

**Vermont Clean Water Board
Meeting Minutes**

Date/Time: Tuesday, October 31, 2018, 9:30 am – 12:30 pm

Location: Winooski Conference Room, Main Building, National Life Complex, Montpelier

Clean Water Fund Board Members/Designees:

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

Robert Flint, public member

Susan Scribner, for Secretary Joe Flynn, Agency of Transportation (VTrans)

James Giffin, public member

Christopher Louras, public member

Julie Moore, Agency of Natural Resources (ANR) Secretary

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

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

Chad Tyler, public member

Attendees:

Jill Arace, Vermont Association of
Conservation Districts (VACD)

Jared Carpenter, Lake Champlain
Committee

Chris Cochran, (ACCD)

Laura DiPietro (AAFM)

Kari Dolan, (DEC)

Daniel Dutcher, VTrans

Rebecca Ellis, (DEC)

Marcey Hodgdon, (AAFM)

Jennifer Hollar, Vermont Housing and
Conservation Board (VHCB)

Karen Horn, Vermont League of Cities and
Towns

Tom Kennedy, Southern Windsor County
Regional Planning Commission

Michael Middleman, (VDFM)

Joanna Pallito, (DEC)

David Pasco, (DEC)

Jim Pease, (DEC)

Representative Trevor Squirrell

Andrew Stein, Department of Taxes

Rebekah Weber, (CLF)

A. Introductions, Review of Agenda, Approval of Minutes 9:35

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

- Introduction of board members and attendees
- 6/25/2018 Meeting minutes approved
- 9/25/2018 Meeting minutes approved

B. Debrief and Answer Outstanding Questions from September 25 meeting 9:45

Department of Taxes, Andrew Stein

Supporting materials: 2018-10-31 Clean Water Board Meeting Materials.pdf,

2018-10-31 CleanWaterRevenueDeptofTaxesMemo.pdf

- Total revenue is increasing and is 20% above forecast
 - A recession is likely 2020-21 and revenue is likely to decrease although Real Estate markets will likely lag; therefore the Department of Taxes is not concerned about changes in transfer tax revenue

- Revenue forecast: \$5.5 million in surcharge, \$1 m for VHB, 4.5 for CW Board
- About \$750K -\$1 million available from bottle fees
- Therefore total available to clean water board: \$5.5 million
- Reviewed 4 state bottle bill programs
 - Bottle fee revenue is flat
 - Dollar amounts in handout are not adjusted for inflation
 - High confidence in revenue forecast
 - Michigan has high collection rate and moves more unredeemed dollars to environmental programs
 - Department of Taxes suggests taking prudent approach with use of fees starting in mid-2019 which is the first year of collection.

C. Overview of Current Cost Share Programs 10:00

Department of Environmental Conservation, Rebecca Ellis

- State cost share ranges with grant program
- The supporting materials are 1 year old and there have been changes:
 - the DEC municipal pollution control grant has new formula
 - the CWSRF is open to private landowners
 - CWIP has 5 grant programs

Discussion: Mr. Louras: does board have ability to direct CWF funds to a geographic area or direct use of funds to assist with Ag grant match requirements?
 Sec. Young: yes but capital funds have restrictions and must be used for capital-eligible activities.

D. Review of State Fiscal Year 2020 Clean Water Fund Budget Process 10:30

Department of Environmental Conservation, Kari Dolan

- Budget Process: Ms. Dolan queried needs of Agency partners and CWF board members on current effort
- Current effort exceeds minimum effort required to meet TMDL schedule

E. Discussion of DRAFT State Fiscal Year 2020 Clean Water Fund Budget 10:45

Agency of Natural Resources, Julie Moore

Supporting material: 7-2018-10-31 Charts Comparing Act 73 with Oct 31 Proposal.pdf

- Proposed Allocations by Sector: Agriculture, Stormwater, Wastewater, and Natural Resources Restoration
- Clarifications: 3A bar graph does not include Transportation bill, innovation column was added by DEC staff it is not in Act 73
- Only items under the blue line of graph are reviewed by CWB
- Sec. Moore welcomes input on how to refine the explanation of predicted costs and available funds
- We have \$17.5 million in request and we anticipate \$15 million from the legislature, some requests such as municipal roads could be moved from CWF to Capital Bill column, but the House Corrections and Institutions Committee has indicated that it prefers roads to be funded through sources other than capital bill.

Discussion: Mr. Louras is the CWF board responsible for the delta of \$7.25 million and finding additional revenue sources for this year? Sec. Young: Yes. Mr. Louras: can we move funds allocated on each row? Sec. Young: yes but you cannot move across columns for the most part. Ms. Hollar line #20 in budget is an uncertain value because only a portion of a typical VHCB land conservation easement value counts toward CWF match (the water resource easement), VHCB will need to break out these values which is difficult, and the board should be aware that easements won't happen unless whole projects are approved. There was a general board request to add the FY19 allocation and funds spent YTD to the table.

F. Next Steps & Future Board Meeting Dates

11:00

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

General discussion: What does DEC need from the Board? DEC would like direction on priorities and adjustments to the proposed budget. The budget should show capital bill request as \$15 million given the pressure on the capital bill this year. Mr. Tyler believes additional education/outreach and marketing on clean water is needed.

- Post Draft budget out for public comment for 3 weeks
- November 30th: meeting might be difficult to schedule given budget adjustments needed and holidays. November 30 will be a working meeting.
- December 14th meeting if necessary (VTrans Dill building, 2178 Airport Rd, Berlin)

G. Public Comment

11:45

- Rep. Squirrell: will gap in funding and its solution be discussed prior to the budget release? Can the public comment on that solution? Sec. Young: the revenue forecast plays a role in the gap and the Board will be discussing the gap. The Governor is evaluating new revenue sources but that will likely not be shared until the start of the legislative session.
- Ms. Arace is the \$1.8 million balance from the last fiscal year being moved into SFY 19? Sec. Moore: No, the funds are largely committed.
- Ms. Horn: please provide unit costs when reporting the budget to the public, i.e. it cost \$200K to treat 5 acres of ag production area etc. This should be linked to the Clean Water Investment Report outcomes.
- Mr. Flint: has there been any google analytics done on the CWIP web site? Ms. Dolan: only for the Annual Clean Water Week

H. ADJOURN

12:00

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

- Motion to adjourn
 - Mr. Tyler motioned to adjourn
 - Mr. Flint seconded the motion
 - Meeting adjourned