

STATE FISCAL YEAR 2023 CLEAN WATER INITIATIVE PROGRAM SPENDING PLAN

The Department of Environmental Conservation (DEC) Clean Water Initiative Program (CWIP) translates its annual Clean Water Budget appropriations, presented in Table 1 below, into annual Spending Plans. Table 2 presents the State Fiscal Year 2023 (SFY23) CWIP Spending Plan. The CWIP Spending Plan is a communication and planning tool to provide information to clean water project proponents and prospective grant/contract recipients on the types of funding programs and initiatives available in the coming year. CWIP's Spending Plan also serves as an internal planning tool to track annual progress implementing funding programs and initiatives.

For more information on CWIP funding opportunities, visit: <https://dec.vermont.gov/water-investment/cwi/grants>.

CWIP-Administered Clean Water Budget Line Items

Table 1 shows an excerpt from the SFY23 Clean Water Budget of CWIP-administered line items. Most CWIP-administered line items are funded wholly from the Clean Water Fund. The Municipal Three-Acre General Permit and Municipal Separate Storm Sewer System (MS4) line item (2.23) includes additional contributions from the American Rescue Plan Act (ARPA), as appropriated by the State Legislature and programmed by the Clean Water Board.

Table 1. CWIP-administered SFY23 Clean Water Budget line items

No.	Programmatic Financial Tracking Category	Clean Water Budget Line-Item Activity	Clean Water Board Budget As Passed June 9, 2022
1.1	Formula Grants	Water Quality Restoration Formula Grants to Clean Water Service Providers	\$7,000,000
1.2	Formula Grants Operation and Maintenance	Water Quality Restoration Formula Grants to Clean Water Service Providers Operation and Maintenance (O&M)	\$210,000
1.3	Multi-Sector	Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	\$650,000
1.41	Enhancement Grants	Statewide Non-regulatory Clean Water Projects (not to Overlap with Formula Grants)	\$5,000,000
1.62	Multi-Sector	Program and Partner Support	\$950,540
2.23	Municipal Stormwater	Municipal Three-Acre General Permit and MS4	\$6,050,000
2.4	Multi-Sector	Innovative or Alternative Technologies or Practices to Improve Water Quality	\$0
Total			\$19,860,540

Adjustments to the CWIP Spending Plan

CWIP Spending Plans are subject to change throughout the course of the year based on demand, administrative capacity, and as unforeseen needs arise. While the Spending Plan is subject to change, it will remain consistent with the Clean Water Budget line-item activities and total dollar amounts, shown in Table 1.

The CWIP makes every effort to minimize changes to the Spending Plan outside of the Spending Plan development process. One-off changes and/or new requests to the Spending Plan present challenges for our program and partners from a workload prioritization and transparency perspective. As CWIP funding programs transition to employ more block grant and formula grant funding structures, CWIP anticipates a decreased ability to respond to new requests. Accordingly, project-specific requests will be directed towards block and formula grants where appropriate. CWIP will evaluate any requested changes outside of the Spending Plan development process using the following considerations:

- Does the request align with the intent of the Clean Water Fund?
- Does the request align with the applicable eligibility screens within the CWIP Funding Policy?
- Is there an existing spending initiative or grant program that could otherwise support this request?
- Is there an available technical project manager and does CWIP and the Administration and Innovation Division (AID) have sufficient capacity to reprioritize to meet this request?
- How does this request rank against the other priorities in the Spending Plan?
- Are there sufficient available funds to cover the new request?

CWIP may identify available funds by restructuring the current Spending Plan as appropriate, or by reprogramming funds from prior fiscal years, which materialize when projects close out under budget. CWIP reprograms prior year dollars where feasible to efficiently meet the substantial budget demands but is careful to confirm whether the newly requested activity meets the original intent of the identified available funds, as determined in the Clean Water Board recommended budget.

Table 2. SFY23 CWIP Spending Plan. **Subject to change.** Dark green shaded rows indicate Clean Water Service Delivery Act (Act 76 of 2019) statutory priority of spending initiatives, gold indicates sub-categories, and orange indicates sub-categories' subtotals where applicable.

Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
1	Clean Water Budget Tier 1 Statutory Priority				
1.01	Water Quality Restoration Formula Grants				
1.01.01	Water Quality Restoration Formula Grants to Clean Water Service Providers	To award grants to Clean Water Service Providers to meet the pollutant reduction requirements. The grant amount shall be based on the annual pollutant reduction goal established for the Clean Water Service Provider multiplied by the standard cost for pollutant reduction including the costs of administration and reporting. The standard cost shall include the costs of project identification, project design, and project construction.	\$7,000,000	To be encumbered Summer 2022.	Formula Grants
1.01.02	Water Quality Restoration Formula Grants to Clean Water Service Providers (Operations, Maintenance, Inspection and Verification)	Grants to Clean Water Service Providers to fund the reasonable costs associated with the inspection, verification, operation, and maintenance of clean water projects in a basin.	\$210,000	To be co-encumbered with Formula Grants, potentially via amendment Fall 2022.	Formula Grants Operation and Maintenance
	Water Quality Restoration Formula Grants SUBTOTAL		\$7,210,000		
1.02	Water Quality Enhancement Grants				
1.02.01	Dam Removal Design and Implementation Block Grant	Passthrough funds to entities to design and implement dam removal projects. Funds prioritized outside Formula Grant Basins.	\$1,000,000	To be encumbered Winter 2022-2023.	Enhancement Grants

¹ Encumbered funds are those committed in an executed contract or grant agreement or amendment. Target dates for encumbrance indicate target timelines for when agreements or amendments are executed. Renewals extend an existing grant agreement or contract for an additional term with an identical scope of work.

² Refer to Table 1.

All values in Table 2 subject to change over the course of the State Fiscal Year.

Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
1.02.02	Woody Riparian Buffer Block Grant	Passthrough funds to entities to implement high priority, cost-effective, native riparian woody buffer plantings. Funds prioritized outside Formula Grant Basins.	\$0 ³	N/A. SFY24 to be encumbered July 1, 2023.	Enhancement Grants
1.02.03	River Corridor Easements	Passthrough funds to entities to develop and implement River Corridor Conservation Easement projects. Funds target protection and restoration of critical river corridor and floodplain property. Funds directed outside Formula Grant Basins.	\$1,100,000	To be encumbered to existing master contracts through quarterly mini-Requests for Proposals.	Enhancement Grants
1.02.04	Multi-sector Assessments	Passthrough funds to entities to perform assessments in priority subwatersheds to identify and prioritize clean water projects through Stream Geomorphic Assessments and River Corridor Plans, Stormwater Master Planning, Lake Wise and Lake Watershed Action Planning. Funds prioritized outside Formula Grant Basins.	\$340,000	Various. To be encumbered Summer 2022 through Spring 2023.	Enhancement Grants
1.02.05	Project Development, Design, and Implementation Block Grant	Passthrough funds to entities to support partners in the development, design, and implementation of stormwater and natural resource projects for clean water. Individual projects are identified in Tactical Basin Plans and listed in DEC Watershed Projects Database. Funds prioritized outside Formula Grant Basins.	\$2,310,000	To be encumbered Winter 2022-2023.	Enhancement Grants
1.02.06	Regional Conservation Partnership Program (RCPP) Wetland Incentives	Provides incentive payments to landowners, in addition to Natural Resource Conservation Service's (NRCS) Wetlands Reserve Easements Program, to increase landowner participation in wetlands restoration projects. Serves as DEC's significant contribution to the State of Vermont RCPP. Funds available state-wide.	\$250,000	On-going.	Enhancement Grants
Water Quality Enhancement Grants SUBTOTAL			\$5,000,000		

³ Obligations to resume SFY24. Proposed one-year pause in new funds in SFY23 based on current rate of spend down of prior year funds by block grant holders and projected remaining funds.

Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
1.03	Tactical Basin Planning	Supports partners' participation and outreach throughout the Tactical Basin Planning process and Basin Water Quality Council participation, pursuant to 10 V.S.A. § 1253(d)(3).	\$650,000	Encumbered July 2022.	Multi-Sector
1.04	Program and Partner Support				
1.04.01	Clean Water Workforce Capacity Development	Supports partners in addressing unmet capacity needs to aid in the transition from prior funding initiatives, ending in SFY22, to funding initiatives under Act 76 of 2019, beginning SFY23, and to ensure a strong partnership network that can deliver high quality and high priority clean water projects.	\$294,984	To be co-encumbered with a portion of SFY22 dollars Spring 2023.	Multi-Sector
1.04.02	Technical Development of Tracking, Accounting, Target-Setting	Supports DEC and partners in developing and addressing gaps in tracking, accounting, and target-setting methodologies, tools, trainings, and processes to meet Act 76 requirements.	\$3,500	To be co-encumbered with a portion of SFY22 dollars Spring 2023.	Multi-Sector
1.04.03	Analytical Services for Community Science Water Quality Monitoring	Supports water quality lab analytical expenses and related supplies for community science water quality monitoring efforts, including the LaRosa Partnership Program.	\$100,000	On-going.	Multi-Sector
1.04.04	Lake Champlain Subwatershed Conservation Effects Assessment Program (CEAP)	DEC-CWIP's contribution to the U.S. Department of Agriculture Natural Resources Conservation Service's (NRCS) CEAP, evaluating agricultural best management practices' effectiveness. DEC-CWIP's contribution to CEAP funds a U.S. Geological Survey stream gage necessary for the water quality monitoring work.	\$53,350	To be encumbered October 2022.	Multi-Sector
1.04.05	Clean Water Partners' Eco AmeriCorps	Supports DEC match requirement to federal AmeriCorps grant by directly funding the time of Eco AmeriCorps members serving at Vermont organizations implementing clean water projects.	\$100,000	On-going.	Multi-Sector
1.04.06	Grants and Financial Management Personnel	Supports 2 Full Time Equivalent (FTE) Grants Management Specialists in DEC's Administration	\$230,000	N/A.	Multi-Sector

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Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
		and Innovation Division (AID) to administer CWIP grants and contracts.			
1.04.07	Rivers Projects Technical and Legal Assistance	Supports external site hosting and data management services for Functioning Floodplain Initiative (FFI) tools, updates to the Rivers Program GIS platform in tandem with updates to Stream Geomorphic Assessment Tool (SGAT) digitization efforts, and an MOA with VT Dept. of Forests, Parks and Recreation to perform field survey work as part of the River Corridor Easement (RCE) Program.	\$59,540	On-going.	Multi-Sector
1.04.08	Municipal Wastewater Treatment Facility Technical Assistance, Education, and Outreach	Passthrough funds to entity to develop and implement a plan to provide education, outreach, and technical assistance to Wastewater Treatment Facility (WWTF) operators subject to major nutrient Total Maximum Daily Loads (TMDLs) (e.g., Long Island Sound Nitrogen TMDL and Lake Champlain Phosphorus TMDLs).	\$89,166	Encumbered July 2022.	Multi-Sector
1.04.09	UVM Sea Grant - Lake Watershed Management Position Support	Passthrough funds to University of Vermont-Lake Champlain Sea Grant to provide technical assistance on behalf of the Lakes and Ponds Program. Co-funded by Lake Champlain Sea Grant.	\$0 ⁴	To be encumbered May 2023.	Multi-Sector
1.04.10	UVM Sea Grant - Green Infrastructure Collaborative	Passthrough funds to University of Vermont-Lake Champlain Sea Grant to manage the Green Infrastructure Collaborative (GIC), a partnership to promote Green Stormwater Infrastructure (GSI) and natural asset management in Vermont. Co-funded by Lake Champlain Sea Grant.	\$0 ⁵	N/A.	Multi-Sector
1.04.11	Illicit Discharge Detection and Elimination (IDDE)	Illicit discharges are discharges of wastewater or industrial process water into a stormwater-only	\$20,000	To be encumbered Spring 2023.	Multi-Sector

⁴ May 2023 amendment for \$65,000 will be funded with re-programmed prior-year dollars.

⁵ SFY22 dollars supported a two-year contract renewal so no funds are needed from SFY23. Plan to allocate additional funds in SFY24.

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Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
		drainage system. Initiative supports municipalities not subject to the EPA Phase 2 Stormwater Rule by mapping drainage systems and performing IDDE services.			
Program and Partner Support SUBTOTAL			\$950,540		
2	Clean Water Budget Tier 2 Statutory Priority				
2.01	Municipal Stormwater Implementation Grants				
2.01.01	Municipal Separate Storm Sewer System (MS4) Community Formula Grants	This Formula Grant program will assist MS4 communities with developing and implementing clean water projects to comply with MS4 permit obligations to implement Flow Restoration Plans and Phosphorus Control Plans.	\$2,987,000	To be encumbered Spring 2023.	Municipal Stormwater
2.01.02	Municipal Roads Grants-in-Aid Equipment	Provides funds to municipalities to purchase equipment to implement Municipal Roads General Permit standards. SFY23 funds address final equipment requests from program waitlist.	\$237,000	To be encumbered Fall 2022.	Municipal Stormwater
2.01.03	Green Schools Initiative	Passthrough funds to entities to assist public schools in Lake Champlain and Memphremagog basins in obtaining and complying with the Three-Acre General Permit (design, permitting, construction). Co-funded with Lake Champlain Basin Program federal funds administered by DEC-CWIP.	\$2,826,000	To be encumbered Spring 2023.	Municipal Stormwater
Municipal Stormwater Implementation Grants SUBTOTAL			\$6,050,000⁶		

⁶ Funds available for “Municipal Stormwater Implementation Grants” are a combination of \$1.55 million from the Clean Water Fund and \$4.5 million from the American Rescue Plan Act (ARPA).

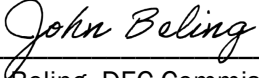
Line Item No.	Spending Initiative	Spending Initiative Summary	Amount	Target Timing ¹	Programmatic Financial Tracking Category ²
2.02	Innovative or Alternative Technologies or Practices to Improve Water Quality	Funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy.	\$0 ⁷	N/A.	Multi-Sector
TOTAL			\$19,860,540		

⁷ This line item is populated with funds on an as-needed basis, at the Clean Water Budget-level and CWIP Spending Plan-level. No funding needs are projected for SFY23, as the Agency of Agriculture, Food and Markets (AAFM)-administered Vermont Phosphorus Innovation Challenge (VPIC) is in progress with prior year funding. The State of Vermont will review the results of the VPIC projects and identify funding needs for innovation investments as part of the SFY24 Clean Water Budget process.

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DEPARTMENT OF ENVIRONMENTAL CONSERVATION COMMISSIONER APPROVAL

This State Fiscal Year 2023 Clean Water Initiative Program Spending Plan is approved by the Department of Environmental Conservation Commissioner.



John Beling, DEC Commissioner

7/20/22
Date

Spending Plan is available electronically at: <https://dec.vermont.gov/water-investment/cwi/grants>.

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