

TRANSMITTAL MEMO

TO: LAMOILLE BASIN WATER QUALITY COUNCIL (BWQC)
FR: LAMOILLE BASIN CLEAN WATER SERVICE PROVIDER (CWSP) STAFF
RE: MATERIALS FOR MEETING ON 1/25/24
DA: 1/18/24

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Greetings, Lamoille BWQC members and others. The next meeting will take place on January 18. Please let me know if you have any questions regarding the agenda or the meeting. Also, please note that representative Bruce Wheeler (Wolcott) has submitted his resignation owing to other commitments. **We thank Bruce for the time and energy he dedicated to the BWQC.**

Conflict of interest disclosures, if any

As many of you know, this recurring agenda item provides BWQC members and others opportunity to note possible conflicts of interest regarding agenda items.

Seating of any new representatives or alternates

This is a standard agenda item that allows BWQC members to acknowledge new representatives or alternates.

Policy on Budget Adjustments

At the BWQC's meeting in November, members discussed the possibility of establishing a policy regarding budget adjustments. A series of alternative proposals were considered. BWQC members appear to be in favor of adopting a policy but wished to have more time to reflect on their options. The packet includes illustrations of a series of options the BWQC may wish to consider.

Input on Cost Effectiveness

DEC staff have asked BWQCs to discuss and provide their views on project cost effectiveness. DEC staff have expressed interest in understanding whether BWQCs believe there is a point where a project's P-reduction cost effectiveness essentially becomes too poor to warrant consideration as part of the CWSP-BWQC application process. When a project's P-reduction cost effectiveness is poor, it would instead be directed to other funding programs that focus on other types of project benefits. As noted in the attached memo, CWSP staff is generally hesitant to identify or recommend a firm threshold of cost effectiveness that might prevent the CWSP and BWQC from considering projects.

Adoption of Completed Projects

Project adoption term refers to a process where already-completed water quality projects may be added to a CWSP's phosphorus reduction balance sheet and qualify for CWSP operations and maintenance funding. DEC recently released a draft document (Guidance chapter 7 "Operation and Maintenance") outlining how this process might work. Attached please find an excerpt from the draft guidance document, along with two graphics I hope will help BWQC members understand the proposed process and the possible road ahead.

[continues]

Farm Project Refresher

CWSP project eligibility is largely determined by the CWIP Funding Policy and the Act 76 Rule. In the case of projects in farm settings, it is crucial to understand that 90 percent or more of water quality projects will be under the purview of the Agency of Agriculture, Food, and Markets (AAFM). Even projects that by definition qualify for CWSP funding must undergo a review process where AAFM determines the project is eligible. We are including time on the agenda for a “Farm Project refresher” to assist those who might be considering projects in agricultural settings.

DEC Clean Water Network Summit

On Friday, April 5, Vermont DEC will be hosting what is being called a Clean Water Network Summit. The event will take place at St. Leo’s Hall (109 Main Street) in Waterbury, starting at 9:00 AM. Per DEC staff, refreshments and lunch will be provided to the first 100 participants who register. DEC intends to have a virtual option for those who cannot attend in-person, although in-person attention is strongly encouraged. DEC has not yet finalized the agenda, but I have a high degree of confidence it will include time for each basin to provide an update on activities in their territory. Staff will be working with the Chair and Vice-Chair to prepare for any such opportunity.

Updates and conclusion

This time will be available for discussion of future meeting topics and updates. If you would like to mention any of your own, please let us know.

Thanks to all who participate.

Agenda

AGENDA

Lamoille Basin Water Quality Council (BWQC)

Thursday, January 25, 2025

9:00 -11:00 AM

Remote /Zoom meeting

(Zoom details below)

1. Welcome and Introductions
2. Meeting protocols
3. Conflict of interest declarations, if any
4. Review/adjust and approve agenda
5. Approval of Minutes
6. Public comment not related to items on agenda
7. Seating of any new reps or alternate(s)
8. Policy on Budget Adjustments
9. Input on Cost effectiveness
10. Adoption of completed projects
11. Farm Project refresher
12. DEC clean water network summit (April 5)
13. Updates and Conclusion

Please Note: The schedule for the upcoming application round in Lamoille Basin is as follows:

round	Open	Dead line
4	February 7, 2024	March 14, 2024

Join Zoom Meeting

<https://us02web.zoom.us/j/86562460349?pwd=dCtISjdHSGI1OFZ6Z2ZndTRPQ1pRQT09>

Meeting ID: 865 6246 0349

Passcode: 031502

One tap mobile

+13052241968,,86562460349# US

+13092053325,,86562460349# US

Dial by your location

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

Staffing provided by Northwest Regional Planning Commission (NRPC), the Basin 6 Clean Water Service Provider. NRPC's physical / mailing address is 75 Fairfield Street, St. Albans, Vermont 05482.

NRPC will ensure public meeting sites are accessible to all people or provide an opportunity to request accommodations. Requests for free interpretive or translation services, assistive devices, or other requested accommodations, should be made to Amy Adams, NRPC Title VI Coordinator, at 802-524-5958 or aaadams@nrpcvt.com. NRPC will accommodate requests made no later than 3 business days prior to the meeting for which services are requested, and will strive to accommodate all other requests. This support is provided in accordance with provisions of the Americans with Disabilities Act (ADA) of 1990.

Approval of Minutes

Lamoille Basin Water Quality Council (BWQC) Meeting Draft Minutes

Friday, November 17, 2023 9:00 -11:00 AM
Virtual Meeting/Held Via Zoom* (computer/smartphone/tablet etc.)

Meeting video posted at <https://youtu.be/ZEJImDvQSU>

Attendance: Peter Danforth (Q), JoAnn Hanowski (Q), Richard Goff (Q), Sarah Hadd (Q), Lauren Weston (Q), Sai Sarepalli (Q) Kent Henderson (Q), Meghan Rodier, Ken Minck.

(Q=toward quorum)

Staff: Dean Pierce, Sara Gratz

Guests: Karen Bates, Adelaide Dumm

1. Welcome and Introductions

Peter Danforth opened the meeting as Chair at 9:02 a.m. Attendees introduced themselves.

2. Meeting protocols

Peter Danforth reviewed the meeting protocols.

3. Conflict of interest declarations, if any

Richard Goff stated that he would abstain from voting for the proposed budget adjustments.

4. Review/adjust and approve agenda

Lauren Weston moved to approve the agenda. Richard Goff seconded. Motion adopted.

5. Approval of Minutes

JoAnn Hanowski motioned to approved the minutes from the last meeting. Lauren Weston seconded. Motion adopted. Sarah Hadd and Kent Henderson abstained.

6. Public comment not related to items on agenda

No comments were made.

7. Seating of any new reps or alternate(s)

No new reps or alternates were seated. Discussion followed to seat Adelaide Dumm as alternate to Lauren Weston at the next meeting.

8. Budget adjustment requests (two projects)

Dean Pierce discussed two projects that were requesting budget adjustments and recommended both for approval.

Meghan Rodier explained the need for the budgets to be adjusted on both projects.

Kent Henderson motioned to approve the budget adjustments. Sarah Hadd seconded. Richard Goff abstained. Motion adopted.

9. Policy on Budget Adjustments

Dean Pierce shared a policy on budget adjustments that has been implemented in the Basin 5 BWQC, and discussed in the Basin 6 BWQC.

A discussion followed with suggestions on how the policy could be adjusted to limit the amount that can be approved by CWSP staff without Council input, accommodate different funding needs in various phases of project development, and allow for projects to access additional funds in a timely manner to prevent delays.

A decision was made to have a policy proposal ready for vote at the next meeting in January.

10. Training regarding Cultural Resource Assessment

Dean Pierce gave a brief presentation on the Cultural Resource Assessment and discussed the process for project review.

A discussion followed regarding frustrations with the review process being slow and hampering project progress.

11. Updates and Conclusion

Dean Pierce provided an update on a future funding round that will open in February, with projects that will be seeking approval at the meeting in March. He also gave an update on the amount of funding that is still available for projects and budget adjustments, and discussed DEC's Guidance Chapters that track CWSP progress.

Lauren Weston asked about a policy on public participation and a discussion followed regarding increasing public involvement.

Lauren Weston motioned to adjourn meeting at 10:29. Richard Goff seconded. Motion adopted.

Seating of any new reps or alternate(s)

As noted in the cover materials, Bruce Wheeler has announced his resignation from the Council. A search for a new municipal representative is underway.

We thank Bruce for his service.

Policy on Budget Adjustments

MEMORANDUM

TO: LAMOILLE BASIN WATER QUALITY COUNCIL
FR: CWSP STAFF
RE: UPDATED POLICY PROPOSAL REGARDING BUDGET ADJUSTMENTS
DA: JANUARY 18, 2024

At the BWQC's meeting in November, members discussed the possibility of establishing a policy regarding budget adjustments. As noted in an earlier memo, BWQCs are responsible for approving funds for projects and CWSP staff are responsible for overseeing subgrant and procurement processes once funds have been approved. Projects that require budget adjustments (as illustrated by the two requests considered at the last meeting) can face delays. That is why at least one other BWQC has adopted a policy allowing for streamlined approval of certain budget changes.

A series of alternative proposals were considered at the November meeting. BWQC members appear to be in favor of adopting a policy but wished to have more time to reflect on their options. Attached please find illustrations of the options that have been discussed so far. Also attached is an example from Basin 6, which also has considered the need for a budget adjustment policy.

DRAFT Lamoille Basin CWSP/BWQC Project Budget Adjustment Policy DRAFT

-BASELINE PROPOSAL-

Adopted by BWQC:

Adopted by CWSP:

Policy

It shall be the policy of the Lamoille basin CWSP and BWQC to allow for modest adjustments to previously approved project budgets using a simplified process as described below.

Previously approved project budgets (eg., those approved as part previous funding rounds) shall be eligible for adjustment retroactively. Project budgets approved as part of future funding rounds will be approved with the understanding they are modifiable according this policy.

When a project sponsor proposes an amendment to a project budget for a good and valid reasons, the budget amendment may be authorized on an expedited basis as follows:

- Changes of up to 10% of the project budget may be approved at the descretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget may be approved at the descretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

Any budget changes approved by CWSP staff and/or the Chair and Vice Chair shall be listed as information items on the meeting agenda subsequent to any approval.

Amendment

This policy may be amended by vote of the BWQC as deemed appropriate by the CWSP and BWQC.

Adoption

Adopted at _____ meeting of Lamoille Basin Water Quality Council

DRAFT Lamoille Basin CWSP/BWQC Project Budget Adjustment Policy DRAFT

-ALTERNATIVE 1 -

Adopted by BWQC:

Adopted by CWSP:

Policy

It shall be the policy of the Lamoille basin CWSP and BWQC to allow for modest adjustments to previously approved project budgets using a simplified process as described below.

Previously approved project budgets (eg., those approved as part previous funding rounds) shall be eligible for adjustment retroactively. Project budgets approved as part of future funding rounds will be approved with the understanding they are modifiable according this policy.

When a project sponsor proposes an amendment to a project budget for a good and valid reasons, the budget amendment may be authorized on an expedited basis as follows:

- Changes of up to 10% of the project budget **and with an absolute value of \$10,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$20,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$20,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

Any budget changes approved by CWSP staff and/or the Chair and Vice Chair shall be listed as information items on the meeting agenda subsequent to any approval.

Amendment

This policy may be amended by vote of the BWQC as deemed appropriate by the CWSP and BWQC.

Adoption

Adopted at _____ meeting of Lamoille Basin Water Quality Council

DRAFT Lamoille Basin CWSP/BWQC Project Budget Adjustment Policy DRAFT

-ALTERNATIVE 2 -

Adopted by BWQC:

Adopted by CWSP:

Policy

It shall be the policy of the Lamoille basin CWSP and BWQC to allow for modest adjustments to previously approved project budgets using a simplified process as described below.

Previously approved project budgets (eg., those approved as part previous funding rounds) shall be eligible for adjustment retroactively. Project budgets approved as part of future funding rounds will be approved with the understanding they are modifiable according this policy.

When a project sponsor proposes an amendment to a project budget for a good and valid reasons, the budget amendment may be authorized on an expedited basis as follows:

For Assessment/Identification/Development Projects

- Changes of up to 10% of the project budget **and with an absolute value of \$5,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$10,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$10,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

For Design/Implementation Projects

- Changes of up to 10% of the project budget **and with an absolute value of \$10,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$20,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$20,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

Amendment

This policy may be amended by vote of the BWQC as deemed appropriate by the CWSP and BWQC.

Adoption

Adopted at _____ meeting of Lamoille Basin Water Quality Council

DRAFT Lamoille Basin CWSP/BWQC Project Budget Adjustment Policy DRAFT

-ALTERNATIVE 3 -

Adopted by BWQC:

Adopted by CWSP:

Policy

It shall be the policy of the Lamoille basin CWSP and BWQC to allow for modest adjustments to previously approved project budgets using a simplified process as described below.

Previously approved project budgets (eg., those approved as part previous funding rounds) shall be eligible for adjustment retroactively. Project budgets approved as part of future funding rounds will be approved with the understanding they are modifiable according this policy.

When a project sponsor proposes an amendment to a project budget for a good and valid reasons, the budget amendment may be authorized on an expedited basis as follows:

For Assessment/Identification/Development Projects

- Changes of up to 10% of the project budget **and with an absolute value of \$5,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$10,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$10,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

For Design/Implementation Projects with estimated total **project costs of less than \$150,000.**

- Changes of up to 10% of the project budget **and with an absolute value of \$10,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$20,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$20,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

For Design/Implementation Projects with estimated total **project costs of \$150,000 or more.**

- Changes of up to 10% of the project budget **and with an absolute value of \$15,000 or less**, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget **and with an absolute value of \$30,000 or less**, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget **or with an absolute value of more than \$30,000**, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

Any budget changes approved by CWSP staff and/or the Chair and Vice Chair shall be listed as information items on the meeting agenda subsequent to any approval.

Amendment

This policy may be amended by vote of the BWQC as deemed appropriate by the CWSP and BWQC.

Adoption

Adopted at _____ meeting of Lamoille Basin Water Quality Council

Basin 6 preferred alternative	
Graduated percentages*	
Three levels three types	
Assessment / ID/ Project Development Projects	
<=10%, but capped a \$10,000	CWSP staff may approve
>10% and <20%, but capped at \$20,000	CWSP staff with concurrence of Chair and Vice Chair (or 2 BWQC members) may approve
>20% and up, or any request > \$20,000	Requires action by full BWQC
Design Project / implementation Project costing less than \$150k	
<=10%, but capped a \$20,000	CWSP staff may approve
>10% and <20%, but capped at \$40,000	CWSP staff with concurrence of Chair and Vice Chair (or 2 BWQC members) may approve
>20% and up, or any request > \$40,000	Requires action by full BWQC
Design Project / implementation Project costing less than \$150k	
<=10%, but capped a \$30,000	CWSP staff may approve
>10% and <20%, but capped at \$60,000	CWSP staff with concurrence of Chair and Vice Chair (or 2 BWQC members) may approve
>20% and up, or any request > \$60,000	Requires action by full BWQC

For Assessment/Identification/Development Projects

- Changes of up to 10% of the project budget and with an absolute value of \$10,000 or less, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget and with an absolute value of \$20,000 or less, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget or with an absolute value of more than \$20,000, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

For Design/Implementation Projects with estimated total project costs of less than \$150,000.

- Changes of up to 10% of the project budget and with an absolute value of \$20,000 or less, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget and with an absolute value of \$40,000 or less, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget or with an absolute value of more than \$40,000, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

For Design/Implementation Projects with estimated total project costs of \$150,000 or more.

- Changes of up to 10% of the project budget and with an absolute value of \$30,000 or less, may be approved at the discretion of CWSP staff;
- Changes of more than 10% but less than 20% of the project budget and with an absolute value of \$60,000 or less, may be approved at the discretion of CWSP staff with concurrence of the BWQC Chair and Vice Chair (or in the event the Chair and/or Vice Chair have a conflict, with the concurrence at least two BWQC members without conflicts of interest);
- Changes of more than 20% of the project budget or with an absolute value of more than \$60,000, may be approved only by a vote of the BWQC and will be scheduled as expeditiously as schedules allow.

Input on Cost Effectiveness

MEMO

TO: LAMOILLE BASIN WATER QUALITY COUNCIL
FR: CWSP STAFF
RE: **Input on Cost effectiveness**
DA: 1/18/24

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DEC staff have asked BWQCs to discuss and provide their views on project cost effectiveness. A project is thought to have a desirable cost effectiveness when the **ratio of annual phosphorus reduction** (in KG) **to total project costs** (in \$) is high. Thus, a project where it cost an average of \$5000 to reduce a KG of phosphorus is more attractive than a project where the average cost to reduce a KG of phosphorus is \$25000.

Table 1 on the following page depicts a set of average P-reduction costs compiled by DEC around 2021 and included in a methodology paper finalized in 2022. When CWSPs began their work, the values in this table were seen as generally helpful points of reference, since they also provided a basis for the amount of funding each CWSP received for project implementation.

Experience has shown that costs of projects developed during and after the COVID era in many cases are considerably higher than reference costs. CWSPs have advocated for DEC to update or adjust costs for inflation, and DEC has agreed. However, the timetable for release of updated numbers is unclear.

Within this context, DEC staff have expressed interest in understanding whether BWQCs believe there is a point where a project’s P-reduction cost effectiveness essentially becomes too poor to warrant consideration as part of the CWSP-BWQC application process. When a project’s P-reduction cost effectiveness is poor, it would instead be directed to other funding programs that focus on other types of project benefits.

CWSP staff is generally hesitant to identify or recommend a firm threshold of cost effectiveness that might prevent the CWSP and BWQC from considering projects. We do not wish to limit the options of either the CWSP or the BWQC. If requested at the meeting, CWSP staff will be able to offer threshold values that may be a potential starting point.

Table 1. Project categories estimated design/engineering (if applicable) and construction costs per total phosphorus load reduction (kg/yr) averaged by non-regulatory target sector.

Non-regulatory Target Sector	Project categories representing cost of implementing non-regulatory targets	Estimated design/engineering (if applicable) and construction cost per total phosphorus load reduction (\$/kg/yr)
Streams+	Floodplain/stream restoration*	\$16,647
	River corridor easement	\$10,041
	Riparian buffer restoration**	\$5,116
	Streams Average	\$10,601
Developed	Stormwater best management practices (BMPs)	\$46,026
	Non-regulatory road BMPs	\$3,153
	Riparian buffer restoration**	\$5,116
	Lake shoreline restoration***	\$8,333
	Lake shoreland runoff treatment	\$16,482
	Developed Average	\$15,822
Farm Field++	Riparian buffer restoration**	\$5,116
	Lake shoreline restoration***	\$8,333
	Farm Field Average	\$6,725
Forest+++	Non-regulatory forest road BMPs	\$15,245
	Riparian buffer restoration**	\$5,116
	Lake shoreline restoration***	\$8,333
	Forest Average	\$9,565

Basis for DEC Request regarding Cost Effectiveness.

The following is an Excerpt from Chapter 6 of DEC Guidance:

(1) After a few project selection rounds Clean Water Service Providers (CWSP) and their Basin Water Quality Councils are strongly encouraged to identify and post a minimum acceptable phosphorus reduction cost effectiveness for projects they are willing to entertain. This would be called their “cost-effectiveness threshold.” In the absence of a cost-effectiveness threshold there is no clear way to determine whether a project located in the “Formula Grant” basins is a “better fit” for Water Quality Restoration Formula grants as opposed to Water Quality Enhancement grants. If “better fit” is unknown, Water Quality Enhancement Grant Funding Program Administrator(s) do not need to discuss every project with a phosphorus reduction potential with the applicable CWSP. In these scenarios, if their project has any projected phosphorus reduction potential, project proponents are simply encouraged but not required to first apply for funding through their local CWSP. The existence of a “cost-effectiveness threshold,” therefore, increases the likelihood of projects being directed towards the CWSP/BWQC.

Adoption of Completed projects

MEMO

TO: LAMOILLE BASIN WATER QUALITY COUNCIL (BWQC)
FR: CWSP STAFF
RE: **Adoption of completed projects**
DA: 1/18/24

=====

As noted in the transmittal memo, CWSP staff and members of BWQCs have been hearing about “project adoption” For some time. Project adoption term refers to a process where already-completed water quality projects may be added to a CWSP’s phosphorus reduction balance sheet and qualify for CWSP operations and maintenance funding.

CWSPs have an incentive to adopt projects because doing so helps them make progress toward their phosphorus reduction targets. Project developers and landowners have an incentive to facilitate project adoption because the project will become eligible for funding to operate and maintain the project.

DEC recently released a draft document (Guidance chapter 7 “Operation and Maintenance”) outlining how this process might work. Attached please find an excerpt from the draft guidance document, along with two graphics I hope will help BWQC members understand the proposed process.

Project Adoption

Project adoption entails a CWSP assuming maintenance responsibilities for a previously implemented clean water project that was not funded under the Water Quality Restoration Formula Grants. The ability for CWSPs to adopt projects provides several benefits to the Water Quality Restoration Formula Grant program and to the State as a whole. Adoption of existing installed clean water projects can:

1. Be a low cost and effective way for a CWSP to make early progress towards their phosphorus reduction targets.
2. Allow CWSPs to mobilize verification and maintenance work earlier on in the Water Quality Restoration Formula Grant implementation process thereby allowing the State to collect information about maintenance costs and any challenges to better inform future guidance and policy decisions.
3. Increase the likelihood that clean water projects will receive needed routine maintenance and continue to function for at least the duration of the design life. While the State expects standard maintenance to continue for previously implemented clean water projects, CWSPs are currently unique in their access to funding to support maintenance needs.

Finding Projects for Adoption

Potential projects can reach the CWSP/BWQC for evaluation and possible adoption in several ways:

- The CWSP may actively solicit proposals or requests from landowners, O&M responsible parties and/or project implementers in their basin.
- The BWQC and consulting DEC Watershed Planner may have knowledge of existing projects that are good candidates for adoption.
- The CWSP may use existing public facing tools such as the Clean Water Project Explorer¹ to learn about the location and status of existing clean water projects. Not all projects displayed in the explorer may be eligible for adoption, as the explorer includes more than just what is found in WPD.

Projects Eligible for Adoption

For a project to be adopted it must meet certain eligibility criteria listed below:

- Must be non-regulatory Clean Water Project.²
- Has a preexisting implementation phase Watershed Projects Database (WPD)³ that was funded by the Clean Water Initiative Program.
- Whose implementer, and/or current O&M responsible party are amenable to the project being adopted.
- And whose current landowner is willing to enter into a site access agreement.

¹ The [Clean Water Project Explorer](#) is an interactive application that displays information on projects that have been funded or completed and includes potential projects in various stages of development, identified through Tactical Basin Planning and listed in the Watershed Projects Database (WPD).

² Projects that are included in or added to MS4 Pollution Control Plans or Flow Restoration Plans are considered regulatory and therefore not eligible for CWSP adoption, including any project originally implemented as non-regulatory and subsequently added to the MS4 permit.

³ Adoption of projects not currently existing in WPD presents duplicative reporting/accounting concerns. Given the current limits of the system, DEC will only be allowing adoption of projects already existing within WPD. In the future, there is a potential the eligibility will be expanded beyond existing WPD projects.

Selecting Projects for Adoption

Once a project has been screened and meets adoption eligibility criteria, CWSPs can consider projects for adoption on a schedule determined through consultation with the BWQC. Landowner liaisons and original project implementers, if known or available, should be engaged and consulted with before reaching out to project landowners when said project is under consideration for adoption, and when the project's potential as an adopted site was not identified through a formal request by the landowner, liaison, or project implementer.

Adoption commitments impact on long term CWSP Operation and Maintenance (O&M) obligations and demands on their Water Quality Restoration Formula Grant budgets should be considered. It is suggested that the CWSP and BWQC establish a scoring and ranking process to prioritize projects that are most appropriate for adoption. Below is a list of suggested factors for the CWSP and BWQC to weigh when considering which projects to adopt. CWSPs, in consultation with their BWQC, should establish a formal decision-making process that reflects which of these factors and others will be considered.

Cost Effectiveness

- **Estimated Annual Phosphorus Reduction⁴:** Is adoption of this project cost-effective in terms of dollars spent per kilogram of phosphorus reduced per year? As in, what is the project's potential phosphorus reduction value, and will that value aid the CWSP towards meeting the assigned phosphorus reduction targets?
- **Current Condition:** What is the current condition of the project and does the project require any upfront repairs to restore its intended function? If yes, what are the estimated upfront repairs and long-term maintenance costs of the project? CWSP can have a qualified verifier conduct an initial verification visit to determine current condition of project, as long as the project implementer and landowner accept. This can take the place of the initial verification visit that is required in the adoption process (as described below) as long as a verification visit has been conducted.

Considerations

- **Maintenance Requirements:** What level of maintenance activity is required to keep the project functional? Some project types require more active and consistent maintenance that can increase overtime for the project to continue to function. Other project types are relatively self-sustaining after implementation.
- **Status of Ongoing Maintenance:** Is there already an existing qualified and resourced responsible party who is performing maintenance? If so, it may not be a high priority for adoption.⁵
- **Co-Benefits⁶:** Are there valuable co-benefits associated with restoring/maintaining the project?

⁴ As new tracking and accounting methods are implemented, there may be instances where a project listed in WPD does not have a phosphorus reduction estimate due to prior gaps in accounting methods at time of implementation. During the adoption process these projects should be updated to reflect current accounting methodologies.

⁵ There may be instances where a pre-existing maintainer is performing the Operation and Maintenance (O&M) and wishes to continue performing the O&M. Certain maintainers would be ineligible to receive compensation, including state entities like VTrans.

⁶ Pursuant to Chapter 6 of Act 76 Guidance (page 16), co-benefits may be considered in the project prioritization process.

- **End of Design Life:** Is the project near the end of its initial design life? If a project is at end of its design life, but receives a functional verification score, then that project's initial design life may be extended as long as required maintenance continues ([see Operation and Maintenance plan section](#)), and the phosphorus reductions associated with the project will continue to count towards phosphorus reduction progress.

Adoption Process

Once projects have been identified as eligible for adoption, several steps are necessary to fully bring these projects into the CWSP portfolio.

1. BWQC votes and approves project for adoption.
2. CWSP works with landowner or landowner liaison to execute Site Access Agreement for adopted project.
3. Conduct an initial verification visit and identify any maintenance or repair concerns. If official verification visit was conducted during project selection process that satisfies this requirement.
4. Update projects to reflect current accounting methodologies if in the instance where a project listed in WPD does not have a phosphorus reduction estimate due to prior gaps in accounting methods at time of implementation.
5. Add adopted projects into routine schedule of verification and maintenance visits for projects in their portfolio and procure project repairs if needed.
6. Report projects that were adopted over the reporting period by submitting information through the required annual Verification and Maintenance Reporting spreadsheet ([see Reporting section](#)). Adopted projects will be linked as a child project to the Formula Grant parent ID in WPD and integrated into the CWSP's formal project portfolio.

Adoption Crediting and Limitations

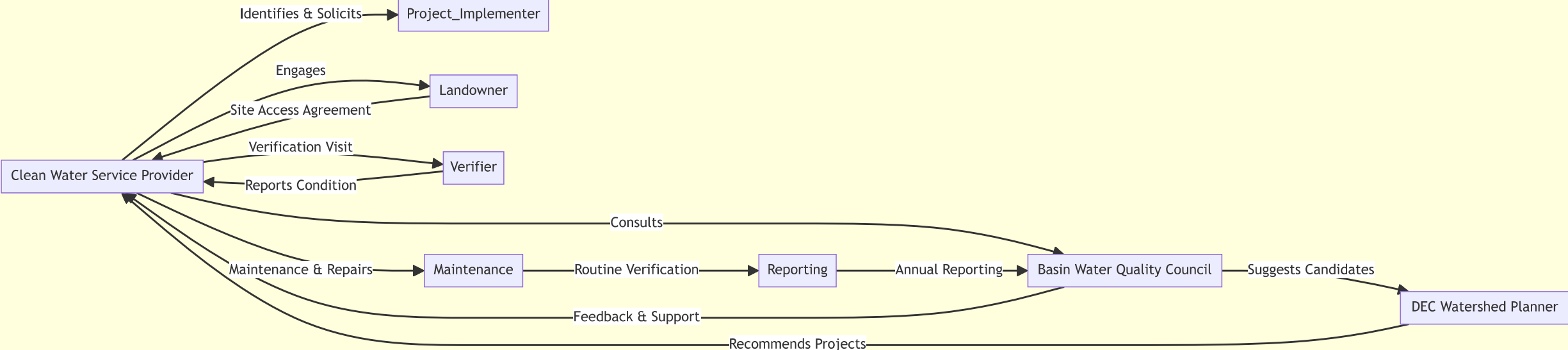
The CWSP should aim to achieve no more than 10% of their cumulative phosphorus reduction allocation⁷ through adoption of previously implemented clean water projects with a currently active operating period at time of adoption. The purpose of the 10% adoption limit is to strike a balance between leveraging benefits of existing projects and the need for CWSPs to implement new projects. Project adoption alone will not achieve Vermont water quality targets. Newly constructed clean water projects are necessary to further progress towards achieving both CWSP and broader TMDL phosphorus reduction targets. Adopted projects whose operating period has expired at the time of adoption are not subject to this 10% limitation because they are not otherwise contributing to the state's phosphorus reduction progress ([see Operating Period End and Extension section](#)).

Operating Period of Adopted Projects

The start date of the adopted project's operating period becomes the date the project was formally adopted and then continues until its original operating period end date. For example, a project adopted at year 5 of a 10-year operating period is adopted, the adoption date becomes the operating period start, and end date is still 10 years from the original start date. The CWSP will receive phosphorus reduction credit starting at date of adoption.

⁷ The cumulative phosphorus reduction allocation is the sum of the annual allocation assigned to a CWSP in their Formula Grant agreements; annual targets are a function of the annual allocation of funding provided to the CWSP using DEC's Fund Allocation Methodology.

Adoption_Process



Farm Project Refresher

MEMO

TO: LAMOILLE BASIN WATER QUALITY COUNCIL (BWQC)
FR: CWSP STAFF
RE: **Farm Project Refresher**
DA: 1/18/24

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In neighboring basins recently (if not also in the Lamoille basin), the importance of understanding when and how organizations wishing to pursue water quality projects in farm settings can move forward has been highlighted. At previous BWQC meetings, discussion has occasionally touched on the fact that, while CWSP funding might be used for certain projects located on farms, the process may be challenging.

CWSP project eligibility is largely determined by the [CWIP Funding Policy](#) and the Act 76 Rule. In the case of projects in farm settings, it is crucial to understand that 90 percent or more of water quality projects will be under the purview of the Agency of Agriculture, Food, and Markets (AAFM). Even projects that by definition qualify for CWSP funding must undergo a review process where AAFM determines the project is eligible.

In light of the potential interest, we are including time on the agenda for a “Farm Project refresher.” Attached materials include a summary email from staff at the (AAFM), a portion of the DEC project screening form, and a “CWSP Project Review flow chart created by AAFM staff.

From: [Gage, Nina](#)
To: [Rottler, Chris](#); [Regina Mahony](#); [alougee](#); [Hilary Solomon](#); [Barbara Noyes-Pulling](#); [Waninger-EXT, Bonnie](#); [mwinslow@acrpc.org](#); [Seelig, G](#); [Karen Freeman](#); [Grace Vinson](#); [John Van Hoesen \(ACRPC\)](#); [Catherine Dimitruk](#); [Dean Pierce](#); [fcohen](#); [Kamman, Neil](#); [Swift, Ethan](#); [Copans, Ben](#); [Petito, Gianna](#); [Bird, Emily](#); [Daniel Albrecht](#); [Baker-EXT, Charlie](#); [Carr, Helen](#); [Brian Voigt](#); [Devon Neary](#)
Cc: [Caduto, Marie](#); [Bates, Karen](#); [Dea Devlin](#); [k.lambert](#); [t.martin](#); [Allen, Angie](#); [Rupe, Marli](#); [DiPietro, Laura](#); [Montour, Mary](#)
Subject: Agricultural Project Review Process Overview
Date: Friday, July 8, 2022 11:33:39 AM
Attachments: [CWSP Project Review Flow Chart.pdf](#)
[ProjectReadinessScreening_Agriculture.docx](#)
[FarmDetermination.pdf](#)

Good morning,

Thank you for having us this morning at your CWSP coordination meeting. I am attaching the materials we reviewed during the process overview. They include:

1. CWSP Project Review Flow Chart

We reviewed this process chart together, and it is a reference material for you while you consider, plan, and complete project readiness screening as part of CWP planning as a CWSP.

2. Project Readiness Screening including Attachment 1: Agricultural Project Review (doc)

This information will help streamline the environmental review and project readiness process for your proposed water quality improvement project. This form must be completed for each design/implementation block grant project and submitted as part of your application for funding. **For all Clean Water Service Provider projects, please complete Attachment 1: Agriculture Project Review as well.**

-
If you have identified a project site, and it is not eligible under CWSP as an agricultural project on a jurisdictional farm operation and you are interested in referring a landowner to an applicable state or federal agricultural assistance program, or a local organization, you can find more information about AAFM WQ assistance programs, and links to local and regional and contacts here: agriculture.vermont.gov/water-quality/assistance-programs.

3. Farm Determination Form (pdf)

This is not a required form! As part of the Project Readiness Screening, please be aware that CWSP can and should do a preliminary review to determine if it is a [jurisdictional farm operation](#), and any case that requires consultation with AAFM will occur via the [farm determination process](#). Note there is an online version of this form available on our website via the [farm determination process](#).

Contact Information for AAFM Staff

- Nina Gage, Agricultural Water Quality Program Coordinator, Nina.Gage@vermont.gov 802-622-4098

- Mary Montour, Agricultural Water Quality Program Coordinator, Mary.Montour@vermont.gov 802-461-6087
- Laura DiPietro, Water Quality Division Director, Laura.DiPietro@vermont.gov
- Project Review: Please submit a detailed description of the **project, project site, project details, landowner, farm operation, and any other relevant information** to VAAFM at AGR.WaterQuality@Vermont.gov

Kindly,

Nina Gage

802-622-4098

Vermont Agency of Agriculture Food and Markets

Water Quality

www.agriculture.vermont.gov

ANR permitting programs? (Answer must be Yes to continue)	
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Step 5: Conduct Eligibility Criteria #5-8 Screenings

Table 5A. Eligibility Criteria 5-8		
Landowner and Operation and Maintenance Responsible Party Support. Project identifies and demonstrates commitment from a qualified and willing operation and maintenance responsible party. Project demonstrates landowner support for the proposed project phase. (Answer must be YES to proceed)	Yes	No
Budget. Project budget includes ineligible expenses. (Answer must be NO to proceed)	Yes	No
Leveraging. Proposed leveraging meets required leveraging levels (if applicable), meets the definition of leveraging, and comes from eligible sources (Answer must be YES or N/A to proceed)	Yes	No N/A
Funding Program Specific Eligibility. Project meets additional funding program eligibility requirements*. Please list applicable funding program below: (Answer must be YES to proceed) *If Water Quality Restoration Formula Grant, complete Step 6 below	Yes	No



Step 6: Screening Projects on Agricultural Lands (Water Quality Restoration Formula Grants Only)

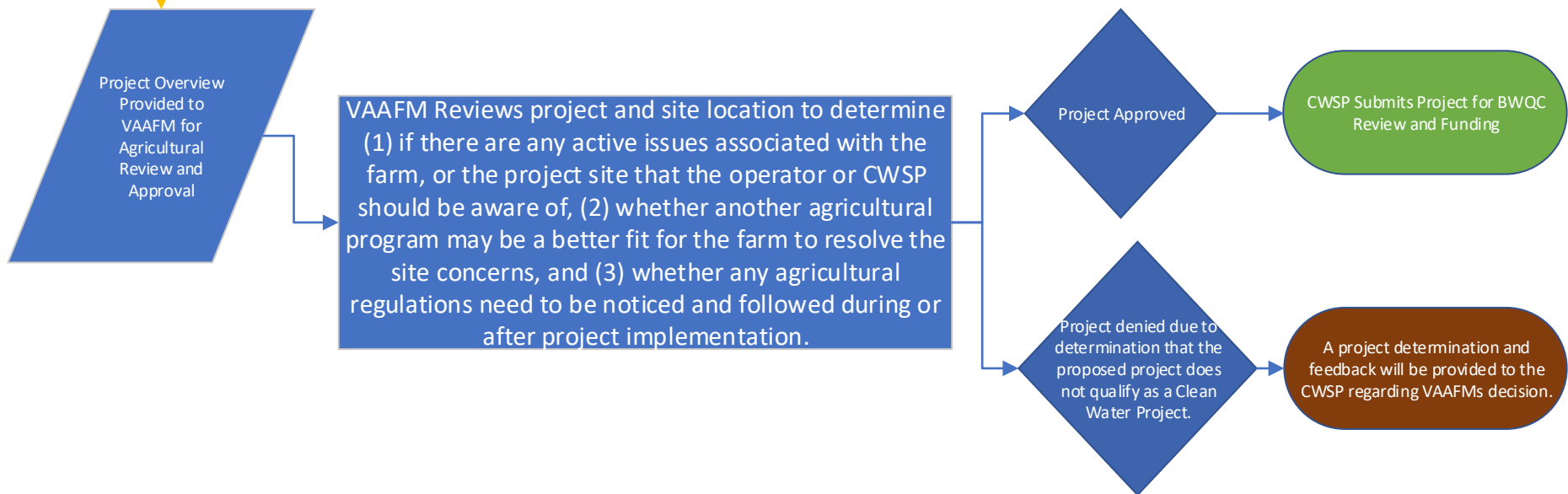
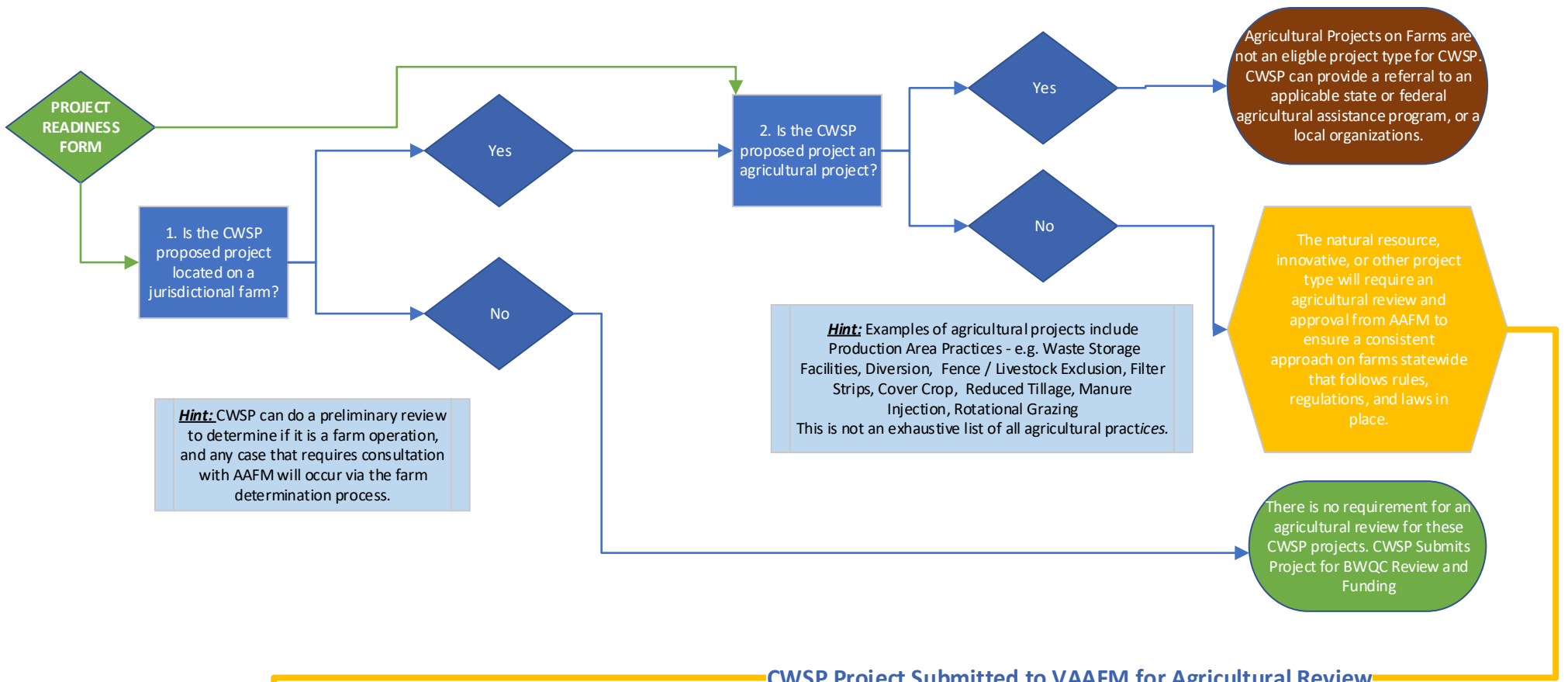
For Water Quality Restoration Formula Grant projects, please complete the following information as part of your Funding Program Specific Eligibility Screening (Criteria 8). Please note this must be completed for all projects located on agricultural lands regardless of project type. See [CWIP Project Types Table](#) for eligible project types.

Table 6A. Screening Projects on Agricultural Lands	
1. Is the proposed project located on a jurisdictional farm operation ¹⁷ ? Complete a preliminary review to	Yes - Proceed to next question below.

¹⁷ Jurisdictional farm operations are required to meet Vermont’s Required Agricultural Practices (RAPs).

<p>determine if it is a jurisdictional farm operation, and any case that requires consultation with AAFM will occur via the farm determination process. Please note this form must be submitted by the farm operation/landowner seeking the determination.</p>	<p>No¹⁸ - There is no additional requirements related to agricultural review for these projects.</p>
<p>2. Is the proposed project an agricultural project?</p> <p>Examples of agricultural projects include but are not limited to Production Area Practices – (e.g. Waste Storage Facilities, Heavy Use Area, Diversion) Fence, Livestock Exclusion, Filter Strip, Cover Crop, Reduced Tillage, Manure Injection, Rotational Grazing. Please note this is not an exhaustive list of all agricultural practices.</p>	<p>Yes - Agricultural Projects on jurisdictional farms are not an eligible project type. You can provide a referral to an applicable state or federal agricultural assistance program, or a local organization.</p> <p>No- The natural resource, innovative, or other project type will require an agricultural project review and approval from the Vermont Agency of Agriculture, Food and Markets (VAAFMM) to ensure a consistent approach on farms statewide that follows rules, regulations, and laws in place. Please follow Steps 1 & 2 below.</p> <p>Step 1- Please submit a detailed description of the project, project site, project details, landowner, farm operation, and any other relevant information to VAAFMM at AGR.WaterQuality@Vermont.gov .</p> <p>Step 2- Once you complete this Agricultural Project Review, please allow 30 days for a response. Once that response has been received, please include a summary of the response in the next section.</p>
<p>Agricultural Project Review Status & Summary:</p>	
<p>Check as Applicable</p>	<p>Status</p>
	<p>Submitted/ Pending</p>
	<p>Approved</p>
	<p>Denied</p>

¹⁸ Note CWIP’s Agricultural Pollution Prevention project type eligibility is limited to land where owner or operator is not a jurisdictional farm (i.e., not required to meet the Required Agricultural Practices (RAPs)). As such, projects that meet the definition of the Agricultural Pollution Prevention project type in the [Appendix B. Project Types Table](#) are not subject to review by VAAFMM.



Hint: In many cases, this approval process may take the form of information, collaboration, or conditions for the CWSP to take into account in project planning or implementation. In some cases, project denial may be a referral to an Agricultural Program specialized in managing the specific site concern identified.

DEC Clean Water Network 'Summit'

MEMO

TO: LAMOILLE BASIN WATER QUALITY COUNCIL (BWQC)
FR: CWSP STAFF
RE: **Clean Water Summit**
DA: 1/18/24

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_On Friday, April 5, Vermont DEC will be hosting what is being called a Clean Water Network Summit. The event will take place at St. Leo’s Hall (109 Main Street) in Waterbury, starting at 9:00 AM. Per DEC staff, refreshments and lunch will be provided to the first 100 participants who register.

DEC intends to have a virtual option for those who cannot attend in-person, although in-person attention is strongly encouraged. DEC has not yet finalized the agenda, but I have a high degree of confidence it will include time for each basin to provide an update on activities in their territory. Staff will be working with the Chair and Vice-Chair to prepare for any such opportunity.

CWSP Staff have participated actively in a planning committee associated with the Summit. We are optimistic that it will be an event well worth the participation of BWQC members and alternates. The CWSP may be able to help defray travel expenses if doing so will enable your participation.

Updates and Conclusion