

**Vermont Clean Water Board
Meeting Minutes**

Date/Time: Tuesday, September 25, 2018, 10:30 am - 4:00 pm

Location: Dewey Conference Room (R206), Dewey Building, National Life Complex, Montpelier

Clean Water Fund Board Members/Designees:

Susanne Young, Agency of Administration (AoA) Secretary and Clean Water 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
Robert Flint, Springfield
James Giffin, Montpelier
Christopher Louras, Rutland
Chad Tyler, Highgate

Attendees:

Jill Arace, Vermont Association of Conservation Districts (VACD)	Marcey Hodgdon, AAFM
Diane Bothfeld, AAFM	Jennifer Holler, Vermont Housing and Conservation Board (VHCB)
Matthew Chapman, Department of Environmental Conservation (DEC)	Kent Henderson, FNLC
Chris Cochran, (ACCD)	Karen Horn, Vermont League of Cities and Towns
Kari Dolan, DEC	Sue Scribner, VTrans
Daniel Dutcher, VTrans	Kate Slocum, AoA
Rebecca Ellis, DEC	Trevor Squirrel, State Representative
Jordyn Geller, DEC	Andrew Stein, Department of Taxes

I. OVERVIEW

A. Introductions, Review of Agenda, Approval of Minutes 10:35

Agency of Administration Secretary and Clean Water Board Chair, Susanne Young

- Introduction of board members
- Introduction of key agency staff (Julie Moore)
- See supporting materials: *Organizational Chart and Contact List* and *Draft June 25, 2018, Clean Water Fund Board Meeting Minutes*

B. Statutory Overview 10:45

Deputy Commissioner of the Department of Environmental Conservation, Rebecca Ellis

- Brief presentation on public records law (Matthew Chapman)
- Meeting requirements and responsibilities
- See supporting materials: *Vermont Statutes Annotated, as Amended by 2018 Act 168 (S. 260) and 2018 Act 208 (S. 285)*
- Notable changes to the Clean Water Board and Clean Water Fund budget process include:
 - Clean Water Fund Board is now the Clean Water Board
 - Addition of four new members to the Clean Water Board

- There will be an audit on January 15, 2021 that will look at clean water investments since the 2015 Clean Water Act
- Board discussed watershed science and Board process.

II. HISTORY

A. History of Clean Water Fund 11:11

Clean Water Initiative Program, Program Manager, Kari Dolan

- History of the Clean Water Initiative Program, LC TMDL, Act 64, Clean Water Fund History and Budget Process, Clean Water Board website, Clean Water Annual Investment Report
- See supporting materials: *Vermont's Clean Water Board Targets Clean Water Funding and Clean Water Board Administration Staff Support by Agency and CWF Reporting Packet* and *Clean Water Fund Website*
- Board discussed the various clean water grant programs, the information contained on the Clean Water Board website, the responsibilities under the federal and state restoration directives called Total Maximum Daily Loads (TMDL), and clean water activities of neighboring states and Quebec.

BREAK 11:50

B. Overview of Funding and Fund Source (FY16-19) 12:01

Department of Environmental Conservation Deputy Commissioner, Rebecca Ellis

- Act 73 Report Overview (See supporting materials: *Act 73 Report (2017)*)
- The Board discussed funding sources and Act 64 requirements.

BREAK FOR LUNCH 12:35

B. Overview of Funding and Fund Source (FY16-19) Continued

- Kari introduced the Report to Legislature on Federal Funding (Kari Dolan)

III. QUARTERLY UPDATES

A. Property Transfer Tax Surcharge Performance (Andrew Stein) 13:06

Department of Taxes Research Economist, Andrew Stein

- This year forecasting \$4.5 million funds to Clean Water Fund, if revenue continues to go above forecast, might want to consider reforecast in January/February.
- The Board discussed the forecast, how the Board uses this information, and whether the Legislature has ever repurposed the Clean Water Fund revenues.

B. Beverage Container Deposits – Escheats 13:20

Department of Taxes Research Economist, Andrew Stein

- Discussed this new funding source. Estimate to generate \$1.5-2 million annually and have some estimates that revenues could be higher.
- The escheats go into effect on January 2020.
- Trying to evaluate the predictability and reliability of this source. Did point out that Massachusetts data shows a fluctuation is during the recession.
- Board discussed revenue projections, other states' experiences with this funding source.

C. Clean Water State Revolving Fund 13:32

Financial Management and Loan Section Program Manager, Terisa Thomas

IV. CURRENT SERVICE DELIVERY	13:38
A. ANR (FED)	13:38
<i>Financial Management and Loan Section Program Manager, Terisa Thomas</i>	
<ul style="list-style-type: none"> • Discussed the program. See supporting materials: <i>Page 30 of Act 73 Report</i> • The Board discussed how some municipalities do have needs in addition to pollutant controls. 	
B. ANR (CWIP)	13:37
<i>Clean Water Initiative Program, Program Manager, Kari Dolan</i>	
<ul style="list-style-type: none"> • Supporting Materials: <i>Vermont DEC Clean Water Initiative Process on Clean Water and Grant Progress</i> 	
C. AAFM	13:53
<i>Agency of Agriculture, Food and Market Deputy Secretary, Diane Bothfeld</i>	
<ul style="list-style-type: none"> • Discussed the program and how USDA uses the rental rates to determine payments under CREP. 	
D. VTrans	16:02
<i>Agency of Transportation Municipal Assistance Bureau, Sue Scribner</i>	
<ul style="list-style-type: none"> • Discussed the program. See supporting materials. • <i>VTrans Grant Programs and Technical Assistance Related to Water Quality</i> 	
E. Clean Water Initiative Cash Flow	16:15
<i>Agency of Administration Deputy Chief Financial Officer, Kate Slocum</i>	
<ul style="list-style-type: none"> • The Board discussed the information presented in the handout to understand the spending authority and the total amount for each year presented. 	
BREAK	14:32
V. QUESTION & ANSWER	14:45
<i>Board Members/Staff</i>	
<ul style="list-style-type: none"> • The Board discussed EPA’s evaluation of Vermont’s progress in implementing the TMD and the engagement of the Vermont Housing Conservation Board on clean water implementation to assist in both agricultural practice implementation and natural resource restoration. The Board also discussed the importance of education to support implementation and tracking. 	
VI. RESULTS - PUBLIC SURVEY	15:06
<i>Clean Water Initiative Program, Program Manager, Kari Dolan</i>	
<ul style="list-style-type: none"> • See supporting materials: <i>Clean Water Fund State Fiscal Year 2020 Questionnaire Complete Set of Responses</i> and <i>Clean Water Fund State Fiscal Year 2020 Summary of Public Comments</i> and <i>Clean Water Fund State Fiscal Year 2020 Public Comment Summary</i> • The Board discussed next steps in developing the FY20 budget. 	
A. Clean Water Funding Scenario Tool	15:16
<i>Clean Water Initiative Program, Program Manager, Kari Dolan</i>	
<ul style="list-style-type: none"> • See supporting materials: <i>Funding Scenario Excel Sheet and Graphs</i> 	

- Tool includes costs and revenues, using Act 73 data as the basis for FY20.
- The Board discussed the Act 73 report, pollutant reduction requirements for each sector, co-benefits from state investments, anticipated funding levels of capital and clean water funding, cost share considerations, and how a Funding Scenario Tool can assist in evaluating options.

VII. NEXT STEPS, FUTURE MEETING 3:52

Agency of Administration Secretary and Clean Water Board Chair, Susanne Young

- We will use future meetings to work together across agencies to propose a budget.
- Important to take away the value statements and how are those decisions made.
- Leave this for board members and get ideas to Kari by Monday for next meeting.
- Everyone encouraged to send out specific questions to staff and determine whether it should be apart of the agenda for the following meeting.

VIII. PUBLIC COMMENTS 3:56

Agency of Administration Secretary and Clean Water Board Chair, Susanne Young

- Jill Arace, Vermont Association of Conservation Districts: Commented on the importance of non-capital dollars to address pollution sources. Second point concerns the need for multi-year grants being used at AAFM. Multi-year grants support jobs that are keeping young people into Vermont. Water quality, technical assistance jobs have young people coming into our work force and agencies.
- Jared Carpenter, Lake Champlain Committee: Introduced himself, discussed the importance of an adequate clean water budget, and his participation in the Legislature on this topic, referring to the Clean Water Funding Scenario Tool.
- Kent Henderson, Friends of Northern Lake Champlain: Very gratifying to see the level of government working with watershed groups and seeing the political will behind work that is being done. It keeps us watershed volunteers going and is helping to make progress.

IX. ADJOURN 4:02

Agency of Administration Secretary and Clean Water Board Chair, Susanne Young

- Motion to adjourn
 - Susanne Young motioned to adjourn; Julie Moore seconded the motion. Adjourned

Supporting Materials:

1. [Draft June 25, 2018, Clean Water Fund Board Meeting Minutes](#)
2. Vermont Clean Water Statute
3. Organizational Chart and Contact List
4. Clean Water Fund Performance
5. [Act 73 Report \(2017\)](#)
6. Clean Water Initiative Cash Flow FY18
7. [Clean Water Fund State Fiscal Year 2020 Questionnaire Complete Set of Responses](#)
8. Clean Water Fund State Fiscal Year 2020 Summary of Public Comments
9. Clean Water Fund State Fiscal Year 2020 Public Comment Summary
10. Report to Legislature on [Federal Funding Related to Clean Water Efforts in Vermont](#)
11. Grant Program information available on website: (<http://dec.vermont.gov/watershed/cwi/grants>)
12. Clean Water Fund available on website: (<http://dec.vermont.gov/watershed/cwi/cwf>)