

Lamoille Basin Water Quality Council (BWQC)

Thursday, September 25, 2025

9:00 to 11:00 AM

Virtual Meeting

Meeting video posted at <https://youtu.be/OO4FJrwm8s>

**A VIDEO RECORDING OF THE MEETING IS AVAILABLE THROUGH THE NRPC
YOUTUBE CHANNEL (Link above).**

**THE WRITTEN MINUTES ARE A SYNOPSIS OF THE DISCUSSION AT THE MEETING.
MOTIONS ARE AS STATED. MINUTES WILL BE SUBJECT TO CORRECTION BY THE
COUNCIL. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT
MEETING OF THE COUNCIL**

Council Members: Meghan Rodier (Q), Lauren Weston (Q), Ken Minck (Q), JoAnn Hanowski (Q), Brent Sheets (Q), Erin De Vries (Q), Brad Holden (Q)

Q= towards quorum q= towards quorum when representative has recused

Staff: Dean Pierce, Cliff Jenkins, Lorna Peters

Others present: Dan Koenemanne (WNRCD), Mel Auffredou (FCNRCD), Peter Danforth's AI Notetaker, Brent Raymond (Town of Morristown), Richard Goff, Karen Bates, Chris Rottler

1. Welcome and introductions

Meghan Rodier opened the meeting at 9:02am as Chair. A round of introductions was made.

2. Meeting protocols

Peter Danforth reviewed norms for meeting on Zoom.

3. Conflict of interest declarations, if any

No conflict-of-interest declarations were made.

4. Review/adjust and approve agenda

No changes to the agenda were made. Meghan Rodier approved the agenda.

5. Approval of minutes

Richard Goff was noted as quorum in the previous meeting minutes and should be taken off.

Brent Sheets motioned to approve the minutes. JoAnn Hanowski seconded. Brad Holden and Lauren Weston abstained. Motion carried.

6. Public comment not related to items on agenda

No public comments were made.

7. Seating of members (if any)

Christine Armstrong is stepping down from the Watershed Organization and Chris Steele will be taking over as her replacement. They are both affiliated with the Stewards of Greensboro Watersheds. JoAnn Hanowski vouched for Chris Steele, saying he will be a very engaged member of the council. JoAnn will be Chris' alternate.

8. Budget adjustment requests (if any)

No adjustments were made.

9. Bonding for construction projects

Dean Pierce gave a presentation on bonding within the BWQC. There must be both performance and payment bonds. Performance bonds ensure that contractors complete projects as agreed and payment bonds ensure that subcontractors and suppliers are paid. This protects CWSP from financial and performative risks. Both bonds are required when projects are valued at over half a million dollars at the implementation stage. Performance bonds are recommended when a project is valued at over \$250,000. People included in the bond are the contractor, the surety (company providing the bond), and the owner (CWSP). Bonds have been tailored to the CWSP and BWQC process.

Dean presented a flowchart of the flow of funds and bonding obligations. The subgrantee is not included in the bond, only the owner, contractor, and bond issuer. If the contractor defaults, the surety steps in to finance completion or find a replacement contractor. Payment bonds ensure the coverage of subgrantee being paid. Bonds can be obtained through licensed surety/bonding companies and are typically 1-3% of the project cost. Bonding costs themselves are eligible part of funding process. By having forms specifically for CWSP, people are not required to buy forms from a third party. Key information included is the date, amount, and contract details. The contract encompasses exhibits, schedules, amendments, change orders and other agreements.

Payment bonds ensure that anyone providing materials, labor, and other services are paid. In performance bonds, language guarantees "faithful performance" of contractors.

Lauren asked a if the contractor would need a bond for the whole cost of the project, not just the CWSP-funded part. Dean said the whole cost. Lauren also asked who is in charge of all the paperwork, noting she was previously in charge. Dan Koenemann asked the same question in the chat. Dean said that partner/project sponsor organizations could be a reference point for contractors, but they can also reach out to CWSP for questions. Forms should specify that the owner is CWSP for questions. Lauren also asked why the subgrantee does not need a bond in this situation. Dean acknowledged that this is a possibility. But having two bonds could be redundant. The issue will be explored and perhaps an adjustment could be made for the bond to be assignable to the subgrantee in the future. Lauren asked for the language from the law that established bonds as necessary.

Ken asked if this would come into play during the implementation phase of the project. He asked if you have to go back to the CWSP to add in the surety if a selected bid is over \$250,000. Dean explained that hopefully budgeting will be comprehensive enough during the application approval process so that you do not have to go back to CWSP at that stage. He reminded the group that minor adjustments do not have to go back to the BWQP

Lauren had a follow up question on when change orders happen during implementation. Dean said that bonds have a feature that means that coverage is issued with an understanding that budgets may change. The CWSP should be in the loop on changes but does not need to be overly involved in change orders. Lauren asked if all performance and payment bonds automatically adjust or just ones that she has used, and Dean said that is the function of the form; Lauren proceeded to ask that if the contractor is asking for more than a 10% increase in funding, does this amount also come into the bond. Dean was unsure.

Ken asked how the surety company gets paid. Dean said that the surety company gets a request from the surety company, and it is submitted to the subgrantee as part of the contract costs.

Lauren requested some written guidance on when the CWSP should be involved in funding changes, and if some template contract language could be shared with the subgrantee. This would be useful when bids are being made. She requested that roles of the participants should be clarified with site access agreements. Dean took note of these requests.

Meghan Rodier suggested that larger change orders line up with change in budget requests to the CWSP.

Lauren made a comment that BWQC meetings should be publicized as council meetings for anyone interested in applying to the CWSP. Dean said that training courses for subgrantees/project managers will be coming soon.

Template contracts can be found in the meeting packet.

Dean said that site access agreement should be given consideration in the application phase.

10. Updating of policy relating to expedited project development funds

Dean also brought up the Expedited Project Development Funds policy adopted in 2024, which expedited the application process for CWSP funding for prequalified partners. He explained that the sum total of the policy is \$5,000 times the number of prequalified organizations with increases in the number of prequalified partners, but so far requests have been lower than that. Dean clarified that new prequalified partners can also request \$5,000.

Ken asked Cliff about the status of their application to be prequalified.

Lauren asked if the FCNRCD's expedited grant needed to be announced to the council. She followed up with a question about when contracts will be dated. Dean said that often they are dated as the approval date but is unsure about the future. Lauren asked for a standardized time frame on signed contracts after BWQC approval, and Dean said he can share the concern on the time frame for contracts.

Brad Holden explained how VTrans grants work, and that the grant is predated to the date when the notice of award was given.

Dean showed a list of prequalified partners.

11. Legal Review associated with projects

Dean explained that when multiple easements are involved in a project it can take significantly more time. A note has been added to the CWSP application form that explains that an estimate of legal expenses along with the application will be presented to the BWQC.

Lauren asked if this impacts project cost effectiveness and if the project manager can also bill for legal fees that will not count towards project cost effectiveness. Dean said that given the threshold amount for when easements are required there will be a moderate change to cost effectiveness. Regarding whether the project manager can bill for legal expenses, Dean asked what the legal charges would be for. Lauren was unsure. She then requested more clarity on the role of the project manager versus the CWSP for site access easements.

Meghan had a statement on O&M contracts. Meghan asked if there could be a quote for legal fees included in the application budget, but Dean explained that there will likely not be a simple amount to include and will require a review of the project to estimate an amount. Lauren was wondering if these costs should be incurred in implementation or final design. Dean replied that much of this should be happening in final design with the deliverables.

Erin De Vries recommends that the CWSP provides a range for legal fees, similarly to how the state provides a range for river corridor easements with the Vermont River Conservancy to give

some guidance to subgrantees and project coordinators. Dean made the point that there is a difference between the CWSP site access easements and other conservation easements where partner organizations are also part-owners. He clarified that this process will be a request presented to the BWQC so the BWQC can recommend whether legal fees are treated as part of the overall cost of a project.

Chris Rottler made a comment that pre-award legal fees may not be eligible for CWSP funding.

12. Updates

Dean announced that the next funding round opens October 9 and closes November 13. DEC has made a few new proposals, but specifically one to revise project cost method. There is a Microsoft Teams presentation on October 8 and comments can be made until October 17th. Dean explained that by changing the cost-rate methodology, the Phosphorus reduction target for the Lamoille basin will have a 58% reduction. The contract between the DEC and CWSP would reflect these numbers and the target associated would drop.

Lauren asked if the project cost effectiveness ratio will no longer be capped at \$30,000. Dean says this will be revisited later.

Ken asked why the P-reduction number is being reduced. Chris replied saying that the formula for the cost-rate methodology is being revised because the historical project cost data is changing with inflation. The cost to implement projects has increased, so achieving the Total Maximum Daily Load is more expensive and the P-reduction is decreasing.

Dean explained the implications of this change in a chart. The total project costs for projects with big impact, moderate impact, and small impact varies considerably. An approach that focuses on the best-performing projects might be more effective given this change in project costs and reduction in the P-reduction targets.

Lauren added that the P-reduction formula does not work very well pre-implementation and that should be considered. It would be helpful for either DEC or NRPC to verify that project managers are doing the P-reductions correctly for their projects.

Dean encouraged the BWQC that we get projects in the ground, and Lauren explained that the process to get applications submitted is a lengthy, rigid process that contributes to the lack of projects. Chris agreed.

13. Conclusion

As the next meeting conflicts with Thanksgiving holiday, Dean proposed alternates. Temporary date was set for December 4th at 9AM.

Lauren Weston moved to adjourn. Ken Mink seconded. Meeting adjourned at 11:04.