

**Vermont Clean Water Board
Clean Water Budget Public Hearing Virtual Ground Rules**

Thursday, October 22, 2020, 12:00-2:00 pm

Microsoft Teams audio and visual:

- Attendees are encouraged to participate fully using computer audio and visual at: [Join Microsoft Teams Meeting](#).
- Attendees who are not able to participate through the computer audio may use the call-in by phone option: dial +1 802-828-7667 and enter Conference ID 954 069 390# (press *6 to mute/unmute).
- The meeting organizer will display meeting materials via Microsoft Teams screen sharing. Materials are also posted on the [Clean Water Board Meetings webpage](#).
- All attendees will be muted by the meeting organizer, unless called upon to comment by the Clean Water Board Chair. This will help cut down on audio disruptions.
- Live captions are available in Microsoft Teams meetings: [view instructions to turn on live captions](#).
- If experiencing technical difficulties: (1) contact Joe Schmidlen of Agency of Digital Services at (802) 498-7873 or Joe.Schmidlen@Vermont.gov or (2) visit the [Microsoft Teams help and support webpage](#).

Question and answer:

- The agenda provides time to address public questions on presentations provided by agency staff.
- Attendees may indicate they have a question via the Microsoft Teams “raise hand” function. If the “raise hand” function is unavailable, attendees may indicate they have a question via the Microsoft Teams chat function.
- The Clean Water Board Chair will field questions or direct questions to the appropriate Board member or staff.

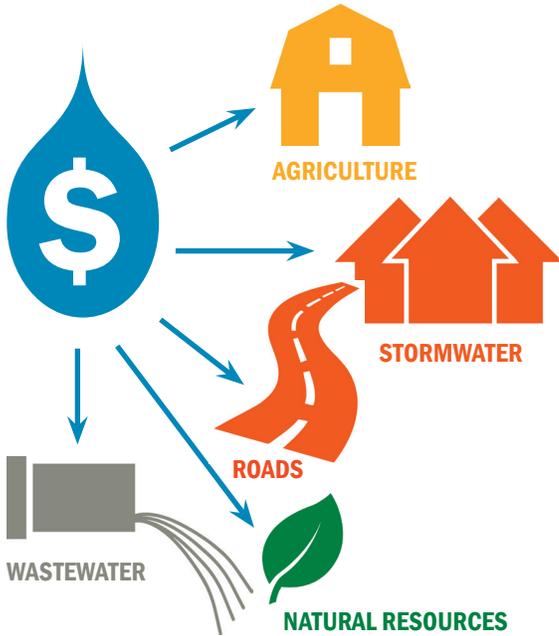
Public comment:

- The agenda includes time for public comment on the State Fiscal Year 2022 clean water budget and funding priorities.
- The Clean Water Board Chair will establish a time limit per commenter based on the time available and the number of attendees who signed up to comment in advance (via [online RSVP form](#)).
- If an attendee wishes to comment, but did not RSVP indicating such, the attendee may request to comment using the Microsoft Teams chat function.
- The meeting organizer will call upon attendees to comment in the order RSVPs were received.
- The meeting organizer will keep track of time and indicate when it is time to move onto the next commenter.
- A friendly reminder to keep comments concise and respectful of the public meeting environment.
- Commenters are encouraged to submit verbal comments in written form to ANR.CleanWaterVT@vermont.gov to ensure accuracy in public hearing minutes.

Future public participation opportunities:

- Upcoming Clean Water Board meetings and past meeting minutes are posted on the [Clean Water Board Meetings webpage](#).
- [Subscribe to the Clean Water E-Newsletter](#) to learn about future opportunities for public participation in the clean water budget process, including future Clean Water Board meetings.

Vermont's Clean Water Funding



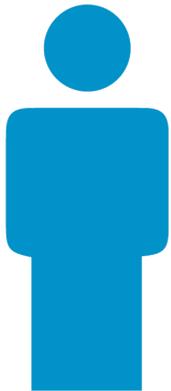
Vermont's Clean Water Funding helps municipalities, farmers, and others implement projects that will **reduce pollution** washing into Vermont's waters. Beyond reducing water pollution, clean water projects also:

- Protect public health and safety
- Support Clean Water Act compliance
- Increase flood resilience
- Enhance recreation
- Improve fish and wildlife habitat
- Save money over the long-term
- Leverage federal funds

FISCAL YEAR 2022 BUDGET PROCESS



*Clean Water Board Meeting



Recommendations for how state Clean Water Funding is allocated are made by the **Clean Water Board**, with representation from **five state agency secretaries**:

- Agency of Administration
- Agency of Agriculture, Food and Markets
- Agency of Commerce and Community Development
- Agency of Natural Resources
- Agency of Transportation

In addition, **four members of the public** are appointed by the Governor.

$$\begin{array}{ccccccc}
 \$18.4 & + & \$11 & = & \$ & 29.4 \\
 \text{MILLION} & & \text{MILLION} & & & \text{MILLION}
 \end{array}$$

Estimated Fiscal Year 2022 Clean Water Fund revenue from the Meals and Rooms Tax Allocation, Property Transfer Tax Surcharge, and Unclaimed Bottle Deposits.

Estimated Fiscal Year 2022 funds from the Capital Bill

Estimated Fiscal Year 2022 Clean Water Budget.

For more information, visit <https://dec.vermont.gov/water-investment/cwi/board> or email anr.cleanwatervt@vermont.gov.



- AGENCY OF ADMINISTRATION
- AGENCY OF AGRICULTURE, FOOD & MARKETS
- AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
- AGENCY OF NATURAL RESOURCES
- AGENCY OF TRANSPORTATION

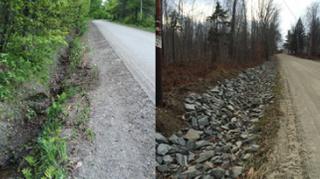


AGENCY OF ADMINISTRATION
AGENCY OF AGRICULTURE, FOOD & MARKETS
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State Fiscal Year (SFY) 2022 Clean Water Budget Public Comment Online Questionnaire

Land Use Priorities for Clean Water Funding

Below is a description of the land uses that impact clean water, how clean water funding would be used, and the additional benefits of supporting clean water projects for that land use. Multi-sector innovation occurs across all land uses.

Land Use	Clean Water Project Objectives and Example Project Images	Additional Benefits
 AGRICULTURE	<p>Addresses runoff and soil erosion from farm production areas and farm fields</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Cost-effective • Leverages federal funds • Supports agricultural economy
 DEVELOPED LANDS	<p>Addresses stormwater runoff from developed lands, such as parking lots, sidewalks, and rooftops</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Increases flood resilience • May enhance aesthetic appeal
 NATURAL RESOURCES	<p>Restores functions of “natural infrastructure”—river channels, floodplains, lakeshores, and wetlands</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Cost-effective • Increases flood resilience • Improves habitat • Enhances recreation
 ROADS	<p>Addresses stormwater runoff from roads</p> 	<ul style="list-style-type: none"> • Supports Clean Water Act compliance • Cost-effective • Increases flood resilience • Leverages federal funds • Reduces future road maintenance costs
 WASTEWATER	<p>Decreases nutrients (phosphorus and nitrogen) through enhanced wastewater treatment and addresses aging infrastructure</p> 	<ul style="list-style-type: none"> • Protects public health and safety • Supports Clean Water Act compliance • Leverages federal funds
 MULTI-SECTOR INNOVATION	<p>Development and use of technologies, practices, or policies that facilitate, optimize, or accelerate cost-effective nutrient pollution removal strategies</p> 	<ul style="list-style-type: none"> • Leads to more cost-effective solutions • Supports all land use sectors • Builds stakeholder capacity • Promotes economic growth and market-based solutions

1. For each land use listed below, as well as multi-sector innovation, assign a percentage of the clean water budget that should support clean water projects. Your percentages must add up to 100.

Agriculture

Developed Lands

Natural Resources

Roads

Wastewater

Innovation

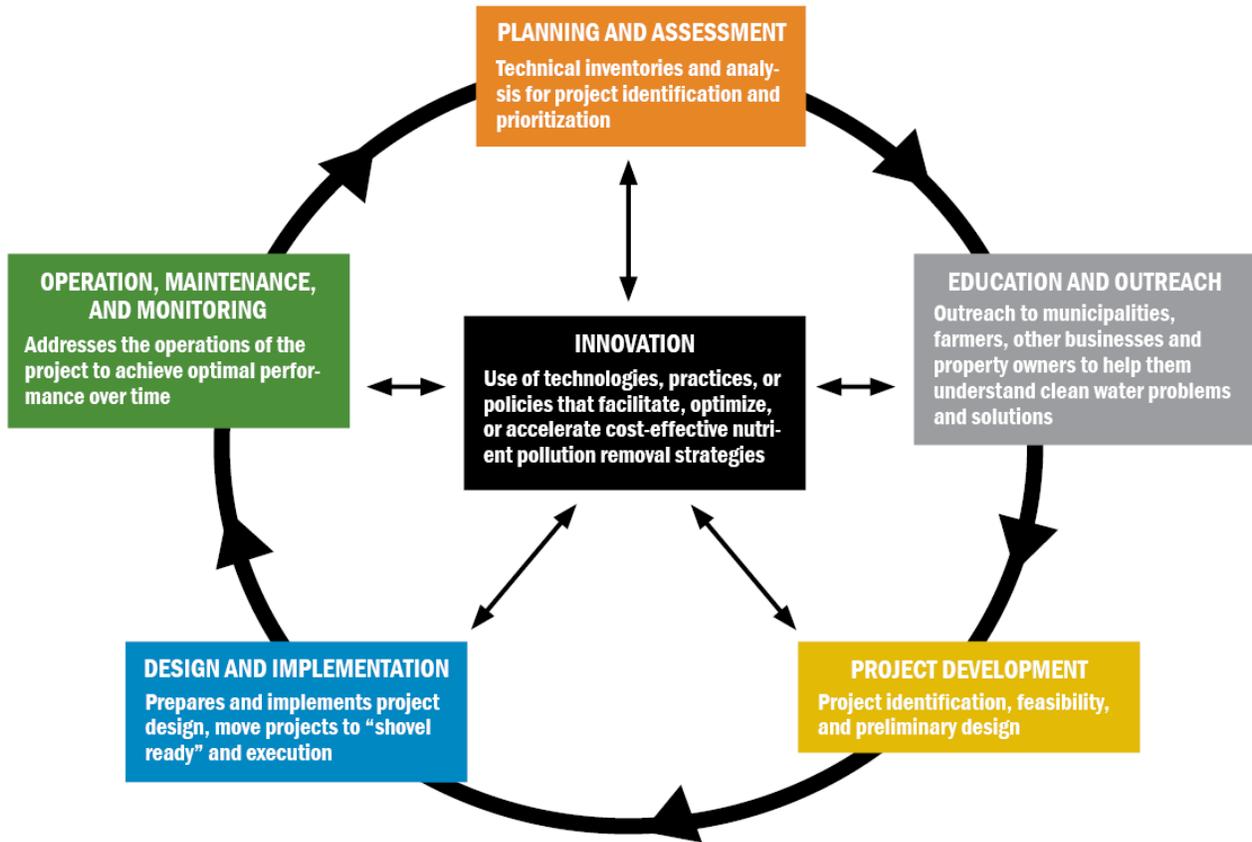
2. Additional Comments (if applicable)



Project Activity Priorities for Clean Water Funding

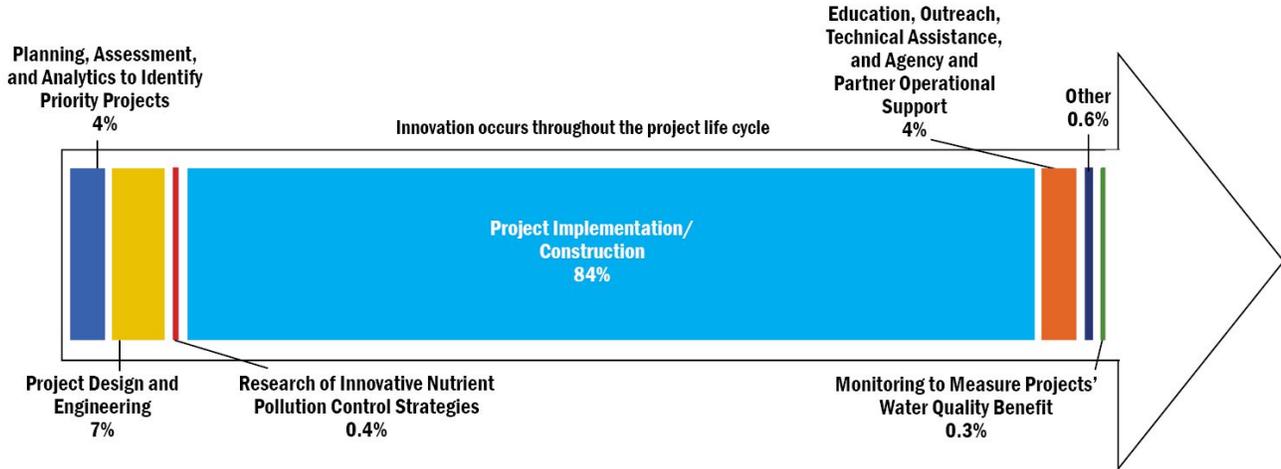
Implementing cost-effective clean water improvement projects that address Vermont’s most significant water pollution challenges requires funds to support the full project life cycle, depicted below.

CLEAN WATER PROJECT LIFE CYCLE



For your reference, the graphic below shows the percentage of state clean water funding invested in State Fiscal Years 2016-2019 by project life cycle step.

State agencies do not currently fund operation and maintenance activities, but some limited activities will be funded starting in SFY 2023. SOURCE: adapted from the Vermont Clean Water Initiative 2019 Performance Report, available at: <https://dec.vermont.gov/water-investment/cwi/board>.



3. Assign a percentage of the clean water budget that should support each project activity listed below. Your percentages must add up to 100.

Planning and Assessment	<input type="text"/>
Education and Outreach	<input type="text"/>
Project Development	<input type="text"/>
Design and Implementation	<input type="text"/>
Operation, Maintenance, and Monitoring	<input type="text"/>
Innovation	<input type="text"/>

4. Additional Comments (if applicable)



AGENCY OF ADMINISTRATION
AGENCY OF AGRICULTURE, FOOD & MARKETS
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
AGENCY OF NATURAL RESOURCES
AGENCY OF TRANSPORTATION

State Fiscal Year (SFY) 2022 Clean Water Budget Public Comment Online Questionnaire

Clean Water Project Signs

Clean water project signs are posted, where feasible, during the construction of publicly visible state-funded clean water projects, such as the one pictured below.



5. Have you seen clean water project signs posted around the state?

- Yes
- No
- I don't remember

6. Additional Comment (if applicable)



7. General Comments (if applicable)

8. How did you hear of this questionnaire (select all that apply)?

- Social media
- Website
- Email
- Other (please specify)
- Blog
- Word of mouth
- Clean Water Initiative mailing list

9. If you would like to be added to the Vermont Clean Water Initiative mailing list to be kept informed about the State's progress in safeguarding clean water, please provide your contact information below.

Name

Company

Address

Address 2

City/Town

State

ZIP/Postal Code

Email Address

Phone Number

10. Please enter your zip code to help us understand the statewide distribution of responses to this questionnaire.

ZIP/Postal Code

11. We are interested to know who is completing this survey. Which groups do you belong to or identify with? Select all that apply.

- | | |
|--|--|
| <input type="checkbox"/> Agricultural Producer/Farmer | <input type="checkbox"/> Natural Resources Conservation District |
| <input type="checkbox"/> Business Owner | <input type="checkbox"/> Recreational User |
| <input type="checkbox"/> Homeowner/Property Owner | <input type="checkbox"/> Regional Planning Commission |
| <input type="checkbox"/> State Legislator | <input type="checkbox"/> Watershed Group or Other Nongovernmental Organization |
| <input type="checkbox"/> Municipal Employee/Representative | <input type="checkbox"/> Forester/Forest Landowner |
| <input type="checkbox"/> Other (please specify) | |

CLEAN WATER BOARD
DRAFT State Fiscal Year (FY) 2022 Clean Water Budget
September 30, 2020

No.	Sector	Agency	Activity	Restated FY21 As Passed by House and Senate (September 2020)			Draft FY22 (September 2020)					
				Clean Water Fund	Capital Bill	Total FY21	Clean Water Fund	Clean Water Fund FY22 Compared to FY21	Capital Bill	Capital Bill FY22 Compared to FY21	Total FY22	Total FY22 Compared to FY21
1	Agriculture	AAFM	Agronomy Conservation Assistance Program (ACAP)	235,000		235,000	235,000	-		-	235,000	-
2	Agriculture	AAFM	Water Quality Grants to Partners and Farmers	2,450,498	4,294,503	6,745,001	3,309,001	858,503	3,436,000	(858,503)	6,745,001	-
3	Agriculture	AAFM	Operating	722,502		722,502	722,502	-		-	722,502	-
4	Agriculture	VHCB	Water Quality Farm Improvement and Retirement Projects		1,100,000	1,100,000		-	1,100,000	-	1,100,000	-
5	Nat'l Resources	VHCB	Land Conservation and Water Quality Projects		1,700,000	1,700,000		-	1,100,000	(600,000)	1,100,000	(600,000)
6	Innovation	All	Multi-Sector Innovation, Grant Administration and Partner Support*	2,393,734		2,393,734	2,134,497	(259,237)		-	2,134,497	(259,237)
7	Nat'l Resources	ANR (DEC-CWIP)	Natural Resources Restoration	3,234,503		3,234,503	3,000,000	(234,503)		-	3,000,000	(234,503)
8	Nat'l Resources	ANR (DEC-CWIP)	Lakes in Crisis Fund	50,000		50,000	50,000	-		-	50,000	-
9	Nat'l Resources	ANR (FPR)	Forestry Skidder Bridges and Water Quality Practices	50,000		50,000	100,000	50,000		-	100,000	50,000
10	Roads	ANR (FPR)	Implement BMPs at State Forests and Recreational Access Points		1,900,000	1,900,000		-	500,000	(1,400,000)	500,000	(1,400,000)
11	Roads	VTrans	Municipal Roads Grants-in-Aid	3,130,830		3,130,830	3,130,830	-		-	3,130,830	-
12	Roads	VTrans	Municipal Better Roads (Category B)	846,170		846,170	846,170	-		-	846,170	-
13	Stormwater	ANR (DEC-CWIP)	Stormwater Project Delivery, Planning and Implementation	3,842,763		3,842,763	4,450,000	607,237		-	4,450,000	607,237
14	Stormwater	AoA	Stormwater Utility Payments (\$25K each)	125,000		125,000	125,000	-		-	125,000	-
15	Stormwater	ACCD	Better Connections (Stormwater Planning)	169,000		169,000	60,000	(109,000)		-	60,000	(109,000)
16	Stormwater	ACCD	Downtown Transportation Fund (Stormwater Project Development)			-	140,000	140,000		-	140,000	140,000
17	Wastewater	ANR (DEC-CWIP)	Wastewater Treatment Facility Operators Support	110,000		110,000	110,000	-		-	110,000	-
18	Wastewater	ANR (DEC-WID)	State Match to Clean Water State Revolving Fund Federal Grant		1,605,497	1,605,497		-	1,564,000	(41,497)	1,564,000	(41,497)
19	Wastewater	ANR (DEC-WID)	Municipal Pollution Control Grants		3,300,000	3,300,000		-	3,300,000	-	3,300,000	-
20	Audit	AoA	Program Audit (10 V.S.A. § 1389b)	44,000		44,000	31,000	(13,000)		-	31,000	(13,000)
			Total Requested	17,404,000	13,900,000	31,304,000	18,444,000	1,040,000	11,000,000	(2,900,000)	29,444,000	(1,860,000)
			Anticipated Revenue	17,404,000	13,900,000	31,304,000	18,444,000	1,040,000	11,000,000	(2,900,000)	29,444,000	(1,860,000)

* "Multi-Sector Innovation, Grant Administration and Partner Support" line item included in ANR (DEC-CWIP) appropriation

Clean Water Budget by Agency					
Agency	Restated FY21 Total As Passed by House and Senate	DRAFT FY22 Clean Water Fund	DRAFT FY22 Capital Bill	DRAFT FY22 Total	Total FY22 Compared to FY21
AAFM	7,702,503	4,266,503	3,436,000	7,702,503	-
ANR	16,486,497	9,844,497	5,364,000	15,208,497	(1,278,000)
VTrans	3,977,000	3,977,000	-	3,977,000	-
VHCB	2,800,000	-	2,200,000	2,200,000	(600,000)
AoA	169,000	156,000	-	156,000	(13,000)
ACCD	169,000	200,000	-	200,000	31,000
Total	31,304,000	18,444,000	11,000,000	29,444,000	(1,860,000)

Clean Water Board
Draft State Fiscal Year (FY) 2022 Clean Water Budget – Line Item Descriptions
Organized by Agency

Agency of Agriculture, Food and Markets (AAFM)

Line 1: Agronomy Conservation Assistance Program (ACAP)

Support for the ACAP contract to continue delivering agronomic (field-based) technical support to farmers statewide, in coordination with federal and state agencies.

Line 2: Water Quality Grants to Partners and Farmers

- a. Capital Funds: AAFM provides grants and contracts for capital expenditures that include the installation of best management practices (BMPs) on farms in Vermont. BMPs are site-specific on-farm conservation practices implemented to address the potential for agricultural pollutants to enter the waters of the state. Below is a summary of the programs connected with the Capital Funds for this line item.
 - i. Best Management Practices (BMP) Program, 6 V.S.A. §§ 4820 – 4826. Eligible practices may include manure and agricultural waste storage facilities, composting stack pads, silage leachate collection, laneway development & stream crossings, and clean water diversions.
 - ii. Conservation Reserve Enhancement Program (CREP), 6 V.S.A. § 4829. The program funds 15 to 30-year term water quality agreements to install vegetation within buffers. The scope of this program is unchanged since it was launched more than 15 years ago.
 - iii. Grassed Waterway and Filter Strip (GWFS) Program, which replaced the Vermont Agricultural Buffer Program, 6 V.S.A. § 4900. The GWFS Program can provide technical and financial assistance to Vermont farmers for in-field agronomic best practices to address critical source areas, erosion, and surface runoff. Eligible practices include establishment of grassed waterways, filter strips, and critical source field area seedings that will remain established for 10 years.
 - iv. Capital Equipment Assistance Program, 6 V.S.A. § 4828. Financial assistance is available for new or innovative equipment that will aid in the reduction of surface runoff of agricultural wastes to state waters, improve water quality of state waters, reduce odors from manure application, separate phosphorus from manure, decrease greenhouse gas emissions, and reduce costs to farmers when they apply manure.
 - v. Agricultural Environmental Management (AEM) Program, 6 V.S.A. 4830. The AEM Program is established to provide farms of Vermont with state financial assistance to alternatively manage their farmstead, cropland, and pasture in a manner that will address identified water quality concerns that, traditionally, would have been wholly or partially addressed through federal, state, and landowner investments in BMP infrastructure, in agronomic practices, or both.
- b. Clean Water Funds: AAFM administered grants and contracts that are non-capital funds are used to support:
 - i. Farm Agronomic Practices (FAP) Program, 6 V.S.A. § 4951. The FAP Program utilizes state funding to help Vermont farms implement soil-based agronomic practices that improve soil quality, soil

health, increase crop production, and reduce erosion and agricultural waste discharges. The FAP Program also provides education and instructional activity grants to support outreach regarding the impacts of agricultural practices on water quality and current state agricultural water quality regulations. Eligible practices include: cover cropping, conservation crop rotation, conservation crop rotation with nurse crop, conservation tillage, no till pasture and hayland renovation, rotational grazing, manure injection, aeration, educational or instructional activities.

- ii. The Agricultural Clean Water Initiative Program (Ag-CWIP) is AAFM's grant funding program made possible by the Clean Water Fund, created by Act 64 of 2015 (i.e., the Vermont Clean Water Act). Funding is awarded to a wide variety of partner organizations through various grant opportunities such as Education and Outreach, Organizational Development, Farm Conservation Practice Surveys, Innovative Nutrient Reduction activities and more. This funding develops and supports the continual improvement of water quality across the state of Vermont by supporting organizations to provide farmers with education and outreach, technical assistance, identifying and implementing BMPs, planning, and more.
- iii. Innovative water quality improvement methods for manure management, phosphorus reduction and new techniques that directly assist partners and farmers in water quality implementation activities.

Line 3: Operating

The AAFM supports a portion of the staff and operating costs from the Clean Water Fund. The necessary increase in staffing was created as part of the Vermont Clean Water Act development process and allowed the AAFM to meet the [*Phosphorus Total Maximum Daily Loads for Vermont Segments of Lake Champlain*](#) (i.e., Lake Champlain TMDLs) and statewide on farm inspection and technical assistance goals for achieving water quality improvements. The current staff and operating costs of the existing positions in this budget amount to \$722,502 from the Clean Water Fund.

Vermont Housing and Conservation Board (VHCB)

Line 4: Water Quality Farm Improvement and Retirement Projects

- a. VHCB uses this funding to award grants to farmers for water quality-related capital improvements. Eligible projects include production area improvements, manure management projects, farm equipment, and pasture management. Grants typically help farmers pay for project components that state and federal grant programs cannot cover. In cases of significant hardship, the grants may assist farmers who are otherwise unable to fully meet the cost share requirements for priority AAFM BMP or U.S. Department of Agriculture Natural Resources Conservation Service projects.
- b. Farmland Retirement: VHCB works closely with other partners – particularly AAFM and ANR – to identify agricultural land that is difficult to farm without adversely impacting water quality. These funds would allow VHCB to help fund the purchase and/or conservation of such properties with a goal of taking them all or mostly out of production. All grants will require perpetual conservation restrictions.

Line 5: Land Conservation and Water Quality Projects

Part of VHCB's core funding, this allocation is used for grants to eligible applicants (land trusts and other conservation non-profits, towns, certain state agencies) for conservation and water-quality related

investments in fee lands and conservation easements. All grants will require perpetual conservation restrictions. Those with surface waters will include specific water quality-related easement provisions such as riparian buffers and wetland protection zones.

Agency of Natural Resources (ANR)

Line 6: Multi-Sector Innovation, Grant Administration and Partner Support

- a. Innovation: Supports development and use of technologies, practices, or policies that facilitate, optimize, or accelerate cost-effective nutrient pollution removal strategies, such as the [Vermont Phosphorus Innovation Challenge](#). This is a cross-agency effort, and grants are awarded on a competitive basis. Funds may be used to support other innovative phosphorus reduction-based projects.
- b. Clean Water Service Delivery Act (Act 76 of 2019): Supports development of nutrient pollutant reduction target setting and project tracking and accounting, as well as other requirements associated with developing and implementing programs in Act 76 of 2019.
- c. Program and Partner Support:
 - i. Supports partner capacity and development related to tactical basin planning, project development, technical support, and targeted water-quality monitoring and laboratory testing of water samples. Includes funding to partners for basin planning, basin water quality council participation, education, and outreach pursuant to 10 V.S.A. § 1253(d)(3).
 - ii. Supports ANR's program capacity to administer grants and contracts and enhance clean water project service delivery, compliance assistance, and inspections.

Line 7: Natural Resources Restoration

DEC provides grants and contracts to municipalities, watershed organizations, lake associations, conservation districts, regional planning commissions, and other eligible entities for natural resources restoration, including restoration of river channels, floodplains, lakeshores, and wetlands. DEC Tactical Basin Plans identify priority natural resources restoration projects.

Line 8: Lakes in Crisis Fund

Supports initial response upon designation of a Lake in Crisis pursuant to 10 V.S.A. § 1314. Annually, the Agency of Natural Resources is required to recommend a budget for the fund. Currently only one lake, Lake Carmi, is designated as a Lake in Crisis. In addition to the Lakes in Crisis Fund, ANR and AAFM use other grant programs to support phosphorus mitigation in the Lake Carmi watershed. The *Lake Carmi Crisis Response Plan*, the *2019 Lake Carmi Clean Water Progress Report*, and other resources are available at the [Restoring Lake Carmi webpage](#).

Line 9: Forestry Skidder Bridges and Water Quality Practices

The Department of Forests, Parks and Recreation (FPR) provides direct grants to loggers to reimburse a portion of the cost of skidder bridges (per 2017 Act 75, 10 V.S.A. § 2622a). Portable skidder bridges prevent erosion and runoff at stream crossings on logging jobs. This also supports FPR's capacity to

enhance implementation of Acceptable Management Practices (AMPs) for Maintaining Water Quality on Logging Jobs.

Line 10: Implement Best Management Practices (BMPs) at State Forests and Recreational Access Points

DEC's Municipal Roads General Permit (MRGP) program is a streamlined process for inventorying roads and prioritizing and constructing projects to improve water quality. This relatively simple framework is being adopted to incentivize non-regulatory road best management practices (BMPs). This project involves using a modified MRGP inventory methodology for road and trail networks on ANR land, including State Forests, Wildlife Management Areas, State Parks, and recreational access points, developing a field application and companion database to gather and store data, and constructing projects based on the prioritized list of road and trail BMPs to reduce nutrient and sediment pollution.

Lines 13: Stormwater Project Delivery, Planning, and Implementation

Provides financial assistance to municipalities and other eligible entities to implement stormwater pollution abatement and control projects. Stormwater projects capture and treat polluted stormwater runoff (i.e., rain runoff and snowmelt) from developed areas, including roads rooftops, and parking lots. Funds may support compliance with stormwater regulations, including the Municipal Separate Storm Sewer System (MS4) Permit and the General Permit 3-9050 (i.e., "Three-Acre General Permit"), required by clean water restoration plans known as total maximum daily loads (TMDLs). Funds will support project identification, delivery, planning, design, and construction.

Line 17: Wastewater Treatment Facility (WWTF) Operators Support

Continued WWTF operator support for optimization and high-strength source management in place of near-term capital investments to implement major nutrient TMDLs (e.g., Lake Champlain TMDLs). Programming covers technical, analytical, and asset management. Federal funds may become available but are limited in scope and location.

Line 18: State Match to Clean Water State Revolving Fund Federal Grant

The Clean Water State Revolving Fund (CWSRF) provides low-interest loans for municipal and private entity stormwater, wastewater, and natural resources projects. Vermont provides a 20% match to draw down federal funds. The 20% match of \$1,563,891 in FY 2022 will draw down \$7,819,455 in federal funds. All of the 20% state match funds, federal funds, and repayment funds, minus administrative expenses are used to provide loans for a wide range of water-quality projects that includes combined sewer overflow abatement (CSO), plant refurbishment, plant upgrades, sludge and septage improvements, sewer line replacement and extension, pump station upgrades, plant enlargements, stormwater improvements, and municipally-sponsored private wastewater disposal systems.

The interest rate/administrative fee on loans to private entities will be slightly higher than rates to municipalities, and these revenues will be used to offset reduced rates on loans to municipalities that promote natural resources projects. By statute, municipal projects always have priority over loans to private entities.

Line 19: Municipal Pollution Control Grants

In addition to low-interest loans through the Clean Water State Revolving Loan Funds, some municipal clean water projects are eligible for Municipal Pollution Control Grants in FY 2022 up to 35% of the project cost. The source of funding for municipal pollution control grants is the Capital Bill. These grants are for municipalities only. The Legislature has adopted a priority system for Municipal Pollution Control Grants, found in 10 V.S.A. § 1626b(c) and § 1628, and the Department of Environmental Conservation Chapter 2 – Municipal Pollution Control Priority System Rule, adopted December 2017.

Agency of Transportation (VTrans)

Line 11: Municipal Roads Grants-in-Aid

Provides financial assistance to municipalities to bring hydrologically connected municipal road sections into full compliance with the Municipal Roads General Permit. Funds are dispersed by formula to all participating municipalities based on hydrologically connected road miles. In FY 2018-2021, municipalities enroll through regional planning commissions and complete construction and regional planning commissions provide project verification and reporting. Practices eligible for funding under this project include drainage ditch installation and upgrades, turnouts, removal of high road shoulders, and stabilization of drainage culverts and catch basin outlets, and on Class 4 roads, stabilization of gully erosion.

Line 12: Municipal Better Roads Program

Construction projects funded by grants to municipalities in the Better Roads Program are meant to be quick, low cost projects that are easy to advance without all the requirements of federal funding. Example construction projects include ditching, check dams, gravel wetlands, slope stabilization, and structure/culvert upgrades. All Clean Water Funds awarded through the Better Roads Program will be used to bring hydrologically connected municipal road segments into full Municipal Roads General Permit compliance. Other funding sources may be used to support other types of construction projects through the Better Roads Program. In addition to the construction projects, which are funded in part by the Clean Water Fund and in part with funds appropriated through the Transportation Bill, VTrans also funds road erosion inventories through the Better Roads Program, as required by the Municipal Roads General Permit. Municipalities have 12 months, or one state fiscal year, to complete the construction projects. Grant award lists going back to FY 2014 can be found [here](#).

Agency of Administration (AoA)

Line 14: Stormwater Utility Payments

The Legislature has encouraged the Clean Water Board to award monies to support the establishment and maintenance of stormwater utilities. The Clean Water Board continues to recommend an annual appropriation of \$25,000 to municipal stormwater utilities. There are currently five municipalities that have established stormwater utilities: Williston, Colchester, South Burlington, St. Albans City, and Burlington. These funds are appropriated through the Agency of Administration. VTrans publishes an [annual report about municipal stormwater utilities related to VTrans expenditures](#).

Line 20: Program Audit

10 V.S.A. § 1389b requires that on or before January 15, 2023¹ the Secretary of Administration shall submit a program audit of the Clean Water Fund to the General Assembly. The audit must be conducted by a qualified, independent environmental consultant or organization and include:

- i. A summary of the expenditures from the Clean Water Fund, including the water quality projects and programs that received funding;
- ii. An analysis and summary of the efficacy of the water quality projects and programs funded from the Clean Water Fund or implemented by the State;
- iii. An evaluation of whether water quality projects and programs funded or implemented by the State are achieving the intended water quality benefits;
- iv. An assessment of the capacity of the Agency of Agriculture, Food and Markets to effectively administer and enforce agricultural water quality requirements on farms in the State; and
- v. An assessment of the capacity of the Department of Environmental Conservation to effectively administer and enforce agricultural water quality requirements on farms in the State; and
- vi. A recommendation of whether the General Assembly should authorize the continuation of the Clean Water Fund and, if so, at what funding level.

Agency of Commerce and Community Development (ACCD)

Line 15: Better Connections (Stormwater Planning)

Better Connections is an award-winning interagency grant program (VTrans, ACCD, ANR, Vermont Department of Health) that supports the implementation of local projects to increase local transportation options, build resilience, and revitalize communities. Funding will help municipalities incorporate stormwater management strategies into downtown and village center transportation and community revitalization plans.

Line 16: Downtown Transportation Fund (Stormwater Best Management Practices)

In partnership with VTrans, the Downtown Transportation Fund will help municipalities incorporate stormwater BMPs into infrastructure improvement projects that make Vermont's downtown areas more pedestrian, bike, and transit friendly.

¹ Date change from January 15, 2021 to January 15, 2023 proposed in H.969 "An act relating to making appropriations for the support of government" passed by both House and Senate as of September 30, 2020.