

Vermont Clean Water Board Special Meeting Minutes

Date/Time: Thursday, August 12, 2021, 3:30-4:30 pm

Virtual Option to Attend: Microsoft Teams Meeting

Physical Location to Attend In-Person: Agency of Natural Resources, One National Life Drive, Montpelier, VT 05602 in the Limestone Room (Davis Building, Third Floor, Room D313).

Meeting agenda, materials, minutes, and recording are posted online at: <https://dec.vermont.gov/water-investment/cwi/board/meetings>.

Clean Water Board Members/Designees:

Susanne Young, Agency of Administration (AoA) Secretary and Clean Water Board Chair (Present)
Tayt Brooks, Agency of Commerce and Community Development (ACCD) Deputy Secretary (Present)
Alison Conant (Present)
Bob Flint, public member (Present)
Joe Flynn, Agency of Transportation (VTrans) Secretary (Present)
James Giffin, public member (Present)
Julie Moore, Agency of Natural Resources (ANR) Secretary (Present)
Anson Tebbetts, Agency of Agriculture, Food and Markets (AAFM) Secretary (Absent) – Diane Bothfeld, Agency of Agriculture, Food and Markets (AAFM) Director of Administrative Services (Present as designee)
Chad Tyler, public member (Present)

1. Welcome

Susanne Young, Secretary of Administration and Clean Water Board Chair

The Chair, AoA Secretary Susanne Young convened the meeting at 3:32 am and reviewed the agenda. Clean Water Board members reviewed meeting minutes from the past four meetings and voted to approve without edits.

- a. December 2, 2020 Meeting Minutes: Motion was made by VTrans Secretary Joe Flynn to approve minutes, seconded by ANR Secretary Julie Morre. ACCD Deputy Secretary Tayt Brooks and AAFM Director of Administrative Services Diane Bothfeld abstained. Motion passed.
- b. January 22, 2021 Meeting Minutes: Motion was made by VTrans Secretary Joe Flynn to approve minutes, seconded by James Giffen. ACCD Deputy Secretary Tayt Brooks and AAFM Director of Administrative Services Diane Bothfeld abstained. Motion passed.
- c. April 19, 2021 Meeting Minutes: Motion was made by VTrans Secretary Joe Flynn to approve minutes, seconded by James Giffen. AAFM Director of Administrative Services Diane Bothfeld abstained. Motion passed.
- d. June 30, 2021 Meeting Minutes: Motion was made by VTrans Secretary Joe Flynn to approve minutes, seconded by James Giffen. AAFM Director of Administrative Services Diane Bothfeld abstained. Motion passed.

2. Review draft revised State Fiscal Year (SFY) 2022 clean water budget proposal

Julie Moore, Secretary of Natural Resources

ANR Secretary Moore reviewed the draft revised SFY 2022 clean water budget proposal, which programs \$10 million in American Rescue Plan Act (ARPA) funds appropriated by the State Legislature across Clean Water Fund line-items (supporting materials #5 and #6).

Questions/Discussion on Proposal:

- a. VTrans Secretary Joe Flynn expressed support for the proposal and re-allocation of CWF dollars towards Municipal Mitigation Assistance Programs and that demand currently outweighs supply.
- b. AAFM Director of Administrative Services Diane Bothfeld indicated support for the proposal and highlighted that the demand for the two agricultural assistance programs, proposed to receive ARPA funds, is higher than available funding. Diane Bothfeld also indicated the funding would help both unmet demand and cost-overruns on existing projects.
- c. Bob Flint indicated he sees challenges at state agencies managing these dollars and the associated workload. He asked whether there was a way to engage with partners to help with administration of funds.
- d. Secretary Moore explained that part of the intention for the partner capacity funding is to try and ensure we have the framework and structure in place to support the spending of these dollars.
- e. Secretary Young pointed the Clean Water Board members to supporting material #8 which included public comment for their consideration.

3. Public Comment

Public comment from Vermont Association of Conservation Districts Executive Director Jill Arace confirmed what the Agencies had expressed in terms of high demand for funds. The State Natural Resources Conservation Council holds a block grant from the Department of Environmental Conservation to support natural resource, stormwater, and three-acre clean water projects. They hosted a very early funding round and found the program already over-subscribed for funds that they had expected to be spent over a two-year period. Projects are a mix of design and shovel-ready implementation work.

4. Discuss and approve draft revised SFY 2022 clean water budget proposal

Full Board

Secretary Young entertained a motion to approve the revised SFY 2022 clean water budget recommendation, as presented. Motion was made by VTrans Secretary Joe Flynn, seconded by AAFM Director of Administrative Services Diane Bothfeld. No discussion. Motion passed.

5. Preview draft SFY 2023 clean water budget process

Emily Bird, Department of Environmental Conservation Clean Water Initiative Program Manager
Emily Bird explained that the SFY 2023 budget process (supporting material #9) will be the first year budgeting for new funding programs under Clean Water Service Delivery Act (Act 76 of 2019). As such, the timeline for the SFY 2023 budget process has been pushed back a month to allow the Agency time to develop the Water Quality Restoration Formula Grant allocations needed to inform the SFY 2023 budget process. The SFY 2023 proposal will include Clean Water Fund, Capital Bill, and \$10 million in ARPA funds. No questions were offered.

6. Review Clean Water Fund operating statement and revenue projections

Emily Byrne, Agency of Natural Resources Director of Finance and Administration

Emily Byrne provided an overview of Clean Water Fund operating statement (supporting material #10), including revenue actuals for SFY 2021 and projections for SFY 2022–2024. For SFY 2021, all revenue streams came in overbudget. The majority of this increase in revenue was due to an increase in property transfers, which economists believe is a one-time anomaly and is expected to return to normal levels for SFY 2023–2024. Meals and Rooms tax revenue appear to increase significantly

since SFY 2020, due to the fact that revenue was allocated towards the Clean Water Fund for only part of the SFY 2020. No questions were offered.

7. Update on Audit

AoA Secretary Young provided an update on the status of the legislatively required independent audit of the Clean Water Fund. An original RFP was released in the spring of 2020 but no bids were received and work was delayed by the COVID-19 pandemic. The legislature granted an extension and the new deadline is January 2023. The RFP is expected to be released very shortly. If no qualified bids are received, the Clean Water Board will have to make a recommendation to the legislature as to whether this mandate should be modified.

8. Adjourn

Secretary Young entertained a motion to adjourn. Motion was made by Chad Tyler, seconded by ANR Secretary Julie Moore. Motion to adjourn passed at 4:12 pm.

Supporting Materials:

1. December 2, 2020 Draft Clean Water Board Meeting Minutes
2. January 22, 2021 Draft Clean Water Board Meeting Minutes
3. April 19, 2021 Draft Clean Water Board Meeting Minutes
4. June 30, 2021 Draft Clean Water Board Meeting Minutes
5. Memorandum: FY22 Clean Water Board Funding Allocation (August 10, 2021)
6. Draft Revised SFY 2022 Clean Water Budget (August 12, 2021)
7. Draft Revised SFY 2022 Clean Water Budget Line-Item Descriptions (August 12, 2021)
8. Public Comment Letter to the Clean Water Board (July 15, 2021)
9. Draft SFY 2023 Clean Water Budget Process (August 12, 2021)
10. Clean Water Fund Operating Statement and Revenue Projections (August 9, 2021)