

**Can project management, administrative, or legal costs be included in WISPr project costs?**

Only costs directly associated with the project covered under a contract clearly stating scope and costs, and documented by invoices, etc. Estimated costs should be included in the project cost summary. Direct costs funded in the organization's normal operating budget are not eligible. Indirect costs are eligible.

**Is there a minimum project dollar amount for a sponsored natural resource project?**

No, there is no minimum project amount. The WISPr project should be at a 10:1 or greater ratio of the sponsoring project.

**Does the WISPr natural resource project have to be directly related to the sponsoring project, either functionally or geographically, or can it be completely independent? Can they be tied by basin?**

The statute is silent on whether there needed to be a geographic or watershed connection. The WISPr project can be completely independent of the sponsoring project. They can be in different watersheds or parts of the state. The program intends to leave this question up to each individual sponsoring municipality. In other states, there are successful sponsorship examples of upstream/downstream benefits and even sponsoring for a "PR" benefit.

**On sponsored natural resource projects, will the traditional PER 30/60/90 review be required?**

There are certain requirements that are statutorily required such as the approval of a preliminary engineering report (PER) or the equivalent. The program may create a template for non-construction natural resources projects that require the appropriate level of engineering documentation and oversight. We recognize that certain projects will require less, or no, engineering analysis than others; these determinations will be made on a case by case discussion with the SRF engineer or Watershed Planners.

**If a municipality wants to do a CSO project for \$1M and want to do tree planting for \$100k, they would get both projects for the same \$1M price? Or would they only spend \$1.1M?**

The principle of the loan will be \$1.1M total, but when compared to the lifetime cost of a \$1M loan, they will save \$100k worth of administrative fees over the life of the loan. The annual payment (debt service) will be the same for a \$1M standard project and a \$1.1M WISPr project. Sponsoring municipalities will therefore save money over the life of the loan due to the decreased administrative rate.

**If a municipality does a bond vote, can the sponsored project be identified after the bond vote?**

Yes. Since adding a WISPr project does not change the lifetime cost of the loan, another bond vote is not required. Bond counsel attorneys are aware of this exemption and would need to include this in the overall opinion prior to processing a WISPr loan agreement.

**When does a municipality have to document that it chooses to enter into a sponsorship arrangement?**

A sponsored project can be identified at any point in the municipality's project development and construction. The only limitation is the sponsored natural resource project must complete prior to the municipality's loan goes into repayment.

**Is there a cap on the amount of sponsorship projects that can be completed in a year?**

The annual budget for WISPr is reflected in the IUP.

**If there's no financial impact on the municipality, why wouldn't all projects have a WISPr component?**

That is the goal, to make it just an easy, common sense process that benefits the municipality and water quality improvements statewide.

**When is the right time to start coordinating on a sponsored project?**

There's no perfect time to start; there will always be existing projects in the queue. The WISPr intends to begin by meeting projects where they are, get them match ready, and follow through with implementation.

**Is there consideration to give additional priority points to WISPr projects?**

The CWSRF chose not to rank the sponsored project with municipal project. There was too much uncertainty associated with implementation of either project and that uncertainty was untenable to the CWSRF, especially with respect to Pollution Control Grant calculations.

**If the additional administrative fee from private entity loans are supposed to support WISPr expenses that won't be returned to the fund, is there a concern of always having to balance funds in via private entities and WISPr requests?**

In short, this is what the SRF programs already do. Each year during the drafting of the Intended Use Plan, we propose additional subsidy via loan forgiveness, rates charged to applicants, and fund utilization, and we are always balancing these initiatives against the overall health of the fund. Our primary focus is to maintain a healthy revolving fund and WISPr will be adjusted up or down according.

**Can a municipality sponsor any private entity project via WISPr?**

No, state statute limits the WISPr financial arrangement to nonprofit entities, regional planning commissions, conservation districts, watershed groups, and other municipalities exclusively.

**Regarding the "hopper" or planning list for WISPr projects, are there maximum time limits that a project can be on the list?**

A project can remain on the list awaiting matching for up to 5 years.

**If there is a brownfield project where there is a need for cleanup, in addition to a conservation easement, are the cleanup costs eligible under WISPr?**

Brownfields projects alone are not an eligible natural resource project under WISPr. If an eligible project, for example, a wetlands easement, contained a brownfield site and that remediation is necessary for water quality benefits, it may be eligible. This would need to be reviewed by program staff on a case-by-case basis.

**Has there been a review that the program doesn't put non-sponsoring municipalities at a disadvantage? There is a concern that natural resource projects will be prioritized over hard infrastructure projects that are needed to maintain wastewater and stormwater standards.**

The priority ranking criteria in Chapter 2 EPR still places an emphasis on traditional hard infrastructure types. The program remains committed to sustainably funding these projects in addition to the expanded project types.

**Are WISPr projects subject to NEPA review?**

The program is in the process of revising the State Environmental Review Policy (SERP) and will contemplate the applicability of NEPA for natural resource projects as well as other expanded project types. For now, it will be determined on a case-by-case basis.

**As archaeological reviews are becoming more and more expensive, if this is a requirement for natural resource projects, this could extend timelines and prevent program interest.**

The program is currently reviewing the applicability of several federal crosscutters (federal requirements) for these expanded project types and intends to streamline where possible. With archaeological reviews specifically, this may still be required by Vermont state statute.

**In terms of defining a project scope for a WISPr project, how are the boundaries determined? How far can you go and still count something as a single project?**

WISPr would only limit the project to available funding and to portion of the project that would provide a water quality benefit.

**Has there been any discussion about offering pollution reduction credit?**

The Department has discussed this, but the mechanism to offer this, particularly across sectors (stormwater vs. agriculture, for example) have not yet been worked out and are complicated.

**Has there been consideration given to funding project development to work through the project development process? It would be ideal for the WISPr implementers to have a clear definition of what the line is between project development and project management.**

The term “project development” can mean different things to different people, including non-capital eligible expenses such as “door knocking”. The program defines the beginning of project management to be when there are agreements from property owners and the proposed costs are related to management of a viable project through design and implementation. At that time, an application may be submitted with a detailed project cost summary and proposed project *management* costs. Project management refers to expenses in the planning or implementation stage for necessary project oversight.

**Is there a cap on the bonding exemption for WISPr projects?**

No, similar to the language in statute that allows governing bodies to enter into planning loans without a bond vote, there is no maximum amount for this exemption. Act 185 was clearly worded to state that this exemption only applies if the debt service of the WISPr project never falls on the rate payer.

**Can a sponsored project address a regulatory requirement?**

WISPr does not support regulatory projects. The Department examined both sides of this issue and compared other DEC funding opportunities to ensure there’s a consistency amongst programs. The Department maintains that the primary objective of WISPr is to fund natural resources projects that provide a funding mechanism for pollutant reduction. The Department also recognizes that many natural resources projects will likely contain multiple co-benefits, including stormwater retention, nutrient infiltration, reduction in hydraulic loading, and thermal improvements.

**Does a dam need to be classified as unsafe in order to participate in WISPr?**

No, it does not need to be designated unsafe. However, the removal of the dam needs to be supported by DEC and there needs to be a water quality benefit.

**WISPr requires that all projects have an environmental review. Dam removal projects already include a stringent regulatory oversight and most require a Section 404 permit from US Army Corps of Engineers. Consultation with the State Historical Preservation Office (SHPO) is required for these reviews. This already ensures that environmental and cultural resource issues are addressed prior to**

**construction. This should meet the requirement for environmental review.**

The program is revising its State Environmental Review Policy (SERP) to include the expanded project types. In the meantime, the program has a long history of honoring other agency's or funding program's environmental reviews if they meet minimum requirements of our SERP. Until a formal revision of the SERP is completed, the program will evaluate these projects on a case-by-case scenario and waive the requirement or require addendums, as necessary. CWSRF is committed to streamlining its funding process and will strive to eliminate duplicate requirements where possible.

**For dam removal projects, three years is typically a reasonable period of time to catch and address any post-project problems. Operation and maintenance costs aren't eligible under WISPr, so the O&M requirements should be scaled on a project-by-project basis.**

Projects are required to identify an entity to conduct O&M provided that the project is within a Clean Water Service Provider (CWSP) basin. This requirement will remain but will be scaled according to project type and complexity.

**Regarding WISPr project eligibility, this should be determined by reference to the tactical basin plan. These plans have been developed with hundreds of water quality projects.**

WISPr will not immediately restrict projects to inclusion in a Tactical Basin plan. The program intends to allow the sponsorship process to develop over the coming years and will reassess the value of this suggestion as funding becomes more competitive.

**Regarding the Qualifications Based Selection (QBS) Process, will this be required when working with non-engineering consultants such as a surveyor?**

QBS is required for all architectural or engineering services only. It would not be required for any other type of consultant procurement.