
Set-Asides

The State of Vermont plans to set aside \$2,836,548 (34.1%) of the Capitalization Grant for various non-construction related activities that are authorized in the Safe Drinking Water Act Amendments of 1996. The proposed set-aside amount exceeds the 31% limit because we are using \$300,00 in banked authority for program management. These activities are often vital to water systems so that they can develop and maintain the financial, technical, and managerial capacity to run their system effectively. A portion of the set-aside money will be used to develop and implement programs within state government necessary to implement the DWSRF and the SDWA Amendments of 1996. The following outlines the allocations and provides a brief description of the proposed activities in each of the four set-asides.

Program Management Set-Aside

Up to 10% of the capitalization grant can be used for the DWSRF Program Management Set-Aside. We propose to take the full 10%, \$831,200 to support approximately 8.74 FTEs and associated operating costs within the DWGWPD. Duties of the FTEs include capacity development, consumer confidence report assistance, adoption and implementation of new regulations, implementation of new and existing federal rules, source water assessment and protection, planning, outreach, data management, engineering and construction supervision, compliance supervision, and other drinking water program activities. Additionally, we will be using \$300,000 in banked authority for an additional 3.15 FTEs to do the work described above.

The one-to-one state match that was previously required for this set-aside has been eliminated beginning with the FFY17 grant.

Administrative Set-Aside

Up to 4% of the capitalization grant can be used for the DWSRF Administrative Set-Aside. Changes to the FY17 grant requirement allows the program to take 4%, or .002 x total net position or \$400,000. The program will be taking \$400,000 to support approximately 3 FTEs within the Facilities Engineering Division. These positions provide project development, construction oversight, loan administration, and financial management services for the operation of the DWSRF. Additionally, administrative funds are used to pay for the services of the Vermont Municipal Bond Bank, which is responsible for the overall fund and is a party to all loan awards to municipal applicants, and the Vermont Economic Development Authority, which is responsible for conducting creditworthiness reviews of loan applicants for privately-owned water systems and is a party to those loans.

Technical Assistance Set-Aside

Up to 2% of the capitalization grant can be used for the DWSRF Technical Assistance (TA) Set-Aside. TA funds are to be used for systems less than 10,000 population. We propose to take the full 2%, \$166,240, to provide technical assistance to small public water systems. The following activities are proposed:

WATER SYSTEM OPERATOR TRAINING CONTRACT

We are proposing to allocate \$140,000 for a contract to provide professional training to public water system owners and operators in Vermont. These training efforts support the Vermont Water Operator Certification Program administered by the DWGWP. The current contract for these services expires April 30, 2017 and this allocation will ensure there will not be a gap in training services provided.

TECHNICAL STAFF TRAINING

We are proposing to allocate \$26,240 to provide technical training for DWGWP staff to enable personnel to provide direct technical assistance to small public water systems.

Local Assistance Set-Aside

Up to 15% of the capitalization grant, or \$1,246,800 can be used for the DWSRF Local Assistance Set-Aside with a further limitation that no more than 10% can be used to fund any one specific activity. We are proposing to use the full 15% to fund local assistance activities. The following activities are proposed:

WATER LOSS CONTROL

We are proposing to allocate \$50,000 to provide a combination of: workshops to train public water system officials on AWWA water auditing techniques and procedures; provide leak detection services; and promote water conservation efforts. The training assistance provider would also be available to provide direct on-site assistance to the participating water systems during water audits.

DRINKING WATER EDUCATION

We are proposing to allocate \$4,000 to provide for the development of outreach and education activities regarding the importance of safe, clean drinking water.

STANDBY POWER EVALUATION

We are proposing to allocate \$100,000 to provide for the evaluation of the need for and affordability of standby power at public drinking water systems.

VALVE CONDITION AND LOCATION ASSESSMENT

We are proposing to allocate \$50,000 to provide for condition assessment of distribution system valves and assistance with locating valves to effectively manage distribution system flows.

LEAD AND COPPER AND EMERGING CONTAMINANT STUDIES

We are proposing to allocate \$50,000 to study lead and copper and other emerging contaminants. This project could entail a series of case studies or include a broader scoping study for the State of Vermont. Project elements could include distribution and source water inventoring and mapping, non-compliance sampling, and public outreach and education.

CAPACITY PROGRAM ASSET MANAGEMENT INITIATIVES

We are proposing to allocate \$50,000 to asset management initiatives administered by FED and DWGWP. Initiatives could include an extension of the asset management training program funded through previous grants, or new initiatives to further the overall objective of increasing the practice of infrastructure asset management at Vermont's public water systems.

ASDWA

We are proposing to allocate \$2,850 to cover membership fees for representation and support by the Association of State Drinking Water Administrators.

VERMONT DEPARTMENT OF HEALTH MOU

We are proposing to allocate \$20,000 for support of the Vermont Department of Health. Use of these funds are outlined in the MOU.

CAPACITY PROGRAM POSITIONS

We are proposing to allocate \$169,900 to capacity development program positions within the DWGWP and FED. These positions work directly with public water systems to develop and implement technical, managerial, and financial capacity measures.

ENGINEERING AND OPERATION PROGRAM POSITIONS

We are proposing to allocate \$37,493 to fund engineering and sanitary survey positions within the DWGWP.

COMPLIANCE POSITIONS

We are proposing to allocate \$31,512 to the Compliance Section of the Drinking Water and Groundwater Protection Division to fund compliance positions directed to compliance with the Safe Drinking Water Act.

GEOLOGY POSITIONS

We are proposing to allocate \$126,398 to the Geology Division to support their groundwater mapping effort for the benefit of public water systems.

WELL HEAD PROTECTION PROGRAM

We are proposing to allocate \$93,659 to the wellhead protection program to support staff in the implementation of the groundwater portion of the Source Water Protection Program within the DWGWP. This program includes the review and approval of Source Protection Plans, creating and reviewing Source Water Assessments, reviewing Source Protection Plans as part of the Phase II/V waiver review process, and outreach and assistance on source protection.

REGIONAL OFFICE SOURCE PROTECTION ACTIVITIES

We are proposing to allocate \$460,988 to the Regional Office Program within the Drinking Water and Groundwater Protection Division. The funding will support the technical review of soil based wastewater system projects to ensure they do not contaminate public drinking water sources or groundwater supplies.

PLANNING LOAN PROGRAM

The planning loan program is capitalized through the Local Assistance Set-Aside. Due to a sustainable balance in this fund that will meet demand for planning loans the State of Vermont does not intend to capitalize this program with FFY17 capitalization grant funds. A financial summary of the planning loan fund is provided in the next section of this document