \$3 million in funds.

The statute states that the Enhancement Grants can only receive a maximum of \$5 million from the Clean Water Fund, not that the Enhancement Grants program itself can only be a maximum of \$5 million. Therefore, \$2 million in Capital Funds for the VHCB Land Conservation and Water Quality Projects program and \$5 million in Clean Water Funds for non-VHCB water quality projects, for a total of \$7 million, is authorized by statute.

To fill the deficit in the Enhancement Grants, we recommend shifting \$2 million in the Clean Water Fund revenue from the Municipal Three Acre General Permit and MS4 in the Tier Two Municipal Stormwater Implementation Grants to the Enhancement Grants. This \$2 million can be replaced with ARPA funds from Tier Three Developed Lands Implementation Grants, to bring the Three-Acre ARPA funds from \$4 million to \$6 million and provide the same overall level of funding.

Basin Planning

Tier One also includes funding for basin planning and similar programs. The statutory minimum is \$500,000, and \$600,000 is allocated in the Draft Budget. However, we are concerned that this level may still be inadequate. This funding will go towards basin planning, establishing and participation in the Basin Water Quality Council (BWQC) in each of the watersheds in the Lake Champlain Basin and Lake Memphremagog, as well as Education and Outreach. We would ask that this be a minimum of \$800,000 for FY23, as there is considerable work to be done.

Restoration Formula Grants

As was noted above, with the CWSP program at its inception, it is difficult to know whether the \$7 million allocated for Formula Grants will be enough to meet nutrient reductions goals. Without adequate funding, the Clean Water Board is setting up the CWSPs program for failure. Because of this, we believe it is better to err on the side of caution and provide extensive funding in the Formula Grant program.

Although we acknowledge the proposed funding level is based on a calculation for the pollution reduction targets and the money projected to meet those goals, the funding for some or all basins may be inadequate to meet all of the phases of project implementation. This is a particular concern as there may not be enough projects identified for the first several years of the program.

Assurance is needed that enough state funding is provided for project identification and development, not just for project implementation. Further, some explored projects may fail to materialize or simply not be viable and funding for this process needs to be taken into account. Overall, additional funding should be available in the first several years specifically for project identification and preliminary work, as well as for a financial ‘cushion,’ in case a CWSP needs additional funds to reach its goals.

In the first years of the CWSP program, it would be best to ensure that there is a surplus of funds rather than risk a deficit that results in a CWSP missing its pollution reduction goals. We have long maintained that a lack of funds cannot be the reason a CWSP misses its reductions goals, particularly when those funds are instead allocated to other “next priority” grants programs.

Conclusion

In conclusion, the undersigned groups believe the Clean Water Fund is over-allocated to secondary programs, and the focus should be on Tier One programs to ensure pollution reduction goals are met and adequate funds are available for water quality projects, as required by statute. After several years, true costs for Tier One will be known, and funds can be distributed accordingly between the three tiers.

Sincerely,

Lori Fisher, Executive Director
Lake Champlain Committee

David Mears, Executive Director
Audubon Vermont

Jon Groveman, Water and Policy Program Director
Vermont Natural Resources Council

cc:

Mr. Doug Farnham, COO, Agency of Administration, and, Chair, Clean Water Board
Secretary Anson Tebbetts, Agency of Agriculture, Food & Markets
Secretary Lindsay Kurrle, Agency of Commerce and Community Development
Secretary Joe Flynn, Agency of Transportation
Senator Chris Bray, Chair, Senate Natural Resources & Energy Committee
Senator Jane Kitchel, Chair, Senate Appropriations Committee
Rep. Amy Sheldon, Chair, House Natural Resources, Fish & Wildlife Committee
Rep. Mary Hooper, Chair, House Appropriations Committee



November 19, 2021

Dear Members of the Clean Water Board,

Watersheds United Vermont (WUV) is an association of community-based watershed groups throughout Vermont with the mission to empower watershed groups to protect and restore Vermont's waters. I want to first thank the Clean Water Board, the Agency of Natural Resources, and other state agency staff for work on the FY23 Clean Water Budget. We realize there are many considerations when balancing the allocation of funds to best achieve clean water goals throughout the state.

We are asking the Agency of Natural Resources and the Clean Water Board to consider two important changes to the Draft FY23 Clean Water Budget. We ask that the Tier 1 Enhancement Grants be increased to \$5 million dollars of the Clean Water Fund as is required by law in Act 76 and that the Tier 1 Tactical Basin Planning and Basin Water quality Council support be increased to at least \$850,000.

In section 1389, Act 76 states that in the allocation of funds from the Clean Water Fund, the Board shall as a first priority, make recommendations regarding funding for the following grants and programs, which shall each be given equal priority.

The fourth of those equal priorities is (D) the Water Quality Enhancement Grants at a funding level of at least 20% of the annual balance of the Clean Water Fund up to \$5,000,000.

The current amount of the Clean Water Fund allocated to the Enhancement Grants in the Draft FY23 budget is \$3,000,000 of the Clean Water Fund. The Clean Water Fund total in the Draft Budget is \$25 million; therefore, the Enhancement Grant program is being allocated less than 12% of the Fund, far short of the 20% required by the Act.

We highly value the work of the Vermont Housing and Conservation Board (VHCB) and are not suggesting removing funding from VHCB. However, the VHCB funds are capital dollars for a specific program and whether under the banner of Enhancement Grant or not, the funding to VHCB should be in addition to and not instead of the Clean Water Fund dollars that are meant to be allocated to fully fund the Enhancement Grant program.

Why is the Enhancement Grant program so important and why do we want to make sure it is funded to the full extent required by law? We believe the Enhancement Grant Program funds are critical for the protection and restoration of all of Vermont's waters. Until Formula Grants are available for all impaired waters, Enhancement Grants are the funds available for any natural resources or non-regulatory stormwater projects in roughly half the state and to address any impairments beyond phosphorus within the Champlain and Memphremagog Basins. This includes waters impaired for bacteria, chloride, temperature, other contaminants, sediment and, of course, nitrogen in the Connecticut watershed.

Beyond impaired waters, the Enhancement Grant program is also critical to ensuring that other waters in the state do not become impaired. This includes funding for clean water projects that address stressed waters and also projects that prevent the degradation of our waters across the state (antidegradation). The Enhancement

Grant program is also critical for projects that protect high-quality waters and projects that address the full suite of water quality benefits.

The Enhancement Grant funds are needed to address the full scope and scale of bringing these non-regulatory projects to fruition – project development, design and implementation and the operation and maintenance of projects to ensure they continue to meet clean water goals. Watershed groups and other implementing partners including Natural Resources Conservation Districts, land trusts, Regional Planning Commissions and other conservation organizations are actively developing and implementing projects as partners to the state to achieve clean water goals. These projects include buffer planting, floodplain and instream restoration, stormwater projects, floodplain and wetland conservation and river corridor easements, dam removals and culvert replacements. These state funds also help groups leverage significant private and federal dollars to complete projects.

We are asking a lot of the Enhancement Grants as the only statewide funds for non-regulatory clean water projects; we are therefore asking the Clean Water Board and ANR to invest in all of our waters and fund the Enhancement Grants at the level obligated by the Legislature in Act 76 at 20% of the Clean Water Fund or \$5,000,000.

Our second request to the Clean Water Board and the Agency of Natural Resources is to consider an increase in the allocation of another Tier 1 priority – Tactical Basin Planning and Basin Water Quality Council (BWQC) work. While in this case, the amount allocated (\$600,000) is within Act 76's requirement of a minimum of \$500,000, we believe more funding will be necessary to appropriately fund the development and implementation of Tactical Basin Plans and the work of Basin Water Quality Councils. The current FY22 funding amount for this work is set at the same level of \$600,000. This year, only a small portion of that funding is needed for BWQC work as the Basin Water Quality Councils are just being set up, and the Act 76 Formula Grants do not go into effect until FY23. Additionally, the current funding does not include participation for two of the BWQC statutory partners – the towns and statewide conservation organizations. We are asking for at least an additional \$250,000 (a total of \$850,000) in this Tier 1 line item as we want to make sure that the BWQC members are appropriately compensated for their work and that, importantly, the watershed groups, Natural Resources Conservation Districts and Regional Planning Commissions still have the funding necessary for Tactical Basin Planning, as Tactical Basin Plans are foundational tools for clean water work in the state.

While we realize that adding funding to one area means shifting funds from another, we believe Act 76 is clear on funding Tier 1 to the full extent as the top priority. We ask that ANR and the Clean Water Board shift Clean Water Fund dollars from the currently allocated Tier 2 3-acre permit work to support the additional \$2,000,000 for the Enhancement Grants and the additional \$250,000 for Tactical Basin Planning and Basin Water Quality Council work. We believe that a combination of American Rescue Plan Act (ARPA), capital dollars, Infrastructure Bill funds or State Revolving Loan Funds should be utilized for this regulatory program.

Thank you for considering Watersheds United Vermont's comments today and for your continued commitment to the protection and restoration of Vermont's waters.

Sincerely,



Lyn Munno
Director, Watersheds United Vermont

November 19, 2021

Re: Comments on FY 2023 Clean Water Budget

Dear Members of the Vermont Clean Water Board:

On behalf of Vermont's Natural Resources Conservation Districts, I am writing to provide comment on the draft FY 2023 Clean Water Budget.

We would like to first thank the Clean Water Board and Agency of Natural Resources for their work on the Fiscal Year 2023 Clean Water Budget. We recognize that there are many priorities and responsibilities to consider when setting the budget in order to best achieve our shared clean water goals in Vermont.

We are asking the Clean Water Board and Agency of Natural Resources to change two aspects of the Draft Fiscal Year 2023 Clean Water Budget:

- **First, that the Tier 1 Enhancement Grants allocation be increased to \$5 million from the Clean Water Fund as required by law in Act 76.**
- **Second, that the Clean Water Board and Agency of Natural Resources increase funding for Tactical Basin Planning and related activities by \$250,000 to a total of \$850,000 in order to allow partners to properly fulfill their statutory roles as described in Act 76.**

Vermont's 14 Natural Resources Conservation Districts were created through the Vermont Soil Conservation Act of 1939 (Title 10, Chapter 31) to promote the conservation, development and use of Vermont's lands, water, forests, and wildlife to protect and promote the health, safety and general welfare of Vermonters. In order to fulfill this mandate, Districts carry out a wide range of technical assistance, implementation, outreach, education, monitoring, and partnership programs in agriculture, forestry, watershed restoration, stormwater, and rural fire protection. VACD is the non-profit membership association of Vermont's Conservation Districts.

As you know, Act 76 describes Tier 1 Priorities in detail and states all Tier 1 programs must be given equal priority. With regard to Enhancement Grant funding, Act 76 requires that at least 20% of funds from the Clean Water Fund (to a maximum of \$5 million) to support Water Quality Enhancement Grants. This funding is immensely important as recognized by Act 76, and will support a variety of projects including the design and implementation of stormwater, river restoration, and other projects to reduce sediment and nutrient pollution outside of the Lake

Champlain and Memphremagog watersheds, support riparian tree plantings that enhance forest and river habitats throughout the state, and more. Some examples of the water quality projects that Conservation Districts have implemented, or are waiting for funding to implement, outside of the Lake Champlain and Memphremagog Basins are included in the attachment to this letter.

This requirement is described on page 25 and 26 of Act 76 (beginning Sec. 4. 10 V.S.A. § 1389, *“regarding the appropriate allocation of funds from the Clean Water Fund...”* *“...as a first priority, make recommendations regarding funding for the following grants and programs, which shall be given equal priority...”* including *“...the Water Quality Enhancement Grants under section 926 of this title at a funding level of at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended under this subdivision (D) in any year shall not exceed \$ 5,000,000.00.”*

The Draft Fiscal Year 2023 budget does not meet the obligations described in Act 76, specifically by under funding the State Non-Regulatory Clean Water Projects (“Enhancement Grants”) by \$2 million (40%) of the required amount to be supported from the Clean Water Fund. I request the Clean Water Board and Agency of Natural Resources remedy this shortfall by properly funding this Tier 1 Priority to the required \$5 million as described in Act 76 from the Clean Water Fund. We fully support the land conservation activities of the Vermont Housing Conservation Board, and provide technical assistance to make those projects possible. However, these projects, which are funded with capital funds, should not be included in the Enhancement Grant line.

In addition, we request the Clean Water Board and Agency of Natural Resources increase funding for Tactical Basin Planning and Basin Water Quality Council participation, which are named as a Tier 1 priority in Act 76. Act 76 aims to empower local organizations to be increasingly engaged in the planning, coordination, and review of clean water projects through Basin Water Quality Council participation, and to further invest in the Tactical Basin Planning process that is imperative to the ranking and prioritization of projects and areas in need of clean water funding.

We recognize that Tactical Basin Planning and Basin Water Quality Council activities are currently funded at a level within Act 76’s requirements. However additional funding will be needed to support this Tier 1 activity fully FY 2023 and beyond. The Councils are tasked with providing local knowledge and experience in order to prioritize, review, and recommend projects to the Clean Water Service Providers for funding and implementation, as well as support their participation in the Tactical Basin Planning process. Earlier this year, Conservation Districts, state agencies, and other implementation partners worked with Agency of Natural Resources staff to create an estimate of work and funding per Basin Water Quality Council member needed to support full participation in these activities. The finalized estimate was \$3,100 in funding per year, per person, or \$195,000 in additional funding needed to support the nine Basin Water Quality Council members on each of the seven Councils established by Act 76 to properly support this Tier 1 activity.

In addition, Tactical Basin Planning funding also supports groups in a variety of tasks including, regional coordination activities outreach, creating recommendations for the State to integrate into

the Tactical Basin planning process, supporting water quality monitoring efforts, and outreach. Current funding for these activities is already stretched thin, with local conservation districts, watershed groups, and regional planning commissions consistently demonstrating a capacity and need for increased support to fulfill their obligations. An additional \$55,000 towards Tactical Basin Planning efforts will allow groups to properly fulfill their statutory duties. We are therefore asking for the Clean Water Board and Agency of Natural Resources to allocate an additional \$250,000 for a total of \$850,000 to support both Tactical Basin Planning and Basin Water Quality Council activities in recognition of the importance of this Tier 1 category of work.

Thank you for your consideration in fully funding these Tier 1 activities at a level that recognizes their importance to realize our shared clean water and conservation goals, as well as the responsibilities and efforts required by Act 76. I welcome your questions about these comments and the work of Vermont's Conservation Districts.

Sincerely,



D. Jill Arace
Executive Director

Attachment

Examples of Pending and Recent Conservation District Projects Eligible for Enhancement Grant Funding but Restricted from Formula Grant Funding Under Act 76

South Prospect Gully Remediation, \$7,800 investment. Caledonia County NRCD - Final design to address eroding gully off South Prospect Street in Lyndonville. Currently gully is a significant erosion feature, delivering sediment to an intermittent stream flowing to the Passumpsic River. Design includes installation of a dry well, removal of a nearby shed, and earth work at the top of the gully to reestablish a stable slope.

Maidstone Lake Bioengineering Project, \$35,000 investment. Essex County NRCD - Approximately 85 linear feet of shoreline and 510 square feet of shoreland buffer was stabilized and enhanced to reestablish a stable vegetated shoreline with native herbaceous, shrub, and tree species. Approximately 55 linear feet of shoreline utilized a bioengineering technique known as encapsulated soil lifts. The existing failing crib wall was manually deconstructed and the slope rebuilt with the encapsulated soil lift technique.

Ellis Brook Floodplain, \$34,300 investment. Windham County NRCD - Final design for the restoration of Ellis Brook and its floodplains through the removal of berms, building of bankfull benches including plantings on benches and the installation of riparian buffers where currently lacking. Targeted berm removal will improve floodplain access and connectivity and create a more stable stream type. These improvements will improve the stream channel by creating a more natural river channel and restoring the river closer to equilibrium condition.

Concord Area Stormwater, estimated \$486,200 investment, including \$79,900 in local match - Essex County NRCD - The Concord Area project will provide significant improvement to the reduction of erosion and sediment transport via sheet flow directly to the Moose river via Route 2 drainage infrastructure. The project has been identified as a priority project in a recent SWMP for the area. The upper infiltration basin will capture runoff and will treat runoff from a 3.0-acre drainage area with 0.4 acres impervious. Underground infiltration chambers will be installed in the Town of Concord Park to treat runoff from paved and steeply sloping portion of Folsom Ave and the drainages areas above High Street that can't be conveyed to the infiltration basin. The chambers will treat an additional 3.7-acres with approximately .5 acres of impervious. The project is expected to provide reductions of approximately 1,500 lbs of TSS and associated phosphorous and nitrogen per year.

Friends of Northern Lake Champlain

PO Box 1145, St. Albans, VT 05478

www.friendsofnorthernlakechamplain.org



November 30, 2021

Dear Members of the Vermont Clean Water Board,

The Friends of Northern Lake Champlain (FNLC) is a non-profit organization committed to reducing non-point source phosphorus pollution from surface runoff into the northern arm of Lake Champlain. We partner with progressive municipalities, private residents, and good conservation farmers to construct on-the-ground water quality improvement practices and to provide youth and adult educational opportunities.

The FNLC Board of Directors is very appreciative of the Clean Water Board and representative state agencies for the formulation of the FY23 Clean Water Budget and want to respectfully submit two suggestions that will address various components of watershed organizations' needs. As required by Act 76, we request that the Tier 1 Enhancement Grants be increased to \$5 million dollars of the Clean Water Fund. We also request that the allocation to the Tier 1 Tactical Basin Planning and Basin Water Quality Council support be increased to at least \$850,000.

Our reading of the Clean Water Act indicates that the Enhancement Grants are required to be 20% of the \$25 million Draft Budget. The current allocation of \$3 million is only 12% of the budget, so it would be necessary to find \$2 million elsewhere in the budget to satisfy the required 20%. A good option would be to remove funding from such allocations as the Vermont Housing and Conservation Board (VHCB) which can also draw funding from other sources, i.e., Capital funds. Another place to look for reallocated funds would be the Tier 2 3-Acre permit work which can draw on private commercial participants for financial support.

Non-profit organizations like FNLC are called upon to administer non-regulatory projects for design and implementation, operation and maintenance, and project development; the Enhancement grants are essential to supporting these chronically underfunded watershed organizations that are putting boots on the ground and yielding results. It is difficult to account for all the uncompensated hours that FNLC's staff spend working with individuals and businesses, only to have projects or interest fall through. Maintaining the public funding needed to sustain the long term effort to restore our state's waters is another important function of small non-profits and is in desperate need of adequate funding.

As small non-profit organizations and municipalities begin their work on Basin Water Quality Councils, it is apparent that the current allocation should be increased to support their staff hours on the BWQC's, especially in the startup time of an expected overload of delayed project proposals.

As always, thank you to the Clean Water Board for its commitment to reducing pollution in Vermont's waterways and for considering FNLC's suggestions.

Sincerely,

Dr. Kent E Henderson,

FNLC Board Chair

Friendsofnorthernlake Champlain.org

khenderson@friendsofnorthernlake Champlain.org

(802) 373-1998

**Vermont Clean Water Board
Clean Water Budget Public Hearing Minutes**

Date/Time: Thursday, November 4, 2021, 10:30 am – 12:15 pm

Virtual Option to Attend: [Microsoft Teams Meeting](#)

Physical Location to Attend In-Person: Agency of Natural Resources, One National Life Drive, Montpelier, VT 05602 in the Catamount Room (Davis Building, 2nd Floor, Room D215).

Meeting details, materials, and recordings available at: <https://dec.vermont.gov/water-investment/cwi/board/meetings>

Clean Water Board Members/Designees:

Douglas Farnham, Agency of Administration (AoA) Chief Operational Officer and designated Clean Water Board Chair (Present)

Tayt Brooks, Agency of Commerce and Community Development (ACCD) Deputy Secretary (Present)

Alison Conant (Absent)

Bob Flint, public member (Present)

Joe Flynn, Agency of Transportation (VTrans) Secretary (Present)

James Giffen, public member (Present)

Julie Moore, Agency of Natural Resources (ANR) Secretary (Present)

Anson Tebbetts, Agency of Agriculture, Food and Markets (AAFM) Secretary (Present)

Chad Tyler, public member (Present)

1. Welcome (Meeting Recording Timestamp 00:00:10)

Agency of Administration (AoA) Chief Operational Officer and designated Clean Water Board Chair Douglas Farnham convened the hearing at 10:30 am and reviewed the agenda. Chair Farnham welcomed the Board and guests and introduced himself in his new role as Chair.

2. Clean Water Funding Background and State Fiscal Year (SFY) 2023 Budget Process (Meeting Recording Timestamp 00:03:15)

Dept. of Environmental Conservation (DEC) Clean Water Initiative Program (CWIP) Manager Emily Bird presented information on Clean Water Funding, the Clean Water Board, and Budget Process. Slides 3-7.

3. Presentation of Draft SFY 2023 Clean Water Budget by Agency Staff (Meeting Recording Timestamp 00:10:00)

Agency staff presented the Draft SFY 2023 Clean Water Budget as follows.

- a. DEC CWIP Manager Emily Bird presented the total SFY proposed budget of \$46.9M, comprising \$25.6M Clean Water Fund (CWF), \$11M Capital, and \$10M American Rescue Plan Act (ARPA) funding. Ms. Bird also described the role of Act 76 of 2019 in directing the Board's prioritization of funding within three tiers, the proposed allocation of funds within those tiers, and approach taken to develop that proposal. Also presented was information on how to comment on the proposed budget. Slides 9-15.
- b. AoA Dept. of Finance and Management Senior Budget Analyst Michael Middleman described the purpose of the proposed investment in Stormwater Utilities. Slide 18.
- c. Agency of Agriculture, Food and Markets (AAFM) Water Quality Director Laura DiPietro described the investments proposed in the areas of Water Quality Grants to Farmers and Partners, and Agency of Agriculture Program Support. Slides 19-20.
- d. ACCD Dept. of Housing & Community Development Downtown Program Manager Gary Holloway presented information regarding the Better Connections Grants Program and Downtown Transportation Fund Investments. Slide 21.
- e. DEC CWIP Manager Emily Bird presented information regarding the Water Quality Restoration Formula Grants to Clean Water Service Providers (CWSPs), Operations and Maintenance funding for CWSPs, Tactical Basin Planning Support, Statewide non-regulatory Clean Water Projects (proposed to fulfill the Water Quality Enhancement Grant Program along with Vermont Housing and Conservation Board's "Land Conservation and Water Quality Projects" program), Program and Partner support, Municipal Three-Acre General Permit and

Municipal Separate Storm Sewer System (MS4) funding program to support municipalities implementing stormwater regulatory requirements, and investments in innovation. Slides 22-28.

- f. DEC Water Infrastructure Finance Program Manager Padraic Monks described the proposed funding to support the Developed Lands Implementation Grants in support of private landowners to comply with the Three-Acre General Permit program. Slide 29.
- g. DEC Lakes and Ponds Program Manager Oliver Pierson described the proposed Lakes in Crisis funding, and projects implemented under the Lakes in Crisis response Plan to date. Slide 30.
- h. DEC Water Investment Division Engineering Director Eric Blatt described the proposed investments needed to match Clean Water State Revolving Loan federal capitalization grants, and investments proposed for State Pollution Control Grants. Slides 31-32. Eric Blatt referenced new rules that are now used to direct the size of awards to eligible municipal projects.
- i. Dept. of Forests, Parks and Recreation (FPR) Forests Director Danielle Fitzko described proposed investments in Forest Water Quality Practices and Implementing Best Management practices at State Forests, Parks and Recreational Access Roads. Slides 33-34.
- j. Agency of Transportation (VTrans) Municipal Assistance Program Manager Joel Perrigo described the proposed investments in the Municipal Roads Grants-in-Aid Program and the Better Roads Program to support implementation of practices necessary to comply with the Municipal Roads General Permit. Slides 35-36.
- k. Vermont Housing and Conservation Board (VHCB) Policy and Special Projects Director Jen Hollar described the uses of investments to support Land Conservation and Water Quality Projects and Water Quality Farm Improvement and Retirement projects. Slides 37-39.

4. Public Questions on Presentation (Meeting Recording Timestamp 00:50:35)

Clean Water Board Chair Douglas Farnham invited questions on the presentation. No questions were raised.

5. Public Comments (Meeting Recording Timestamp 00:51:30)

Clean Water Board Chair Douglas Farnham invited public comment. Public comment is summarized as follows.

- a. Lyn Munno, Watersheds United Vermont: Ms. Munno thanked the Board and Agencies for their work. Two important changes requested: 1) increase Water Quality Enhancement Grants Program to \$5M of Clean Water Fund. Current amount of CWF allocated is only \$3M. VHCB funding should be in addition to \$5M of Enhancement Grants. Ms. Munno explained the importance of the Enhancement Grant Program. 2) Increase funding to Tactical Basin Planning from \$600K to \$800K. The purpose is to make sure that Basin Water Quality Councils are reasonably compensated to participate in Council Proceedings.
- a. Jon Groveman, Vermont Natural Resources Council (VNRC): Mr. Groveman shared that it appears that ANR and CWB is combining Capital and Clean Water Fund to achieve the \$5M required for the Enhancement Grant Program. VNRC interpretation is that statute requires a CWF investment of \$5M to this Program, not \$5M from whichever source. VNRC is also concerned that funding for Developed Lands is greater than it should be. Commercial and high-end residential property should not be supported to achieve the Three-Acre General Permit requirements with public funding.
- b. Rob Evans, Franklin Watershed Committee: On behalf of Mr. Evans, Mr. Englehardt read a prepared statement for continued support of Lake Carmi – the State’s only Lake in Crisis. Much remains to be done. Critical needs include real time monitoring to support operation of the aeration system, funding of the annual maintenance contract for the aeration system, including electrical system costs, revise the Lake Carmi Total Maximum Daily Load (TMDL) to a more conservative water quality criterion of 17 or 18 micrograms per liter of phosphorus.
- c. Jared Carpenter, Lake Champlain Committee: Mr. Carpenter supports Ms. Munno and Mr. Groveman’s recommendation regarding Water Quality Enhancement Grants; that it be funded at \$5M. Mr. Carpenter is concerned that the budget is stretched too thin and overinvests in tiers two and three relative to Tier one. Specifically, Formula funding may need to be greater, to allow for project development activities. An additional option will be to hold some funds in reserve in the event a CWSP needs additional development support.
- d. Kathy Urffer, Connecticut River Conservancy: Ms. Urffer understands that the Enhancement Grants Program is to be directed primarily towards geographic areas outside watersheds with active Water Quality Restoration Formula Grants and CWSPs, and for activities not associated with phosphorus pollution control. Please fund this at \$5M. Urffer indicated concern that dam removal is not an eligible activity under the Enhancement Grants Program. In the future, Ms. Urffer recommends that the budget proposals specify the geographic regions to which areas are directed. Ms. Urffer used information in the *Vermont Clean Water Initiative Annual Performance Report* to make the case for inequitable distribution of funds to the Connecticut River Basin.

- e. John Bennett, Windham Regional Commission (WRC): Mr. Bennet requested the Board provide a full \$5M from the Clean Water Fund for the Enhancement Grant Program. As a regional planning commission for 27 towns in Southern VT, WRC has undertaken many projects in support of clean water. A lack of funding for project development has been a barrier, including a specific need for stream geomorphic assessments and river corridor plans for the West River. WRC's municipalities indicate exhaustion at continually addressing stormwater issues, emphasizing the need for additional support of resilience projects. Thus, additional funding for the Enhancement Grants Program is needed.
- f. Mary Russ, White River Partnership (WRP): Ms. Russ commented that two priority Tier 1 recommendations are insufficient: 1) \$600K for Tactical Basin Planning is insufficient. WRP believes this funding should be at a level of \$800K. WRP concurs that the Enhancement Grants Program should be funded at \$5M. The needs for these funds are enormous. Ms. Russ cited example streams and locations that would be supported by Enhancement Grants.
- g. Peter Gregory, Two Rivers-Ottawaquechee Regional Commission (TRORC): Mr. Gregory is providing testimony on behalf of TRORC and Mount Ascutney Regional Commission, which represent 40 towns along the White River and Connecticut River. The perspective of these two RPCs is that legislative intent requires an investment of \$5M into the Enhancement Grant Programs from the Clean Water Fund, and that this should not come at the expense of the valuable work undertaken by VHCB.
- h. Jill Arace, Vermont Association of Conservation Districts (VACD): Ms. Arace commented that VACD would like to see the Enhancement Grants Program funded at \$5M as statutorily required and recommends funding Tactical Basin Planning at an increased level to \$800k, specifically due to additions of Basin Water Quality Council participation and to support Council members not presently supported by Tactical Planning grants. VACD's ongoing design and implementation block grant program has strong demand for funding statewide and without sufficient funds in the Enhancement Grants Program these projects would not be able to be funded.
- i. Andrea Englehardt, Lake Carmi Campers Association: Ms. Englehardt thanked the Board for the investment. She questions the reporting of a 41% reduction in phosphorus because they have not observed a commensurate reduction in cyanobacteria blooms in the lake. Ms. Englehardt recommends additional support in the innovation line for a more natural approach by limiting additional nutrient application, so as not to spread when plants are not growing. Alternately, consider increasing nutrient storage or trucking nutrients out of the Carmi watershed.
- j. Ernest Englehardt, Lake Carmi Campers Association: Mr. Englehardt on behalf of the Board of Lake Carmi Campers Association recommends implementing stream gauging as was described in the Agency of Agriculture, Food and Markets report on the feasibility of stream gauging. This would provide data on nutrients entering the lake, and a year-by-year picture of nutrient loading to the lake. This would allow more accurate information used to model effectiveness of certain practices. Also, compliments to the staff assembling the Clean Water Board materials.
- k. Dan Albrecht, Chittenden County Regional Planning Commission (CCRPC): CCRPC commends the Board for support of municipal stormwater grants. The MS4 municipalities have projects lined up, staff, and they are doing many projects to meet flow restoration and phosphorus control plans. CCRPC notes that there are many landowners subject to the Three-Acre General Permit, and there is concern that these are not prioritized. Please update DEC Funding Policy on how Three-Acre General Permit projects should be selected. CCRPC also complimented staff who assembled the clear and concise materials.
- l. Ron Rhodes, Connecticut River Conservancy (commented in the Microsoft Teams meeting chat): Second both Lyn and Jon's comments! Have to run to next meeting. Thank you.
- m. Brenda Gail Bergman, The Nature Conservancy (commented in the Microsoft Teams meeting chat): Thank you to all who organized this event! We also second the comments regarding the importance of funding Tier 1 Enhancement Grants at \$5M.

6. Determine Next Steps, Closing Remarks (Meeting Recording Timestamp 01:35:25)

Clean Water Board Chair Douglas Farnham thanked participants for their engagement and participation. The Board will consider all comment provided and will provide information in advance of the December 14, 2021 Clean Water Board meeting. Ms. Bird provided additional information on access to the online questionnaire and how to submit comment. Secretary Moore emphasized that the Board would like broad public comment and encouraged partners at the meeting to broadly circulate the questionnaire within their networks.

7. Adjourn (Meeting Recording Timestamp 01:38:00)

Motion was made by ANR Secretary Julie Moore to adjourn. Motion was seconded by VTrans Secretary Joe Flynn. Motion passed; meeting adjourned at 12:09 pm.

Supporting Materials:

1. Draft SFY 2023 Clean Water Budget Overview
2. Draft SFY 2023 Clean Water Budget Public Comment Online Questionnaire
3. Draft SFY 2023 Clean Water Budget Presentation Slideshow

DRAFT



State Fiscal Year 2023 Clean Water Budget Public Comment Questionnaire

* Required

Introduction

Thank you for participating in the Clean Water Board's public comment period on the proposed State Fiscal Year (SFY) 2023 Clean Water Budget, open October 19th through November 19th, 2021.

The Clean Water Board is asking the public to weigh in on how they would like to prioritize approximately \$46.9 million available through the State Fiscal Year 2023 Clean Water Budget to clean up water pollution across the state. The draft budget is available for public review, at: <http://tinyurl.com/vkjxcmc> (<http://tinyurl.com/vkjxcmc>).

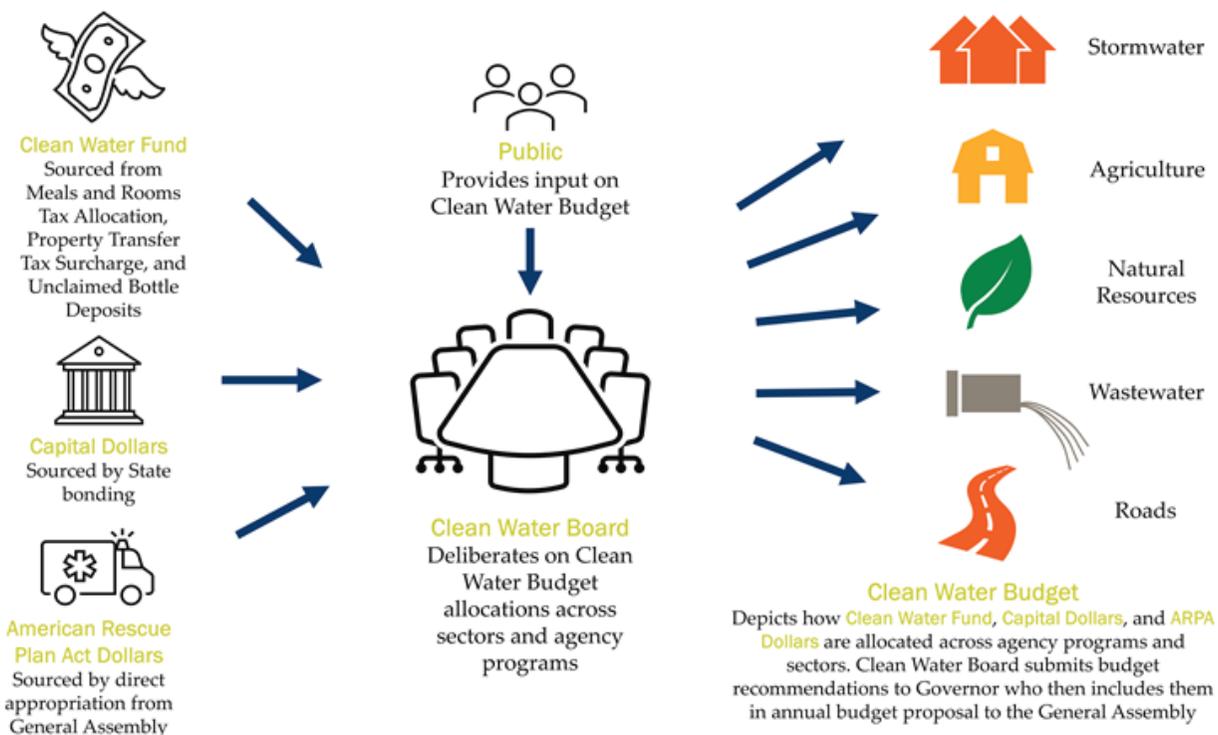
The Board is asking Vermonters to provide feedback, through this online questionnaire, on whether they believe funding levels are sufficient and whether they agree with the Board's proposed prioritization of funding across programs. The Clean Water Board will consider public input before making its final Clean Water Budget recommendation in December 2021.

This online questionnaire contains a few brief sections to provide background information on the Clean Water Board, budget process, and purpose of the Clean Water Fund. Then, the questionnaire contains three sections targeting feedback on the allocation of funds in the draft State Fiscal Year (SFY) 2023 Clean Water Budget, followed by an opportunity to provide general comments.

You are also invited to attend the November 4th, 2021 Clean Water Budget Public Hearing to learn more about the proposed budget and the programs/activities it supports and voice your comments. A recording of the Public Hearing will be posted for those who cannot attend. Public commenters may find it helpful to attend/view the recording of the Public Hearing to learn more, if desired, before completing this questionnaire. Visit the Clean Water Board webpage for more information and to access details on the November 4th, 2021 Clean Water Budget Public Hearing at: <https://dec.vermont.gov/water-investment/cwi/board> (<https://dec.vermont.gov/water-investment/cwi/board>).

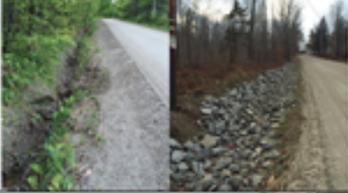
The Clean Water Budget Process

Vermont’s clean water funding helps municipalities, farmers, and others implement projects that will reduce pollution washing into Vermont’s waters. The Clean Water Board recommends the annual Clean Water Budget with representation from five state agency secretaries and four members of the public appointed by the Governor. Each year, Vermont’s Clean Water Board invites the public to weigh in on how they would like to prioritize funding in the draft Clean Water Budget to clean up water pollution across the state. The Clean Water Board considers public input before making its final Clean Water Budget recommendation.



Clean Water Projects Apply Across All Land Uses

The Clean Water Budget supports efforts to reduce pollution across all land use sectors—all land use sectors contribute to Vermont’s water quality challenges and all sectors have opportunities for improvement. Below are descriptions of the land uses that impact clean water, the types of projects that this budget supports, and the additional benefits clean water projects provide for each land use.

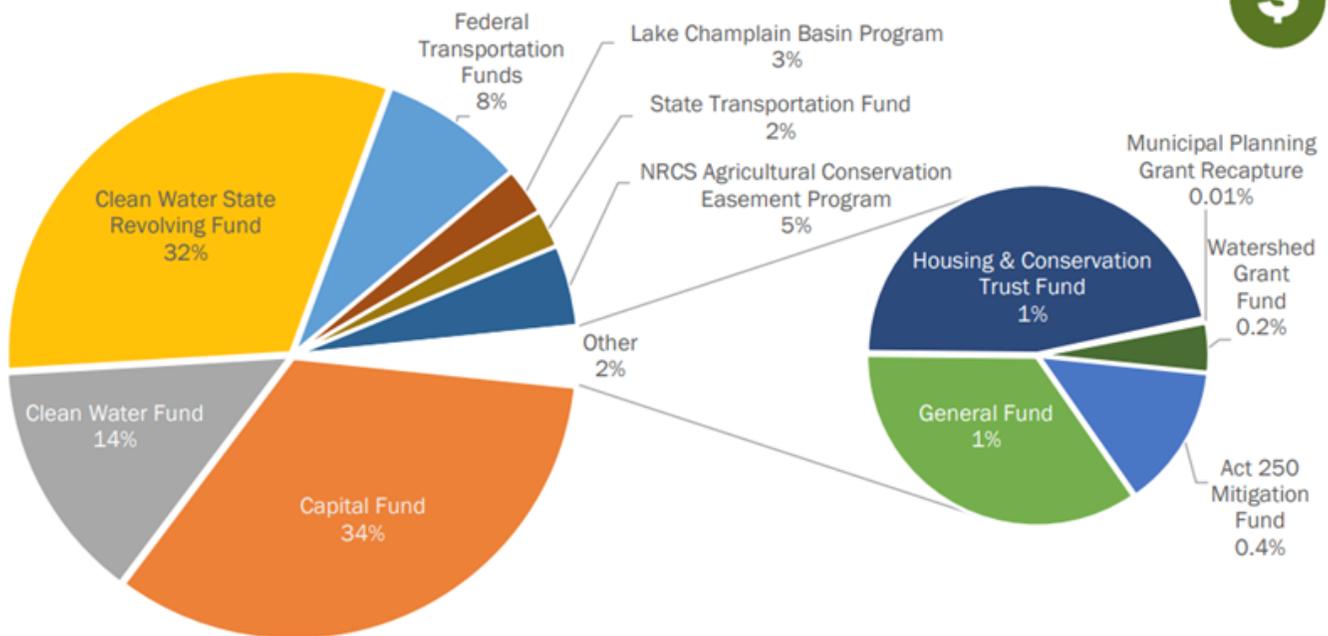
Land Use	Clean Water Project Objectives and Example Project Images	Additional Benefits
 AGRICULTURE	<p>Addresses runoff and soil erosion from farm production areas and farm fields</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Leverages federal funds • Supports agricultural economy
 DEVELOPED LANDS	<p>Addresses stormwater runoff from developed lands, such as parking lots, sidewalks, and rooftops</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Increases flood resilience • May enhance aesthetic appeal
 NATURAL RESOURCES	<p>Restores functions of “natural infrastructure”—river channels, floodplains, lakeshores, and wetlands</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Increases flood resilience • Improves habitat • Enhances recreation
 ROADS	<p>Addresses stormwater runoff from roads</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Increases flood resilience • Leverages federal funds • Reduces future road maintenance costs
 WASTEWATER	<p>Decreases nutrients (phosphorus and nitrogen) through enhanced wastewater treatment and addresses aging infrastructure</p> 	<ul style="list-style-type: none"> • Protects public health and safety • Supports Clean Water Act compliance • Leverages federal funds

The Clean Water Budget Complements Several Funding Sources

The Clean Water Budget is not the only source of support for clean water projects. The image below shows how from 2016 through 2020 the Clean Water Budget (Capital Fund and Clean Water Fund Dollars) accounted for about half of all state-administered funds contributing to improving Vermont’s water quality. These funds complement and leverage other funding sources to support clean water efforts statewide.

Visit the Clean Water Projects webpage to view the latest *Vermont Clean Water Initiative Annual Performance Report* and access the Clean Water Portal to learn more about investments in and results of state-funded clean water projects, at: <https://dec.vermont.gov/water-investment/cwi/projects> (<https://dec.vermont.gov/water-investment/cwi/projects>).

Investments by Funding Source



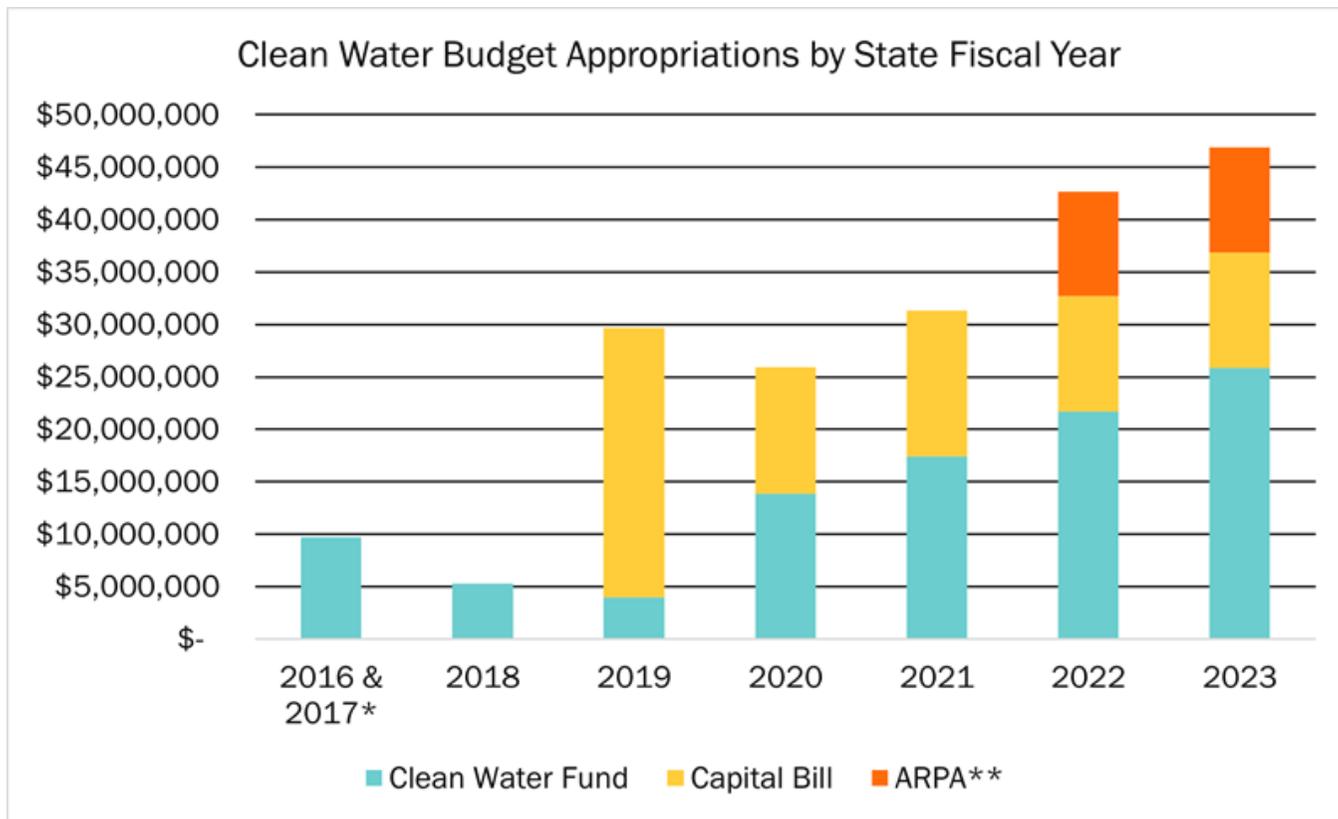
SFY 2016-2020 Total: \$194,366,224

Clean Water Budget Growth Over Time

The figure below shows the ramping up of the Clean Water Budget, recommended by the Clean Water Board, since its inception in State Fiscal Year (SFY) 2016 to align with long term clean water funding needs. The State Fiscal Year (SFY) 2023 Clean Water Budget is estimated to be roughly \$46.9 million. This represents an increase compared to prior year budget levels, in part due to leveraging of federal American Rescue Plan Act (ARPA) dollars beginning in State Fiscal Year (SFY) 2022.

*Note that SFY 2016 and 2017 funds were programmed together.

**ARPA stands for American Rescue Plan Act dollars.



State Fiscal Year 2023 Clean Water Budget Totals by Funding Source

The State Fiscal Year (SFY) 2023 Clean Water Budget includes roughly \$25.9 million from the Clean Water Fund, \$11 million from the clean water section of the Capital Bill, and \$10 million in federal American Rescue Plan Act (ARPA) dollars. View the draft State Fiscal Year (SFY) 2023 Clean Water Budget to learn more about the draft allocation of funds across programs/activities and funding sources, at: tinyurl.com/vkjxcmc (<http://tinyurl.com/vkjxcmc>). (see page 5 of the linked document).



1

If the Board determines that the Clean Water Fund is too small to issue all grants it may choose to make recommendations to the Governor and the Legislature on additional revenue to address unmet needs. Factoring in the funding provided by the Capital Bill and ARPA, do you believe there are sufficient funds projected in the Clean Water Fund for State Fiscal Year 2023 (\$25.9 million)? *

- Yes
- No
- Unsure

2

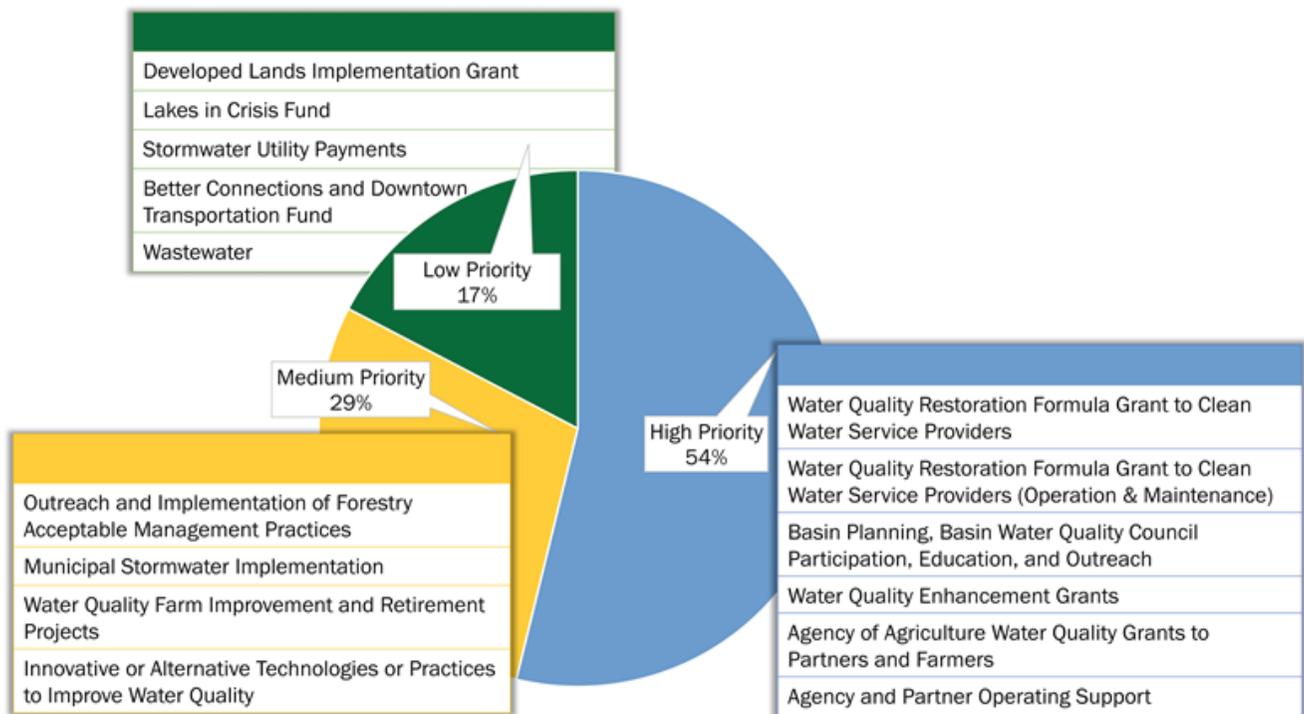
If you selected no above, what is the total size (in dollars) of the Clean Water Fund you would like to see the Board recommend to the Governor and the Legislature?

The value must be a number

Clean Water Budget Allocations by High, Medium, and Low Priority

Vermont law categorizes Clean Water Budget activities into high, medium, or low priority tiers. The figure below lists Clean Water Budget activities by priority tier. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on the proposed breakdown of funds across priority tiers, at: tinyurl.com/vkjxcmc (<http://tinyurl.com/vkjxcmc>). (see page 5 of the linked document).

The draft State Fiscal Year (SFY) 2023 Clean Water Budget allocates a majority of funds (roughly 54%) to high priority funding programs, followed by 29% of funds to medium priority funding programs, and 17% of funds to low priority funding programs.



3

Do you agree with the percent of funds allocated to high, medium, and low priorities in the proposed State Fiscal Year (SFY) 2023 Clean Water Budget? *

- Yes
- No
- Unsure

4

If you answered "no" above, what percent of the funds would you allocate to the **high** priority tier? Your three percentages in response to questions 3-5 must add up to 100%.

The value must be a number

5

If you answered "no" above, what percent of the funds would you allocate to the **medium** priority tier? Your three percentages in response to questions 3-5 must add up to 100%.

The value must be a number

6

If you answered "no" above, what percent of the funds would you allocate to the **low** priority tier? Your three percentages in response to questions 3-5 must add up to 100%.

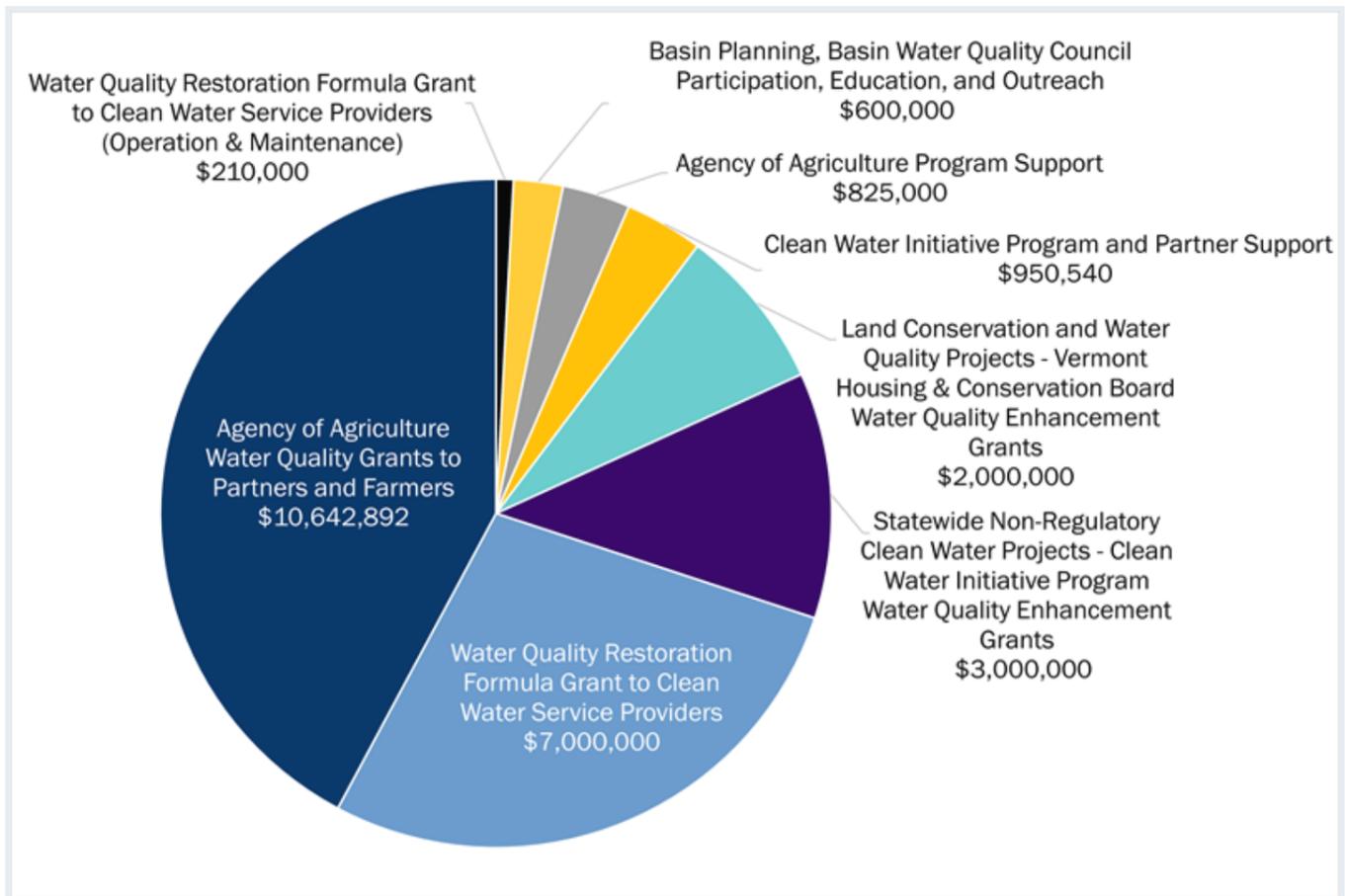
The value must be a number

Clean Water Budget Activity Ranking within Priority Tiers

Vermont Law defines Clean Water Budget programs/activities within the high, medium, and low priority tiers as equal priority. Funding levels vary based on differences in cost and scale of the program/activity. The following figures summarize the proposed breakdown of funds allocated to each program/activity within the high, medium, and low priority tiers. The following questions request public input on the ranking of funds within each priority tier. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on the proposed breakdown of funds within each priority tier, at: tinyurl.com/vkjkxcmc (<http://tinyurl.com/vkjkxcmc>). (see page 5 of the linked document).

The figure below summarizes the proposed breakdown of funds by budget program/activity within the **high priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjkxcmc (<http://tinyurl.com/vkjkxcmc>).

Do you agree with the allocation of funds within the **high priority budget tier** (as shown below)? *



- Yes
- No
- Unsure

High Priority Clean Water Budget Program/Activity Ranking

If you answered "no" above and disagree with the proposed breakdown of funds by budget program/activity within the **high priority budget tier**, please re-rank the programs/activities to reflect your preferred priorities. Items moved to the top are ranked higher.

Based on your ranking the Clean Water Board may consider a different percentage breakdown of funds across the programs within the **high priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjxcmc (<http://tinyurl.com/vkjxcmc>).

Agency of Agriculture Water Quality Grants to Partners and Farmers

Water Quality Restoration Formula Grants to Clean Water Service Providers

Statewide Non-regulatory Clean Water Projects - Clean Water Initiative Program Water Quality Enhancement Grants

Land Conservation and Water Quality Projects - Vermont Housing & Conservation Board Water Quality Enhancement Grants

Clean Water Initiative Program and Partner Support

Agency of Agriculture Program Support

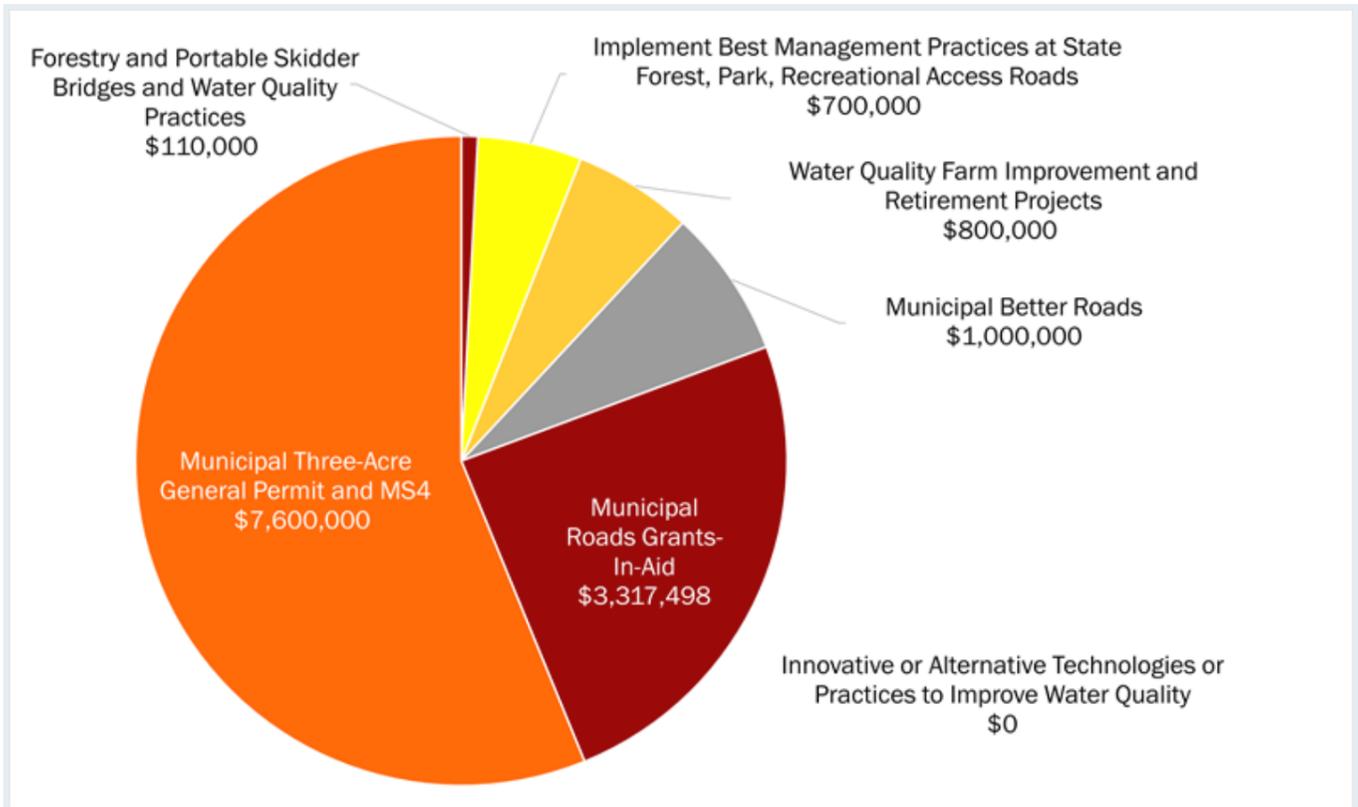
Basin Planning, Basin Water Quality Council Participation, Education, and Outreach

Water Quality Restoration Formula Grant to Clean Water Service Providers (Operation & Maintenance)

The figure below summarizes the proposed breakdown of funds by budget program/activity within the **medium priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjkxcmc (<http://tinyurl.com/vkjkxcmc>).

Do you agree with the allocation of funds within the **medium priority budget tier** (as shown below)?

*



- Yes
- No
- Unsure

Medium Priority Clean Water Budget Program/Activity Ranking

If you answered "no" above and disagree with the proposed breakdown of funds by budget program/activity within the **medium priority budget tier**, please re-rank the programs/activities to reflect your preferred priorities. Items moved to the top are ranked higher.

Based on your ranking the Clean Water Board may consider a different percentage breakdown of funds across the programs within the **medium priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjxcmc (<http://tinyurl.com/vkjxcmc>).

Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4)

Municipal Roads Grants-in-Aid

Municipal Better Roads

Water Quality Farm Improvement and Retirement Projects

Implement Best Management Practices at State Forest, Park, Recreational Access Roads

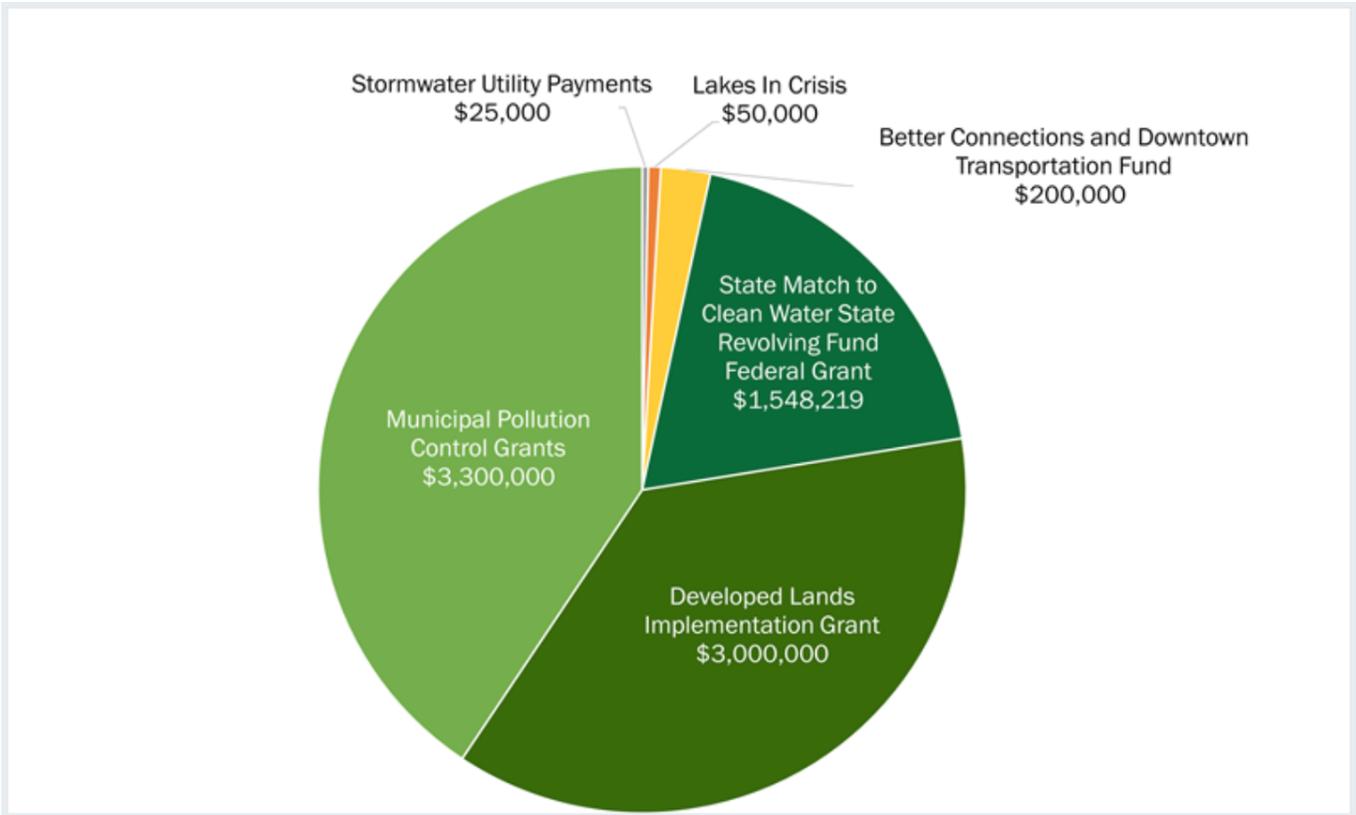
Forestry and Portable Skidder Bridges and Water Quality Practices

Innovative or Alternative Technologies or Practices to Improve Water Quality

The figure below summarizes the proposed breakdown of funds by budget program/activity within the **low priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjkxcmc (<http://tinyurl.com/vkjkxcmc>).

Do you agree with the allocation of funds for the **low priority budget tier** (as shown below)?

*



- Yes
- No
- Unsure

Low Priority Clean Water Budget Program/Activity Ranking

If you answered "no" above and disagree with the proposed breakdown of funds by budget program/activity within the **low priority budget tier**, please re-rank the programs/activities to reflect your preferred priorities. Items moved to the top are ranked higher.

Based on your ranking the Clean Water Board may consider a different percentage breakdown of funds across the programs within the **low priority budget tier**. Refer to the State Fiscal Year (SFY) 2023 Clean Water Budget overview for more information on each program/activity, at: tinyurl.com/vkjxcmc (<http://tinyurl.com/vkjxcmc>).

Municipal Pollution Control Grants

Developed Lands Implementation Grant

State Match to Clean Water State Revolving Fund Federal Grant

Better Connections and Downtown Transportation Fund

Lakes in Crisis Fund

Stormwater Utility Payments

General Questions and Comments

Thank you for completing the questions above that will help the Board prioritize funding to programs/activities in the State Fiscal Year (SFY) 2023 Clean Water Budget. The following questions provide opportunities to share your general comments/feedback with the Clean Water Board.

13

Do you feel there are any unmet needs in supporting clean water priorities based on the programs/activities presented in the draft State Fiscal Year (SFY) 2023 Clean Water Budget?

14

Do you have any recommendations for the Clean Water Board to support investments in the development of innovative or alternative technologies or practices to improve clean water?

Do you have any other comments on the draft State Fiscal Year (SFY) 2023 Clean Water Budget to share with the Clean Water Board?

Questionnaire Feedback and Demographics

16

Do you have any suggestions on how we can improve future Clean Water Budget public comment periods, including improvements to the online questionnaire?

A large, empty rectangular box with a thin black border, intended for users to provide their suggestions on improving future Clean Water Budget public comment periods and the online questionnaire.

17

How did you hear of this questionnaire (select all that apply)?

Subscribe to the Clean Water E-Newsletter to be notified of opportunities to participate in the Clean Water Budget process, including upcoming Clean Water Board meetings at: tinyurl.com/sesx4x23 (<http://tinyurl.com/sesx4x23>).

- Print, radio, or television news source
 - Social media
 - Website
 - Online forum (like Front Porch Forum)
 - Email
 - Word of mouth
 - Vermont Clean Water Initiative e-newsletter
 -
- Other

18

Please enter your zip code to help us understand the statewide distribution of responses to this questionnaire.

The value must be a number

We are interested to know who is completing this questionnaire. Which groups do you belong to or identify with? Select all that apply.

- Agricultural Producer/Farmer
 - Forester/Forest Landowner
 - Business Owner
 - Recreational User
 - Concerned Resident
 - Student
 - Natural Resources Conservation District
 - Regional Planning Commission
 - Watershed Group or Other Nongovernmental Organization
 - State Legislator
 - Municipal Employee/Representative
 -
- Other

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 Microsoft Forms

Clean Water Board State Fiscal Year 2023 Clean Water Budget Overview

Introduction and Background

Clean Water Budget Process

Vermont’s clean water funding helps municipalities, farmers, and others implement projects that will reduce pollution washing into Vermont’s waters. The Clean Water Board recommends the annual Clean Water Budget, with representation from five state agency secretaries and four members of the public appointed by the Governor.

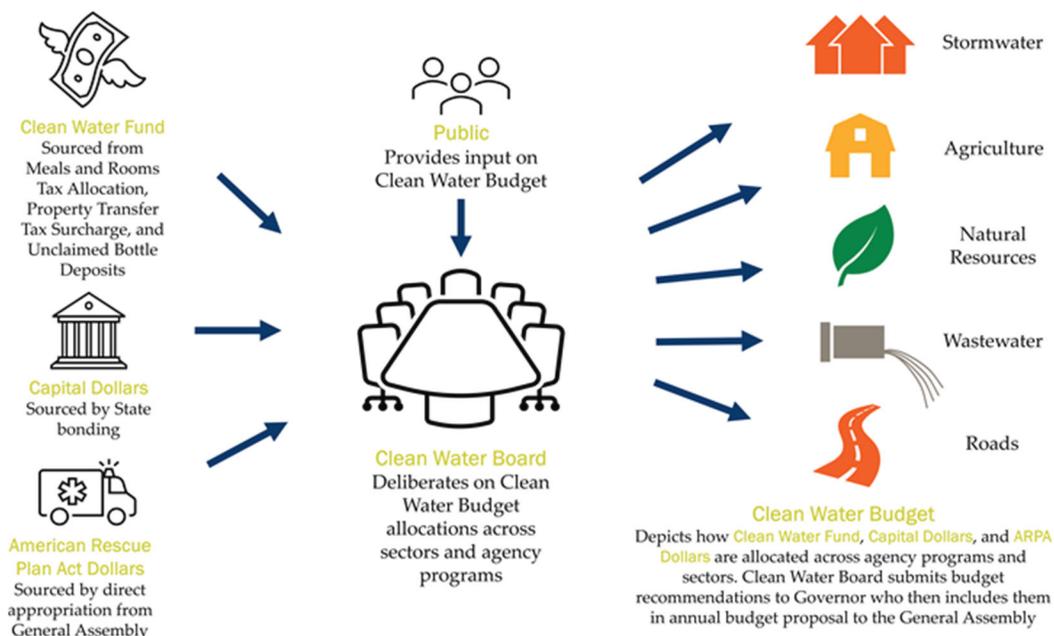
Vermont’s Clean Water Board invites the public to weigh in, annually, on how they would like to see clean water funding put to use to clean up water pollution across the state, as summarized in the figure below. Public input helps the Board prioritize funding for projects that improve water quality in Vermont’s lakes, streams, and wetlands. The State Fiscal Year 2023 Clean Water Budget process is summarized in the figure to the right.

Visit the Clean Water Board webpage for more information on how to participate at:

<https://dec.vermont.gov/water-investment/cwi/board/>.

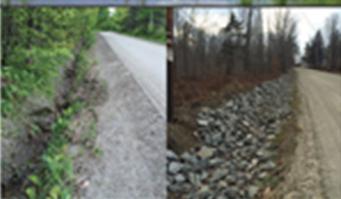


*Clean Water Board Meeting



Clean Water Projects Apply Across all Land Uses

The Clean Water Budget supports efforts to reduce pollution across all land use sectors—all land use sectors contribute to Vermont’s water quality challenges and all sectors have opportunities for improvement. Below is a description of the land uses that impact clean water, the types of projects that this budget supports, and the additional benefits of supporting clean water projects for that land use.

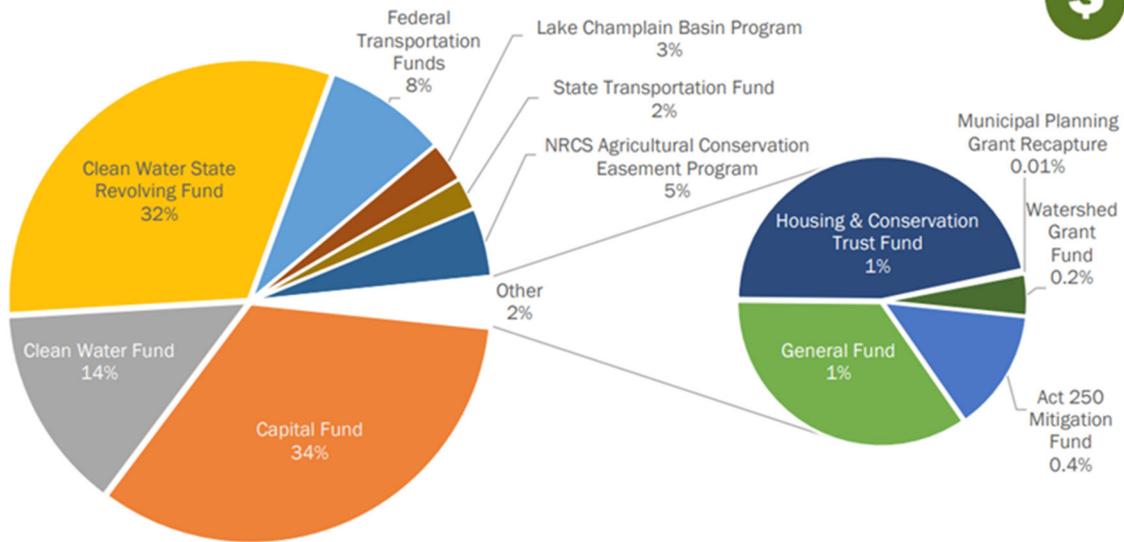
Land Use	Clean Water Project Objectives and Example Project Images	Additional Benefits
 AGRICULTURE	Addresses runoff and soil erosion from farm production areas and farm fields 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Leverages federal funds • Supports agricultural economy
 DEVELOPED LANDS	Addresses stormwater runoff from developed lands, such as parking lots, sidewalks, and rooftops 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Increases flood resilience • May enhance aesthetic appeal
 NATURAL RESOURCES	Restores functions of “natural infrastructure”—river channels, floodplains, lakeshores, and wetlands 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Increases flood resilience • Improves habitat • Enhances recreation
 ROADS	Addresses stormwater runoff from roads 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • More cost-effective • Increases flood resilience • Leverages federal funds • Reduces future road maintenance costs
 WASTEWATER	Decreases nutrients (phosphorus and nitrogen) through enhanced wastewater treatment and addresses aging infrastructure 	<ul style="list-style-type: none"> • Protects public health and safety • Supports Clean Water Act compliance • Leverages federal funds

The Clean Water Budget Complements Several Funding Sources

The Clean Water Budget is not the only source of support for clean water projects. The following image shows how from 2016 through 2020 the Clean Water Budget (Capital Fund and Clean Water Fund Dollars) accounted for about half of all state-administered funds contributing to improving Vermont’s water quality. These funds complement and leverage other funding sources to support clean water efforts statewide.

Visit the [Clean Water Projects webpage](#) to view the latest [Vermont Clean Water Initiative Annual Performance Report](#) and access the [Clean Water Portal](#) to learn more about investments in and results of state-funded clean water projects, at: <https://dec.vermont.gov/water-investment/cwi/projects>.

Investments by Funding Source

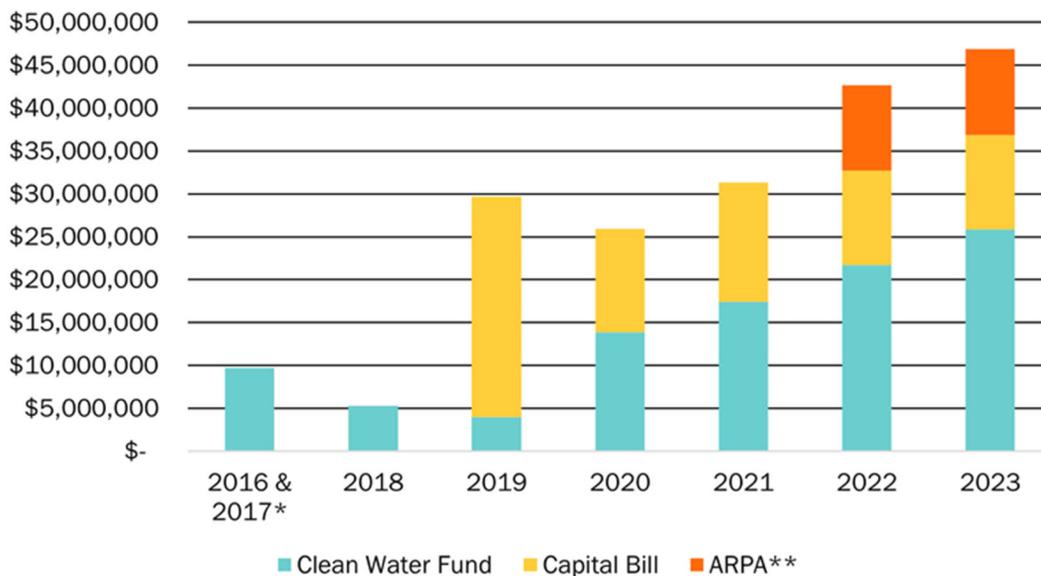


SFY 2016-2020 Total: \$194,366,224

Clean Water Budget Growth Over Time

The following figure below shows the ramping up of the Clean Water Budget, recommended by the Clean Water Board, since its inception in State Fiscal Year (SFY) 2016 to align with long term clean water funding needs. The State Fiscal Year (SFY) 2023 Clean Water Budget is estimated to be roughly \$46.9 million. This represents an increase compared to prior year budget levels, in part due to leveraging of federal American Rescue Plan Act (ARPA) dollars beginning in SFY 2022.

Clean Water Budget Appropriations by State Fiscal Year



*Note that SFY 2016 and 2017 funds were programmed together.

**ARPA stands for American Rescue Plan Act dollars.

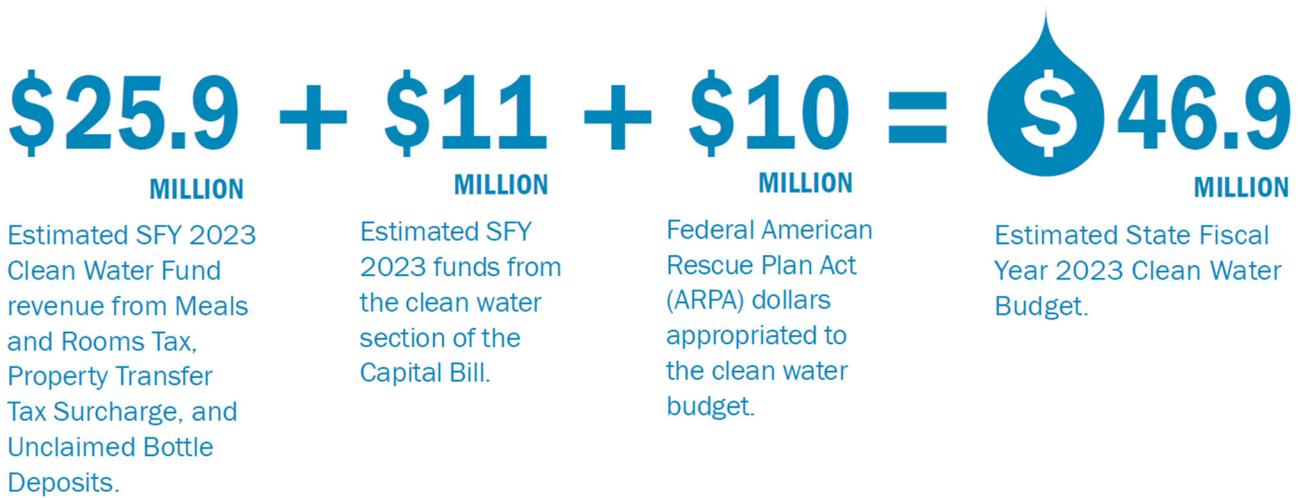
State Fiscal Year 2023 Clean Water Budget Overview

This State Fiscal Year 2023 Clean Water Budget Overview contains the following information:

- SFY 2023 Clean Water Budget total targets by funding source;
- The draft SFY 2023 Clean Water Budget sheet;
- Summary of adjustments due to the Clean Water Service Delivery Act (Act 76 of 2019); and
- Draft SFY 2023 Clean Water Budget line-item descriptions of each budget program/activity.

State Fiscal Year (SFY) 2023 Clean Water Budget Totals by Funding Source

The State Fiscal Year (SFY) 2023 Clean Water Budget includes roughly \$25.9 million from the Clean Water Fund, \$11 million from the clean water section of the Capital Bill, and \$10 million in federal American Rescue Plan Act (ARPA) dollars. The draft SFY 2023 Clean Water Budget sheet on Page 5 shows the draft allocation of funds across programs/activities and funding sources.



CLEAN WATER BOARD
DRAFT State Fiscal Year (SFY) 2023 Clean Water Budget (12/14/2021)

No.	Sector	Agency	Activity	Clean Water Fund	Capital Bill	American Rescue Plan Act (ARPA)**	Total SFY 2023
Clean Water Budget Statutory Priority Tier 1 (Items of Equal Priority)							
1.1	Multi-Sector	ANR-DEC (CWIP)	Water Quality Restoration Formula Grants to Clean Water Service Providers*	7,000,000			7,000,000
1.2	Multi-Sector	ANR-DEC (CWIP)	Water Quality Restoration Formula Grants to Clean Water Service Providers (O&M)*	210,000			210,000
1.3	Multi-Sector	ANR-DEC (CWIP)	Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	650,000			650,000
1.4 Water Quality Enhancement Grants							
1.41	Multi-Sector	ANR-DEC (CWIP)	Statewide Non-regulatory Clean Water Projects (not to Overlap with Formula Grants)*	5,000,000			5,000,000
1.42	Natural Resources	VHCB	Land Conservation and Water Quality Projects		2,000,000		2,000,000
1.5	Agriculture	AAFM	Water Quality Grants to Partners and Farmers	4,991,111	2,651,781	3,000,000	10,642,892
1.6 Agency and Partner Operating Support							
1.61	Agriculture	AAFM	Program Support	825,000			825,000
1.62	Multi-Sector	ANR-DEC (CWIP)	Program and Partner Support	950,540			950,540
Tier 1 SUBTOTAL				19,626,651	4,651,781	3,000,000	27,278,432
Tier 1 % of Total				76%	42%	30%	58%
Clean Water Budget Statutory Priority Tier 2 (Items of Equal Priority)							
2.1 Outreach and Implementation of Forestry Acceptable Management Practices for Maintaining Water Quality							
2.11	Natural Resources	ANR-FPR	Forestry and Portable Skidder Bridges and Water Quality Practices	110,000			110,000
2.12	Natural Resources	ANR-FPR	Implement BMPs at State Forests, Parks, and Recreational Access Roads		700,000		700,000
2.2 Municipal Stormwater Implementation							
2.21	Roads	VTrans	Municipal Roads Grants-in-Aid (MRGP)	3,317,498			3,317,498
2.22	Roads	VTrans	Municipal Better Roads (MRGP)	1,000,000			1,000,000
2.23	Stormwater	ANR-DEC (WIFP & CWIP)	Municipal Three-Acre General Permit and MS4*	1,550,000		4,500,000	6,050,000
2.3	Agriculture	VHCB	Water Quality Farm Improvement and Retirement Projects		800,000		800,000
2.4	Multi-Sector	ANR-DEC (CWIP)	Innovative or Alternative Technologies or Practices to Improve Water Quality				-
Tier 2 SUBTOTAL				5,977,498	1,500,000	4,500,000	11,977,498
Tier 2 % of Total				23%	14%	45%	26%
Clean Water Budget Statutory Priority Tier 3							
3.1	Stormwater	ANR-DEC (WIFP)	Developed Lands Implementation Grants*			2,500,000	2,500,000
Tier 3 SUBTOTAL				-	-	2,500,000	2,500,000
Tier 3 % of Total				0%	0%	25%	5%
Clean Water Budget Other Priorities							
4.1	Multi-Sector	ANR-DEC (Lakes)	Lakes in Crisis Fund	50,000			50,000
4.2	Stormwater	AoA	Stormwater Utility Payments (\$25K each)	25,000			25,000
4.3	Stormwater	ACCD	Better Connections and Downtown Transportation Fund	200,000			200,000
Capital Bill Priorities							
4.4	Wastewater	ANR-DEC (WIFP)	State Match to Clean Water State Revolving Fund (CWSRF) Federal Grant		1,548,219		1,548,219
4.5	Wastewater	ANR-DEC (WIFP)	Municipal Pollution Control Grants		3,300,000		3,300,000
Other SUBTOTAL				275,000	4,848,219	-	5,123,219
Other % of Total				1%	44%	0%	11%
Total Requested				25,879,149	11,000,000	10,000,000	46,879,149
Anticipated SFY 2023 Revenue				25,879,149	11,000,000	10,000,000	46,879,149

DRAFT SFY 2023 Clean Water Budget by Agency

Agency	Clean Water Fund	Capital Bill	ARPA**	Total SFY 2023
AAFM	5,816,111	2,651,781	3,000,000	11,467,892
ACCD	200,000	-	-	200,000
ANR (DEC)	15,410,540	4,848,219	7,000,000	27,258,759
ANR (FPR)	110,000	700,000	-	810,000
AoA	25,000	-	-	25,000
VHCB	-	2,800,000	-	2,800,000
VTrans	4,317,498	-	-	4,317,498
Total	25,879,149	11,000,000	10,000,000	46,879,149

Additional capital investment needed to leverage federal infrastructure investment beyond SFY 2023 Clean Water Budget:

Infrastructure Investment and Jobs Act (IIJA) CWSRF state match: \$931,980

Supplemental Municipal Pollution Control Grants need: \$6,507,564

* Denotes new budget activity line item in SFY 2023.

** ARPA-funded activities will be reviewed against addenda recently issued by Agency of Administration to bulletins governing state grants and contracts addressing ARPA-specific requirements and ARPA guidance from U.S. Treasury (pending).

Summary of Adjustments due to Clean Water Service Delivery Act of 2019 (Act 76)

Updated to reflect December 14, 2021 revised draft SFY 2023 Clean Water Budget.

Act 76 demands a significant re-organization of the Clean Water Budget structure due to a new priority scheme and the introduction of new funding programs. To maximize efficiency, this budget framework capitalizes on pre-existing programs to the greatest extent possible where they meet the statutory intent of Act 76 and only introduces new line items where necessary. New line-items for SFY 2023 are indicated with an asterisk throughout this document and on the Clean Water Budget spreadsheet. Below is a summary of significant changes made to address new budget obligations under Act 76:

- Existing programs from SFY 2022 were reviewed to determine their alignment with the new funding prioritization scheme. Relevant Clean Water Fund-supported programs were grouped into three budget priority tiers based on 10 V.S.A. § 1389 (e) for the Clean Water Fund. Then, Capital Bill and ARPA-funded programs were reviewed to determine where they complement and/or supplement Clean Water Fund programs and priorities. Remaining programs were grouped as “Clean Water Budget Other Priorities.”
- New line items were introduced to the appropriate tiers based on the new grant and financing programs described in 10 V.S.A. § 925-928. The Municipal Stormwater Implementation Grant Program (10 V.S.A. § 928) is proposed to be achieved by a combination of pre-existing programs from SFY 2022 and new programs. See “A Note on Municipal Stormwater Implementation Grants” below for more information.
- To meet the intent of prioritization, roughly 60% of the total Clean Water Budget was allocated to Tier 1 initiatives, 30% to Tier 2 initiatives, and 10% to Tier 3 and “other” initiatives. The percent allocations change slightly based on fund source (Clean Water Fund, Capital Bill, and American Rescue Plan Act – ARPA - Federal Dollars). Since certain fund sources are restrictive on which project types are eligible, focus was given to maximizing opportunities to leverage Capital and ARPA dollars where possible to alleviate strains on the Clean Water Fund. This led to some deviations in the target 60:30:10 prioritization breakdown. It should be noted that ARPA funds are only available SFY 2022-2024 and the breakdown of funds across budget priority tiers may need to be revisited in future years.

~~Of the four new grant programs described in 10 V.S.A. § 925-928, two (the Water Quality Enhancement Grant and the Municipal Stormwater Implementation Grant) described objectives partially met by existing initiatives. As such, both line items in the budget include both pre-existing programs from SFY22 and new programs to fill in any gaps in meeting the statutory goals/outcomes. Reasoning and design for these two programs are described as follows.~~

~~A Note on Water Quality Enhancement Grants~~

~~Pursuant to 10 V.S.A. § 926, the Secretary shall administer a Water Quality Enhancement Grant Program. This program shall be a competitive grant program to fund projects that protect high-quality waters,~~

maintain or improve water quality in all waters, restore degraded or stressed waters, create resilient watersheds and communities, and support the public's use and enjoyment of the State's waters.

The SFY23 draft Clean Water Budget proposes meeting the statutory goals/outcomes of the Water Quality Enhancement Grant Program through two sub-programs:

- ~~Vermont Housing and Conservation Board's (VHCB) "Land Conservation and Water Quality Projects" line item, funded with Capital Bill dollars in the SFY23 draft Clean Water Budget, achieves goals of the Water Quality Enhancement Grant Program through the funding of conservation activities that protect and maintain water quality.~~
- ~~Vermont Department of Environmental Conservation (DEC) Clean Water Initiative Program's (CWIP) "Statewide Non-regulatory Clean Water Projects" line item, funded with Clean Water Funds, achieves goals of the Water Quality Enhancement Grant Program to:~~
 - ~~Continue access to funding statewide for non-regulatory clean water projects, not to overlap with projects eligible under the Water Quality Restoration Formula Grant. This includes eligible clean water project types for regions of the state that do not yet have an operational Clean Water Service Provider to receive Water Quality Restoration Formula Grant allocations.~~
 - ~~Incorporate additional eligible project types, not to overlap with VHCB's Land Conservation and Water Quality Projects line item, to support the statutorily defined outcomes of the Water Quality Enhancement Grant Program to protect high quality waters, maintain or improve water quality, restore degraded or stressed waters, create resilient watersheds and communities (e.g., flood mitigation), support the public's use and enjoyment of the State's waters (e.g., public access). The Program will aim to maximize co-benefits in project prioritization like public access, wildlife habitat, and flood mitigation. The Clean Water Initiative Program will engage with stakeholders to further define this grant subcategory's scope and eligible project types to fulfill the statutory intent, while avoiding duplication/overlap with other Clean Water Budget line items.~~

~~The Water Quality Enhancement Grants must be at a funding level of at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended shall not exceed \$ 5,000,000. The draft SFY23 Clean Water Budget funds this grant category at the full \$5,000,000 maximum across the Capital Bill and Clean Water Fund.~~

A Note on Municipal Stormwater Implementation Grants

Pursuant to 10 V.S.A. § 928, the Secretary shall administer a Municipal Stormwater Implementation Grant Program to provide grants to any municipality required to obtain or seek coverage under the Municipal Roads General Permit (MRGP), the Municipal Separate Storm Sewer Systems (MS4) permit, a permit for impervious surface of three acres or more, or a permit required by the Secretary to reduce the adverse impacts to water quality of a discharge or stormwater runoff. The SFY 2022 Clean Water Budget supported municipalities in Municipal Roads General Permit work through two Agency of

Transportation (VTrans) programs. The SFY 2022 Clean Water Budget also supported MS4 permit and municipal Three-Acre General Permit design/implementation through DEC's CWIP "Stormwater Project Delivery, Planning and Implementation" line item, including school district municipalities in achieving three-acre permit obtainment and compliance through the Green Schools Initiative.

The SFY 2023 draft Clean Water Budget proposes meeting the statutory goals/outcomes of the Municipal Stormwater Implementation Grants through two sub-programs:

- VTrans' Municipal Roads Grants-in-Aid and Municipal Better Roads programs will continue to support implementation of the MRGP stormwater requirements.
- DEC's new Municipal Three-Acre General Permit and MS4 program will support implementation of the MS4 and Three-Acre General Permit stormwater requirements. [DEC may allocate a subset of these funds to support municipalities in purchasing equipment to support implementation of the Municipal Roads General Permit.](#)

Pursuant to 10 V.S.A. § 928, the Municipal Stormwater Implementations Grants shall only be available in basins where a Clean Water Service Provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals. Sufficient progress in year one of Formula Grant allocations (SFY 2023) is considered active participation in Clean Water Service Provider Start-up scope of work.

State Fiscal Year (SFY) 2023 Clean Water Budget Line-Item Descriptions

Updated to reflect December 14, 2021 revised draft SFY 2023 Clean Water Budget.

Organized alphabetically by agency.

Agency of Administration (AoA)

Line 4.2: Stormwater Utility Payments

- This line item is no longer a statutory obligation and is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e).

The Clean Water Board has awarded monies to support the establishment and maintenance of stormwater utilities (up to \$25,000 per year per municipality). There are currently five municipalities that have established stormwater utilities: Williston, Colchester, South Burlington, St. Albans City, and Burlington. The SFY 2023 budget proposes ending utility incentive payments after five years. All stormwater utilities except St. Albans City have received five years of incentive payments as of SFY 2022. Therefore, the SFY 2023 budget proposes to continue to support St. Albans City for another two years as this is the only municipality on this list that has not received the five years of utility support. These funds are appropriated through the Agency of Administration. VTrans publishes an [annual report about municipal stormwater utilities related to VTrans expenditures](#).

Agency of Agriculture, Food and Markets (AAFM)

Line 1.5: Water Quality Grants to Partners and Farmers

- This line item and all associated funding initiatives reflects a Tier 1 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(1)(C). [This line item is also funded with Capital Bill and ARPA federal dollars in SFY 2023.](#)
 - a. Capital and ARPA Funds: AAFM provides grants and contracts for capital expenditures that include the installation of best management practices (BMPs) on farms in Vermont. BMPs are site-specific on-farm conservation practices implemented to address the potential for agricultural pollutants to enter the waters of the state. Below is a summary of the programs connected with the Capital and ARPA Funds for this line-item.
 - i. Best Management Practices (BMP) Program, 6 V.S.A. §§ 4820 – 4826. Eligible practices may include manure and agricultural waste storage facilities, composting stack pads, silage leachate collection, laneway development & stream crossings, and clean water diversions.
 - ii. Conservation Reserve Enhancement Program (CREP), 6 V.S.A. § 4829. The program funds 15 to 30-year term water quality agreements to install perennial grass or woody vegetation within buffers. This program receives a 4:1 federal to state program match.

- iii. Grassed Waterway and Filter Strip (GWFS) Program, which replaced the Vermont Agricultural Buffer Program, 6 V.S.A. § 4900. The GWFS Program can provide technical and financial assistance to Vermont farmers for in-field agronomic best practices to address critical source areas, erosion, and surface runoff. Eligible practices include establishment of grassed waterways, filter strips, and critical source field area seedings that will remain established for 10 years.
 - iv. Capital Equipment Assistance Program, 6 V.S.A. § 4828. Financial assistance is available for new or innovative equipment that will aid in the reduction of surface runoff of agricultural wastes to state waters, improve water quality of state waters, reduce odors from manure application, separate phosphorus from manure, decrease greenhouse gas emissions, and reduce costs to farmers when they apply manure.
 - v. Agricultural Environmental Management (AEM) Program, 6 V.S.A. 4830. The AEM Program is established to provide farms of Vermont with state financial assistance to alternatively manage their farmstead, cropland, and pasture in a manner that will address identified water quality concerns that, traditionally, would have been wholly or partially addressed through federal, state, and landowner investments in BMP infrastructure, in agronomic practices, or both.
- b. Clean Water Funds: AAFM administered grants and contracts that are non-capital funds are used to support:
- i. Farm Agronomic Practices (FAP) Program, 6 V.S.A. § 4951. The FAP Program utilizes state funding to help Vermont farms implement soil-based agronomic practices that improve soil quality, soil health, increase crop production, and reduce erosion and agricultural waste discharges. The FAP Program also provides education and instructional activity grants to support outreach regarding the impacts of agricultural practices on water quality and current state agricultural water quality regulations. Eligible practices include cover cropping, crop to hay rotation, crop to hay rotation with nurse crop, conservation tillage, no till pasture and hayland renovation, rotational grazing, manure injection, educational or instructional activities.
 - ii. The Agricultural Clean Water Initiative Program (Ag-CWIP) is AAFM's grant funding program made possible by the Clean Water Fund, created by Act 64 of 2015 (i.e., the Vermont Clean Water Act). Funding is awarded to a wide variety of partner organizations through various grant opportunities such as Education and Outreach, Organizational Development, Farm Conservation Practice Surveys, Innovative Nutrient Reduction activities and more. This funding develops and supports the continual improvement of water quality across the state of Vermont by supporting organizations to provide farmers with education and outreach, technical assistance, identifying and implementing BMPs, planning, and more.

- iii. Innovative water quality improvement methods for manure management, phosphorus reduction and new techniques that directly assist partners and farmers in water quality implementation activities.
- iv. Agronomy and Conservation Assistance Program (ACAP). Support for the ACAP service agreements to continue delivering agronomic (field-based) technical support to farmers in the Lake Champlain Basin, in coordination with federal and state agencies.

Line 1.61: Program Support

- This line item is not a statutory obligation and is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e). Line item funds operating activities that are foundational to supporting the structure and function of the Clean Water Fund and program obligations under Act 76 and Act 64.

The AAFM supports a portion of the water quality program staff and operating costs from the Clean Water Fund. The necessary increase in staffing was created as part of the Vermont Clean Water Act development process and allowed the AAFM to meet the [*Phosphorus Total Maximum Daily Loads for Vermont Segments of Lake Champlain*](#) (i.e., Lake Champlain TMDLs) and statewide on farm inspection and technical assistance goals for achieving water quality improvements.

Agency of Commerce and Community Development (ACCD)

Line 4.3: Better Connections (Stormwater Planning) and Downtown Transportation Fund

- This line item is not a statutory obligation and is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e).

Better Connections is an award-winning interagency grant program (VTrans, ACCD, ANR, Vermont Department of Health) that supports the implementation of local projects to increase local transportation options, build resilience, and revitalize communities. Funding will help municipalities incorporate stormwater management strategies into downtown and village center transportation and community revitalization plans. In partnership with VTrans, the Downtown Transportation Fund will help municipalities incorporate stormwater BMPs into infrastructure improvement projects that make Vermont's downtown areas more pedestrian, bike, and transit friendly.

Agency of Natural Resources (ANR)

Line 1.1: Water Quality Restoration Formula Grant to Clean Water Service Providers*

- This line item reflects a Tier 1 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(1)(B).

The Secretary shall administer a Water Quality Restoration Formula Grant Program to award grants to Clean Water Service Providers (CWSP) to meet the pollutant reduction requirements under 10

V.S.A. § 921-923. The grant amount shall be based on the annual pollutant reduction goal established for the Clean Water Service Provider multiplied by the standard cost for pollutant reduction including the costs of administration and reporting. The standard cost shall include the costs of project identification, project design, and project construction. The SFY 2023 (year 1) Formula Grant budget allocation is based on targets scaled to funds available while CWSP and partner capacity development efforts are underway. Formula Grants to each CWSP will be proportional to load reduction targets required by basin. Eligible clean water project types that can be funded under these Formula Grants will be non-regulatory project types as described in the Clean Water Initiative Program’s Funding Policy Guidance. This includes projects across a range of sectors including floodplain and stream restoration, buffer plantings, stormwater management improvements, wetlands restoration, and lake shoreline restoration. Formula Grant allocations are to be refined on an annual cycle based on methodology feedback from program partners. Total Formula Grant estimated need based on targets will be further refined in future budget cycles, pending results from additional planning tools, currently under development. CWSPs will be responsible for designing how Formula Grant allocations are apportioned and awarded to project implementers within their respective basins using state-derived Guidance. Formula Grants will be administered by the ANR DEC Clean Water Initiative Program. Spending initiatives that fell under the following SFY 2022 budget line items may be included within this new formula structure:

- Natural Resources Restoration
- Multi-sector Innovation, Grant Administration and Partner Support
- Stormwater Project Delivery, Planning, and Implementation

Line 1.2: Water Quality Restoration Formula Grant to Clean Water Service Providers (O&M)*

- This line item reflects a Tier 1 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(1)(A).

The cost of clean water project operation, maintenance, inspection, and verification is not factored into the Act 76 Formula Grant standard cost calculations. In making recommendations regarding the appropriate allocation of funds from the Clean Water Fund, the Board is directed to prioritize grants to Clean Water Service Providers to fund the reasonable costs associated with the inspection, verification, operation, and maintenance of clean water projects in a basin. As such this is a separate line item directed towards established CWSPs to support these activities and ensure that installed practices continue to realize their phosphorus reduction potentials across their expected design lives. Funds must be used to support operation, maintenance, inspection, and verification of clean water projects funded by the Formula Grants or otherwise tracked with phosphorus reductions attributed to the CWSP. Operation and maintenance funding needs are expected to increase over time as more projects reach installation. Allocated values in future budget requests will be adjusted depending on available funding and CWSP projected needs. Operation and Maintenance Grants will be administered by the ANR DEC Clean Water Initiative Program.

Line 1.3: Basin Planning, Basin Water Quality Council Participation, Education, and Outreach

- This line item reflects a Tier 1 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(1)(E).

This line item supports partners’ participation and outreach throughout the Tactical Basin Planning process and Basin Water Quality Council participation, pursuant to 10 V.S.A. § 1253(d)(3). Funding shall be at least \$500,000. Eligible tactical basin planning activities are prescribed in 10 V.S.A. § 1253(d)(3). Funds are provided in the form of annual contracts to eligible basin planning partner entities defined in statute. In SFY 2023, funds are included to support all council members’ participation in Basin Water Quality Councils. Basin planning contracts will be administered by the ANR Clean Water Initiative Program with technical project management assistance from the Water Investment Division.

Line 1.41: Water Quality Enhancement Grants—Statewide Non-regulatory Clean Water Projects*

- This line item reflects a Tier 1 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(1)(D) and is ~~considered one of two programs~~ designed to meet the statutory intent of 10 V.S.A. § 926.

Vermont Department of Environmental Conservation (DEC) Clean Water Initiative Program’s (CWIP) “Water Quality Enhancement Grants—Statewide Non-regulatory Clean Water Projects” line item, funded with Clean Water Funds, will fulfill the Water Quality Enhancement Grant Program established in statute to protect high quality waters, maintain or improve water quality, restore degraded or stressed waters, create resilient watersheds and communities, support the public’s use and enjoyment of the State’s waters. achieves goals of the Water Quality Enhancement Grant Program to:~~This Program will:~~

- Continue access to funding statewide for non-regulatory clean water projects, not to overlap with projects eligible under the Water Quality Restoration Formula Grant. This includes eligible clean water project types for regions of the state that do not yet have an operational Clean Water Service Provider to receive Water Quality Restoration Formula Grant allocations.
- Incorporate additional eligible project/best management practice types, if needed, not to overlap with VHCB’s Land Conservation and Water Quality Projects line item, to support the statutorily defined outcomes of the Water Quality Enhancement Grant Program ~~to protect high quality waters, maintain or improve water quality, restore degraded or stressed waters, create resilient watersheds and communities (e.g., flood mitigation), support the public’s use and enjoyment of the State’s waters (e.g., public access).~~
- The Program will aim to maximize co-benefits in project prioritization like public access, wildlife habitat, and flood mitigation.

The Clean Water Initiative Program will engage with stakeholders to further define this grant ~~program’s subcategory’s~~ scope and eligible project types to fulfill the statutory intent, while avoiding duplication/overlap with other Clean Water Budget line items.

The Water Quality Enhancement Grants must be at a funding level of at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended shall not exceed \$ 5,000,000. The draft SFY 2023 Clean Water Budget funds this grant category at the full \$5,000,000 maximum from the Clean Water Fund.

Under Act 76 of 2019 Section 8 the Secretary is instructed to provide additional weight to geographic areas not served by a Clean Water Service Provider when making funding decisions for Enhancement Grants. The structure of this funding, to continue access to funding statewide for non-regulatory projects is intended to address this obligation.

Enhancement grants offered under this line item may vary in structure between grants or contracts depending on the scope of work. Some funds may be administered through a block grant structure. The intent is to support the full life cycle of projects from development through implementation, as well as operation and maintenance if funding allows.

Statewide Non-regulatory Clean Water Projects, a subset of Enhancement Grants, will be administered by the ANR-DEC Clean Water Initiative Program with technical project management assistance from staff in the Water Investment and Watershed Management Divisions. Spending initiatives that fell under the following SFY 2022 budget line items may be included within this new Enhancement Grant structure:

- Natural Resources Restoration
- Multi-sector Innovation, Grant Administration and Partner Support
- Stormwater Project Delivery, Planning, and Implementation

Line 1.62: Program and Partner Support

- This line item is not a statutory obligation and is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e). Line item includes all initiatives under the ANR-DEC Clean Water Initiative Program that are foundational to supporting the structure and function of the Clean Water Fund and program obligations under Act 76 and Act 64. The initiatives listed below are all pre-existing from SFY 2022.
 - a. Supports development of nutrient pollutant reduction target setting and project tracking and accounting, as well as other requirements associated with developing and implementing programs in Act 76 of 2019. Includes site hosting and data management services for tools that support river, floodplain, and wetland restoration project identification and prioritization, and estimate projects' phosphorus reductions.
 - b. Supports unmet organizational capacity needs for partners to ensure a strong partnership network to deliver high quality and high priority clean water projects.
 - c. Supports lab analytical and testing expenses to process water quality samples collected by partners as well as other collaborative, targeted water quality monitoring efforts.

- d. Supports ANR DEC's program capacity to administer grants and contracts.
- e. Includes WWTF operator support for optimization and high-strength source management in place of near-term capital investments to implement major nutrient TMDLs (e.g., Lake Champlain TMDLs). Programming covers technical, analytical, and asset management. Federal funds may become available but are limited in scope and location.

Line 2.11: Forestry and Portable Skidder Bridges and Water Quality Practices

- This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(B).

The Department of Forests, Parks and Recreation (FPR) provides direct grants to loggers to reimburse a portion of the cost of skidder bridges (per 2017 Act 75, 10 V.S.A. § 2622a). Portable skidder bridges prevent erosion and runoff at stream crossings on logging jobs. This also supports FPR's capacity to enhance implementation of Acceptable Management Practices (AMPs) for Maintaining Water Quality on Logging Jobs.

Line 2.12: Implement Best Management Practices (BMPs) at State Forests, Parks, and Recreational Access Roads

- [Funded from the Capital Bill](#), ~~f~~This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(B).

DEC's Municipal Roads General Permit (MRGP) program is a streamlined process for inventorying roads and prioritizing and constructing projects to improve water quality. This relatively simple framework has been adopted to incentivize non-regulatory road best management practices (BMPs). This project involves using a modified MRGP inventory methodology, a field application for data collection, and a companion database to gather and store data for road and trail networks on ANR land, including State Forests, Wildlife Management Areas, State Parks, and recreational access points and constructing projects based on the prioritized list of road and trail BMPs to reduce nutrient and sediment pollution.

Line 2.23: Municipal Three-Acre General Permit and MS4*

- This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(C). [This line item is also funded with ARPA federal dollars in SFY 2023.](#)

This is one of two programs proposed to support the Municipal Stormwater Implementation Grant initiative as outlined in 10 V.S.A. § 928. This line item includes three spending initiatives to be managed by either the Water Infrastructure Financing Program (WIFP) or the Clean Water Initiative Program (CWIP) to assist municipal entities in addressing regulatory obligations as follows:

- a. Municipal Three-Acre Financing: This financing program will help affected towns secure funding for Three-Acre General Permit obtainment and compliance. Towns will be able to use funds,

some of which may be paired with WIFP financing, to procure engineering analysis and permitting services, complete designs, and go to construction for stormwater treatment practices needed to meet permit compliance. Program structure and delivery is still under development and will be designed and managed by the Water Infrastructure Financing Program. Program is eligible for and will be funded by American Rescue Plan Act (ARPA) dollars over the next few years to relieve pressure on the Clean Water Fund.

- b. **Municipal Separate Storm Sewer System (MS4) Permit Formula Grant:** This Formula Grant program, to be designed and managed by the ANR DEC Clean Water Initiative Program, will assist MS4 communities with developing and implementing clean water projects to comply with MS4 permit obligations to implement Flow Restoration Plans and Phosphorus Control Plans. Eligible project types include those identified within MS4s' approved Flow Restoration Plans or Phosphorus Control Plans. Spending initiatives that fell under the "Stormwater Project Delivery, Planning, and Implementation" SFY 2022 budget line items may be included within this new grant structure.
- c. **Green Schools Initiative:** This initiative includes passthrough funds to entities to assist public schools in Lake Champlain and Memphremagog basins in obtaining and complying with the Three-Acre General Permit (design, permitting, construction). Co-funded with Lake Champlain Basin Program federal funds administered by the Clean Water Initiative Program. Program is eligible for and will be funded by American Rescue Plan Act (ARPA) dollars over the next few years depending on projected needs to relieve pressure on the Clean Water Fund.
- d. Municipal Roads General Permit Equipment: This is a continuation of an existing initiative administered by ANR-DEC's CWIP to provide funding to assist municipalities in purchasing equipment needed to implement Municipal Roads General Permit standards. SFY 2023 funds will provide a final opportunity for all municipalities to participate in the equipment purchase program. Municipalities required to comply with the Municipal Roads General Permit are eligible to enroll.

Line 2.4: Innovative or Alternative technologies or practices to improve water quality

- This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(D).

Supports development and use of technologies, practices, or policies that facilitate, optimize, or accelerate cost-effective nutrient pollution removal strategies, such as the [Vermont Phosphorus Innovation Challenge](#). This is a cross-agency effort, and grants are awarded on a competitive basis. Funds may be used to support other innovative phosphorus reduction-based projects. This line item is populated with funds on an as-needed basis. No funding needs are projected for SFY 2023, as the AAFM-administered Vermont Phosphorus Innovation Challenge is still in progress with prior year funding.

Line 3.1: Developed Lands Implementation Grant*

- Funded with ARPA federal dollars, This line item reflects a Tier 3 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(3).

The Secretary shall administer a Developed Lands Implementation Grant Program to provide grants or financing to persons who are required to obtain a permit to implement regulatory requirements that are necessary to achieve water quality standards. Program shall be administered by the Water Infrastructure Financing Program. Program will support private land Three-Acre General Permit obtainment and compliance through design and implementation. Initial Three-Acre General Permit funding assistance was administered through ANR DEC Clean Water Initiative Program's Design and Implementation Block Grant program, which will transition into this new program in SFY 2023. Program is eligible for and will be funded by American Rescue Plan Act (ARPA) dollars over the next few years to relieve pressure on the Clean Water Fund.

Line 4.1: Lakes in Crisis Fund

- This line item is a statutory obligation but not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e).

Line item reflects the Agency of Natural Resources' recommended annual budget for the fund pursuant to 10 V.S.A. § 1314 (b). Currently only one lake, Lake Carmi, is designated as a Lake in Crisis. In addition to the Lakes in Crisis Fund, ANR and AAFM use other grant programs to support phosphorus mitigation in the Lake Carmi watershed. The *Lake Carmi Crisis Response Plan*, the *2019 Lake Carmi Clean Water Progress Report*, and other resources are available at the [Restoring Lake Carmi webpage](#). Funds are managed by the Department of Environmental Conservation's Lakes and Ponds Program within the Watershed Management Division. Eligible practices and projects are determined by the Lakes and Pond Program. Funds are provided as a mix of grants and contracts depending on the scope of work. Pursuant to 10 V.S.A. § 1313, recipients of Lakes in Crisis Fund grants shall pay at least 35 percent of the total eligible project cost.

Line 4.4: State Match to Clean Water State Revolving Fund Federal Grant

- This line item is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e) but is critical towards leveraging federal funding into the CWSRF.

The Clean Water State Revolving Fund (CWSRF) provides low-interest loans for municipal and private entity stormwater, wastewater, and natural resources projects. Vermont provides a 20% match to draw down federal funds. All the 20% state match funds, federal funds, and repayment funds, minus administrative expenses are used to provide loans for a wide range of water-quality projects that includes combined sewer overflow abatement (CSO), plant refurbishment, plant upgrades, sludge and septage improvements, sewer line replacement and extension, pump station upgrades, plant enlargements, stormwater improvements, and municipally sponsored private wastewater disposal systems. The interest rate/administrative fee on loans to private entities will be slightly higher than rates to municipalities, and these revenues will be used to offset reduced rates on loans to municipalities that promote natural resources projects. By statute, municipal projects always

have priority over loans to private entities. Program is administered by the Water Infrastructure Financing Program.

Line 4.5: Municipal Pollution Control Grants

- This line item is not reflected as a tiered priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e) but the Legislature has adopted a priority system for Municipal Pollution Control Grants, found in 10 V.S.A. § 1626b(c) and § 1628, and the Department of Environmental Conservation Chapter 2 – Municipal Pollution Control Priority System Rule, adopted December 2017.

In addition to low-interest loans through the Clean Water State Revolving Loan Funds, some municipal clean water projects are eligible for Municipal Pollution Control Grants in SFY 2023 for up to 35% of the project cost. The source of funding for municipal pollution control grants is the Capital Bill. These grants are for municipalities only. This grant program is administered by the Water Infrastructure Financing Program. Eligible project types focus on management of stormwater, sewage, or waste, including improvements to a wastewater treatment facility, combined sewer separation facilities, an indirect discharge system, a wastewater system, flood resiliency work related to a structural facility, or a groundwater protection project.

Agency of Transportation (VTrans)

Line 2.21: Municipal Roads Grants-in-Aid

- This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(C). This is one of two VTrans initiatives proposed to support the Municipal Stormwater Implementation Grant initiative as outlined in 10 V.S.A. § 928.

Provides financial assistance to municipalities to bring hydrologically connected municipal road segments into full compliance with the Municipal Roads General Permit. Funds are dispersed by formula to all participating municipalities based on hydrologically connected road miles. Practices eligible for funding under this program include drainage ditch installation and upgrades, turnouts, removal of high road shoulders, and stabilization of drainage culverts and catch basin outlets, and on Class 4 roads, stabilization of gully erosion.

Line 2.22: Municipal Better Roads Program

- This line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(C). This is one of two VTrans initiatives proposed to support the Municipal Stormwater Implementation Grant initiative as outlined in 10 V.S.A. § 928.

Construction projects funded by grants to municipalities in the Better Roads Program are meant to be quick, low-cost projects that are easy to advance without all the requirements of federal funding. Example construction projects include ditching, check dams, slope stabilization, and structure/culvert upgrades. All Clean Water Funds awarded through the Better Roads Program will

be used to bring hydrologically connected municipal road segments into full compliance with the Municipal Roads General Permit. Other funding sources may be used to support other types of construction projects through the Better Roads Program. In addition to the construction projects, which are funded in part by the Clean Water Fund and in part with funds appropriated through the Transportation Bill, VTTrans also funds road erosion inventories through the Better Roads Program, as required by the Municipal Roads General Permit. Grant award lists going back to FY 2014 can be found [here](#).

Vermont Housing and Conservation Board (VHCB)

Line 1.42: Land Conservation and Water Quality Projects

- ~~Funded from the Capital Bill, t~~Funded from the Capital Bill, tThis line item ~~reflects-complements the Water Quality Enhancement Grant Program, and is therefore aligned with~~ Tier 1 prioritieses for the Clean Water Fund ~~spending pursuant to 10 V.S.A. § 1389 (e)(1)(D) and is considered one of two programs designed to meet the statutory intent of 10 V.S.A. § 926.~~

Part of VHCB's core funding, this allocation is used for grants to eligible applicants (land trusts and other conservation non-profits, towns, certain state agencies) for conservation and water-quality related investments in fee lands and conservation easements. All grants will require perpetual conservation restrictions. Those with surface waters will include specific water quality-related easement provisions such as riparian buffers and wetland protection zones.

Line 2.3: Water Quality Farm Improvement and Retirement Projects

- ~~Funded from the Capital Bill, t~~Funded from the Capital Bill, tThis line item reflects a Tier 2 priority for Clean Water Fund spending pursuant to 10 V.S.A. § 1389 (e)(2)(E).

VHCB works closely with other partners – particularly AAFM and ANR – to identify agricultural land that is difficult to farm without adversely impacting water quality. These funds would allow VHCB to help fund the purchase and/or conservation of such properties with a goal of taking them all or mostly out of production. All grants will require perpetual conservation restrictions. VHCB also uses this funding to award grants to farmers for water quality-related capital improvements. Eligible projects include production area improvements, manure management projects, farm equipment, and pasture management. Grants typically help farmers pay for project components that state and federal grant programs cannot cover. In cases of significant hardship, the grants may assist farmers who are otherwise unable to fully meet the cost share requirements for priority AAFM BMP or U.S. Department of Agriculture Natural Resources Conservation Service projects.