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WEEKLY REPORTS

Checklist
5/18/2012

Bill Lofy

- Agency of Commerce and Community Development – Lawrence Miller
- Agency of Agriculture – Chuck Ross
- Agency of Transportation – Brian Searles
- Department of Labor – Annie Noonan

Alex MacLean

- Agency of Natural Resources – Deb Markowitz
- Department of Public Safety – Keith Flynn
- Public Service Department – Liz Miller* (shared with Sarah)

Susan Bartlett

- Agency of Human Services – Doug Racine

Sarah London

- Department of Financial Regulation – Steve Kimbell

Jeb Spaulding

- Agency of Administration – Jeb Spaulding

Special Reports

- Additional Report: Education
- Additional Report: Lottery
- Additional Report: Irene Recovery Office
- Additional Report: Boards and Commissions

To: Governor Peter Shumlin
From: Lawrence Miller, Secretary - Agency of Commerce and Community Development
Date: May 18, 2012
Re: Weekly Report

The agency website overhaul scheduled for October of 2009 was completed this week. accd.vermont.gov

Mylan got their act 250 permit for their St. Albans expansion.

Tivoly in Derby is purchasing approx. \$500,000 in new equipment and hiring 31 new employees in the next 3 years. VEDA has approved a loan to facilitate this expansion.

CONFIDENTIAL: Revision Military is planning to buy MSA in Newport to expand their business. MSA announced it will be closing affecting approx. 48 employees. Revision has obtained VEDA financing, VEGI incentives (preliminary approval) and training assistance from both the Vermont Training Program (VTP) and the Workforce Education and Training Fund (WETF).

ACCD and the Agency of AG partnered on a food trade show in Montreal. Six Vermont companies attended. All had great reviews for the show and 4 indicated they had either signed contracts or expected export increases.

CDBG-DR: No further information from HUD on possible use of funds in Windham County. Public hearings set: June 5 in Brattleboro, June 7 in White River Junction, June 12 in Montpelier.

VHCB: Met with Gus Seelig and staff to discuss ACCD/VHCB split of HOME administrative funds; deferred debt in housing projects; and 25% match for home buyouts. **Will be pushing them on administrative costs.**

Housing Council: Jen led the bi-monthly meeting of the Council which was focused on the outcomes of the legislative session. Council members noted and were grateful for the administration's support of S.99.

IAVS License Plate: Working with Vermont Life, the IAVS license plate will be featured at 'Taste of Vermont' in Washington, DC tomorrow; Senator Leahy will showcase the IAVS plate to attendees and encourage purchase to raise funds for Vermont Disaster Relief Fund and the Vermont Foodbank. This week, Ben & Jerry's Waterbury Visitor Center has agreed to sell license plates via their retail store.

Allison Hooper received the Terry Ehrich business person of the year award at VBSR event Monday

Westminster is all stressed out that we are making them use funds from a dormant revolving loan fund to support a CDBG award. I am telling them that if they find operating the RLF too much of an imposition we can simply recover the full amount. Expect whining.

Randolph, VT, May 16, 2012 — What to do with the millions — even billions — of jugs, shampoo bottles and other types of plastics that most often end up in trash dumps around the world? Tyler McNaney, a 19-year-old freshman has invented the answer. The Filabot Reclaimer, a desktop device that grinds up and melts those plastic throw-aways, turning them into spools of plastic filament that can be used with desktop 3-D printers. 3-D printers can make a wide range of plastic parts, from cups to doorknobs.

103 South Main Street
Center Building
Waterbury, VT 05671-0301

Tel: (802) 241-3600
Fax: (802) 244-1102

www.anr.state.vt.us



Deborah L. Markowitz
Agency Secretary

Christopher Recchia
Deputy Secretary

State of Vermont
Agency of Natural Resources

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Deborah Markowitz, Secretary, Agency of Natural Resources
Date: May 18, 2012
Subject: ANR Weekly Report

Governor Level Issues:

- **Bill Signings:** Thanks for doing public signings of the Rivers, Hydrofracking, and Working Landscape bills this week.
- **Environmental Awards.** You did a great job addressing the crowd at the VBSR Environmental Awards. I heard from folks that they appreciated your message and noticed that you seemed back in campaign mode (talking about single payer healthcare, for example.) It was well received by this crowd. IBM also appreciated the shout out.
- **Brandon Fire District #1 Public Community Water System:** Thanks for doing such a great job in Brandon at the event to celebrate Vermont's first Class II Groundwater Area that had been designated for the Brandon Fire District #1 Public Community Water System.
- **Jay Peak:** Latest update – we've successfully kept construction moving on the east side while outlining work and moving forward on evaluation of the West Bowl. Jay is in agreement with work to be done, all is going along cooperatively and both staff and Jay seem satisfied with progress to date.
- **Sugarbush:** We have worked out difference with Sugarbush about a proposed new development that encroaches into the 50 foot stream buffer. We have put consultant, Jeff Nelson, on notice that with future projects (he works for many of the ski areas) we will be applying our guidelines as they are written – requiring the starting point to be the required 50 feet. This is especially important since stream bank vegetation is an essential component of flood resiliency (and also important for clean water and habitat.)

- **Vizio, Inc. and Sharp Electronics Corp. fails to pay E-waste fees:** Vizio and Sharp Electronics were sent reminders last month that they have not paid their fees under Vermont's E waste law. We are beginning enforcement action, which may lead to their inability to sell product in Vermont. The fees are based on market share data provided by the manufacturers. The total invoiced to Vizio is over \$88K. Sharp Electronics owes over \$30K. The good news is that these are the only two manufacturers, of 75 registered in Vermont, which are currently in significant arrears. The program is supported by most manufacturers and has been very successful in its first year.
 - **National Life Move:** We received some initial plans from FFF for National Life space. ANR staff have been doing internal planning to help define our functional needs over the past few months and we are excited about the open floor plan possibilities, but we need to be involved early in the office design stage to be sure the final design meets our agency needs. I will be working with Mike Clasen to find ways to make sure we are engaged before it goes much further.
 - **Waterbury Dam/GMP:** We held a preliminary meeting with GMP to discuss a schedule for issuing a draft 401 permit for the Waterbury dam. We will be holding two substantive meeting with GMP to discuss technical issues and to give them an opportunity to respond to concerns of our technical staff prior to issuing the draft permit for public comment. The dam was constructed before the Clean Water Act was enacted and its current flows do not meet the requirements of the law. I am happy to give you a more detailed briefing at your pleasure.
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EVERYTHING ELSE:

Press Issues/Releases:

Routine Investigation Results in Wardens Seizing 107 Pot Plants in Morrisville: Vermont State Game Warden Jason Batchelder investigated a Fish and Wildlife complaint in April that involved visiting a house on Almeron Drive in Morrisville. While there, he could smell what he believed to be marijuana coming from a window of the house. Warden Batchelder and Officer Mike Glodgett and his K9 "Atos" from the Hardwick Police Department confirmed the odor of the illegal drugs, and a warrant was obtained to search the residence.

Fish and wildlife releases: We sent out press releases reminding Vermonters that young wildlife that seem to be abandoned need to be left alone and that taking them can do more harm than good. We advertised our Youth Hunter Education Challenge on May 19th and sent out a release about the fact that the Tralee House at Gale Meadows Wildlife Management Area (WMA) was taken down. The 125-year old house had been bequeathed to Vermont Fish & Wildlife Department as part of the estate of Henry and Alice Green in 1996.

William Crenshaw Receives 2012 Canute Dalmasse Award: A state wildlife biologist widely known for his dedication to excellent scientific work and good service to the public has received this year's 2012 Canute Dalmasse Award for Environmental Excellence. Vermont Agency of Natural Resources Secretary

Deb Markowitz presented the award in Montpelier on April 27th to William Crenshaw, a 38-year employee of the Vermont Fish & Wildlife Department.

Venture Vermont, a Vermont state parks program, is receiving considerable attention. Articles have appeared in the Times Argus and the Mountain Times this week.

There were a number of articles about the legislative session, highlighting our various pieces of legislation.

DEC Enforcements There were articles written about DEC enforcements against UVM, The City of Burlington and others.

Significant Events/Meetings:

Climate Change Data/Metrics: Staff met with Gina Campoli (VTrans) and Gaye Symington (High Meadows Fund) to discuss common interests and potential future collaboration with the Vermont Climate Cabinet in developing a list of key progress indicators to gauge progress in attaining various environmental, energy and economic goals. The High Meadows Fund has specific goals “*to reduce the use of fossil fuels, promote sustainable agriculture and strengthen land use patterns that support working farms and forests and vibrant village centers*”. This dialogue is expected to be ongoing and include other state agencies such as the Dept. of Public Service, and other groups such as the Energy Action Network.

NEIWPC Meeting: Staff attended a meeting at the New England Interstate Water Pollution Control Committee (NEIWPC) Office in Lowell to discuss current UST/LUST (underground storage tanks & leaking USTs) issues with EPA and the other New England States. As anticipated, federal fund allocations are being reduced, and we’re starting to hear what that looks like. Some examples:

- EPA reported grant information. The funding for the second year of the LUST Trust grant will be cut by 6% and will come out of the extra levels of funding tiers and not the core and core supplement funding.
- The Prevention grant will be reduced by 11.4%. We will need to evaluate how this will affect the program budgets.
- EPA also reported that they are considering changing the national allocation formula for the LUST grant. In hearing the new ideas it became obvious that the new formula would hurt Region 1 as we above the national average for cleanups completed and the new formulas will be designed to give more funds to those regions with a higher backlog. We agreed that we will comment to EPA requesting that they not change the formula.

Herrick’s Cove Wildlife Festival: Staff participated in the 13th Annual Herrick’s Cove Wildlife Festival in Rockingham, VT that was attended by over 2,000 people.

Lakes: The Lakes Program met with AAFM regarding implementing the NPDES Pesticide General Permit and reached agreement on administrative process regarding the use of larvicides by the state’s three Mosquito Control Districts. As with the Aquatic Nuisance Control permits, the PGP does not introduce new application procedures to the mosquito control districts, but does make minor changes in their record keeping processes.

Envirothon: The Envirothon competition took place May 15 at Shelburne Farms; over 100 high school students from around Vermont competed in the environmental quiz bowl.

Landowner Workshop: FPR and Green Mountain Audubon Center hosted a small woodlot landowner workshop for forest bird management, for landowners interested in managing their woodlands for birds as well as timber.

Vermont 350 – Connect the Dots: staff attended the VT350 Connect the Dots event on Saturday May 5, participating on a panel discussion on climate change adaptation.

SUMMARY OF KEY DEPARTMENT ACTIVITY

Environmental Conservation

North Springfield Sustainable Energy Partnership: A draft Air Pollution Control Permit for the North Springfield Sustainable Energy Project is circulating for internal review. This is another 38 megawatt biomass plant and considerable issues would develop on this permit. The Division will recommend some increase in CO₂ reduction in the use of hot water to a district heating plan.

Putney Paper: Putney has requested to use ‘Renewable Diesel Oil’ (RDO) as an alternative fuel to No.6 fuel oil. The fuel appears to be a good replacement for No. 6 oil and should result in lower emissions from Putney’s boilers. APCD has sent a letter giving Putney permission for a 30-day trial period for using RDO provided they conduct some additional monitoring of their boiler operation. If Putney wishes to continue to use RDO beyond the 30-days, they will need to submit an application to amend their permit.

Alt Fuel Vehicle report to EIA: Staff surveyed relevant state agencies / departments to collect annual data regarding the number of “alternative-fueled vehicles” (AFVs) operating in state government. This reporting is required annually by the US Department of Energy – Energy Information Administration (US DOE EIA) to assist in preparation of a report to the US Congress regarding the extent to which the objectives of the Energy Policy Act of 1992 (EPACT) are being achieved. Reporting state agencies included:

- Dept. of Buildings & General Services Fleet Program (18 vehicles capable of consuming 85% ethanol (E85) ...)
- Dept. of Fish & Wildlife (1 pickup truck fueled by propane)
- Department of Public Safety (316 E85 compatible vehicles)
- Department of Liquor Control (18 E85 compatible vehicles)

The E85 vehicles of course use no alternative fuels in reality as E85 (85% ethanol) is not available in Vermont (or most places).

Cabot Creamery: An attorney representing a group of citizens who are against the land application of wash water from the Cabot Creamery has filed an extensive FOIA request which will take significant staff resources to complete.

Municipal Revolving Loan Funds:

- **Town of Bradford; RF3-231-1:** Amendment No. 1 to this DWSRF loan was approved in the amount of \$2,000,000 increasing the loan value to \$2,192,250. The original loan funded planning and design work. This action adds funding for the construction phase engineering services and the construction of water distribution system improvements, a 500,000 gallon water storage tank, booster pump station, an upgrade of the existing well pump station, and the replacement of approximately 17,000 linear feet of water main.
- **Village of Waterbury; RF1-108:** Amendment No. 7 to this CWSRF loan was approved in the amount of \$61,952.60 increasing the loan value to \$533,075.60. The overall project is preliminary and final design engineering for phosphorus removal improvements and a possible expansion of the Village's wastewater treatment facility. This action adds funding for a Kruger Actiflo pilot testing project and related costs.

St. Albans Gas & Light Site, St. Albans: EPA Removals has been working all week on characterizing the degree and extent of coal tar contamination from a former coal gasification plant in St. Albans. They have collected over 100 samples and have found areas of contamination at concentrations of concern. The work has focused on the Colony Apartment Complex which is the site of the former facility. They have also collected indoor air samples and detected low levels of benzene and naphthalene in the basement of the apartment. EPA will be sending all the data to ASTDR for review. We are coordinating this work with the Department of Health. It is likely that EPA Removals will be up in July to excavate contaminated soils.

Lakes: The jurisdiction of the Shoreland Encroachment Program (29 V.S.A. Chapter 11) over overhead power lines (where they extend over the water beyond the mean water line) has been questioned lately by CVPS and VELCO, specifically in regard to a powerline upgrade that stretches over Milton Pond. The program has previously exerted such jurisdiction and has indicated to these two entities we will continue to do so: Both pipelines and cables, which are specifically listed in §402, can be elevated structures. While the definition of "encroach" in §402 does not specifically list transmission or communication lines, it is reasonable to interpret a transmission and communication line as a "similar structure beyond the shoreline" under §402. "Beyond the shoreline" means extending lakeward from the mean water level."

Rivers: The Hydro Program filed a Request for Rehearing with FERC in connection with Blue Heron's Ball Mountain Dam Hydro Project. FERC had deemed the Agency's 401 to be waived by calculating the one year timeframe for acting on a request for certification from the date of "application" for a water quality certification rather than from the date of the Agency's "receipt" of the application as provided in the Clean Water Act.

Fish and Wildlife

Fontaine Gravel Pit Case: Staff met with ANR legal staff and others to prepare for the Fontaine gravel pit case in Act 250 dealing with deer winter habitat and the Seneca wind energy project. The Fontaine case is an important, precedent setting case. Staff has numerous concerns about the sites for the proposed Seneca wind energy project including black bear habitat, moose winter habitat, wetlands, travel corridors and more.

"After the Fact" Staff reviews: Act 250 comments and recommendations were submitted to DEC pertaining to an 'after the fact' project located at Hermitage Inn in Dover. The applicant cleared 1.9 acres

for a new ski trail which links the existing "Last Chance" ski trail to the Hermitage Inn. Three new on-stream culverts were installed as part of the new ski trail. F&W recommended that the culverts be replaced with properly sized structures to accommodate AOP, and that 50-foot buffers be maintained along all project streams.

In-stream work for Castleton River and Dry Brook: Staff attended a meeting at Dry Brook in Castleton with staff from DEC, F&W, NRCS, Army Corps of Engineers and railroad company staff to discuss remediation efforts required in the Castleton River and Dry Brook for in-stream work completed last fall and winter by the railroad company. Unauthorized dredging was conducted in both the Castleton River and Dry Brook and dredging material was placed in a wetland. The Army Corps is requiring all material be removed from the wetland and long-term solutions were discussed as to how to deal with the deposition of material into the Castleton River from Dry Brook. The removal of berms to allow Dry Brook to access its floodplain was the preferred option. The group visited the Gully Brook site where restoring access to the floodplain has reduced gravel deposition into the Castleton.

Prairie Redroot: Staff visited the only site for Prairie Redroot in the state. This habitat is along the Burlington bike path on City of Burlington property. This is the only native population for this species in New England. The population is in urgent need of management because of the encroachment of invasive species. There is need for a local volunteer to take on the protection/management of this site.

Forest, Parks and Recreation

State Lands: VHCB has approved funding for the proposed Bolton Nordic acquisition. FPR staff will soon begin work on development of an interim management plan for this property. We are working with the Town of Eden regarding the release of several town lease lots within Green River Reservoir State Park. The Town of Groton has notified us that they are now ready to close on the planned conveyances at the intersection of the Boulder Beach Road and Rt. 232 to accommodate the planned realignment of this dangerous intersection. The deeds and related documents have been finalized for this transaction and we expect to close shortly. Work continues on several FPR land transactions including proposed sale of the Lafreniere homestead, additions to Green River Reservoir State Park, and conveyance of Woodchuck Mountain property to the Town of Newbury.

Parks: Nine more campgrounds are open for the 2012 operating season this coming weekend. The balance of the park campgrounds and day use areas are on schedule for opening for Memorial Day weekend, with the exception of Camp Plymouth which is still under construction for flood repair.

Park Passes: In addition to the 200 Individual Park Passes issued annually to foster children throughout Vermont, we are working in partnership with the Agency of Human Services/Dept. of Children and Families, to acknowledge May as National Foster Care Month by giving away 500 free park passes to the other foster family members.

Tourism and Marketing Survey: Plans are continuing for administering the summer-long Vermont Dept. of Tourism and Marketing Vermont visitors' survey at state parks in cooperation with UVM, the Vermont Attractions Association and the highway rest areas. Staff training will take place in the first week of June and the survey will start on June 18.

Private Land Stewardship: Staff have been involved in a New England based landscape-scale stewardship effort that includes the southern Green Mountains and the Taconic region. Targeted outreach across the involved states will be effective in reaching unengaged landowners.

Information Technology

SOW Bids: ANR's SOW for back-file scanning, records management and project management was sent to all 6 of the State's pre-qualified vendors last Friday afternoon. Bids are due 5/21.

Business Office

Act 248: We are working to develop our capability to get reimbursed by developers for our work on Act 248 projects, etc. based on the current bill back legislation. We are setting up coding to be able to track all the costs across the Agency associated with the current new North Springfield Wood Energy Act 248 project.

Irene Payables/Reimbursement: We are submitting final Irene Payables/Reimbursement to BGS for payment relating to our basic Waterbury office losses.

Memorandum

Vermont Department of Public Service

Privileged and Confidential

To: Hon. Peter Shumlin, Governor & Sarah London, Governor's Counsel
From: Sarah Hofmann, Deputy Dawg
Subject: Weekly Report – Priorities Version
Date: May 18, 2012

Status of Priorities and Cases of Interest:

- Vermont Yankee NRC License Renewal – DPS and NEC are preparing additional briefing as to the status of Entergy's application for a NPDES Permit under Section 402 of the Clean Water Act. Briefs are due on May 21.
- Derby Line Wind – This case continues to be rocky in terms of our Canadian neighbors. The Board released a revised schedule in the Docket. Non-petitioner prefiled testimony is now due in early July, and technical hearings are scheduled to be held the week of August 27. The Board also granted party status to an additional intervenor. A Canadian abutter has filed a motion for intervention as well. The Board set a May 21 deadline for motions for intervention, and two motions are currently pending before the Board. A member of the Canadian Parliament has asked the Board to hold an additional hearing on the project so more people could voice their positions.
- Charlotte Solar LLC 2.2 MW Project - DPS, the Town of Charlotte and the Intervening Neighbors filed testimony on 5/10. All three filed reports of aesthetics experts while the Intervening Neighbors also filed testimony by three of the individual neighbors, one of whom is by profession a landscape architect. All three aesthetics experts concluded the project was not sufficiently mitigated, but the Intervening Neighbors expert also concluded the project was offensive to the average person of ordinary sensibilities. The Petitioner's Rebuttal Testimony is due 6/1 and DPS, the Town and the Neighbors may file another round of discovery on 6/7. The Town of Charlotte has intimated that it may withdraw from the case. Attorneys for the Petitioner seek a meeting with the Commissioner to discuss the docket.
- Kingsbury Branch Hydro (North Montpelier) – The Board issued an order this week making it fairly easy for a project to switch from a conventional CPG to a net metering project if there is no construction, physical alterations or change in operating practices.

Legislative Issues/Contacts:

- Chairman Botzow talked to Liz about the Department or Board running some kind of process to look at public participation in PSB dockets perhaps including consideration of intervenor funding or funding for mediation in cases involving the siting of generation.

Press Issues/Releases/Contacts:

- Alan Panebaker of VT Digger asked questions about alternative regulation v. traditional regulation. Despite our efforts his article still seems to support the notion that alternative

regulation will mean it will be difficult for intervenors to intervene and challenge expenditures particularly the money used on efficiency if the merger MOU is approved.

- The Caledonia Record contacted us regarding hydro and the standard offer. Not sure where the reporter had gotten the initial information but much of it was wrong. It was an opportunity to tout S.214 and the hydro provisions contained therein.

Significant Meetings/Events:

- The Energy Dialogue took place this week with leaders gathered at the statehouse to discuss energy policy including the opportunities and obstacles regarding cutting greenhouse gases with more renewable energy projects.
- Also this week, Liz co-chaired the meeting of the Northeast International Committee on Energy to discuss a wide variety of energy issues
- Liz met with Rush Robinett and Lawrence Miller to discuss the Regional Solar Test Center and how to realign state funding to meet the needs of the project as it has changed. Liz will set a follow up meeting.
- Liz, Lawrence Miller and Pat Moulton Powden met with VEIC and an official from the Washington DC contracting office to work on how we can support local labor in our energy projects.
- Liz met with Rick Justus as a follow up to his meeting with the Governor regarding electronic integration of technology in homes with the advent of smartgrid.
- We met internally regarding the Thermal Efficiency Task Force. Liz is going to meet with Alex to discuss scope and next steps.
- Liz had dinner with Gordon van Welie, President and CEO of ISO-NE. They discussed regional issues of interest to VT. Liz thanked him for ISO's prompt action in VY delist.
- Liz and Sarah met with Tom Evslyn and Neale Lunderville to discuss Tom's compressed natural gas business plans. There are some issues that we are still wrestling with. We hope to talk to VGS next week about some of the interactions of the two businesses. In the meantime the PSB has set a schedule for resolving Tom's declaratory judgment motion in which he seeks clarity on Board jurisdiction over a CNG business in VT.

Evolving Issues:

- Probably in June the PSB will rule on the merger. In preparation for that, we have internally met to discuss possible candidates for the VLITE board who will then choose the VELCO board members and decide how the VELCO dividends are used. Liz will be touching base with the administration on our thoughts.
- Monday to Weds of next week Liz and a few other directors will be at the New England Conference of Public Utility Commissioners. All the regulators and utility types gather for three days of presentations and informal business discussions on NE regulatory issues.

Special Thanks to the Governor for his support of the Department. It was awfully gracious of him at the bill signings today to recognize the Department for its work on the bills being signed.

Privileged and Confidential
Memorandum

To: Peter E. Shumlin, Governor
From: Douglas A. Racine, Secretary of Human Services
Re: AHS Weekly Report
Date: May 18, 2012

AHS Secretary's Office

I attended a conference late last week at the Harvard Graduate School of Education with a team from the Molly Stark Elementary School in Bennington. The subject was improving integration between pre-K and the K-3 programs. Pre-K is loosely defined as a system, and state government responsibility resides mostly in AHS, while the K-3 system is locally controlled with DoE participation. The Bennington group sees lots of potential to develop new connections that could better serve children by helping them get off to a better start in school, and hopes to be a model for the state. I will continue to work with them to advance your agenda of a stronger pre-K system and addressing the achievement gap.

I visited the new Bennington office building on Wednesday, spending the afternoon with AHS staff. They were very excited about leaving the trailers behind. Most of the staff were positive about their jobs and workloads, with the usual exception of the Economic Services Division within DCF. They continue to deal with the modernization disaster that was left to us by our predecessors. The system hasn't worked as advertised, staffing was cut, and caseloads have increased. Not surprisingly, morale is low, with one worker even saying to me: "I am embarrassed by the low quality of service I am able to provide to our clients." Dave Yacovone and Richard Giddings (Deputy Commissioner for Economic Services) continue to work on this, with new processes being piloted in Rutland and Middlebury. This is a long road, and ultimately may be a staffing issue, at least until we have new IT systems on line 3 or 4 years from now. Our predecessors had a banking model, with ATM's replacing tellers. Our clients are there because they are leading difficult lives and need human help, not an ATM.

I also attended an evening session of the Community Visit program sponsored by the Council on Rural Development. I participated in the workshop on poverty, attended by over 30 residents.

Vermont Department of Health (VDH)

Environmental Health. Environmental Health is working with Infectious Disease Epidemiology to investigate a case of Legionnaires' disease in an elderly resident at a Long Term Care Facility (LTCF) in Windsor. Water sampling took place on May 9th to assess the presence of *Legionella* bacteria. The facility has reported that they are following the recommended prevention measures previously discussed (hot water tank temperatures, routine cleaning and disinfecting of fixtures, etc.). VDH has been in contact with our partners at DAIL and DEC Water Supply Division.

Rutland Methadone Program Update. There is still no identified site for the Rutland methadone program. The Rutland Plywood site is no longer available. Dan Quinn from Rutland Mental Health and Tom Heubner from RRMC are looking at other appropriate sites. All of the current sites under consideration will require a significant amount of build-out prior to being able to use them. There are two sites that seem to be most promising: a site on RT 7 in Rutland Town near Clarendon that is a warehouse, and a location on West Street near Forest. Susan Bartlett, Commissioner Chen and Barbara Cimaglio will be talking on May 16th to determine how best to help identify another site. We are concerned about timing, as the State Plan Amendment to support the Hub & Spoke Model will need to be submitted very soon in order to allow fall start-up. It is possible that we will need to identify another FY13 location for Year 1 if Rutland cannot be ready for fall start. We think that Central Vermont would be the next likely location as they already have both methadone and buprenorphine providers in place.

Brattleboro District Office. While Brattleboro continues working on pedestrian and bicycle safety, members of the Brattleboro district office staff joined town officials, local fitness advocates and residents to get a first-hand look at the existing conditions along Route 9 in West Brattleboro. This stretch of road, which passes through the Village of West Brattleboro and past an elementary school, has proven to be one of the more congested and dangerous sections of roadway in town. About 20 participants walked along Western Avenue taking photos, jotting down notes, and observing the sidewalks, shoulders and traffic patterns. The information gathered will support the Brattleboro town planning process to improve pedestrian and bicycle safety.

Board of Medical Practice Receives Another Questionable Public Records Request. Last week it was reported that the Board received yet another request for the file pertaining to a licensee who has worked with Planned Parenthood. There has been one more request, making a total of eight requests submitted only by email, each requesting the records be provided electronically, and each showing signs of having been submitted by one person using different identities. As with the others, the licensee will be notified about the request and this new request will be forwarded to law enforcement authorities.

Department of Mental Health (DMH)

We have not received a report this week from Commissioner Flood.

Department of Disabilities, Aging and Independent Living (DAIL)

APS.

The acting program chief Shawna Agel is on maternity leave. We have hired a program chief who will start June 14th. Veda Lyon previously served as chief (1999-2003) and is highly regarded in the community. The situation remains stable and continuously improving. The new data system will be fully operational by August 1st but preliminary reports will be available June 1st.

Legislature

Veto of S.290 prompted inquiry from Anne Galloway as to rationale but no other press interest. Commissioner Wehry reiterated Governor's statement and added some detail to why we considered the repeat study duplicative.

McGirr's Nursing home, which closed April 28th, has received notice that the state does not intend to levy any penalties but has also reminded the owner, Margaret Perry, that she will be liable for bed assessment (provider tax) until she relinquishes her license. DAIL has assisted in removing barriers to her being paid through April 27th.

Events

There have been two Older American Month activities this past week: Tai Chai at Central Vermont Council on Aging and scavenger hunt with 7th graders at Menig Extended Care. DAILs participation has been much appreciated

Signing of H.413 was an opportunity to stress positive steps we are taking to address elder abuse in Vermont and the limited feedback has been positive.

Department of Corrections (DOC)

Status of Governor's Priorities

NIC VISIT. The National Institute of Corrections is in town this week reviewing practices at the Chittenden Facility. This work is the result of a grant submitted by the DOC for this type of review. The three members from the NIC will be hosting six review panels over a two day period. They will provide a written report with suggestions by June 1st.

Chittenden Superintendent Recruitment. The selection committee has chosen eight candidates to interview next week for the Superintendent Position at Chittenden. The panel includes three DOC staff and two members of the White Paper Group.

Population

The department's incarcerated population has remained relatively flat for the last week, with the OOS population declining to 476 individuals. The female population has remained level in the middle 130's and the overall detention population has remained in the high 300's. The department is currently supervising four individuals on home detention, 47 on home confinement 55 on reintegration furlough, 785 on traditional furlough status, 1052 on parole and 6044 on probation.

Department for Children and Families (DCF)

Significant Events/Meetings

Vermont Scores an "A". The Children's Advocacy Center recently published its third National Report Card on Legal Representation for Abused & Neglected Children, called A Child's Right

to Counsel. Vermont's score was 90, or A. Vermont lost points because our statute does not require specialized education and/or training for attorneys representing children in dependency proceedings. However, the Public Defender does in fact provide training to its contracted attorneys on a regular basis.

Evolving Issues

DCF Exploring Federal Waiver. DCF is exploring the possibility of implementing a federal option that will allow us to extend an additional five months of SNAP 3Squares benefits to working families who leave Reach Up. This would dramatically help to make the benefits cliff a more manageable slope for working families. Recent research indicates that from the time a family of three is earning \$17,000/year until that same family earns approximately \$42,000/year the family economic situation is not really gaining because of the rate of loss of benefits.

Currently Vermont's Reach Ahead Program, funded entirely with state funds, provides a benefit of \$100 a month in food benefits for six months and then reduces to \$50 for another six months. We could reduce the state Reach Ahead benefit and replace it with federal 3Squares benefits at a higher amount. The average family federal 3Squares benefit is \$221 a month. We could then use a portion of the Reach Ahead benefit to extend the assistance for seven months, to give a full year of assistance, and then use some of the savings to extend a small state benefit to current Vermonters on 3Squares who receive a zero benefit. This would allow us to count those working Vermonters in our TANF Work Participation Rates and avoid the possibility of federal penalties in the future.

We will do a more thorough analysis of this for you, but wanted you to be aware of this opportunity as you may hear about it from advocates who will learn about our efforts to address hunger in Vermont and the benefits cliff at the same time as we work on securing this option.

Department of Vermont Health Access (DVHA)

Status of Governor's Priorities

Significant Events/Meetings

DUAL's. The DUAL demonstration project proposal was submitted to CMS on May 10th.

Health Benefit Exchange Staffing. A new member of the Exchange team started this week: Paul Hochanadel, project director. He is an 11-year veteran of local non-profit Spectrum and comes with strong leadership and management experience.

Emerging Issues

Program Integrity. The DVHA program integrity (PI) unit provided new information to the VT Medical practice board on the prescribing practices of the physician that was reported on in the Burlington Free Press. The DVHA PI unit also provided the additional information to the Medicaid Fraud and Residential Abuse Unit (MFRAU) in accordance with our internal policies and procedures.



State of Vermont
Agency of Administration
Office of the Secretary
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.adm.state.vt.us

[phone] 802-828-3322
[fax] 802-828-3320

Jeb Spaulding, Secretary

**PRIVILEGED AND CONFIDENTIAL
MEMORANDUM TO THE GOVERNOR**

TO: Governor Peter Shumlin

FROM: Secretary Jeb Spaulding

DATE: May 18, 2012

SUBJECT: Confidential Report to the Governor

CONNECT VT

Within the Past Week:

- ATT has signed the lease to occupy the to-be-built VTA Bethel tower. RPF for construction, under the direction of the VTA, will let within the next two weeks. Construction will begin later this summer, with ATT to attach antenna equipment and extend service in 2013. This has been very long in development and a good indication of the pace at which carriers move. Within the next week, I will forward information for GW Plastics for GPS to make a call to the CEO and advice with the news that we are making progress and have landed a carrier lease for the tower.
- Verizon has completed their 4G LTE upgrade to 30% of their network in Vermont. Net effect will be the enhancement of mobile data speed by a projected 10x, and projected extension of current site coverage from 2 – 4 miles. The company has indicated that they will continue this upgrade to existing sites through 2012 and look for completion of the project by the end of the year. While this may not materially extend coverage to new areas, it does bring this network to state of the art. Impacted towns in this phase:

Verizon Wireless' new 4G LTE network initially will be available in the following cities and towns across the Green Mountain State: Barnet, Barre, Brookfield, Burlington, Cambridge, Colchester, Coventry, Ely, Essex, Fairfax, Ferrisburg, Georgia, Jeffersonville, Jericho, Lyndon, Lyndonville, Middlebury, Middlesex, Milton, Montpelier, Morrisville, Newport, Randolph, Saint Albans, Saint Johnsbury, Shelburne, Smugglers Notch, South Burlington, Stowe, Thetford, Underhill, Vergennes, and Williston.

Verizon's 4G data network will deliver predicted speeds of 5 – 13 Mbps DOWN/ 2 – 5 Mbps up, which are at and exceeding current aspirational standards for broadband. Further, they will launch a residential product- HOME FUSION- which essentially, captures mobile wireless broadband and makes it fixed in the home by means of an antenna. This will offer a more viable broadband option to locations within their service area.

VTA Network:

- VTEL has made a decision to phase their project with ATT and T Mobile, southern Vermont area first. They will submit contract parameters to VTA within the month.
- We have reached out for input to an FCC /communications legal firm regarding the ATT/ no roaming position on AWS signals on the VTEL network. With the input of Holly Groschner (VTA counsel), Michel Guite we are formulating a very specific ask for GPS to make, and the best possible path.

Target Communities Connect VT and VTA Activity: VTA has received submissions for funding of coverage of unserved and underserved locations from: Comcast, EC Fiber, FairPoint, Topsham Telecom, VTel, Wavecomm, and WiValley. Fairport has indicated that they will reach 19 of the 61 with their penalty funds. VTEL has further indicated that their currently planned network without additions could reach close to 2000 of the unserved. VTA will work through decisions for June and July board votes.

Simultaneously, Connect VT goes on the road starting next week at Target Community meetings to address citizens on what is being done for unserved locations. May 21 at the Putney Firehouse, and May 23 at the Cole Hall in Shaftsbury.

Meetings:

New England Telehealth consortium and DHVA: Met to discuss broadband infrastructure that will support NETC members and rural health care. Outcomes of initial meeting:

- Foster collaboration between NETC, DHVA, VCGI and Stone Environmental to establish a GIS layer that can overlay existing VCGI provider coverage data and help to inform what provider resources would be available at clinician locations.

Northern Reliability: Waitsfield based company, designs/ builds remote power sources for Telco installations. The upshot: a tower location that does NOT have to have line power, allowing for build in more remote areas. Karen Marshall is making connections for this VT employer to VTEL, ATT, Verizon and other contacts.

Quebec Delegation: Working with Brent Raymond (ACCD), we have scheduled a Vermont/Quebec Telco and Smart Grid roundtable for 5/24, contiguous to the GPS/Charest reception. Invitees- CEO and technical leaders from these industries.

BUILDINGS AND GENERAL RESOURCES

Legislative Issues/Contacts:

- Met with Rep. Stevens regarding Waterbury project.
- Met with Katherine Benham, JFO, regarding 6/1 statutory Waterbury report, JFC July meeting and income statement concerning the Waterbury projects.

Significant Events/Meetings:

- Reviewed western region project report
- Discussed legislatively mandated building condition and energy efficiency assessments and tentatively allocated major maintenance funds.
- Talked with Harry Chen regarding schedule and permitting for the Colchester Health Lab.

FINANCE AND MANAGEMENT

Issues Update:

FY12 Year-End Closing: The preliminary work leading up to FY 2012 Year-End closing and the start of FY 2013 is progressing well. Deadlines within the current two week period include: FY 2012 final purchase order submission; FY 2013 delegations of authority submitted; changes to VISION “org” budget structures and chartfields; and changes to payroll defaults and funding splits. There is a great deal of pre-work necessary to be able to successfully “close the books” on June 30th and have the VISION system ready for FY 2013 transactions on July 1st.

Financial Transparency Website: The project mapping, content definition, branding and navigation development work is on-going for the project team. Team members, led by project lead Deputy Commissioner Zeller, include PM Joanne Heath (DII), CMO Kathy Murphy (ACCD), Tech Manager Dave Metraux (ACCD) and Marketing Specialist Kate Alberghini (ACCD). The Team is also consulting with DII’s Director of Web Services, Harry Bell on web related protocol. After concept development is completed, fully flushed out and documented, the next phase will be for the Team to present a demonstration to senior management for acceptance of concept, brand, design, etc. before the project can proceed to the construction/build phase. The current project timeline calls for Deputy Zeller to schedule the presentation meeting within the next 4 – 6 weeks with Secretaries Spaulding and Lawrence Miller, Commissioners Reardon and Boes, and Deputy Secretary Clasen.

HEALTH CARE REFORM

Nothing to report.

HUMAN RESOURCES

Legislative Issues/Contacts:

- Senator Illuzzi requested a response regarding a Pay Act inquiry. This response has been drafted and provided to Secretary Spaulding for review.

Press/Media Notes:

- DHR received two press inquiries from Burlington Free Press reporters regarding the salaries for the top 100 earning employees as well as the State's policy on the reimbursement of travel expenses.

Significant Events/Meetings:

- Governor's Strategic Planning Retreat will take place on 6/22/12, in the Ethan Allen Room at Champlain College in Burlington.
- Activity program momentum continues with the Bike Challenge. Vermont is 1st place for the challenge. The employer, State of Vermont, is 2nd of 240 workplaces in the state and 22nd out of 7,192 workplaces nationwide.
- Post Irene Employee Care Meeting. Wellness and Employee Assistance Program met with a group of 40 employees from IBM-DCF. Resources on stress management were provided.

INFORMATION AND INNOVATION

Status of Governor's Priorities:

Governor's Dashboard: Doug Hoffer delivered the first 129 measures for consideration on May 14th. Commissioner Boes led a meeting internally to select measures for Doug to build-out in the short term. This list of 20 was shared with Doug on May 15th, and during that meeting we agreed on another 12 measures for him to work on. The premise for this prioritization exercise is to get a mock up built as soon as possible with the measures we know we want. We are leaning toward a page for each interest area with one main chart and one narrative story header that represents all the charts related to that interest area (e.g. jobs). Related charts would be published in tabs around the main chart (above or below). Doug will provide a sampling of 4 charts he has completed in one interest area as soon as possible. Harry Bell, DII's Web Director, will use them to begin developing the prototype described above.

Significant Events/Meetings:

The ACCD Website is now live at accd.vermont.gov.

LIBRARIES

Department Initiatives

State Library Services to State Government: ReferenceUSA is an online subscription-based resource with information about U.S. households and businesses. One can search and sort listings using a wide range of data elements and can produce mailing lists. Info includes names, addresses, industry SIC codes, number of employees, \$ business, etc. In state government, this product will have interest for Labor, Tax, State Police, Tourism, Economic Development, and others. We may go ahead and get this only for the state library in year one and do some spot training and see where there is interest. But that is not the most cost effective use of this product. And it raises the larger question: how do we supply state

government with access to these information products? I think it is the state library's role to do this, but just how is a sticky wicket. It's worthy of further discussion.

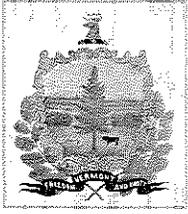
Catamount Library Network: We are poised to contract with Bibliomation, Inc. (a membership library consortium in Connecticut) for project management and hosting of our new Evergreen project. (Phase One will network 5 Vermont public libraries in a shared "integrated library system." This contract will include a full time project manager housed in Vermont with support and training from other Bibliomation staff.

This is seen as the first step toward a statewide networked library system and a statewide library card. The vision is ambitious but in many ways we are only playing "catch-up" with other states. For citizens it holds the promise of a gateway to the book collections of the state's libraries in a single online search. And with the addition of "discovery" tools it will provide access to a wide variety of digital information. But for this to happen, it will require some significant state funding.

There is a lot of interest in this project – from libraries and from citizens. Yesterday I got a call from the librarian at the Vermont History Center. He was calling on behalf of the organization of Vermont archivists. Could this system give access to archival collections? To materials in state historical societies? It's exciting to think about all of this, but our first goal is to get just 5 libraries up and running. Our target date for this: 3rd quarter 2013. Stay tuned.

TAXES

Nothing to report.



State of Vermont...

Department of Financial Regulation

89 Main St. Drawer 20 Montpelier, VT 05620-3101 Main Number: 802-828-3301

Divisions: Banking, Insurance, Captive Insurance, Securities, and Health Care Administration

Memo from Commissioner Steve Kimbell

CONFIDENTIAL AND PRIVILEGED – NO SHARING Report to the Governor for Week Ending May 17, 2012

Governor's Priorities

Health Care Reform

Commissioner participated in two panel discussions on health care reform in Bennington and Rutland. The events were sponsored by MVP.

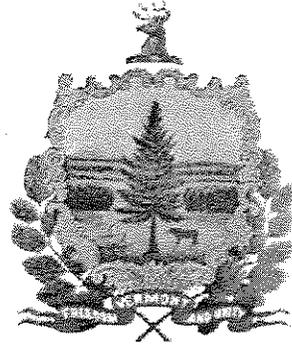
Legislation

General Information

The Captive Division has billed over \$500,000 this month for examination fees.

The Captive Division's Dan Petterson was one of the presenters at a "Regulator's Perspective on Captive Investments" for the International Center for Captive Insurance Education.

Memo



TO: Governor Peter Shumlin
FROM: Keith W. Flynn, Commissioner
DATE: May 18, 2012
SUBJECT: Governor's Report

STATE POLICE

May 7th thru May 13th

A Troop

FF

- Triple Fatal Accident on I-89 in Bolton
- Tpr received a report of a burglary in progress at an unoccupied residence in Highgate. The owner's mother, who lives next door to the building, observed male and female placing items from the residence into the back of a truck. She was able to give a good description of the suspects and the vehicle, as well as a plate number. Tpr checked area scrap yards, where he came upon the suspects. Both suspects were interviewed and arrested for burglary.

BCI

- Team Leader for local cooperative law enforcement detail in Lamoille County several criminal drug arrests made to include marijuana and opiates. Vehicle search warrant, DWI and info on large marijuana grow in Morristown.
- Called out for a Sexual Assault that occurred in Shelburne. Male alleged to be passed out, tied up and assaulted by another male at the North Star Motel. Victim interviewed at ER.
- Suspect in above assault located and interviewed at length. Crime scene photos taken, witnesses contacted, interviewed or attempted to be located.
- Assist St. Albans PD Muir/Davis case interviews
- Friday – Northfield, Skull found

B Troop

FF

- One fatal motor vehicle crash, alcohol and speed a factor.
- Tprs. responded to a suicidal subject with a gun. Subject turned himself in without incident.

BCI

- O'Hagan – jail house calls
- working with lab on DNA from NY-O'Hagan case
- Attempted to identify subjects involved in burglaries in Barnet area and sent info to DMV for that purpose,
- Possible ID on vehicle used in recent break ins. Spoke to informant and passed them to the Drug Unit for work,
- Jenkins Homicide, Cambridge shooting follow up

C Troop

FF

- Report of a missing 5 year old in Salisbury (Silver Lake): Troopers responded as well as members from The Salisbury Fire Department, Middlebury Fire Department/Technical Rescue Team, Brandon Rescue Squad, Middlebury Rescue Squad, U.S. Forest Service, and VT Fish and Wildlife Department. K9 teams were also called in from Vergennes Police Dept. as well as The Shelburne Police Department. The juvenile was subsequently located approximately: 45-1 hr after the initial call by a family member and first responder.
- Troopers from around the State along with police officers from Bennington County honored Sgt. Gary Gaboury during a ceremony on the 20th anniversary of his death.

BCI

- Officer involved shooting, Southern VT (Bellows Falls PD Officer)
- Reported Sex Offender Registry Violation, Bristol
- Embezzlement
- Gaboury Memorial
- CSST (Coventry Land fill)

D Troop

FF

- Capture of fugitive Frank Foster – Tprs. located subject in Saxtons River. He was arrested but while in custody attempted to escape and kicked out a cruiser window. Subject also kicked 2 troops and later bit a third, no serious injuries. Foster was wanted for escape from Vermont Corrections and while in the wind did an armed home invasion/agg assault in Hinsdale NH, an armed carjacking in Bellows Falls and several other crimes.
- Responded to an attempted suicide which occurred at a juvenile drinking party at Herrick's Cove in Rockingham
- Investigated fatal MV accident

BCI

- Sex Offender Registry compliance
- Hill Homicide (evidence)
- Assist SIU-offender interview-Claremont NH
- Agency Assist to Hartford PD – Cell phone extraction
- McDaniel's homicide follow-up

TOPS

- CRT assist with triple fatal on I89 in Bolton
- Stopped a vehicle after receiving BOL on I-91 in Westminster at 109 MPH, St. Mike's student who is on his way home to NY and was driving in that manner the entire trip, he was arrested and charged with C&N operation and Excessive speed.

Arson

- Coordinate with Highgate Fire on future live burn and Arson class training. Fire at the Randolph High School – fire ruled and arson, with follow up a juvenile has confessed to the fire and PD will be following up with charges from this case

ICAC

- 5 days activation to Coventry dig site reference Currier case
- Pulled drug case for Sgt Albright, arranged delivery for trial
- Recovery of skull in Northfield, search plan developed for following Monday
- Coordination/Planning for move to Waterbury including full evidence inventory and email to investigators

Assisted/Coordinated defense forensic examination for Voker Reuss Fed CP case
(Trooper involved shooting) Completed one cell phone exam. Started exam on second and began charging the last dead cell phone.

EMERGENCY MANAGEMENT

Issues/Updates:

- a. Director and Deputy attended the Northeast States Emergency Consortium Board meeting.
- b. VT Homeland security and Emergency Management met with AOT to outline ICS training.
- c. Final preparations being made for Senior Leader Orientation to be held next week in the SEOC.
- d. Director was advised the position of Public Assistance Officer (PAO) will remain an Exempt position liaised to the A of A through the end of this year.
- e. The new position of "Systems, Data Analysis and Recovery Support" will start effective May 20th.
- f. Deputy and HSU Director attended a meeting with SBFD to discuss parameters around their becoming a swift-water asset.
- g. Discussion continues on how to fund Metropolitan Medical Response System (MMRS), previously funded by DHS, but those funds are now consolidated.
- h. An Emergency Generator Grant RFP was released this week with a closing date of June 15, 2012.
- i. Through the above grant (i) Municipalities were informed that all future grant opportunities will require ICS 402 (ICS for Executives) and ICS 100 (Introductory) and ICS 200 (Basic). Previously these have been recommendations; they will become requirements going forward.
- j. BGS has provided an update on hardening our facility. While some accomplishments are near, major tasks remain distant and a concern regarding continuity of operations here at the SEOC.
 - i. The flood door will be installed in late July/early August.
 - ii. The sump pumps (two pumps with 3" diameter pipe each) should be completed in June.
 - iii. The other hardening items (gas boilers for heating with additional propane tank, flood walls at new entrance glass [i.e. both sides of Lobby] and drop in flood gates at all entry/exit doors to get the building safe to

the 500 year level plus 2', larger electrical generators [move Forensics to DPS & buy new larger unit for Forensics) would not be covered by the current FEMA flood program - so the State needs to find a funding source. Improvements could be built into the post flood campus improvements – but there is a time delay risk as that project won't be completed for three years.

Legislative Contacts:

- a. Senator Mazza
- b. Rep. Brennan
- c. Rep. Sarah Edwards is attending the NTSF conference where there have been limited conversations about Vermont Yankee.

Ideas:

- a. VTrans has agreed to take on project management of construction of a joint RWIS station in Vernon.

General Information/Other:

- a. Attended training for the state preparedness report (SPR) and development of the threat hazard inventory risk assessment (THIRA).
- b. The Hazard Mitigation Officer is doing field site visits with FEMA this week.
- c. All staff continued to participate in the flood recovery efforts (coordination with recovery task forces and publication of the state situation report – every four weeks).
- d. Continue to participate in multiple JFO and Recovery Office coordination meetings and calls.
- e. Final AAR/IP revisions continue.
- f. Posting for Outreach Specialist position closed May 16th.

ADMINISTRATIVE/FINANCE

FY12 Financial:

FY12 Year-end close activities are gearing up, beginning with the physical asset inventory that Mike Bean here in Accounting heads up working with contacts in all of our remote locations. This is a busy time for us here in Admin, with all staff having a role in ensuring a clean close of the books. We are comfortable with our budget situation here in the last 6 weeks of the fiscal year, now that we have a plan for dealing with the VSP shortfall.

FY13 Budget-Building:

We are working with Finance & Management to make the adjustments to our BDS submission with any changes that occurred to the DPS budget during session. This consists of: removing the portion of the Personal Services budget related to the trooper contract increases, as this amount has been added to the Pay Act legislation; adding in the \$150k of Gang Task Force General Funds to the VSP budget; and adding in the \$126k to the CJS budget for ICAC computer forensic analyst positions. This requires that we specify which spending account codes we will be using to ensure the money is in the correct budget categories.

Grants Management: We had a meeting yesterday with Secretary Searles and his staff to discuss the 164 funds Split Letter agreement went well I think and Sec. Searles seemed willing to sign at that point.

Other Pending Issues Requiring Discussion:

Electronic Grant Management Solution Project: We are currently working with BGS and DII to hopefully purchase an EGMS solution off of a multi-state contract of which the SOV is part. This system is called "Intelligrants" and is the system that the Agency of Commerce and Community Development has been using since 2008. We were pretty impressed with the demo of this system as it had features that Grantium did not. The financial tracking and reporting functionality is much more integrated in this system, so I think this is a better option. Hopefully, we will be able to work out the purchasing details.

Contracts/Purchasing: We are still working on our new policies and procedures and will be scheduling a presentation for the Executive Staff over the next several weeks.

FIRE SAFETY

Issues / Updates:

- The division reviewed \$11,500, 000.00 in new construction valuation collecting \$66,500.00 in permit fee revenue.
- Completed the recruitment process with temp plumbing inspector John Hammer. He will be finger printed shortly and should have him hired within a couple of weeks.
- Have completed the draft 5 year support contract for RSI and will forward today for Bob Gorman's input.
- Working on a punch list for RSI contract for final payment to RSI on this contract.
- Met with Barre City Fire Department to discuss status of municipal inspection agreement. City of Barre is preparing to purchase new fire data reporting system.

- Dismissed a long outstanding administrative fine for a building in Saxton River area because the building is being demolished.
- New VTRANS Lab project in Berlin has substantial code issue pertaining to the use of plywood in the non-combustible building. Stan and Bob Sponable trying to work through the problem. You may hear from the Barre City Mayor as he is financially connected to this. Same building that started with no permits.
- Meeting Friday at VTC to discuss proposed manure storage facility in close proximity to burn building.
- Completed 2 days of NFPA training for our inspectors on new code updates.
- Assisting the Town of Milton with a building structural issue
- Moving forward on filling the USAR position.

CRIMINAL JUSTICE SERVICES

Marijuana Dispensaries

The final rule hearing with LCAR was held on May 17, 2012 and approved by the committee with some modifications. The modifications the committee made provide clarity and are not substantive changes. I am awaiting a formal notice from LCAR of the approval before the rules are filed for adoption with the Secretary of State. We will be putting out an RFP application process next week soliciting for dispensaries. We also are still in the hiring process for the marijuana program administrator.

Blood/Breath Alcohol Program

A DUI case was heard this week, in civil court in Chittenden, the defendants name was Robert Ammon. His attorney was arguing that department of public safety had no rules for the alcohol program. The attorney was arguing that the language in the law was wrongly interpreted saying we could adopt the department of health's rules. Further the Commissioner of Public Safety did not officially adopt the health department's rules as there is no documentation to support that DPS has adopted the rules. The judge did not rule on the motion.

It is apparent that we must get moving on adopting the rules. I will begin this process next week.

Information Technology

Many of our technology projects are being worked on aggressively and are tied to several federal grants that will be expiring within the next 12-18 months. Several of these projects have administrative work that needs to be completed such as;

1. Documentation creation for code consolidation. This is the HUGE part of the Spillman code consolidation project that is going to be so time consuming and what is slowing us down on getting that job done. Actually changing the codes is simple, however there needs to be documentation (and possibly a few regional training sessions) as to the statute to offense code to circumstance code requirements will take place when the codes change.

2. Officer "code" conversion in apnames/cdunit. This project was started over a year ago but, while simple, is very slow and time consuming, however is necessary for proper use of Mobile Data terminals. We have converted a portion of the agencies and all new users are added in the updated format, but we still have many agency officers that must be converted still.
3. Unit updates. Many agencies are notoriously bad about updating staff who have left their agency. We have many user ids that are still valid accounts on the system (though not necessarily active- password expirations helps create a thin level of security) and many part time units that are only assigned call signs for dispatching (no valid log in accounts) that create confusion when an agency requests a call sign change for a number that is already assigned. Every couple of years we have to go through the process of sending out lists to the tech liaisons at each agency asking them to update their users. Although not difficult, this is time consuming, especially when factoring in the time involved in waiting for and following up on responses from the agencies. This user management project also helps clear up other portions of our network including, but not limited to, Message Switch accounts, AD accounts, Exchange accounts, Listserv mail lists, etc. that all continue to hold a spot for those accounts that should be removed.
4. Electronic archiving of User agreement and training test documentation. Now that there is methodology to scan documents into a "folder" structure that allows for searching for specific user documentation, we need to take all the hard copy user agreement forms and Spillman training test documentation and have that scanned and stored. Although for future purposes we could most likely utilize Suellen or other in house admin staff to keep up with this job, the initial project backlog is so large we need to have someone process all the file cabinet drawers full of documents that exist this first time. Again, not difficult, but very time consuming.
5. Potential Geobase upgrade table work. Although we do not have enough information at this time to exactly determine what the work load is going to be, Sandy and I both have strong expectations that by having to convert the Spillman tables to meet the E911 format standards for the new Geobase process, there is going to be some type of data table conversion or updates that need to occur, which may end up in a fair amount of "grunt work" that needs to be done.

I will be seeking approval for a temporary position to help with these tasks. It is anticipated it will be a 3 month position.

Vermont TCP Listening Port for VOIP (E911) Pilot

Ultimately the goal of this project is to create a technological link between the address and caller data the 911 call system collects when a dispatcher takes a 911 call and Spillman, so that dispatchers can just automatically create a call without having to re-type the call address and other data into Spillman's add call feature.

The following is an update of the plan thus far:

1. Spillman will be putting the executable (that allows this interface between Spillman and the E911 software to occur) in place sometime this week.
2. This executable will be installing the executable on the LIVE Spillman server as testing on the spillmandev server will not work, since the dev server is being upgraded to 6.1 the end of May. (The executable is written for 4.6 write now, and when we upgrade to 6.1 on the live server they only have to make a minor modification. But for more immediate usability and testing, it needs to be put on the live server.)
3. Although the executable will sit on the live server, it will NOT be turned on all the time- it will be active only when we turn it on during testing phases.
4. A Ticket is being submitted to DII to have a network tunnel created between DII and our AIX server- once that tunnel is open, I give the port number E911 uses to Spillman to set up the software to watch that port for incoming data.
5. Starting May 22nd, there will be a weekly conference call set up on Tuesday mornings to report testing results, project status steps, assignments, etc. ANYONE THAT WANTS TO BE INCLUDED REGULARLY ON THAT CALL LET ME KNOW. They are designed to be only about 15 to 20 minutes long.
6. Following completion of the VIBRS AB appointed PSAP committee's recommendations on procedures and policies related to this project, then the executable can then be turned on full time whenever we are ready to do so.

**CONFIDENTIAL AND PRIVILEGED: NO SHARING
MEMORANDUM**

TO: Governor Shumlin
FROM: Armando Vilaseca, Commissioner
DATE: May 18, 2012

STATE BOARD of EDUCATION

ESEA Flexibility Request: At its meeting on May 15, the State Board voted unanimously not to proceed with the ESEA flexibility waiver at this time. In making this recommendation to the Board, I stated that I would like to leave it open at the federal level, so that if there is actual flexibility in the future, Vermont could apply at a future time. Recent conversations with stakeholder groups indicated agreement with the recommendation to the SBE. The SBE will be recommending that you endorse this position.

Winhall Town School District: At the request of the town school district and the voters, the Board voted to approve a change in supervisory union assignment from the Windham Central Supervisory Union to the Bennington-Rutland Supervisory Union, effective July 1, 2013. This action is in the best interest of the students and voters of this district, in part because it facilitates K-12 curriculum planning since the majority of Winhall secondary students choose to attend Burr & Burton Academy in Manchester.

Regrouping the Windsor Southwest and the Rutland Windsor Supervisory Unions: The Board approved the regrouping of the districts of the Windsor Southwest Supervisory Union (Andover, Baltimore, Chester and Cavendish) with the districts of the Rutland-Windsor Supervisory Union (Ludlow, Plymouth and Mt. Holly.) This action is effective on July 1, 2013. This follows the March 6, 2012 action by the voters of Landgrove, Londonderry, Peru and Weston to form the Mountain Towns Regional Education District (RED) IR 01 and its subsequent assignment from the Windsor Southwest SU to the Bennington-Rutland SU, Manchester. It is my firm belief that this regrouping of these two small supervisory unions will expand opportunities for students while working to reduce expenditures.

North Bennington: The Board considered the initial independent school approval request of The Village School of North Bennington (TVSNB). This request comes as a result of a March 6 vote by North Bennington residents authorizing the North Bennington Town School District's Prudential Committee to close the North Bennington Graded School at the end of 2011-2012 school year, lease its property to an independent school, and authorize payment of tuition to the independent school. At the time of the request negotiations between the Prudential Committee and the Southwest Vermont Supervisory Union were still ongoing regarding services for special education students. Following a lengthy discussion the Board voted to table the request. I will keep you apprised on this matter.

Graduation Requirements: the Board reviewed the current proposal for changes to the graduation requirements (see http://education.vermont.gov/documents/EDU-SBE_2012_05_15_Item_N.pdf). I anticipate that the Board will vote to initiate the rulemaking process at its meeting on June 18.

Gifted and Talented: A few weeks ago, I copied you on a letter that I had received from numerous petitioners titled, "Provide adequate public education options for our gifted children!" I have continued to receive additional letters, and I believe that your office, as well as the State Legislature and congressional delegates are being petitioned as well. I will not be responding to these letters. After a closer look, it appears that the majority of the signatures are from out of state. There are many options in the public schools that benefit gifted and talented children, such as dual enrollment, flexible pathways to learning, differentiated instruction, etc. and our goal is to provide a challenging and rigorous curriculum for **all** students. Lastly, the reality that these petitioners do not want to accept is that this is a local issue.

Civics Survey: We are working with Representative Mook and the VT Bar Association on a survey that will help us to identify civic education opportunities in Vermont. A coalition of groups led by a Representative Mook is hoping to compile the responses into a comprehensive picture of what opportunities we are offering our young people. There have only been two such surveys, the last one was completed in 2005.

VSA Spring Conference: On Thursday I spoke at the VSA /VCSEA Conference, titled "Success for Every Student." I addressed: H.440 and how this will give you a very strong voice in education and present an opportunity for us to be united in our education initiatives; school choice and how I will be drafting a model for capacity; LNV and how use of this could increase professional development opportunities and be part of the bigger picture of school transformation; dual enrollment and flexible pathways to learning; and my expected cooperation in the SECT data collection that is underway.

For Your Information: I recently sent an email to DOE staff advising them that despite that fact that there is not a dress code policy in Vermont state government, it is my expectation that employees will dress in a manner that is neat, clean, professional, and appropriate for a business environment.

CONFIDENTIAL MEMORANDUM TO GOV. PETER SHUMLIN

From: Susan Spaulding, Appointments to Boards & Commissions
Date: May 17, 2012
RE: Boards and Commissions Update

There were new boards created during the legislative session. I'll review the statute and add them to the list of future appointments!

Connecticut River Watershed-David Deen has sent in an application for appointment. I will verify that his current employment isn't a conflict.

Will check in with Melissa Mazza about the Liquor Control Board and Enhanced 911 Board

Back to the drawing board on public member appointment to the Medical Board!

Working on Current Use appointment to replace Mitch Montagne. Possibly his daughter who happens to be the daughter-in-law of the MOTHER OF THE YEAR!

Appointments made May 16, 2012

Enhanced 911 Board:

REAPPOINTED: Robert Schlachter, Rutland City – (Firefighters Assoc.)

Communications Board:

REAPPOINTED: Charles Deasy, Peacham – (Emergency Medical Services) VDH

REAPPOINTED: Francis Aumand, Stowe – (Criminal Justice Services)

REAPPOINTED: Paul Duquette, Newport – (Vt. Assoc. Chiefs of Police)

REAPPOINTED: Christopher Herrick, South Hero – (VT Fire Safety Division)

REAPPOINTED: Douglas Johnston, Springfield – (VT Assoc. of Chiefs of Police)

REAPPOINTED: Terry LaValley, Waterbury – (Criminal Justice Services)

REAPPOINTED: Roger Marcoux, Hyde Park – (VT Sheriff's Association)

REAPPOINTED: Donald Patch, Mount Holly – (VT State Police)

REAPPOINTED: Robert Schell, Williston – (VT Emergency Management)

Connecticut River Watershed Advisory Committee:

REAPPOINTED: Beverly Major, Westminster – (Farming rep, cheese)

Board of Libraries:

REAPPOINTED: John Fitzhugh, Berlin

