

## Vermont Clean Water Board Meeting Minutes

Date/Time: Wednesday, February 22, 2023, 2:00 – 3:30 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, 2<sup>nd</sup> Floor, Room D215).

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

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### 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 (Absent)

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 (Present)

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

Chad Tyler, public member (Absent)

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### 1. Welcome

**Recording Time Stamp: 00:00<sup>1</sup>**

*Douglas Farnham, Agency of Administration Deputy Secretary and Clean Water Board Chair*

- Welcome and review agenda – meeting called to order at 2:04 pm
- Review of meeting minutes for December 7, 2022. No comments. Minutes adopted through consent.

### 2. Review Governor’s State Fiscal Year (SFY) 2024 Clean Water Budget recommendation

**Recording Time Stamp: 05:05**

*Julie Moore, Agency of Natural Resources Secretary*

- Provided updates on changes from what the Clean Water Board had recommended to the Governor. The changes include 1) an increase for Line 2.11 “Forestry Water Quality Practices and Portable Skidder Bridges” and recharacterization of personnel dollars as “one-time,” 2) a decrease in Line 4.4 “State Match to Clean Water State Revolving Fund (CWSRF) Federal Grant” due to changes in federal funding allocation categories, 3) a decrease in Line 4.5 “Municipal Pollution Control Grants” to be covered by funds outside of the Clean Water Budget, and 4) updated State Fiscal Year (SFY) 2025 revenue projections/budget targets for Clean Water Fund and Capital dollars. No questions from the Clean Water Board.

### 3. Review Clean Water Fund Operating Statement

**Recording Time Stamp: 11:44**

*Nick Kramer, Department of Finance and Management Budget Analyst*

- Provided updates to Clean Water Fund revenue projections for State Fiscal Years (SFY) 2023-2025 based on a revised consensus forecast as presented at the January 17<sup>th</sup> E-board meeting. Vermont continues to see an unprecedented high level of revenue due to federal stimulus money, but this is projected to end, validating the Clean Water Board’s decision to spend down prior unallocated/unreserved revenues across several fiscal years. Overall SFY 2023 revenues are trending slightly higher than projected last summer.

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<sup>1</sup> Please refer to the available meeting recording to learn more about discussion content under each agenda item. Recording Time Stamps are highlighted to direct focus on the recording. Recording can be directly accessed here: <https://www.youtube.com/watch?v=AVhiNLCCy2c>

- Jim Giffin confirmed updated revenues are still above the Board’s budget.
- Bob Flint asked for clarification in linking the Operating Statement to the Clean Water Budget and will follow up offline.

**4. Review Clean Water Fund Contingency Reserve Plan** **Recording Time Stamp: 27:50**  
*Emily Bird, Dept. of Environmental Conservation Clean Water Initiative Program Manager*

- Provided an overview of the history of the Contingency Reserve Plan, a summary of proposed changes, and a visual diagram of revenue reconciliation timelines in alignment with fiscal year budget builds. Proposed changes include 1) establishing a primary and secondary purpose for the Contingency Reserve; 2) setting revenue underperformance protection as the primary purpose; 3) adding protection against Clean Water Project loss as a new potential use of the Reserve secondary to revenue underperformance; 4) outlining Clean Water Board considerations on when and whether to activate the secondary purpose of protection against Clean Water Project loss; and 5) increasing the Contingency Reserve fund amount to \$2.5 million. Board engaged in active discussion on the Contingency Reserve Plan.
  - Jim Giffin expressed concern about committing future Clean Water Boards to the \$2.5 million amount and concern about an overly conservative budgeting approach which rolled forward both the Contingency Reserve Fund as well as unallocated surplus revenues for multiple fiscal years. Being so cautious may delay clean water progress. Jim clarified he prefers setting the Budget and Reserve Fund levels on an annual basis given broader economic context and revenue projections as available.
  - Bob Flint supported Jim’s proposal to deliberate on an appropriate Contingency Reserve Fund amount on an annual basis.
  - ANR Secretary Moore provided context on the need for the new secondary purpose to reduce risk for clean water partners.
  - AoA Deputy Secretary Farnham highlighted the need to keep budgets relatively consistent year-to-year to avoid large disruptions to agency programming.
  - Emily Bird provided more clarity on the proposed administrative approach for activating the secondary purpose of the Contingency Reserve. Emily offered to update the Contingency Reserve Plan based on feedback received at this meeting.
  - Motion “To approve adoption of Contingency Reserve Plan” was tabled for a future Clean Water Board meeting pending these updates.

**5. Presentation of the Recommendations on Water Quality Trading Report** **Recording Time Stamp: 1:14:20**  
*Chip Gianfagna, Dept. of Environmental Conservation Stormwater Program Manager*

- Due to time constraints, ANR Secretary Moore proposed to move this agenda item to a future Clean Water Board meeting as this agenda item does not require time-sensitive Board action.

**6. Public comment** **Recording Time Stamp: 1:15:17**  
*Led by Douglas Farnham*

- Pat Suozzi (**Recording Time Stamp: 1:15:29**) – Requested Clean Water Board provide funding for aquatic invasive species prevention and control.
- Ernest Englehardt (**Recording Time Stamp: 1:19:26**) – Indicated Lake Carmi is continuing to suffer in water quality and thanked the Board for their work.
- Jenifer Andrews (**Recording Time Stamp: 1:21:44**) – Requested Clean Water Board provide funding for aquatic invasive species prevention and control.
- John Costa (**Recording Time Stamp: 1:24:15**) – Discussed potential health issues caused by cyanobacteria blooms and encouraged support for Lake Carmi.
- Robert Evans (**Recording Time Stamp: 1:25:58**)- Glad LIC funds will be used for aeration system and monitoring. Recommended support for partners who develop projects and reserving money for alum treatment.
- Due to time constraints no other public comment was received. Public was encouraged to submit any further comment in writing to [Emily.bird@vermont.gov](mailto:Emily.bird@vermont.gov).

**7. Other business, determine next steps, closing remarks**

**Recording Time Stamp: 1:30:00**

*Led by Douglas Farnham*

- [Vermont Clean Water Initiative 2022 Performance Report](#) is submitted to Legislature and U.S. Environmental Protection Agency

**8. Meeting Adjourned at 3:33 pm**