

**Vermont Clean Water Fund Board
Working Meeting Minutes**

Date/Time: Wednesday, August 23, 2017, 11:00am – 12:00pm

Location: National Life Davis Building – The Catamount Room, N215

Clean Water Fund (CWF) Board Members/Designees:

Susanne Young, Agency of Administration (AoA) Secretary and CWF Board Chair

Joe Flynn, Agency of Transportation (VTrans) Secretary

Julie Moore, Agency of Natural Resources (ANR) Secretary

Michael Schirling, Agency of Commerce and Community Development (ACCD) Secretary

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

Attendees:

John Adams, ACCD

Karen Adams, Town of Colchester

Jason Aronowitz, AoA

Emily Bird, DEC

Eric Blatt, DEC

Diane Bothfeld, AAFM

Jared Carpenter, Lake Champlain Comm.

Kari Dolan, DEC

Dan Dutcher, VTrans

Rebecca Ellis, DEC

Erik Filkorn, Buildings & General Services

Bob Fischer, City of South Burlington

Tracy LaFrance, DEC

Joanna Pallito, DEC

Andrew Stein, AoA

Sam Winship, AoA

Welcome, Approval of Agenda and Past Meeting Minutes **11:00-11:05 am**
Agency of Administration Secretary and Clean Water Fund Board Chair Susanne Young

- Meeting Minutes will be approved during the September 5th Board meeting

Review State Fiscal Year (FY) 2019 Clean Water Fund Budget Process **11:05-11:10 am**
Agency of Natural Resources Secretary Julie Moore

- See the Clean Water Fund budget process chart in the supporting materials

Update on Clean Water Fund Property Transfer Surcharge Receipt Revenues **11:10-11:15 am**
Agency of Administration Department of Taxes Research Economist Andrew Stein

- FY2017 final revenue receipts were higher than forecasted, and will allow the partial restoration of reduced allocations made to the FY2018 Clean Water Fund (see below)

Final FY2018 Clean Water Fund Allocations **11:15-11:20 am**
Department of Environmental Conservation Clean Water Initiative Program Manager Kari Dolan

- During the June 29th Board meeting, the Board approved the use of surplus FY2017 revenues to restore FY2018 Clean Water Fund allocations reduced to accommodate housing priorities
- Supporting materials include a draft memo that describes how those allocations would be restored; the Board will consider for final approval during the September 5th Board meeting

Proposed FY2019 Clean Water Fund Allocations **11:20-11:45 am**
Clean Water Initiative Program Manager Kari Dolan

- **Summary of July 2017 public comment period and responses to online questionnaire**
 - The Clean Water Fund FY2019 public comment period via online questionnaire closed August 2nd with 133 responses, down from prior years, possibly due to less extensive outreach than in the past

- Participants showed overwhelming support to align spending with activities to comply with Act 64, major nutrient total maximum daily loads (TMDLs), and the combined sewer overflow (CSO) policy (i.e., Tier 1)
- Participants scored support for agricultural producers implementing clean water projects as the highest priority
- There is also continued interest to recognize the value of flood resiliency and the role natural resources restoration projects play in achieving clean water goals and flood resiliency for communities
- Emphasized continued need to evaluate projects for cost-effectiveness
- Staff will provide a summary of public comments received prior to the September 5th Board meeting
- **Proposed adjustments to FY2019 allocations based on public comments**
 - FY2019 Clean Water Fund allocations were updated (changes highlighted in supporting materials) based on comments received
 - Changed include:
 - Consolidating stormwater projects into a single line item
 - Increasing funds for the Grants-in-Aid pilot project (over 75 percent of eligible municipalities enrolled this year)
 - In response to public questions on how ACCD programs fit into Tier 1 costs, these programs were marked as pilot programs; DEC felt it would be worthwhile to maintain these allocations because the projects supported bring together multiple agencies to implement projects in a collaborative way; marking programs as “pilot” gives ACCD and the Board the opportunity to evaluate the efficacy of the multi-agency collaboration in supporting clean water goals, especially since it is important to implement stormwater improvements in conjunction with other community improvements
 - Staff will finalize the updated FY2019 allocations based on public comment and provide a narrative of the rationale behind changes made to the allocations to post for public comment prior to the September 5th Board meeting

Upcoming Legislative Reporting Requirements

11:45-11:50 am

DEC CWIP Nonpoint Source Coordinator Emily Bird

- Interim report on available clean water federal funding due September 1st
- Listing of FY2018 capital-funded clean water projects due November 1st
- Vermont Clean Water Initiative 2017 Investment Report due January 15th

Update on Common Signage for State-Funded Clean Water Projects

11:50-11:55 am

Buildings and General Services Principal Assistant to the Commissioner Erik Filkorn

- The Capital Bill requires clean water project signage for projects during construction
- Buildings and General Services has coordinated with agencies to develop a signage plan that will be sent to agencies for review shortly
- 300 signs will be ordered costing \$7,000; using more durable signs, as signs will be reused for multiple projects

Other Comments

- Requested AoA budget instructions address how agencies include Clean Water Fund dollars in individual agencies budgets for consistency across agencies
- Brad Ferland will coordinate with agencies’ financial staff to support clean water-related accounting and budgeting; AoA is working to dedicate a portion of a position to support this effort; agencies should think about their needs and how AoA can assist

- Noted that the Office of the State Treasurer’s Clean Water Report highlights the need for increased administrative support for increased pass-through funds; it would be helpful for the Board to evaluate these personnel needs for spending funds in a timely manner

Public Comments

- Jared Carpenter, Lake Champlain Committee: Drafted the public comments from environmental advocates; they had concerns related to accountability and transparency in the budget process; explanation behind updates to the FY2019 Clean Water Fund allocations were very helpful
- Bob Fischer, City of South Burlington, Green Mountain Water Environment Association, and New England Water Environment Association: Need funds for stormwater and wastewater infrastructure

Next Steps/Future Meeting

11:55 am-12:00 pm

Secretary Susanne Young

- Next Clean Water Fund Board meeting is scheduled for September 5th, 3:00-4:30pm in the Winooski Room at National Life; the meeting will focus on preparing the final FY2019 Clean Water Fund budget recommendation for public comment September 8th-28th
- The next meeting will include an update from the Clean Water Working Group, evaluating long term funding solution for clean water; as well as a discussion of agencies needs for AoA related to clean water accounting and budgeting

Adjourn

12:00 pm

Supporting Materials:

1. June 29, 2017 Draft Clean Water Fund Board Meeting Minutes
2. FY2019 Clean Water Fund Board Budget Process
3. FY2017-2018 Clean Water Fund Revenue Summary and Forecast
4. Draft Memorandum: Final FY2018 Clean Water Fund Allocations
5. Compilation of FY2019 Clean Water Fund Public Comments
6. Draft Proposed FY2019 Clean Water Fund Priorities and Allocations
7. Draft Interim Legislative Report on Available Clean Water Federal Funding
8. Draft Template for Listing of FY2018 Capital-Funded Clean Water Projects
9. Vermont Clean Water Initiative 2017 Investment Report Timeline