

**Vermont Clean Water Board
Clean Water Budget Public Hearing Agenda**

Date/Time: Thursday, October 22, 2020, 12:00-2:00 pm

Location: Microsoft Teams Meeting

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

1. Welcome, Review Agenda and Virtual Meeting Ground Rules **12:00-12:05 pm**
Agency of Administration Secretary and Clean Water Board Chair Susanne Young

Welcome from Secretary Young to Board members, and guests at this public hearing.

2. Clean Water Funding Background and Budget Process **12:05-12:10 pm**

Department of Environmental Conservation (DEC) Clean Water Initiative Program Manager Emily Bird

Emily Bird provided a review of the clean water fund (CWF) and process, an overview of next year's budget targets, the purpose of the CWF, and the budget process and timeline.

Materials discussed in the presentations during this hearing are in the packet of public hearing materials.

The draft budget subject to this meeting has been posted for 30-day comment period through 10-31. An online questionnaire is available (a pdf of this is included in meeting materials).

The total estimated revenue in the proposed budget is \$29.4M (\$18.4M projected revenue to the CWF and \$11M proposed Capital Appropriations).

3. Draft SFY 2022 Clean Water Budget Line Items by Agency **12:10-12:50 pm**

- a. Laura DiPietro, Water Quality Director, Agency of Agriculture, Food and Markets (AAFMM) reviewed proposed expenditures related to Lines 1-3
- b. Jennifer Hollar, Director of Policy Support and Special Projects, Vermont Housing and Conservation Board (VHCB) reviewed proposed expenditures related to Lines 4 and 5.
- c. Emily Bird, Clean Water Initiative Program Manager, Agency of Natural Resources (ANR) reviewed proposed expenditures related to Lines 6, 7, 8, 13 and 17.
- d. Danielle Fitzko, Director of Forests, Department of Forests, Parks and Recreation reviewed proposed expenditures related to Lines 9 and 10.
- e. Terisa Thomas, Water Infrastructure Financing Program Manager, Department of Environmental Conservation reviewed proposed expenditures related to Line 18.
- f. Joel Perrigo, Municipal Assistance Bureau Project Manager, Agency of Transportation reviewed proposed expenditures related to Lines 11 and 12.
- g. Mike Middleman, Senior Budget Analyst, Agency of Administration reviewed proposed expenditures related to Lines 14 and 20.
- h. Chris Cochran, Community Planning and Revitalization Director, Agency of Commerce and Community Development, Department of Housing and Community Development reviewed proposed expenditures related to Lines 15 and 16.

4. Public Questions on Presentations **12:50-12:55 pm**
Secretary Susanne Young

1. Dan Albrecht – CCRPC

- a) Line 6 – what are the amounts for FY22? Will tactical basin planning outreach stay at \$500k? Emily Bird– yes, mostly likely this is the level of support. Emily's program will take broader line items and develop an annual spending plan with greater detail for all line items after Governor's budget release during the legislative session.
- b) Project development – current FY is \$260K– assume same amount? Emily – trying to ramp up this funding where possible. Project development is important to support as it is a key piece of moving projects forward.
- c) Line 6 – subsection c – referring to Basin Water Quality Council participation. Is this a separate pot of funds from Clean Water Service Provider start-up funds that will start March/April? Emily – language in line item description is consistent with the BWQC participation by the statutory partners noted in 10

VSA §1253d. This falls within \$500K of basin planning grants. Details on other aspects of how BWQC will be funded are still to be determined.

- d) Is CWSP administrative money in this budget? Any baseline funds for CWSP operations to get ready for grants starting in July 2022? Emily – CWSP will receive restoration formula grants starting July 2022 (FY 23 budget). In interim, state plans (in FY21 and into 22) to carve out a component of this funding to support CWSP start up to build up organizational capacity in advance of grants in FY23.
- e) Line 13 – stormwater program delivery – presuming the Design/Implementation grant is in here? Emily - No major changes to ongoing funding programs in interim while developing future programs.
- f) For Joel (VTrans) – many of MS4 municipalities in Chittenden county have received mitigation program funds for phosphorus control plans. Not listed here. Joel – these are federal funds so not included here, however they are captured in the annual Clean Water Performance report.

2. Kathy Urffer –

- a) For AAFM – some of the clean water funds are supporting staff payroll. What % of staff payroll is covered by CWF? Laura Dipietro– don't have the exact number but can calculate. A fair portion of staff are supported through base general funds and special funds. Clean water funds cover the bulk of staff doing inspections on the ground.
- b) Line 6 – total \$2,134,000 – split between 3 programs – can you tell us the anticipated breakdown among those programs? Emily - still to be determined in next few months, but anticipate innovation category will build on VPIC program. For Act 76 related to technology development, anticipate this at about \$100K. Remaining funds will be to support partners. This will be in detailed in the Clean Water Initiative Program annual FY22 Spending Plan. This will be shared publicly.
- c) Re skidder bridges – what % cost share is this providing (between state and user)? Danielle – 25% from logger, 75% from state funds.

5. **Public Comments**

12:55-1:55 pm

Secretary Susanne Young

- a. Sign-up to comment by completing the [RSVP online form](#) by Wednesday, October 21, 2020 at 4:00 pm. Time will be allotted per individual depending on the number of commenters.
- b. Commenters are encouraged to submit verbal comments in written form to ANR.CleanWaterVT@vermont.gov to ensure accuracy in public hearing minutes.
1. Joel Bedard – Seems to be a mad rush towards resources and great work is being done but I am not seeing primary issues in state begin resolved. This seems like band aid approach – for example not addressing Montpelier or Burlington wastewater treatment and raw sewage into systems. Looking forward to a larger master plan bringing in innovation from private section to resolve soil and water quality issues.
Secretary Moore will follow up.
2. Christina Adams – no comment.
3. Sheila Connelly –just participating. No questions.
4. Phil Huffman – The Nature Conservancy – comments are as TNC director of government relations and policy and as co-chair of Vt Housing Coalition.
Supporting Tracy Zscahu comments from last meeting and thanking the board and member agencies and staff for hard work. TNC urges board to reconsider cuts to VHCB water quality related programs and to ANR NR restoration lines (4,5,7). Maintaining these investments at FY21 levels as a minimum are important.
 - a) Funds are critical to strategic water quality and land conservation projects that are making a real difference restoring and protecting waters. There is a real pipeline of projects here and associated demand for funding is very strong.
 - b) Natural resource and land conservation projects have been proven to be cost-effective as durable lasting gains. These also provide all other benefits for people and nature; flood protection, habitat, outdoor recreation. Projects also generate and support jobs implementing projects, including youth crews.
 - c) Reduced state funds for land conservation and natural resource projects will have a direct impact on the state's ability to bring in and match federal funds that help meet water quality goals. There is more federal funding in FY22 than in recent years, especially given perpetuation of the Land and

Water Conservation Fund, and if we cut funding, we risk leaving badly needed funds on table. This would be short-sighted.

5. Rationale for moving forward with natural resource and conservation projects are more important as pressures on working and natural lands are growing. More of the public are seeking public land as a response to Covid. We need to move quickly to move projects forward.
6. Carol O'Connell – no comment
7. Dan Albrecht - no further questions.
8. Karen Horne – VLCT – not attending (n/a)
9. Bob Flaherty – Trimble Water – n/a
10. Sandy Greg - -n/a
11. Zach Porter – Conservation Law Foundation– wants to echo Phil Huffman comments. As we grapple with overcoming probably the greatest economic downturn, clean water investments should be part of getting back to where we want to be. Clean water drives the economy. CLF recognizes the challenges in revenue but hope we won't continue to split a smaller and smaller pie but rather look at new creative revenue sources. Too important to the future of VT to not put towards all this good work. Wants more discussion of how to add funds into the mix. Natural resource solutions also most effectively capture carbon and reduce impacts of flooding and other natural resource disasters – projects can address multiple challenges of our day. CLF is concerned with cuts in line 5 and 7. Cuts are \$835K. VHCB is a 35% reduction alone from FY21. This will have a significant impact moving critical projects forward. e.g. wetlands – it is estimated that restoring wetlands in the Lake Champlain basin could achieve 25% of reduction goals. Can simultaneous benefit fish and wildlife species. Further, CLF is concerned about transparency, as many details are still to be determined. CLF would like additional clarity on planned expenditures towards stormwater.
12. Rob Evans - Franklin Watershed Comm president, VP of Carmi Campers Assoc. Grateful for state support in the Lake Carmi watershed, yet the work is not done, and we still see impacts of algae. Franklin Watershed Committee is requesting a revision of current Lakes in Crisis (LIC) plan, to take into account past work and data gathering, and plans for future projects to impact hot spots. Also, FWC supports an increase of LIC funds offered by legislature to help do critical outreach and collaboration with partners. Lake Carmi is the only LIC so should continue to be prioritized.

End of list of signups to comment.

No additional comments submitted during meeting.

Sec Young concluded public comments at 1:29 pm

6. Determine Next Steps, Closing Remarks

1:55-2:00 pm

Secretary Susanne Young

Reminder of Oct 30 deadline for public comments.

Communications will be compiled and provided to the board and public and will move into next stage of process in early December. The board will then finalize the draft budget based on comments and prepare the recommendation for submission by the Agency of Administration for the Governor's consideration. There will then be time for additional comments after the Governor's budget is announced in January and during the legislative session.

7. Adjourn - Meeting adjourned at 1:32pm.

2:00 pm

Supporting Materials:

1. Clean Water Budget Public Hearing Ground Rules
2. Clean Water Funding Factsheet
3. SFY 2022 Clean Water Budget Public Comment Online Questionnaire
4. Draft SFY 2022 Clean Water Budget
5. Draft SFY 2022 Clean Water Budget Line Item Descriptions