

Testimony: Watersheds United Vermont to
Senate Committee on Natural Resources and Energy Committee
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January 30, 2019

Thank you Senator Bray and the Senate Committee on Natural Resources and Energy for giving Watersheds United Vermont on behalf of watershed groups an opportunity to speak. My name is Lyn Munno and I'm the Director of Watersheds United Vermont – or WUV – as we call ourselves. I plan to give you a brief overview of WUV and watershed groups, what is working and some challenges with the clean water initiative and some thoughts on the proposed ANR funding distribution model and criteria we feel it is important to include in any funding allocation model.

Watersheds United Vermont is an association of community-based watershed groups with a mission to empower watershed groups in all parts of the state to protect and restore Vermont's waters. WUV supports groups by providing information, training and resources, connecting groups to each other and to partner organizations and acting as a representative and a voice for watershed groups at the state level. After Tropical Storm Irene, watershed groups working on similar water protection activities in different parts of the state started talking across watershed boundaries and realized that a state-wide organization could help facilitate communication between groups and provide opportunities to share best practices and address common challenges. WUV provides weekly information to groups on trainings, events, funding opportunities, and resources and we host two conferences a year to provide training on organizational and technical topics as well as host additional trainings and opportunities for collaboration.

Who are these community-based watershed groups, and why are they so important to clean water and watershed protection? WUV has 40-member organizations across the state including some Conservation Districts. These groups vary in size and focus. Some groups are all volunteer and focus on one or two key activities to improve the waters in their home watersheds. Most of the groups WUV works with are small staffed nonprofits who focus on a full suite of watershed protection and restoration activities and are key partners for the state in reaching the goals of the Clean Water Act. To name some of these groups: Friends of the Winooski River, The White River Partnership, Connecticut River Conservancy, Franklin Watershed Committee, Friends of the Mad River, Friends of Northern Lake Champlain, Lewis Creek Association, Memphremagog Watershed Association, the Missisquoi River Basin Association and others across the state. We also work closely with conservation districts who in some areas of the state really act as the watershed group for their area or in areas and where both exist, watershed groups and conservation districts complement each other's work with one focusing on a specific part of the geography or on different sectors.

These watershed groups work on a suite of activities to best protect and restore our rivers, streams, ponds and lakes. These strategies include stormwater management, riparian buffer

planting, water quality monitoring, dam removal and culvert replacement projects, river cleanups, education and outreach and participating in municipal, regional and state planning efforts including Tactical Basin Planning. Those organizations with more capacity are important project managers for state priority projects. These groups are well connected in their communities and work with landowners, municipalities and partner organizations to implement projects to improve water quality, address flood resilience and protect and restore important habitat.

I want to thank the Legislature for a commitment to finding appropriate levels of funding for clean water. We recognize that since the passage of the Vermont Clean Water Act it has been the goal for the Legislature to determine how to fund clean water programs. We are appreciative of the significant efforts of Treasurer Beth Pierce in developing the Clean Water Report and agree that the state needs a substantial investment in clean water dollars. We need a dedicated long-term funding source providing sufficient funding to meet all of our obligations under the Vermont Clean Water Act and to ensure that we have healthy lakes, ponds, rivers and streams so vital to Vermont's economy and way of life.

I will share some thoughts about what is working in the clean water initiative and areas where we feel there can be improvement to increase our effectiveness in accomplishing clean water goals. It takes time to develop and scope priority projects, education in their communities and outreach to specific landowners, to design different stages of projects, to implement projects on the ground, and to monitor and maintain projects in the future. This can take several years and these projects are not possible without a commitment of state funds and a consistency of state funding programs. Not only are state dollars through the Clean Water Initiative Program critical for groups to conduct on the ground projects but watershed groups also utilize these funds to leverage significant private dollars from businesses, foundations and individuals as well as federal dollars to accomplish this work.

DEC staff are key partners to support the development and implantation of clean water projects. Watershed groups work closely with the Watershed Planner and River Scientist on projects and with permitting partners (Stream Alteration Engineers, Floodplain Managers) as needed. Working and communicating regularly with DEC technical partners means projects can be developed, designed, and implemented as efficiently as possible and associated issues dealt with quickly and effectively. There are areas of the state where watershed planners have more time to engage at a community and watershed level and that level of engagement would be beneficial in all areas of the state.

There are currently not sufficient clean water funds to support the development and implementation of important projects. For example, there were applications for over \$850,000 for river corridor easements in FY19 and only \$325,000 available. The same is true for riparian buffer planting projects. Additionally, there is often a shortage of non-capital dollars for important projects - for this years' March ERP grant round, we have been told that DEC does not have additional FY 19 funds available for non-capital projects. We all know that an

investment in clean water protection and restoration now will prevent more expensive fixes down the line so we encourage the Legislature to invest now to prevent future costs later.

Not only are there not enough funds for clean water projects but DEC is understaffed in their grants administration. The DEC grants program and business office partners are capable, hard-working and responsive; but they are understaffed. This is challenging because there are timing issues that impact watershed group's ability to develop, design, and implement projects efficiently and effectively. Groups can wait six months to receive grant agreements. These delays can mean missing key windows for field seasons and create challenges for nonprofits unable to plan for when funds will be available. We believe a more fully staffed DEC grants program would go a long way to improving efficiency and getting our projects completed on the ground.

In addition, some project steps are hard to fund. For example, project development can be time-intensive and hard to measure, which makes linking funding to outcomes a challenge. But without project development, priority projects will never get to design and implementation stages. We appreciate that DEC has started to recognize the critical importance of project development. Through two new block grants this year WUV will receive project development funds to distribute directly to a few watershed groups for this critical work. We hope to see this program grow in the future to develop projects at the scale needed to reach our clean water goals.

To that same end, we need more of a long-term commitment to fund projects through all stages of development from project scoping and development through implementation through operations and maintenance. One of the biggest barriers to groups in implementing projects is not knowing whether dollars will be available for the next stage of a project and landowners and partners need consistent funding to invest time and money in these critical watershed protection projects to see them to completion. Currently the application process can be prohibitive especially for smaller groups. Longer term contracts that allow multiple stages of projects and whose requirements are at scale with the size of the projects would substantially improve groups' ability to complete projects. As another example project design costs may not meet minimum cost funding criteria (ERP \$20,000 funding minimum). Therefore a project may stall at the design phase and never get to implementation. And some costs aren't eligible for funding, like operating & maintenance costs. Projects are only successful if they are work in the long-term and we would encourage that some funds in the future be made available for monitoring and maintenance to ensure we are protecting the investment that the state and partners have made in clean water.

Part of the challenge has been the uncertainty of continued dollars and type of funding available (capital versus non-capital) year to year which has not allowed consistent grant programs or timing of grant rounds. Again – watershed groups are small non-profits and having consistent funding programs over time would be extremely helpful for groups' ability to develop and complete projects. Reconsidering funding mechanisms and funding/project timelines could address all of these issues while guaranteeing on-the-ground outcomes.

We have been pleased to see investment in technical training and would like to see this expanded. WUV received Partnership Train-the-trainer grants from the DEC's Clean Water Initiative for the past two years to provide technical training to watershed groups and conservation districts. Last year we held trainings on riparian buffer planting and also held two trainings on managing stormwater implementation projects, leading to an increase in groups able to implement these important projects. This year we are working to provide in depth training for groups on analyzing water quality monitoring data in order for us to better understand sources of nutrient and pollutant inputs and be better able to implement projects to improve water quality outcomes. This project will be done in close coordination with DEC evaluation and monitoring staff. Building this capacity at the local level goes a long way to more successful clean water outcomes.

Watershed groups are important partners for developing and implementing Tactical Basin Plans. Watershed groups work directly with Conservation Districts and Regional Planning Commissions and are often a primary implementer of tactical basin plans. As the structure currently stands, Conservation Districts and Regional Planning Commissions receive funding to develop and implement Tactical Basin Plans and often rely heavily on the input and actions of watershed groups. While NRCs and RPCs are in state statute watershed groups are still a key partner in this work. We have seen the benefits in watersheds where there is a strong robust watershed group and tactical basin plans are stronger with their input in development and engagement in meeting goals. There has been discussion at the Clean Water Board to designate Tactical Basin Planning Funds to watershed groups and I would encourage the Legislature to ensure funding for watershed groups efforts in tactical basin planning. Even beyond Tactical Basin Planning, we believe that an investment in local capacity would go a long way towards accomplishing more on the ground work and we have seen that groups with more capacity are able to accomplish significantly more and to leverage additional dollars. Focusing capacity funding to on-the-ground project implementers would lead to project development/management capacity in all areas of the state.

We have reviewed the funding distribution proposal from Secretary Moore. We believe that it is critical that any funding distribution proposal from the Legislature meet all of the obligations under the Clean Water Act and meet our goals to have clean water and healthy watersheds. WUV has been a participant in the Water Caucus and that group has developed a set of principles that we consider critical for any proposal moving forward. I think Jon Groveman of VNRC has shared those with you. I will highlight a few particular concerns WUV has with the ANR proposal that we hope the Legislature will address these issues as a funding plan is developed.

1. Protection of Natural Resources and the importance of Anti-Degradation. In order to meet Water Quality Standards and meet anti-degradation requirements, that state must protect waters that are not yet impaired instead of only spending funds once waters have a TMDL. And even in impaired areas, if we are only giving credit for reductions in

phosphorus and not preventing increased phosphorus, we will always be working on expensive fixes. Natural resources protection is a cost-effective way to maintain and improve water quality rather than only focusing on restoration after areas are degraded.

2. All in and the need to protect all waters of the state. Since the passage of Act 64, DEC, AAFM, the Treasurers' office and other involved state agencies have been emphasizing the importance of protecting all waters of the state and that we are "all in" (by sector and by region). While we understand the need for focus on achieving the TMDLs, we do not believe that cutting off funds for the rest of the state is the right trade off. And while we understand that the intention is to eventually develop funding guidelines to meet targets for other impaired water, we think delaying efforts until these targets are developed risks further impairment of these waters.
3. Narrow Focus on Phosphorus. We believe that the focus on clean water should be broader than just phosphorus. We need to make sure that we are addressing all nutrients and pollutants of concern. Watersheds are complex and changing and there is risk to focusing on one target while ignoring potential risks of others.
4. Health of our waters and watersheds. While the state must reduce nutrient loading and meet the TMDLs, it is also critical that the state protect other functions of our rivers, streams, lakes and ponds. Climate change and flood resiliency are critically important for the state to address as are aquatic organism passage, healthy riparian and in stream habitat and floodplain restoration and protection. While achieving these goals often goes hand in hand with nutrient reduction projects and nutrient reduction has been a necessary component of all clean water projects in the past, we are concerned that this narrowed focus will not prioritize important projects if they do not meet the targeted phosphorus reduction.
5. Funding for all stages of project development. This includes project scoping, education, outreach to landowners, municipalities and communities, and design work. Any cost allocation must keep in mind these development costs.
6. Tactical Basin Planning and coordination with DEC staff. Tactical Basin Planning has been the key assessment and prioritization tool used by DEC and the role of tactical basin planning has been established in Act 64. It is important that the clean water initiative is well aligned with tactical basin planning.
7. Partners: Watershed groups, NRCs, RPCs, land trusts and municipalities are key partners in implementing community-based water quality programs or projects. We believe any funding distribution system should encourage collaboration and support the work of groups developing and implementing tactical basin plans and implementing on the ground water quality improvement projects.
8. Watersheds cross municipal and regional boundaries. Any regional effort will be far more effective and efficient focused on watersheds and aligned with Basin Plans. We are concerned that having utilities at the wrong scale will prevent watershed wide planning and action and will prevent important collaborative efforts. Actions in one part

of a watershed impact another and it is critical that any proposal will allow for watershed scale thinking.

While we encourage regional collaborative efforts and could see benefits in a regional approach to manage some clean water dollars, we believe that DEC has the technical expertise and that some clean water funds should be managed at the statewide scale. This includes but is not limited to: river corridor easements, train-the-trainer and technical assistance, education and outreach, project development, riparian buffer planting, aquatic organism passage projects, water quality monitoring and analysis, work crews and any other cross state projects. Many partners have worked over the years to coordinate and align work at the state level because there is value and efficiency to coordinating efforts across the state. Regardless of the delivery system we will be most successful if the groups working in their communities developing and implementing projects have the capacity needed to engage in a full suite of watershed protection and restoration activities.

Thank you again for inviting me to speak. I would also be happy to invite watershed groups to come talk directly more about their work at the watershed level. Thank you again to your commitment to clean water and healthy watersheds.