



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: December 5, 2012
Subject: Grant Requests

Enclosed please find three (3) items that the Joint Fiscal Office has received from the administration, including the establishment of 1 limited service position.

JFO #2599 – \$50,000 grant from the U.S. Department of Agriculture to the Vermont Agency of Agriculture, Food and Markets. These funds will be used to recognize farms that have adopted conservation practices and motivate small farms to develop water quality management plans in order to improve water quality in Vermont.

[JFO received 11/30/12]

JFO #2600 – \$4,198,000 grant from the U.S. Department of Health & Human Services to the Vermont Department of Health. These funds will be used to promote wellness in children through age 8 through Project LAUNCH. This pilot project is designed to support the physical, mental, and behavioral development of children through the establishment of a comprehensive, coordinated system of evidence-based programs and services. The pilot project will operated in Chittenden County. **One limited service position** is associated with this request

[JFO received 11/30/12]

JFO #2601 – Donation of \$46,000 from Jane Harding of Springfield, Vermont, to the Vermont Department of Fish & Wildlife. The value of this donation represents the difference between the appraised value of a conservation easement on 91.8 acres of land in Bristol and New Haven (\$184,000) and the price to be paid by the State of Vermont (\$138,000) for this easement.

[JFO received 11/30/12]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for Joint Fiscal Committee review. Unless we hear from you to the contrary by December 19 we will assume that you agree to consider as final the Governor's acceptance of these requests.



State of Vermont
 Department of Finance & Management
 109 State Street, Pavilion Building
 Montpelier, VT 05620-0401

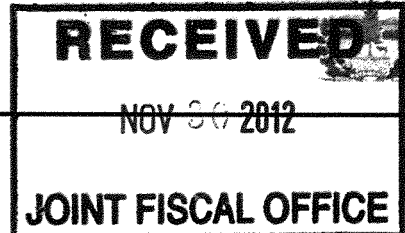
[phone] 802-828-2376
 [fax] 802-828-2428

Agency of Administration

JFO 2599

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**


Grant Summary:		This grant agreement creates a process to recognize farms that have adopted conservation practices and to motivate all small farms to develop whole farm water quality management plans.			
Date:		11/15/2012			
Department:		Vermont Agency of Agriculture, Food and Markets			
Legal Title of Grant:		Enhancement of Vermont Water Quality Certainty Program			
Federal Catalog #:		10.902 CTA			
Grant/Donor Name and Address:		USDA Natural Resources Conservation Service, 356 Mountain View Drive, Suite 105, Colchester, VT 05446			
Grant Period:	From:	10/1/2012	To:	12/31/2014	
Grant/Donation		\$50,000			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$23,333	\$21,334	\$5,333	\$50,000	
Position Information:	# Positions	Explanation/Comments			
	0				
Additional Comments:		There is a state match of \$25,000.			
Department of Finance & Management		<i>JK 11/28/12</i>		(Initial)	
Secretary of Administration		<i>NC 11/28/12</i>		(Initial)	
Sent To Joint Fiscal Office				Date 11/28/12	

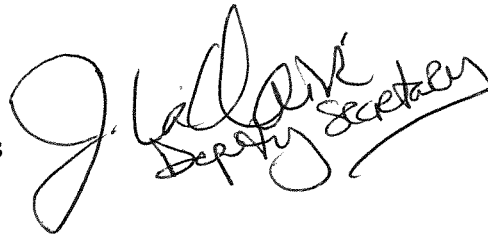


Agency Of Agriculture, Food & Markets
116 State Street
Montpelier, VT 05620-2901
www.VermontAgriculture.com

MEMORANDUM

TO: Secretary Spaulding

FROM:  VT Agency of Agriculture, Food & Markets
Secretary Chuck Ross, Jr.



DATE: November 5, 2012

SUBJECT: Enhancement of Vermont Water Quality Certainty Program

For the past 12 months, in partnership with United States Department of Agriculture (USDA) and United States Environmental Protection Agency (EPA) leadership, the State of Vermont has explored the development of a "Certainty" program around water quality. Currently, the USDA Natural Resources Conservation Service (NRCS) in Vermont intends to fund a state level Conservation Innovation Grant (CIG) aimed at developing a Certainty program specific to Vermont's needs and in coordination with the Lake Champlain Basin Program "Opportunities for Action," an Adaptive Management process and future Total Maximum Daily Loads (TMDLs). Vermont's vision of Certainty is allowing lead time that gives farmers, the public and the resource organizations the targets in advance and keeps the goal posts steady, both the goals for achieving the near term targets and the backstop if the targets are unmet. With goals laid out, all involved will have the time to plan and implement the necessary tasks to achieve the targets. For farmers, this clear vision of the future and what is expected of them will allow them to make strategic operational and financial decisions based on the goals.

The Certainty program will be enhanced through this agreement by creating a process to both recognize farms that have already adopted conservation practices, and motivate all small farms to develop whole farm water quality management plans. The involvement of small farms in the Certainty program is essential to the overall success of the program.

*Please note that the grant amounts in the AA1 form also include a portion of the equipment and supplies. Some of the equipment and supplies will be used to provide VAAFAM support, while the remaining funds will be provided to agricultural partners through smaller grant agreements outside of the contractual obligations. The goal is to have VAAFAM and our partners using the database developed through the contractual agreement, and in order to do that some equipment and supplies will need to be provided.



STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:	Vermont Agency of Agriculture, Food and Markets			
2. Department:				
3. Program:	Water Quality			
4. Legal Title of Grant:	Enhancement of Vermont Water Quality Certainty Program			
5. Federal Catalog #:	10.902 CTA			
6. Grant/Donor Name and Address:	USDA Natural Resources Conservation Service 356 Mountain View Drive, Suite 105 Colchester, VT 05446			
7. Grant Period:	From:	10/1/2012	To:	12/31/2014
8. Purpose of Grant:	Agricultural Water Quality Improvements in Lake Champlain Watershed			
9. Impact on existing program if grant is not Accepted:	This grant is needed to expand on the initial development of the Certainty program that will be covered in the Conservation Innovation Grant by specifically developing a process to motivate small farms statewide to adopt water quality improvements. The involvement of small farms in the Certainty program is crucial to the overall success of the program. Given the limited time and money that a typical Vermont small farm has, additional small farm encouragement is needed for the success of the Certainty program.			
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2013	FY 2014	FY 2015	Total
Personal Services	\$	\$	\$	
Operating Expenses	\$795	\$1,060	\$4,265	
Grants	\$34,205	\$30,940	\$3,735	
Total	\$35,000	\$32,000	\$8,000	\$75,000
Revenues:				
State Funds:	\$11,667	\$10,666	\$2,667	\$25,000
Cash	\$11,667	\$10,666	\$2,667	
In-Kind	\$	\$	\$	
Federal Funds:	\$23,333	\$21,334	\$5,333	\$50,000
(Direct Costs)	\$23,333	\$21,334	\$5,333	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant	\$	\$	\$	
Total	\$35,000	\$32,000	\$8,000	\$75,000
Appropriation No:	2200040000	Amount:	\$50,000	
			\$	
			\$	

NOV 15 2012

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

		Total	\$50,000
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PERSONAL SERVICE INFORMATION

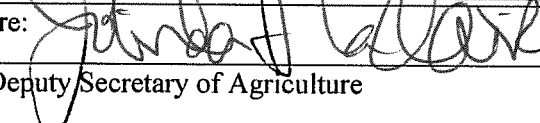
11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Agreed by: _____ (initial)

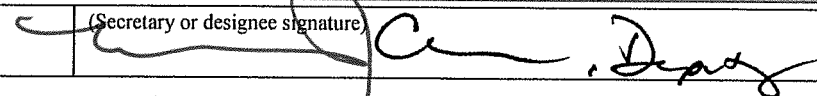
12. Limited Service Position Information:	# Positions	Title
Total Positions		

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

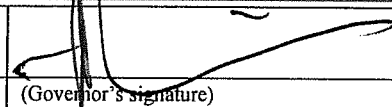
13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: 	Date: 11/15/12
	Title: Deputy Secretary of Agriculture	
	Signature: _____	Date: _____
	Title: _____	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/>	Approved:	(Secretary or designee signature) 	Date: 11/20/12
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15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/>	Check One Box: Accepted	(Governor's signature) 	Date: 11/27/12
<input type="checkbox"/>	Rejected		

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

<input type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)
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End Form AA-1

(*) The term "grant" refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).

DUPLICATE ORIGINAL

U.S. Department of Agriculture
Natural Resources Conservation Service

NRCS-ADS-093
3/2011

NOTICE OF GRANT AND AGREEMENT AWARD

1. Award Identifying Number 68-1644-12-1	2. Amendment No. n/a	3. Award/Project Period Upon Signature - 12/31/2014	4. Type of Award Instrument Contribution Agreement
5. Agency (Name and Address) Natural Resources Conservation Service Vermont State Office 356 Mountain View Drive, Suite 105 Colchester, VT 05446		6. Recipient Organization (Name and Address) Vermont Agency of Agriculture 116 State Street, Montpelier, VT 05602 DUNS: 80-9376718 EIN: 03-6000264	
7. NRCS Program Contact: Vicky M. Drew Jim Wood	8. NRCS Administrative Contact: Mary Sturgeon	9. Recipient Program Contact: Michael Middleman	10. Recipient Administrative Contact: Marcey Hodgdon
11. CFDA Number 10.902 CTA	12. Authority 7 USC 6962a & CTA, 16 USC 590a-590f, 590q, 7 CFR Part 610	13. Type of Action New Agreement	14. Project Director

15. Project Title/Description:
Enhancement of Water Quality Certainty Program

16. Entity Type: Profit Nonprofit Higher Education Federal State/Local Indian/Native American

17. Funding:		18. Accounting and Appropriation Data				
	<u>Federal</u>	<u>Non-Federal</u>	Financial Code	Amount	Fiscal Year	Treasury Symbol
Previous Total			111201T50	\$50,000	11/12	12121000
Current Total	\$50,000	\$25,000				
Grand Total	\$50,000	\$25,000				

APPROVED BUDGET

Personnel	\$	Fringe Benefits	\$
Travel	\$	Equipment	\$ 7,333
Supplies	\$ 4,387	Contractual	\$ 38,280
Construction	\$	Other	\$
Total Direct Cost	\$ 75,000	Total Indirect Cost	\$
Total Federal Funds Awarded	\$ 50,000	Total Non-Federal Funds	\$ 25,000
Total Approved Budget	\$ 75,000		

111201T50
9/19/12
FUNDS AVAILABLE
[Signature]

This agreement is subject to applicable USDA NRCS statutory provisions and Financial Assistance Regulations. In accepting this award or amendment and any payments made pursuant thereto, the undersigned represents that he or she is duly authorized to act on behalf of the awardee organization, agrees that the award is subject to the applicable provisions of this agreement (and all attachments), and agrees that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by NRCS to have been overpaid, will be refunded or credited in full to NRCS.

ACCEPTED BY

Name and Title of Authorized Government Representative Vicky M. Drew State Conservationist	Signature <i>[Signature]</i>	Date 9/24/12
Name and Title of Authorized Recipient Representative Jolinda Laclair Deputy Secretary, VMFM	Signature <i>[Signature]</i>	Date 9-14-12

**STATEMENT OF WORK FOR CONTRIBUTION
AGREEMENT 68-1644-12-1**

BETWEEN THE

**U.S. DEPARTMENT OF AGRICULTURE NATURAL
RESOURCES CONSERVATION SERVICE (NRCS)**

AND THE

**VERMONT AGENCY OF AGRICULTURE, FOOD &
MARKETS (VAAFMM)**

I. PURPOSE

This award is for VAAFMM to enhance the development of water quality certainty program for the State of Vermont. The certainty program will be enhanced through this agreement by creating a process to both recognize farms that have already adopted conservation practices, and motivate all small farms to develop whole farm water quality management plans.

II. OBJECTIVES

For the past 12 months, in partnership with USDA and EPA leadership, the State of Vermont has explored the development of a "Certainty" program around water quality. Currently, NRCS in Vermont intends to fund a state level Conservation Innovation Grant (CIG) aimed at developing a Certainty program specific to Vermont's needs and in coordination with the Lake Champlain Basin Program "Opportunities for Action," an Adaptive Management process and future TMDLs. Vermont's vision of Certainty is allowing lead time that gives farmers, the public and the resource organizations the targets in advance and keeps the goal posts steady, both the goals for achieving the near term targets and the backstop if the targets are unmet. With goals laid out, all involved will have the time to plan and implement the necessary tasks to achieve the targets. For farmers, this clear vision of the future and what is expected of them will allow them to make strategic operational and financial decisions based on the goals.

This agreement will expand on the initial development of the Certainty program that will be covered in the Conservation Innovation Grant by specifically developing a process to motivate small farms statewide to adopt water quality improvements.

Due to the ongoing development of the Certainty program and the need for continued flexibility in how this evolves over the next year, all parties recognize that this agreement will be subject to change should the stakeholder process identified in the CIG grant, or legislative action or direction, require a change in the planned approach outlined below.

	<u>Technical Contact</u>	<u>Administrative Contact</u>
Name:	Michael Middleman	Marcey Hodgdon
Address:	116 State Street Montpelier, VT 05602	116 State Street Montpelier, VT 05602
Phone:	(802) 828-1289	(802) 828-3567
Fax:	(802) 828-1410	(802) 828-1410
Email:	micahel.middleman@state.vt.us	Marcey.Hodgdon@state.vt.us

IV. EXPECTED ACCOMPLISHMENTS AND DELIVERABLES

The following items are defined deliverables for this agreement and will be completed by VAAFAM:

- 1) In coordination with NRCS, the Vermont Association of Conservation Districts, and other key partners, develop a joint resource assessment and conservation planning template to be used by all partners in the field providing technical assistance to agricultural producers.
- 2) Develop an "implementation targets" database that will: 1) track planned practices by expected completion date, based on conservation plans developed by all partners, and 2) predict expected non-point source load reductions, by watershed, of planned practices. This system will be integrated into a database that is already under development to track practices that have already been implemented.
- 3) Develop a point system for small farms that accounts for both practices already implemented and planned practices.
- 4) Develop a reward program for farms that achieve "Certainty" by reaching a certain number of "points" in achieving their water quality goals. Attempts will be made to integrate the reward program into NRCS programs by offering a variable rate of financial assistance depending upon the level of points achieved.
- 5) Develop a public recognition program to highlight farms that have achieved certainty. This recognition program will include both on-farm signage, in addition to a website highlighting farms that have taken action to address water quality concerns.
- 6) Research, and integrate if appropriate, other incentives that could be used to motivate farms to participate in the certainty program, such as, but not limited to, tax incentives, enhanced cost-share opportunities, low-cost lending, and reduced liability insurance premiums.
- 7) Engage key partners and farmers in the development of the "Certainty" program throughout the process.

V. PERIOD OF PERFORMANCE

Project timeline will begin with the date of the last signature on the agreement and shall remain in effect until December, 31, 2014.