

Vermont Clean Water Board Meeting Minutes

Date/Time: Tuesday, February 8, 2022, 2:30 pm–3:30 pm

Location: [Microsoft Teams Meeting](#)

Details and supporting materials available at: <https://dec.vermont.gov/water-investment/cwi/board/meetings>

Clean Water Board Members/Designees:

Douglas Farnham, Agency of Administration (AoA) Deputy Secretary and Designated Clean Water Board Chair (Present)

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

Alison Conant, public member (Present)

Bob Flint, public member (Present)

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

Jim Giffin, public member (Present)

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

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

Chad Tyler, public member (Present)

1. Welcome

Douglas Farnham, Agency of Administration (AoA) Deputy Secretary, designated Clean Water Board Chair
The Chair, AoA Deputy Secretary Douglas Farnham convened the meeting at 2:31 pm and reviewed the agenda.

- AoA Deputy Secretary Farnham discussed adoption of a consent agenda process for meeting minute and agenda approval moving forward and invited a motion to approve this process change. Motion was made by VTrans Secretary Joe Flynn and seconded by Bob Flint. Motion passed.
- Clean Water Board members reviewed meeting minutes from December 14, 2021 meeting and corrected name spelling of James Giffen to James Giffin. The Board Chair invited a motion to approve the December 14, 2021 meetings minutes as amended. Motion was made by VTrans Secretary Joe Flynn and seconded by Bob Flint. Motion passed.

2. Review Governor's budget recommendations

Julie Moore, Agency of Natural Resources Secretary

Emily Bird, Department of Environmental Conservation Clean Water Initiative Program Manager, presented on behalf of ANR Secretary Julie Moore. Bird provided a status update on the State Fiscal Year (SFY) 2022 and SFY 2023 Clean Water Budgets including a summary of prior adjustments recommended by the Clean Water Board ("Board") and the Governor. The SFY 2022 Clean Water Budget is undergoing a Capital Bill Budget Adjustment to swap out \$500,000 of Capital dollars with American Rescue Plan Act (ARPA) dollars. The SFY 2023 Clean Water Budget, as recommended by the Governor to the Legislature, includes a similar swap of Capital dollars for ARPA dollars with no net change to the total budget (*see pages 4 and 5 of [meeting materials](#)*). These proposed adjustments are intended to reduce the debt incurred by the State under the Capital Bill and were recommended upon legislative request. Deputy Secretary Farnham explained to the Board that the changes were relatively minor for SFY 2022 because many agreements had already been executed thereby complicating potential swaps.

3. Review Clean Water Fund operating statement

Michael Middleman, Department of Finance and Management Senior Budget Analyst

Emily Bird presented on behalf of Michael Middleman and updated the Board on the latest Clean Water Fund revenue projections for State Fiscal Years 2022, 2023, and 2024. Revenues remain healthy, which will result in some increase in the unallocated/unreserved available funds in SFY 2022. The Board will be able to program unallocated/unreserved fund balances from SFY 2023 while drafting the SFY 2024 Clean Water Budget this summer. Based on these conditions, no changes to the SFY 2022 or SFY 2023 Clean Water Budgets were recommended (*see page 6 of [meeting materials](#)*).

- Jim Giffin asked why the projected revenues for escheats were tracking below the SFY 2021 Actual value.
 - AoA Deputy Secretary Douglas Farnham noted that escheats is a newer program and that the tax department is being conservative with projections, concerned that when we return to normalcy post-pandemic, this will result in a spike in bottle redemptions and eliminate some revenue gains seen during the pandemic.
- AoA Deputy Secretary Douglas Farnham provided additional insight on the depressed SFY 2024 projections for the Property Transfer Tax Clean Water Surcharge, explaining this is based on a modeled market correction predicting limited housing supply after the pandemic “buy-up” of Vermont properties.

4. Review status of Clean Water Fund Program Audit

Clean Water Board Chair Douglas Farnham

AoA Deputy Secretary Douglas Farnham provided an overview of the Clean Water Fund Program Audit Request for Proposals (RFP) process that has received no responses after being issued several times. He met with ANR Secretary Moore to discuss, and they now recommend the Board take no action. Board members discussed the status of notification to the Legislature regarding this audit. Deputy Secretary Farnham indicated that he had alerted Legislative Counsel that they were unable to secure any bids for the RFP. Jim Giffin and Bob Flint both suggested further dialogue with legislative members to identify the key priorities for this audit and to help draft a scaled down proposal. Deputy Secretary Farnham noted that since the passage of this legislation, the *Vermont Clean Water Initiative Annual Performance Report* has grown in complexity in response to the audit requirements from additional sources of federal money such that it may suffice the transparency goals initially envisioned for this Clean Water Fund Program Audit. Deputy Secretary Farnham indicated that he was willing to speak to the Legislature on behalf of the Agency of Administration since they were originally charged with the responsibility. He will report back to the Board the outcomes of this conversation. No action is required by the Board at this time (*see page 7 of [meeting materials](#)*).

5. Review status of the Vermont Clean Water Initiative 2021 Performance Report

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

Emily Bird notified the Board that the *Vermont Clean Water Initiative 2021 Performance Report* is complete and has been submitted to Legislature and the Environmental Protection Agency and noted this report fulfills multiple reporting requirements. She provided an overview of what the report entails and reviewed the Executive Summary that covers state investments, high-level results, project performance measures, and updates on reaching Vermont’s Lake Champlain and Lake Memphremagog phosphorus Total Maximum Daily Load (TMDLs) requirements (*see page 8 of [meeting materials](#)*).

6. Public comment

Clean Water Board Chair Douglas Farnham

- Dan Albrecht from Chittenden County Regional Planning Commission appreciates and wants to acknowledge the efforts of DEC in the complicated endeavor of creating Clean Water Service Provider guidance and appreciates how collaborative the work has been.
- Martha Pofit (via Microsoft Teams meeting chat): Given the revenues expected to enter the Governor’s budget, please ask that no ANR/DEC positions be held open for the purpose of ‘vacancy savings.’ An egregious current example of such positions is that of recently retired position of Amy Picotte, DEC Lake Wise Coordinator, given the importance of her work and the lack of need to hold such positions open. The Federation of Vermont Lakes and Ponds (FOVLAP) has gone on record in this regard.
- Pat Suozzi (via Microsoft Teams meeting chat): Thanks Martha for your comment. This is a very important position that should be filled asap.
 - Emily Bird noted she will follow up with Secretary Moore and ensure she receives Martha’s comment.
- Alison Conant wanted to congratulate and thank those who worked on the *Vermont Clean Water Initiative 2021 Performance Report*. The Report was very detailed and yet clear and easy to read which is no small feat.

7. Other business, determine next steps, closing remarks

Clean Water Board Chair Douglas Farnham

Emily Bird noted the Board typically reconvenes in the late spring or early summer to start the annual Clean Water Budget process and she will get meetings on calendars to support the SFY 2024 process in the coming months.

8. Adjourn

The Board Chair invited a motion to adjourn. Motion was made by AoA Deputy Secretary Tayt Brooks and seconded by VTrans Secretary Joe Flynn. Motion passed. Meeting adjourned at 3:30 pm.

Meeting Materials Contents and Page Number:

1. December 14, 2021 Draft Clean Water Board Meeting Minutes [page 1]
2. SFY 2022 Clean Water Budget (January 2022 Governor Recommended Adjustment) [page 4]
3. SFY 2023 Clean Water Budget (January 2022 Governor Recommended) [page 5]
4. Clean Water Fund Operating Statement (January 26, 2022) [page 6]
5. Excerpt of Clean Water Fund Audit statutory language (10 V.S.A. § 1389b) [page 7]
6. *Vermont Clean Water Initiative 2021 Performance Report* Executive Summary ([view full report here](#)) [page 8]