



**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: Joint Fiscal Committee members  
From: Sorsha Anderson, Senior Staff Associate  
Date: July 26, 2022  
Subject: Position Request – JFO #3103

Enclosed please find one (1) item, which the Joint Fiscal Office has received from the Administration. This grant is being held for the JFC meeting scheduled for July 28, 2022.

**JFO #3103** – Eleven (11) limited-service positions to the VT Agency of Natural Resources, Dept. of Environmental Conservation. Positions funded through the American Rescue Plan Act. Funding is specifically for the administering of Healthy Homes Initiative; 3-Acre Stormwater permit financial support program and the regulatory review capacity needs for housing projects funded with ARPA dollars. Position details in the attached packet. The final page provides a summary table of positions, end dates and brief program timelines.

*[Received July 26, 2022]*

Please review the enclosed materials and notify the Joint Fiscal Office (Sorsha Anderson: sanderson@leg.state.vt.us) if you have questions prior to the JFC meeting scheduled for July 28, 2022.

### STATE OF VERMONT Joint Fiscal Committee Review Limited Service - Grant Funded Position Request Form

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources must be obtained prior to review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report must be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: ANR/Environmental Conservation Date: 7/19/2022

Name and Phone (of the person completing this request): Julie Moore, ANR Secretary

Request is for:

- Positions funded and attached to a new grant.
- Positions funded and attached to an existing grant approved by JFO # Act 185 -see below

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

ARPA Healthy Homes Approp - SFY 23 Big Bill, Act 185 - G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B) - for 6 positions; ARPA - Act 185 - G700(A)(1) (a) 3 acre stormwater - for 1 position; and ARPA Administrative Funds - SFY 23 Big Bill - Act 185 G.801 - for 4 positions -- See attached

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established only after JFC final approval:

<u>Title* of Position(s) Requested</u>	<u># of Positions</u>	<u>Division/Program</u>	<u>Grant Funding Period/Anticipated End Date</u>
--	-----------------------	-------------------------	--

Please see attached spreadsheet list for 11 limited service positions request related to the ANR/DEC's American Recovery Plan Act (ARPA) funding specifically for the administering of Healthy Homes Initiative; 3-Acre Stormwater permit financial support program and the regulatory review capacity needs for housing projects funded with ARPA dollars.

\*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

The General Assembly has appropriated a total of \$192.79m of ARPA funds to the ANR to make important investments in water and sewer infrastructure in Vermont, including \$101.75m in the SFY23 Big Bill (Act 185). This request proposes capacity for 3 program areas with the greatest opportunity to assist Vermonters directly: two program areas are within the "Healthy Homes Initiative," now funded at \$40.75M in ARPA and third is in the 3-Acre Stormwater permit financial support program. The request also includes regulatory review capacity needed to support not only the Healthy Homes Initiative, but also the review of permit applications for housing projects funded with ARPA dollars. See add'l info.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b)).

 \_\_\_\_\_ Date: 07/20/2022  
 Signature of Agency or Department Head \_\_\_\_\_ Date

Aimee Pope \_\_\_\_\_  
Digitally signed by Aimee Pope  
 Date: 2022.07.21 12:53:53 -04'00'

Approved/Denied by Department of Human Resources \_\_\_\_\_ Date  
Hardy Merrill \_\_\_\_\_  
Digitally signed by Hardy Merrill  
 Date: 2022.07.22 08:39:20 -04'00'

Approved/Denied by Finance and Management \_\_\_\_\_ Date  
Debra R. Fink \_\_\_\_\_

Approved/Denied by Secretary of Administration \_\_\_\_\_ Date  
[Signature] \_\_\_\_\_  
1104881C0A3811E

Approved/Denied by Governor (required as amended by 2019 Leg. Session) \_\_\_\_\_ Date  
[Signature] \_\_\_\_\_  
7/25/22

Comments:



*Agency of Natural Resources*

**Agency of Natural Resources  
1 National Life Drive, Davis 2  
Montpelier, VT 05620-3520  
802-828-1294**

**MEMORANDUM**

To: Kristin L. Clouser, Secretary, Agency of Administration

Through: Nick Kramer, Budget & Management Analyst, Dept. of Finance & Management

Through: Aimee Pope, Deputy Director for Classification and Position Management, Dept. of Human Resources, Agency of Administration

Through: Joanna Pallito, Director, Administration & Innovation, Dept. of Environmental Conservation

From: Julie S. Moore, Secretary, Agency of Natural Resources

Date: July 20, 2022

Subject: Request for Joint Fiscal Committee, July 28th 2022 to establish Limited-Service Positions for ARPA Related Efforts

Cc: Maggie Gendron, Brittney Wilson, Adam Greshin

---

**Executive Summary – American Rescue Plan Act (ARPA) Programmatic Requirements and Position Requests**

The General Assembly has appropriated a total of \$192,790,000 of American Rescue Plan Act (ARPA) funds to the Agency of Natural Resources (ANR) to make important investments in water and sewer infrastructure in Vermont, including \$101,750,000 in the SFY 2023 Big Bill (See G.700 et seq.). This funding has been directed into six programmatic areas, and the total amount appropriated exceeds the amount proposed in the Governor’s FY23 Recommend by roughly \$30 million. This is important because the Governor’s SFY 2023 Recommend was the basis for the small number of additional limited-service positions included in SFY 2023 Big Bill. This request is for 11 Limited-Service positions related to the additional SFY23 funding.

Many of these ARPA funds will be deployed through a combination of grants and beneficiary agreements, often to individual property owners. This stands in contrast to many of the more “traditional” funding programs administered by ANR, which generally provides grants and loans to municipalities. Because the funding is being provided directly to individual property owners, the number of agreements that will be required is disproportionate to the already significant amount of funding. Specifically, the Healthy Homes programs anticipate working with up to 800 low-income Vermont homeowners to replace failed wells and septic systems – necessitating an even greater number of applications and, ultimately, up to twice the number of beneficiary advances and final payments. In addition, we have found the highest priority



*Agency of Natural Resources*

program applicants require significant, hands-on assistance, as they do not necessarily interact with digital applications and tools in the manner that ANR's more customary (municipal or consultant) clients do. The net effect is that this important initiative looks more like a human services program than an infrastructure program and requires commensurate state agency staffing.

In addition to the direct appropriations for water and sewer infrastructure to ANR, the General Assembly has appropriated over \$70M for housing support, the construction of which is putting pressure on a number of ANR regulatory programs concurrently, exhausting current staff capacity.

This request to JFC proposes staffing capacity for three program areas with the greatest opportunity to assist Vermonters directly:

- Two within the "Healthy Homes Initiative," now funded at \$40.75M in ARPA appropriations, well above the Governor's initial Recommend of \$15 million; and
- The 3-Acre stormwater permit financial support program.

This request also includes regulatory review capacity needed to support not only the Healthy Homes Initiative, but also the review of permit applications for housing projects funded with ARPA dollars.

Division: Environmental Compliance

Healthy Homes Initiative, Onsite Drinking Water and Wastewater

Healthy Homes Initiative, Manufactured Housing Communities

The Healthy Homes initiative has two different programs – one program to fund the repair or replacement of failed drinking water (i.e. wells) or wastewater (i.e. septic) systems for low and moderate-income homeowners – the so-called Onsite Program; and a second program supporting the evaluation, design, and construction of water infrastructure at manufactured housing communities, the Manufactured Housing Communities (MHC) Program.

Between the SFY 2022 and 2023 budgets, the General Assembly appropriated \$16M for direct payments for the Onsite Program.

Despite decades of working to ensure that all Vermonters have access to clean drinking water and basic wastewater treatment, we significantly underestimated the need for this funding. This is because many Vermonters cannot access the funding to obtain even an estimate for costs for these services, let alone the significant funds required to design and construct a replacement. A new wastewater system can cost between \$10,000 and \$30,000 to replace; new wells typically cost several thousand dollars.

When designing this program, we anticipated receiving approximately 150 applications and projected the cost for this program at about \$3M. However, in the initial six weeks of the program's launch, over 1,200 applications were received with the characteristics listed below. As a result, the General Assembly appropriated an *additional* \$15M for this initiative in the SFY2023 Big Bill.

- About 1/3 had confirmed that their drinking water or wastewater systems were failed
- Of the applications received, about 53% reported septic failures, 33% reported drinking water failures, and 14% reported both septic and drinking water failures
- Median household size was three people
- Median household income was \$50k



*Agency of Natural Resources*

- Nearly 10% of applicant households earn less than \$30k annually and have three or more people in the home
- Almost 10% of applicant households have three or more seniors and/or children in the home

We are providing significant, ongoing and direct 1:1 technical assistance to this community of Vermonters, with demand vastly outstripping the capacity. This program is a true expression of implementing Environmental Justice, by helping Vermonters where they are, and in a manner that works for them.

The second set of appropriations supports evaluation, design, and construction of water infrastructure at Manufactured Housing Communities. Combining funds from appropriations G.700(a)(4)(B)(ii) - \$9.75M, and G. 700 (a)(6)(B) - \$15M, provides \$24.75M in funding to support at-times disadvantaged or underserved Vermonters. Investments into MHCs are another expression of Environmental Justice, while providing for critical housing needs.

### Position Request and Funding Sources

The following positions are requested for authorization at this time.

Position	Funding Source
Administrative Services Manager II	ARPA Healthy Homes Allocations (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)
Environmental Analyst IV	ARPA Healthy Homes Allocations (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)
Environmental Analyst IV	ARPA Healthy Homes Allocations (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)

#### Division: Drinking Water and Groundwater Protection Permitting Authorizations and Activities

In a typical year, the Drinking Water and Groundwater Protection Division (DWGWPD) issues permits for approximately 2,500 on-site wastewater systems. Over the past two years, because of the significant number of new home-starts by both individual property owners as well as state- and ARPA-funded housing initiatives, we have seen a 25% increase in permit applications. Full implementation of the Healthy Homes programs will result in a further increase in the number of applications by 10%. The anticipated number of applications for on-site wastewater systems is expected to approach 3,400 in 2023.

Ensuring adequate staff capacity to review and process drinking water and wastewater permit applications will ensure that environmental authorizations do not slow the pace of support under these important initiatives, and the unique funding opportunity available through ARPA achieves the goal of providing low-income Vermonters with reliable wells and health-protective septic systems.



## Requirements

- The additional funding will support projects that need permits, including those issued by our Regional Wastewater Engineers, for example. These include wastewater and potable water supply permits for on-site systems serving new homes, connections to public water systems, permits to construct and operate drinking water systems, or permits to operate indirect discharge wastewater systems.

## Position Request and Funding Sources

The following positions are requested for authorization at this time.

Position	Funding Source(s)
Environmental Analyst VI	ARPA - G.700(a)(4)(B)(i) Healthy Homes Onsite wastewater
Environmental Analyst VI	ARPA - G.700(a)(4)(B)(i) Healthy Homes Onsite wastewater
Environmental Analyst III	50% ARPA - G.700(a)(4)(B)(i) Healthy Homes Onsite wastewater 50% DEC Special Funds (Environmental Permit Fund)
Environmental Analyst VI	ARPA Administrative Funds
Environmental Technician III	ARPA Administrative Funds

Division: Administration and Innovation Division

Financial Administration, Audit, Compliance, and Reporting

The significant additional appropriations to the Healthy Homes Onsite programs will have a meaningful and lasting impact on the lives of many low-income Vermonters. Because the work involves direct interactions with disadvantaged and underserved Vermonters, they are also significantly more intensive to implement than many of the Agency's traditional infrastructure programs that work largely with municipalities and consultants. ANR anticipates that the increased funding will expand 15-fold the number of households that are able to be served through this program, with a corresponding increase in the number of beneficiary payments that will need to be processed at ANR.

Similarly, the increased funding for projects in the Healthy Homes MHC is anticipated to triple the number of grants we will be able to make, and with that will come the attendant administrative pressures related to grant issuance, tracking, and monitoring.

## Requirements

- Conduct appropriation monitoring and administration across all six program areas administered by ANR.
- Fulfill expanded, quarterly reporting requirements to support Agency of Administration submissions to the US Treasury monitoring of activity, federal draws and accounting.
- Administer substantial increase in financial transactions including financial transactions and payments-out associated with all new ANR appropriations, especially in the two Healthy Homes and 3-Acre Stormwater initiatives.

## Position Request and Funding Sources



*Agency of Natural Resources*

The following positions are requested for authorization at this time.

Position	Funding Source
Financial Specialist II	ARPA Administrative Funds
Financial Specialist II (located in ANR Central Office)	ARPA Administrative Funds

Division: Water Investment  
3-Acre Stormwater Initiative

The 3-Acre stormwater permit program, launched in 2020, is part of Vermont's commitments under the Lake Champlain TMDL and was mandated by Act 64 of 2015. The permit requires the design and construction of stormwater management practices on properties with more than three acres of impervious (or hard) surfaces.

Recognizing the potentially significant financial ramifications complying with these requirements could have on individual property owners, between SFY 2022 and 2023 a total of \$35.5M in ARPA funds was appropriated to the 3-Acre Stormwater Initiative provide financial assistance to property owners seeking to comply with the 3-Acre permit. The 3-Acre stormwater permit requirements extend to up to 8,000 landowners across 800 projects in the Lake Champlain and Memphremagog watersheds, and the watersheds of certain smaller "impaired" streams. DEC has established a rebate program to assist eligible property owners with engineering design and permit obtainment costs.

The SFY 2023 appropriation represents a six-fold increase in funding from SFY 2022, and will also allow eligible, and often underserved, property owners to obtain grants to offset the cost of construction of the stormwater practices required by the permit. The current, single staff member dedicated to this initiative is unable to both provide technical assistance to applicants and administer funding disbursements through rebates and contracts given the magnitude of the resources that have been made available for this work.

### Requirements

- Design and implement an individual-owner construction rebate program
- Coordinate with the Healthy Homes programs to identify MHCs that are subject to the 3-Acre stormwater permit program and establish engineering service contracts to assist these communities.
- Establish and administer a grant program to support MHCs to construct practices to meet 3-Acre permit program requirements, while coordinating construction among projects also co-funded by the Healthy Homes MHC program.

### Position Request and Funding Sources

The following position is requested for authorization at this time:

Position	Funding Source
Environmental Analyst III	ARPA - G700(A)(1)(a) 3-Acre stormwater

Request Type	Division	Program Name	Position Title	Federal Funding Source	Date Range for Funding and LS Position Expiration Date	Total Grant Awards Over Five Years (unless otherwise noted)	Notes
		Water Infrastructure					
1 ARPA	WID	Financing	Environmental Analyst III	ARPA - Act 185 - G700(A)(1)(a) 3 acre stormwater	Oct 1, 2022 to June 30, 2025		
2 ARPA	AID	Finance	Financial Specialist III	ARPA Administrative Funds - SFY 23 Big Bill - Act 185 G.801	August 1, 2022 to June 30, 2026	\$10,500,000	SFY23 Big Bill Act 185 G. 801
3 ARPA	DWGPD	Wastewater	Environmental Analyst VI	ARPA - Act 185 - G.700(a)(4)(B)(i) Onsite WW	Oct 1, 2022 to June 30, 2026	\$16,000,000	
4 ARPA	DWGPD	Wastewater	Environmental Analyst VI	ARPA - Act 185 - G.700(a)(4)(B)(i) Onsite WW	Oct 1, 2022 to June 30, 2026	\$16,000,000	
5 ARPA	DWGPD	Wastewater	Environmental Analyst III	ARPA - Act 185 - G.700(a)(4)(B)(i) Onsite WW	Oct 1, 2022 to June 30, 2026	\$16,000,000	
6 ARPA	DWGPD	Wastewater	Environmental Analyst VI	ARPA Administrative Funds - SFY 23 Big Bill - Act 185 G.801	Oct 1, 2022 to June 30, 2025	\$10,500,000	SFY23 Big Bill Act 185 G. 801
7 ARPA	DWGPD	Wastewater	Environmental Technician III	ARPA Administrative Funds - SFY 23 Big Bill - Act 185 G.801	Oct 1, 2022 to June 30, 2024	\$10,500,000	SFY23 Big Bill Act 185 G. 801
8 ARPA	ECD	Environmental Assistance	Administrative Services Manager II	ARPA Healthy Homes Approp - Act 185 (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)	August 1, 2022 to June 30, 2026	\$40,750,000	G700(a)(4)(B)(i): 16M, (a)(4)(B)(ii) 9.75M, (a)(6)(B) 15M
9 ARPA	ECD	Environmental Assistance	Environmental Analyst IV	ARPA Healthy Homes Approp - Act 185 (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)	August 1, 2022 to June 30, 2024	\$40,750,000	G700(a)(4)(B)(i): 16M, (a)(4)(B)(ii) 9.75M, (a)(6)(B) 15M
10 ARPA	ECD	Environmental Assistance	Environmental Analyst IV	ARPA Healthy Homes Approp - Act 185 (G.700(a)(4)(B)(i/ii) and G.700(a)(6)(B)	August 1, 2022 to June 30, 2024	\$40,750,000	G700(a)(4)(B)(i): 16M, (a)(4)(B)(ii) 9.75M, (a)(6)(B) 15M
11 ARPA	ANR	ANRCO-Finance	Financial Administrator III	ARPA Administrative Funds - SFY 23 Big Bill - Act 185 G.801	August 1, 2022 to June 30, 2026	\$10,500,000	SFY23 Big Bill Act 185 G. 801



ANR FY23 Additional ARPA Position Request	Target Start Date 2022				Target Start Date 2023						Anticipated End Date	EXPLANATION FOR TIMELINE
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
ECD Administrative Services Manager II (Healthy Homes - onsite & MHC)	X										6/30/2026	ECD is lead in confirming eligibility of applicants to Healthy Homes program; significant push is needed to complete site visits and qualify first tranche of applicants for beneficiary program so that additional rounds of grants can be awarded within (current) ARPA timeline <i>(same as above)</i>
ECD Environmental Analyst IV (Healthy Homes - onsite & MHC)	X										6/30/2024	
ECD Environmental Analyst IV (Healthy Homes - onsite & MHC)	X										6/30/2024	<i>(same as above)</i>
DWGWP Environmental Analyst VI (Healthy Homes - onsite)	X										6/30/2025	Analyst can process ~150 applications per year; increased funding for Healthy Homes allows for an 8-fold increase in the number of Vermonters that can be assisted but requires additional staff support
DWGWP Environmental Analyst III (Healthy Homes - onsite)	X										6/30/2027	<i>(same as above)</i>
DWGWP Environmental Analyst VI (Healthy Homes - onsite)				X							6/30/2026	Timing to be ready for next push of second tranche of applicants in Spring 23
DWGWP Environmental Analyst VI (ARPA administrative allocation)				X							6/30/2025	Timing to be ready to support Spring 23 new home-starts
DWGWP Environmental Technician III (ARPA administrative allocation)				X							6/30/2024	<i>(same as above)</i>
AID Financial Specialist II (ARPA administrative allocation)		X									6/30/2027	Capacity to support second tranche of beneficiary payments in Spring 23
ANR-CO Financial Specialist II (ARPA administrative allocation)		X									6/30/2024	Capacity to process first tranche of beneficiary payments that will be made Fall 22
WID Environmental Analyst III (3-acre Stormwater)	X										6/30/2025	Additional capacity needed immediately to support demand for technical and financial assistance