

From: Springer, Darren [Darren.Springer@vermont.gov]

Sent: Saturday, May 28, 2016 9:11 AM

To: GPS

CC: Allen, Susan; Coriell, Scott; London, Sarah; Johnson, Justin; Miller, Lawrence; Gray, Laura; Pepper, James

Subject: Weekly Reports - Executive Privilege 05 27 16.pdf

Attachments: Weekly Reports - Executive Privilege 05 27 16.pdf; ATT00001.txt

Highlighted weekly attached.

Gov - Part of my discussion with Mary yesterday, and in PSD section, GMP filing initial base rate increase of 3 or 3.5% this June. That will be further negotiated and hopefully ends up as a 1-2% ultimate increase. But we won't be reducing rates again this year. They cited upward pressure from huge volume of solar projects that came online during time it looked like tax credits were going to expire. That pace should moderate this year.

We'll talk more about ANR's proposed collars for forestry bill and whether they address concerns on Tuesday.

Also Laura reports that Beth continues to publicly seek funding from our office budget for her divestment study. She has not consulted us regarding the scope and wants funding with no input or strings attached from our office. She already knows we are not contributing to the study, and I plan to decline that request. I believe she has enough resources to move forward regardless.

Scott - a couple national rankings of interest in here. We dropped from 1 to 2 on health study in AHS, still pretty good. And we jumped to 3 in national clean tech rankings up from 9 a few years ago, in PSD section.

Thanks, have a good weekend all.
Darren

WEEKLY REPORTS

Checklist
5/27/16

Darren Springer

- ☒ Agency of Commerce and Community Development – Patricia Moulton
- ☒ Department of Financial Regulation – Susan Donegan
- ☒ Public Service Department – Chris Recchia
- ☒ Agency of Human Services – Hal Cohen

Sue Allen

- ☒ Agency of Education – Rebecca Holcombe
- ☐ Agency of Transportation – Chris Cole
- ☒ Agency of Natural Resources – Deb Markowitz

Sarah London

- ☒ Department of Public Safety – Keith Flynn
- ☒ Agency of Administration – Justin Johnson

Jessica Gingras

- ☐ Boards and Commissions – Jessica Gingras
- ☒ Department of Liquor Control – Patrick Delaney

Laura Gray

- ☒ Agency of Agriculture – Chuck Ross
- ☒ VT Commission on Lottery – Greg Smith

James Pepper

- ☐ Department of Labor – Annie Noonan

To: Governor Peter Shumlin
From: Patricia Moulton, Secretary - Agency of Commerce and Community Development
Date: May 27, 2016
Re: Weekly Report

PATRICIA MOULTON, SECRETARY

GOVERNOR'S PRIORITIES

- **EB-5:** (aka "the gift that keeps on giving) We jointly signed a letter with Michael Goldberg, Jay Peak receiver at Jay Peak to USCIS asking for consideration for pooling or other methods of including all the investors in all the projects when considering green cards. There is an excess of job creation at the Jay projects. If USCIS looks at each project individually, all investors will not get their green cards. However, if they make a policy decision to look at all the projects collectively and the total job creation, the ANCBio and Burke investors are covered. We have to file this letter through the general mailbox so it may take a bit to hear back. We have also asked for a face-to-face meeting in DC with USCIS officials. We are using this letter to build credibility among the Jay project investors.
 - I've been getting a little bit of heat about failure to include Burke subcontractors in the meeting held last week with the Jay subcontractors. Jim Harrison specifically asked for a meeting with Jay subcontractors. Admittedly, I should have included Burke. Further, Goldberg met with PeakCM (Burke subs) three weeks earlier and I wrongly assumed Jerry Davis of PeakCM was reaching out to his subs like Don Wells of DEW was reaching out to his Jay subs. So we will be scheduling a meeting with the Burke subs when Goldberg is in Vermont next the week of June 13. I heard from Amy Nixon at the Caledonian Record that Jerry Davis is trying to make a big deal out of his exclusion. It should be noted he was aware of the meeting and chose not to attend while Don Wells did attend.
 - We are working with DFR to get the SouthFace Village project next to Okemo Mountain approved. We have yet to finalize all our processes and standards with DFR due to schedules, and the craziness of EB-5, so we're running into a few bumps on minimum standards and a few other things. Susan and I are working well together, our staff tend to struggle a bit with each other. I expect we can work it out.
 - DFR may deny still aviation proceeding with EB five for a number of good reasons.
 - Mount Snow has received approval of their Exemplar from USCIS. This is critical as it is an endorsement not only of the project but also the Regional Center. This is helping us internationally to assure that our regional center is still alive and well.
- **Vermont Life:** As part of our economic development marketing plan, it is likely Vermont Life will take the lead as a project manager versus us having to contract out of government for these services. This will also enable Vermont Life to have additional income further dropping any operating deficit. I am setting up a meeting with Justin Johnson to discuss the report we must submit to the legislature regarding a sustainability plan for Vermont Life magazine. We have a plan we will be presenting to Justin.
- **PayPal:** we have submitted all labor information and are now working to schedule a visit. Governor has spoken with friends.
- **Mylan Lay offs:** Governor spoke with Mylan CEO and Kiersten has spoken with their government relations chief. Consistently the layoff of 60 employees is tied to delay in FDA approval. They expect most of the layoffs to take advantage of early retirement. We will know next week how many folks will take early retirement versus how many will be laid off.
- **Windham County Economic Development Program:** We denied the first loan application to WCEDP by "Dose". Dose is a startup software firm developing a technology to help measure stress through a wearable watch and integrating other biometric data. While the technology may be exciting, the two principals are only putting \$10,000 into their company thus far, will not provide personal guarantees and have not made a clear plan as to how the jobs will be created in Windham County. They also do not have any kind of market assessment. We have indicated if any of those conditions change, we would happily entertain another loan application. A second loan application from School Hack is still being considered and we need additional information. This too is a startup software firm developing software for personal learning plans for students. It is a better tested product, principals have more skin in the game, willing to provide a personal guarantee but still a fairly risky proposition.

- I am out this afternoon and up at my lake property all weekend. My work cell signal is terribly there. If I am needed, call my personal cell at 802-356-0460.

LUCY LERICHE, DEPUTY SECRETARY: Lucy is taking much needed couple of days off to address family issues she is having. She has a LOT going on in that department.

DEPARTMENT OF TOURISM & MARKETING: Megan Smith, Commissioner

- The Town of Colchester invited Megan to speak at the ribbon cutting for their new community dock which will hold 22 dingy boats and they hope to encourage visitors to come up and experience their restaurants, stores and recreational assets. The Department of Recreation will be renting paddle boards and other equipment while a bike shop recently opened so visitors can enjoy the bike path.
- The new Executive Director of Vermont Campground Assn., Deb Carbin, came to VDTM to meet with Megan about ongoing collaborations. The Assn. attends many trade shows and generously takes much of our collateral with them. Deb has worked as a contractor for VDTM attending trade shows, including the Big E, for the past two years so we are thrilled she has joined the Campground Assn.

Steven Cook, Deputy Commissioner

- **Manchester Community Meeting:** Commissioner Smith and Deputy Cook participated in a meeting May 25th with community members and business owners in the Manchester region. With the closing of the Manchester Chamber of Commerce, the community is looking at options for maintaining their high level of service throughout the region.
- **Bennington Chamber - Call Center Support:** Deputy Cook has completed a draft grant that would allow for the Bennington Chamber of Commerce to operate 1-800-VERMONT on behalf of VDTM. We intend to have this transition completed by June 16th. **PAT NOTE's: This was a service we were prepared to purchase from BGS but they indicated they were not interested.**
- **DMV Regional Motor Vehicle Administrators Meeting:** VDTM will provide material support for the upcoming DMV conference in July. VDTM will provide regional information to help guide attendees to the various attractions, restaurants and places of interest within the region.

COMMUNICATIONS ♦ Philip Tortora, Director of Communications

- **Social Media:** We have extended our "Elements" summer marketing campaign to Instagram, where David Burnell has designed a series of attractive outdoors images to further our messaging. You can view the images on our Instagram page at <https://www.instagram.com/vermonttourism/>. Our Instagram following has grown 25 percent in the past two months, from 2,400 people to over 3,000.

MARKETING ♦ Hilary DelRoss, Heritage and Recreation Specialist

- **Recreation:** Mountain bike season is in full swing and the trails are riding great, thanks to the volunteer trail crews from chapters across the state. The Vermont Mountain Bike Association's chapter membership has grown this year, with a total of 24 individual chapters now located in all corners of the state. Rider membership is also surpassing this year's goal, both in individual and family memberships. This is due, in part, to a new regional membership alliance pilot program underway this season. VMBA is working with similar groups in New Jersey, Lake Placid, and Long Island to offer an add-on product when their members re-up, to also include a general VMBA membership. This will increase the VMBA trail grant (awarded to chapters for improvements) significantly. Planning for the Vermont Mountain Bike Festival (July 22-24, Sugarbush Resort) is well underway and [registration is now open](#). It's on course to be VMBA's largest festival yet.

MARKETING & DESIGN ♦ David Burnell, Marketing Coordinator

- **St. Michael's College | Class Visit:** David accompanied Philip Tortora in a class visit to Saint Michael's College. The instructor, Jerry Swope, invited us so we could integrate real-world application to his nature photography course. Jerry agreed that Vermont Tourism's current summer campaign, "The Elements Await," aligns quite nicely with the course's curriculum and offered a good base for the focus of the students' projects. Phil spoke to the students about VDTM's goals, and various marketing and communications strategies, and David discussed marketing campaign development, cross-platform implementation and storytelling as a whole. By the end of the class, the instructor and students agreed to pursue multimedia projects that support VDTM's marketing needs.

SALES ♦ Kathleen Kolva, Sales Manager

- **Canadian Sales Leads:** Kathleen has been working with Canadvac Travel Services, a tour operator out of Nova Scotia. With Kathleen's assistance, Canadvac Travel is now in the process of developing a VT and NY itinerary with Notch Above Tours.

VERMONT LIFE ♦ Mary Hegarty Nowlan, Editor/Sky Barsch, Associate Publisher

- **Editorial:** Sky conducted an interview related to School Hack Solutions, a personalized learning, proficiency-based software platform; this story emerged from our recent "pitch Vermont Life" in Middlebury and will be the subject of "Next," our new tech-and-beyond department, in the Autumn 2016 issue. Work on that issue continued with focus on the major features: the first design came in from the art director, and other features were moving along on schedule. Photo downloads were also continuing by Judy for the Autumn issue.

DEPARTMENT OF ECONOMIC DEVELOPMENT: Joan Goldstein, Commissioner

- I attended the B2B portion of the 2016 Vermont Business Expo and had a total of 16 B2B meetings. Some of these meetings were with Vermont Gas, Air National Guard, Small Dog Electronics, Auracom International, Armistead Senior Care, Symquest, Solar City, ReArch, and Underwood Technologies. This was an efficient way to make contacts in a short time frame.
- I had a call with Refugee Resettlement Program to learn about how their English as a second language (ESL) capabilities can be utilized by manufacturers and other businesses in Chittenden County or elsewhere that need help with employees who are having difficulties understanding instructions, safety, and technical language. Also had a call with DOL to further coordinate the ESL issue to develop programming and align funding.

BUSINESS SUPPORT - Economic Development ♦ Jared Duval, Director

- Represented ACCD at **VMEC Manufacturer's Forum** at Built By Newport, attended by 15 different Vermont manufacturers and over 40 individuals. BBN shared the story of their organizational culture and communication work, as well as their LEAN manufacturing journey and what those initiatives, in combination, have meant in terms of significant improvements in savings, productivity, and morale. Shared information about DED programs, including the Working Lands Enterprise Initiative and the Vermont Training Program.
- **NBRC Applicants Engaged:** Lamoille Region Solid Waste Management District (LRSWMD); Northeast Kingdom Waste Management District (NEKWMD); Building Performance Professionals Association; Town of Craftsbury; Town of Groton; Vermont Businesses for Social Responsibility; Island Arts; Vermont Land Trust; Burke Mountain Academy.
- **Business Support Provided:** Appalachian Engineered Flooring (North Troy); Vermont Farmer's Food Center (Rutland); Butternut Mountain Farm (Morrisville); Kingdom Bio Char (Greensboro Bend).

BUSINESS SUPPORT ♦ Brett Long, Director

- Posted RFP for Assessment Services on OEA Grant
- Posted RFP for ISO training for OEA Grant
- Participated in RADE Platform demo re: OEA Grant
- Attended B2B meetings at VT Business Expo
- Made referral of Small Batch Organics to SBDC and Bennington BCRC

FINANCIAL SERVICES ♦ Dan Towle, Director

- **Rough Notes Magazine Interview:** Dan Towle, Director of Financial Services, was interviewed by this publication for an upcoming issue that will highlight recent legislative changes and new developments in Vermont's captive insurance industry. Rough Notes is a monthly trade publication that is focused on the independent broker network.
- **Non-Admitted Reinsurance Reform Act (NRRA) Advocacy in Congress:** Dan reviewed proposals from several firms along with Richard Smith of the Vermont Captive Insurance Association (VCIA). The purpose is to find a new advocacy firm to assist the State in its efforts for a legislative fix concerning the confusion surrounding NRRA and if it applies to captive insurers. Two firms were identified as finalists and proposals are being refined. NRRA has caused vast confusion among captive insurance companies and the State's efforts have been ongoing to solve this issue. The state is working with the VCIA in these efforts.
- **Business Insurance Interview and Information Request:** Dan was interviewed by Jerry Geisel, Senior Editor, for an upcoming story that will highlight some of Vermont's older captives and celebrate some of Vermont's milestones in the captive insurance industry. Dan provided numerous data items and supporting information for this upcoming piece. Business Insurance is the leading weekly trade publication for the insurance industry.
- **Merlinos Actuarial Consultants:** Dan met with Amy Peters, Consultant for the firm who focuses on captive insurance. Merlinos Actuarial is a reviewing actuarial consultant for the State of Vermont. Dan hopes to do more business with this growing actuarial firm. They have strong ties in Atlanta, Georgia and in Indianapolis, Indiana which are both growing markets for Vermont.

VERMONT ECONOMIC PROGRESS COUNCIL ♦ Fred Kenney, Director

VEGI

- Staff continued to work with the following regarding potential applications:
 - Autumn Harp (Essex) has filed an Initial Application for the May 26 VEPC meeting.
 - Lyndon Furniture, Caledonia Spirits (Montpelier project), Bariatrix (Georgia), and Chroma (Bellows Falls) have been provided estimates and plan to file Initial Applications in coming months.
 - Working with Westminster Cracker (Rutland), IBEX (WRJ), Black River Produce (Springfield), CadCut (Montpelier), and SoyCo (Lyndon prospect), NuHarbor Security (Burl), Inntopia (Stowe), MSI (Morrisville), Precision Composites (Lyndon) to get VEGI PreApplications.

WCEDP

- Sent responses to two loan applicants: Melogram was denied; Schoolhack requires additional information.

VT PROCUREMENT TECHNICAL ASSISTANCE CENTER ♦ Robin Miller, Director

- Brenda Plastridge, Elizabeth Adams, and Craig Baden will be attending the Vermont Business Expo taking place at the Sheraton in Burlington, VT on May 25-26.
- Robin Miller, Joanne Spaulding and Babette Lizotte will be attending the Special Operations Forces Industry Conference in Tampa, FL on May 23-27.

VERMONT TRAINING PROGRAM ♦ John Young, Director

- Met with VEIC to explore VTP opportunities for some of their construction trainings.
- Attended a workforce collaborative meeting for senior health care workers. This sector is facing a severe shortage of entry level positions and the group is comprised of senior health care employers and training providers.
- Attended a meeting at Rhino Foods along with Curt Carter to discuss VTP. Rhino has plans for an expansion in the future and is focusing on upgrade training of their production staff.
- Had a VTP meeting at Ben and Jerry's St Albans facility to discuss their possible expansion of 1 to 2 production lines. This may add on 36 new production employees along with other employees for support. They may be doing site work in late summer.
- Met with Vermont Castings in its Randolph facility. They may not use their current VTP grant as the move of their enamel line has been cancelled. They are getting CNC machines in their Randolph facility as well as a new computer system and may consider a new VTP application.
- American Rail Dispatch Center has a grant in the VTP review process. They are looking at 11 new hires or transfers from 3 independent dispatch centers that are closing across the country. These 11 positions are high paying and have good benefits which will be great for Franklin County.
- NuHarbor Security will be set for the Commissioner to review by the end of the week.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT: Commissioner MacKay

- **Housing:** Joined Josh, Chris, John and Shaun in a discussion with VHFA regarding an updated Housing Data website. Noelle met with Maura and Leslie from VHFA in the fall. The website (housingdata.org) was first developed in 2004 and is in need of an update. VHFA would like to involve key partners such as DHCD as they feel that the information can help with the Data Needs Assessment and have key housing information available, agreed upon and understood by a wider audience so when the State needs to update our Housing Needs Assessment we can focus efforts (time and money) on digging deeper into key questions such as vacancy rates, quality of housing, etc. They would also like to save municipalities time and money by having housing information that can be easily provided for updating municipal plans. John Adams has been working with her on this project over the past several months, tying in work of other departments, such as Tax. VHFA is thinking of applying for a larger USRD grant after a discussion with Ted Brady. It would require a 50% match, but could also tie in additional work, such as updating the "How to do a Local Housing Needs Assessment" for communities that could be tied to the website update as well as outreach and training on how the data can be utilized. Noelle will follow up with Lucie on our capacity for a match.
- **Resilient Vermont Forum:** Noelle, Chris and Faith attended the Institute for Sustainable Communities (ISC) two day Resilient Vermont Forum. Faith was on the steering committee that helped organize the Forum and Chris headed up a panel on funding resilience projects. For once, Noelle got to relax and take in some presentations. One on Cyber Security was particularly interesting and Noelle will follow up with others on possible wider presentation for businesses. Norwich has a top notch cyber security curriculum and staff and students were at the Super Bowl this year! They are willing to work with local municipalities to help them locate areas of weakness and concern.

Deputy Commissioner Hanford

- **Analysis of Impediments to Fair Housing:** Discussed with Ann, Dale & Shaun and determined an in-house up-date to the State's 2012 Analysis of Impediments to Fair Housing (AI) was the best approach to meet HUD requirement that an analysis be completed every 5 years even as HUD changes the requirements that all states submit a much more comprehensive Assessment of Fair Housing (AFH) due from VT in 2019. Completing the up-date of the AI in house will save funding, as the last AI was completed by a consultant, and the new AFH will require a consultant and substantial funding in FY2019.
- **St. Johnsbury & Shires Housing:** Met with Dale and Ann to review a concern from the VT Human Rights Commission regarding a St. Johnsbury select board meeting that discussed siting concerns for a low barrier homeless shelter last winter. It was determined that the concerns were focused on comments by residents of St. J expressed at the meeting and not the Town or Select board's actions as they approved the low barrier shelter and did not run afoul of fair housing law. We also discussed the Shires Housing (non-profit affordable housing developer in Bennington Co.) Lead Paint violation. It was determined that they have handled the situation appropriately (fired the staff member that falsified lead hazard reports to the state) and have implemented corrective action. Additional award conditions regarding lead paint certification will be included in all awards to the organization.
- **HUD Regulations for Manufactured Housing Installation & Inspection:** Hosted a meeting attended by several Mobile Home Dealers, Installers and Park Owners to hear their concerns with these new regulations that are now enforceable by HUD as of May 1st. Also in attendance were representatives from all the VT Congressional Delegation offices, ACCD Deputy Secretary Lucy Leriche, Dale and of course Arthur (thanks for the support). The short story is these new requirements, for engineer stamped designs for every mobile home installation and certified installation inspections by HUD will add as much as \$20,000 for new mobile home purchases since they can't be legally placed and installed without this new process. We will be following up with other states in the same situation, learning more about the number of families impacted and any alternative designs that might work.
- **Randolph Fire:** Met with the Town officials, RACDC, property owners and businesses impacted to discuss possible assistance available for rebuilding or alternative redevelopment plans for the site. More follow-up needed on insurance \$ available and rebuilding decisions by the owners.

COMMUNITY PLANNING & REVITALIZATION ♦ Chris Cochran, Director

Partnership and Program Report

- **ISC, Resilient Vermont Conference:** Noelle, Chris and Faith helped organize and presented at the Resilient Vermont conference at Norwich University. The approximately 130 participants explored ways to become 'Vermont Strong' in the face of climate disruptions. Coming up on the 5-year anniversary of Irene, our sessions showcased the tremendous progress the state and communities have made to address future flood risks as well as the various funding opportunities for flood resilience projects. Former Chief Marketing Officer, Kathy Murphy Moriarity, led an enjoyable and informative session on best practices in public relations and messaging.
- **Local Motion/DHCD Collaboration:** Richard and Gary met with Emily Boedecker (Executive Director) and Jason Van Driesche (Deputy Director) to discuss how we could work together on local outreach efforts, cross promote and market our programs, and leverage each other's resources (funding and technical assistance) to improve walk/bike options in downtowns and village centers statewide. Local Motion has expanded its reach statewide and just released a new [website](#) to better communicate who they are and what they do in communities across the state. Next steps include meeting quarterly to strengthen our partnership and coordinate outreach efforts.
- **Downtown Board Summary**
 - Approved Bradford's request to downgrade their downtown designation to a village center. It was a difficult decision for the community, but they recognized they did not have the capacity to administer the program as required by statute. Bradford will work to re-build local financial and staffing support for the program and aims to reapply for downtown designation in the future.
 - Awarded village center designation to Pawlet and West Pawlet (previously designated from 2005-2015).
 - Renewed village center designation for Bethel and West Rutland.
 - Approved a grant extension for the City of St. Albans allowing them more time to secure a right of way required to improve the appearance and safety at the intersection of Lake and Federal streets.
 - Reviewed past downtown transportation grant scores and the scoring process. To help ensure a more equitable distribution of funds, the board decided that downtowns with two or more active grants would not be eligible for funding until they closed out their existing grants.
 - Presented an overview of Act 250 Criterion 9(L) that supports development in centers. The new criteria use the state designated boundaries as a factor when reviewing proposed development projects.

- Shared the presentations made in communities about the designation programs and their benefits.

HISTORIC PRESERVATION ♦ Laura Trieschmann, State Historic Preservation Officer

- **State-owned historic sites are open this weekend!!!!** See our new exhibits showcasing presidential gifts, the construction of Bennington Monument, and the architecture of Vermont in the photographs of Curtiss Johnson. ACCD staff get in free with State ID so join the competition to see all the state-owned sites this season!!
- **VTRANS:** VTrans Cultural Resource Team and IT staff met with DHP staff to present their ongoing efforts to develop a file access and transfer system to improve information sharing as part of the requirements of our Programmatic Agreement for project review of AOT projects. After lengthy debates regarding best practices, roles and responsibilities, and many, many frustrating meetings, we appear to be on the edge of great advance towards this important goal. DHP staff were encouraged by the recent progress that has been made towards this goal by AOT IT personnel. DHP suggested very few adjustments, and once those updates are complete, we will move into bringing the Sharepoint site and notification process into a beta testing phase, before going live starting July 1st.
- **Forestdale Church:** Laura participated on a call with the Preservation Trust, two members of the Advisory Council on Historic Preservation and local residents of Forestdale to discuss the deconsecration of a local church. The architecturally significant church is going to be offered for sale by the congregation in an effort to raise funds for its other church building.
- **General Stannard:** Laura and Elizabeth traveled to Milton to meet with members of the General Stannard House Committee and the Milton Town Manager to discuss the possibility of relocating the Gen. Stannard house adjacent to the town municipal center. Plans are being developed to rehabilitate the building for public use and museum-level interpretation of the Civil War General's life. The house is currently located on the edge of an industrial park, which poses a number of site-specific challenges. The town is in the process of acquiring additional land by the municipal center. and one of the possible alternatives would be to relocate the house adjacent to an existing barn on that property. The new site would be used for community meetings, local and regional events and historic reenactment. Relocation of the house will be presented to the Advisory Council since the building is currently listed on the State Register of Historic Places.

Project Review

- **Solar:** Scott and Jamie spent a full day in the field with a rep from Ranger Solar and their archaeology consultant walking two large proposed sites for solar arrays located in Randolph and Pittsford. Both projects have a nameplate capacity of 2.2MW and will cover over 80 acres each. The project site location in Randolph is situated in a rolling, hilly landscape of working farmsteads and residential properties. It has some visual/aesthetic challenges and some archaeological sensitivity, however the layout has been designed to minimize the visual impacts from neighboring hillsides and long-range view across the valley. The site in Pittsford is located within a string of remote hay fields situated along the Otter Creek River. There are no buildings adjacent to or within sight of the property which will only be visible from the dirt road along the river, but it has high archaeological sensitivity. The group discussed and developed preliminary plans for survey and investigation.

Historic Sites Section Chief and State-Owned Historic Sites

- This week has been taken up with preparations for the opening of seven of our State Historic Sites for the 2016 season. With assistance from Philip and Heather, a press release was sent out announcing the various openings and highlighting some of this year's special exhibits and programs. The Rutland-Herald followed up asking for more information on events. Tracy was happy to oblige.
- This year we are, once again, participating in a reciprocal program with Vermont State Parks, exchanging 2-for-1 passes for distribution to our visitors. Passes are being sent out to Park and Site Administrators this week.
- **Bennington Battle Monument:** The new exhibit 'The Battle of Bennington and The Development Of the Monument' is up. New lighting was put in on Thursday, hanging the exhibit was started Thursday and finished Friday and the official opening was Saturday with slightly over 100 visitors to view it. Visitors had great comments, one visitor wrote in the journal that she came here not knowing the history of Bennington but she learned a lot in a short time. The visitation for the week was over 500 visitors, with 2 schools, one local and one from Hartford Vermont. Visitors seemed to represent several of the Scandinavian countries along with descendants of the original settlers; there were Robinsons, Stafford's and Dewey's all in one day. The season is officially in full swing with the opening of the other State Historic Sites. Let's all hope for a busy and happy season.
- **Coolidge Site:** The Charles Gibson Design team was here for 10 hours on May 20. Everything was installed except for the Native American objects (that we are borrowing from the Forbes Library) and silver plates (given to CC by each cabinet member) – looks great! Bill went to Northampton the following day to pick up the Sioux

items. Andy and Bill began installing the plates on May 24 – a meticulous process, but worth the effort as this creates a very elegant look in the new window display cases.

- The public access television station in Rutland (PEGTV) interviewed Bill and three members of the Coolidge Foundation staff on May 19. The program will air during the month of June, and a sneak peek can be seen on YouTube: <https://www.youtube.com/watch?v=qzuf7rargHc&feature=youtu.be>
- Caravan Tours (the company sending 84 groups this season) arrived on Sunday May 22 with a pre-season bus. Shirley Billings staffed the Center, while Bill provided tours in the village. Caravan was very pleased that we opened just for them.
- Ninety students from Rutland School arrived on May 24 and 60 more came on the 25th. (The Coolidge Foundation docents led tours of the buildings and Bill staffed the Cilley Store – selling more than \$500, mostly candy!) Another Rutland school group will be visiting May 26.

HOUSING ♦ Arthur Hamlin, Housing Program Coordinator / Shaun Gilpin, Housing Policy Specialist

- **Meeting with Vermont Manufactured Housing Association:** Arthur, Josh and Dale, along with representatives from Rep. Welch, Sen. Sanders and Sen. Leahy's offices, met with a group of mobile home dealers from the Vermont Manufactured Housing Association to discuss HUD's "new" foundation requirements and installation program for manufactured homes which went into effect on May 1. The biggest concern is with the additional cost of the required, engineer-designed and HUD approved foundations. This has the potential to price out most buyers, and the dealers reported losing several sales already. In addition, they don't think these foundations are necessary, in particular for mobile homes going into mobile home parks or homeowners who plan to eventually replace the mobile home with a conventional "stick built" home on land. Everyone was in agreement that pursuing a State-run program is not feasible, due to the cost and time involved, and would not actually solve the problem. We agreed to reach out to some of the other New England states and New York to see if they're having similar issues, and any ideas they can share. We also agreed to reach out to the homeownership centers and credit unions who finance mobile homes. The mobile home dealers clearly appreciated having the Federal delegation represented at the meeting, and that the State is taking their concerns seriously and trying to help.
- **Mobile Home Park Sale Notice:** We received a notice of intent to sell for the LynnLou mobile home park in Highgate. This is a re-notice of one issued in 2014 which expired in January.

VERMONT COMMUNITY DEVELOPMENT PROGRAM ♦ Josh Hanford, Director

Existing Grants

- **Town of Richmond:** Claire coordinated a post award meeting with the Richmond team to discuss the Richmond Creamery Redevelopment Project, now that it is moving forward. Attendees included Brendan O'Reilly and Josi Kytel from Buttermilk, LLC, and Geoffrey Urbanik and Clare Rock from the Town of Richmond. We reviewed their award conditions, grant agreement, and next steps in the process. As this is the first federal grant program that Buttermilk, LLC has worked on, staff has concerns about their capacity to properly manage the project and fully comply with federal regulations.
- **Town of Bennington:** Staff (Claire, Ann, and Cassie) had a conference call with Michael Harrington from the Town of Bennington and Karen Allen and Matt Moore from Housing Vermont to discuss the Applegate Biomass Energy Rehabilitation project. In the project budget, they included a VCDP loan refinance from the 1998 Applegate VCDP loan in the amount of \$731,250 as a "source" to fund the acquisition of the project. This is done for tax-credit purposes and is still unclear to staff on how these funds will be drawn down through the grant process, as it is a debt. The best approach may be to take these debts out of the budget to get an accurate depiction of the sources and uses for the project. Matt Moore advised the Town to seek approval to change the terms of the deferred 1998 loan to 40 years. Ann advised that concurrence from ACCD is required before any of these changes are made and they have agreed to do this moving forward. Additionally, the Applegate Biomass Energy Rehabilitation project has an award condition to contribute 20% of their RLF balance to the project since it has been inactive for over 3 years. Ann is going to allow them to implement their newly formed RLF program, but this will be a condition in the current Scattered Sites application going to the CD Board in June.

VT CENTER FOR GEOGRAPHIC INFORMATION (VCGI) ♦ Steve Sharp, GIS Operations Manager

- **VCGI Operations:** Jenny Bower has joined our team as a temporary GIS Technician. She has been busy working with BGS to update a GIS database of SOV "owned buildings". Jenny has created a simple web app (*SOV Building Points Validation Tool*), which BGS will use to do the final data validate. The data will be used to help identify structures vulnerable to flooding and other hazards, all part of VT's resiliency and hazards mitigation efforts. Jenny is now moving on to work on the VT Open Geodata Portal project.



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To: The Honorable Peter Shumlin, Governor
From: Susan L. Donegan, Commissioner, Department of Financial Regulation
Date: May 27, 2016
Re: Weekly Report

Susan L. Donegan

Banking Division:

Prosper Marketplace Inc. and its subsidiary Prosper Funding have paid DFR an administrative penalty of \$55,000 for soliciting loans in Vermont without a license. Between 2009 and 2015, the company had been using direct mailings and other advertising methods to encourage Vermonters to use its website to obtain loans. Prosper acts as a middleman between people looking to borrow money and investors. The Delaware company, which is based in San Francisco, will pay an additional \$5,000 to the department's Financial Services Education and Training Special Fund.

Captive Insurance Division:

River Lake IX, a subsidiary of Genworth Life and Annuity Co., which has eight captive insurance companies in Vermont, this week filed to relocate its long-term care reinsurance captive from an off-shore site to Vermont. The structure of River Lake IX remains the same, which the department views as a very positive since the contract will now be assumed by a third party.

Securities Division:

The Legislative Committee on Administrative Rules (LCAR) this week approved the final version of the updated Vermont Securities Regulation. This rule establishes a comprehensive set of guidelines that govern the sale of securities in the Vermont. It clearly outlines registration requirements for broker/dealers and investment advisers, explains securities offerings that are exempt and why, clarifies securities terminology, and generally simplifies language and provides gender inclusiveness. It will be effective July 1.





Privileged and Confidential

MEMORANDUM

To: The Honorable Peter Shumlin, Governor
Sarah London, General Counsel

From: Christopher Recchia, Commissioner

Date: May 27, 2016

Subject: Weekly Report

Governor Level Issues:

Status of Priorities and Cases of Interest:

GMP Base Rates Filing – No Docket – GMP has submitted its list of proposed capital additions for the 2017 Base Rates filing to the Department's rate consultant. The consultant is on site this week reviewing the filing. The base rates filing will come in on June 3 and GMP indicates that it will seek a rate increase of more than 3 percent, largely due to net metering, which GMP states represents more than 2 percent of the increase.

GMP-St. Albans Community Digester-Docket 8673- 800 kW methane biodigester generation facility to be constructed in St. Albans. Department staff has been troubled by the price of the project and the appropriateness of certain of these costs being borne by ratepayers. The Department faced a Friday deadline for filing testimony. After sharing draft testimony with GMP that articulated concerns with the pricing of this project, GMP has opted to suspend the proceeding in order to re-group with the Department to find a path forward. The project is worthwhile at the right price, so hopefully GMP puts their best minds on the question of how to structure this differently to minimize impact on ratepayers.

Vermont has risen to 3rd place in the annual U.S. Clean Tech Leadership Index, after California and Massachusetts. We were 6th in 2015 and 9th in 2014. The passage of the

RES/Act 56 and the rapid deployment of solar PV are the likely drivers of our rising rank.

VY – “The decision not to go ahead with Entergy Agreement has consequences” (Mike Twomey – Entergy, after not reaching agreement a few weeks back). Indeed – last night at the NDCAP meeting we revealed for the first time that we got bill back language in the budget bill not only for ANR and DOH, but for DEMHS as well! It was a brilliant piece of last minute legislation in light of our failure to reach agreement. Entergy was shocked – and apparently had no idea we got that in. Poor Gerry Morris might have to find another client!

Net Metering Rule Re-Write – The PSB is re-writing the net metering rule. A final deadline for comments was in mid-May. The Department held an internal meeting this week to review comments, determine Department positions, and determine a best strategy for the Board as they consider revisions to their latest draft.

Generally the PSD will stay the course and stay true to the positions taken in our submitted comments. This means supporting an “equalization charge” instead of a grid service fee and REV’s proposal for a minimum bill. Regarding treatment of REC’s, the Department will continue to make the case that the price differential for REC’s should be solely dependent on whether they are transferred to the utility or retained by the customer. There should be no third class for those who retain and retire REC’s rather than re-selling them.

Dep. Comm. Copans has reached out to Board member Cheney to initiate a meeting. Staff have also had initial conversations with Board staff. Our goal will be to provide as much guidance as the Board members and staff will accept.

Northern Pass - On May 19, the New Hampshire Site Evaluation Committee voted unanimously to extend the deadline for issuing a decision on the Northern Pass project from the end of 2016 to September 30, 2017. The SEC also denied a waiver request from Eversource that would have the effect of negating the need to prepare a decommissioning plan. Additionally, on May 16, the New Hampshire Department of Environmental Services issued a letter stating that, to avoid and minimize wetland impacts, Eversource must analyze the possibility of placing 32 miles of the line underground along the NH Route 3 right-of-way.

—Scott

Connectivity RFP – The Connectivity RFP was released 5/25/2016. There is \$556,000 in available funding for Broadband for about 68,000 locations. The funding is enough to support somewhere between 1-3 projects. The Department is expected to receive a capital appropriation of \$300,000 for the Connectivity Initiative, once the capital bill is signed.

CPG Complaint Protocol - H.577, signed by the Governor this week, tasks the Department with establishing a complaint protocol for violations of CPG conditions. CAPI drafted an outline for the CPG Complaint Protocol, an outreach plan and a work plan for writing the protocol by September 1. Next steps include inter-division meetings for discussion and further planning.

Meetings/Calls this Week:

May 23 – TransCanada meeting with Justin Johnson

May 24 – Entergy VY monthly meeting

May 25 –

May 26 – NDCAP meeting

May 27 – VEDA Board meeting

Meetings next Week:

May 30 – TransCanada meeting with Justin Johnson

May 31 – Consent Based Siting Public Meeting – Cambridge, MA; ENVY monthly meeting

June 01 – Consent Based Siting Workshop – Cambridge, MA

June 02 – NDCAP meeting

June 03 – VEDA Board meeting

Media: Multiple press outlets covered protester shenanigans at Commissioner Recchia's house in Randolph – Randolph Herald – including an editorial we prompted; WAMC Plattsburg; VPR (NOT Taylor Dobbs), WCAX; WPTZ; VT Digger; VT Press Bureau, etc. GMP press release about having the lowest industrial rates and 2nd lowest overall rates of any large utility in New England.

Public Official Contacts: None.

PERD

Heat Saver Loan

- Convened monthly conference call with HSL partners. Loan numbers are beginning to tick upward now that the construction season has commenced. We anticipate a more robust rate of lending this spring and summer now that there are 200 entities participating in the Efficiency Excellence Network. However, since fuel prices are low, it is possible that homeowners will not prioritize efficiency upgrades given other choices, leading to lower uptake than desired.
- Vermiculite remediation component in conjunction with OEO has begun but so far no clients in the Wx have stepped forward. The WAPs are on task to find participants.
- Continued consolidating the year one program data as part of the program evaluation; began charting a variety of outcomes to document progress and effectiveness. This information along with input from partners and program participants (e.g., EEN members) will provide the basis for a report that will include recommendations and options for next steps. Provisional deadline for a draft report is early July.
- Was requested by VLITE to report to their Board on the new vermiculite program with OEO this week. The Thermal pilot continues to be received well by VLITE. PSD may wish to request a third tranche of funding to continue the program into the post-pilot stage beginning in 2017. If so, the funding window to consider would be this fall.
- Began work on modeling future spending scenarios for the HSL IRB going forward into the post-pilot phase. Will generate a set of numbers based on differing interest rates including RUS inputs to model cash flows for the balance of 2016 and 2017. Report due next week.

Clean Energy Development Fund

- Finalized the grant agreement language finalized with Windham Regional Commissioner for a renewable energy grant program \$400K as part of the Windham Co. reserve funds

and \$250K grant to Kingdom Pellet LLC for the construction for a new mill in Gillman, VT.

- Community Solar Finance Program: Drafted the 2nd amendment to allow the grantee to offer community solar loans to business borrowers. The amendment reclaims \$50,000 for the program, leaving the grantee with \$75,000 to use between now and the end of summer. So far there have only been 8 loans in this program. Given the slow uptake of community solar projects due to a variety of factors, CEDF decided to re-purpose the DOE funds for use in other areas where the funding is needed. We remain optimistic that with the new business loan and rate structure that matches the popular Heat Save Loan, there will be more takers for community solar projects in the state. We anticipate launching this new model on June 1st.
- 8673- GMP digester – Staff completed analysis showing that the power will be overpriced by 4.2-8.2 cents per kWh if the capacity factor of the facility is in the more realistic range of 60%. This could amount to between \$2.2 million and \$4.3 million over the 25-year life of the project.

Regional **Transmission Planning**

- On May 18, ISO-NE presented on the concept of a clustering approach to generation interconnection in order to address areas with significant wind potential but insufficient transmission capacity. This approach was used in California where the California ISO designed transmission upgrades that cost \$1.8 billion and would connect 4,500 MW of generation. The upgrades were paid by Southern California Edison and interconnecting generators paid back the costs of the line through a transmission charge implemented by SCE, although ratepayers are on the hook for the costs to the extent that insufficient generation is developed. ISO-NE will be presenting a strawman document in the next few months. This could address transmission constraints that are preventing the development of wind projects in Maine and could be an alternative strategy to the Order 1000 public policy process, depending on the allocation of costs and risks.

NERC Report on Gas-Fired Generation and Reliability

- On May 24, the North American Electric Reliability Corporation issued a “Short-Term Special Assessment: Operational Risk Assessment with High Penetration of Natural Gas-Fired Generation.” The report notes that there has been increased coordination between the electric and gas sectors, but states that reliability concerns remain and examined four different regions, including New England, that have high penetrations of gas-fired generation.
- The overall findings include:
 - “Common-mode, single contingency-type disruptions to fuel supply and deliverability in areas with a high penetration of natural gas-fired generation are reducing resource adequacy and potentially introducing localized risks to reliability.”

- “Not only can impacts to bulk power system reliability occur during the gas-load peaking winter season, but they can also manifest during the summer season when electric demand is high and natural gas facilities are out of service, which can lower the operational capacity and flow of the pipeline system.”
- Overall recommendations include:
 - “Resource and transmission planning should account for the potential of large, common-mode single-contingency-type disruptions to natural gas pipelines and associated facilities, specifically for compression stations, well-head supply, and gas storage.”
 - “Good utility practices and procedures, particularly in New England, enable high efficiency, higher resilience, and better situation awareness and preparedness. These practices should be shared and considered as more gas-fired generation is added.”
- The report notes ISO-NE’s efforts to increase dual-fuel capable resources and other aspects of the winter reliability programs that have been put into place.

Engineering

Vermont Yankee Spent Fuel Management & Decommissioning

Systems maintenance and testing to support Spent Fuel Pool (SFP) integrity continued during the reporting period; most notably, testing of the onsite electric fire pump was successfully completed on 5/23. Efforts to drain and decontaminate the Dryer Separator Pit adjacent to the SFP (first reported last week) continue. The Force-on-Force Security Drills noted in last week’s report concluded on 5/24. No issues identified during the reporting period adversely impacted SFP integrity.

Update on VY Groundwater Management Issues

To date, ~105,000 gallons of groundwater and 20,000 gallons of Process Water have shipped offsite. Preparations to discharge chemically-treated (cleaned) Incursion Water to the Connecticut River continue. The construction of the new storage (batch) tank in the Turbine Building lower heater bay to support this effort is almost complete. VY anticipates that its first incursion water discharge will occur during the week of 5/30; however, obtaining ANR/DEC concurrence could delay this. The 5/26 Update will be a face-to-face meeting between ANR, VDH, PSD and VY Staff.

Vermont System Planning Committee (VSPC) Geo-targeting Subcommittee Meeting

Engineering participated in a meeting of this VSPC subcommittee where the main focus was a review of all projects proposed by the utilities that might require an Non Transmission Alternative (NTA) review. An NTA review is to determine whether a project could be wholly or partially deferred or eliminated by performing energy efficiency, generation, or similar actions to avoid building new transmission projects. There are no projects for any of the utilities that are being proposed to solve load issues. All of the utilities are showing no or negative load growth in general and the only possible area that may be growing some is the Chittenden county area. The projects being reviewed by the utilities are almost entirely for reliability or asset conditions.

Public Advocacy

Generic Rule 4.100 Ratesetting Proceeding – Docket No. 8684 – VIPPA’s motion to enlarge the time for discovery and clarify scope was denied by the Board. The Department, GMP, VEC, and BED filed rebuttal testimony on May 24.

VGS Rate and Alt Reg Filings – Docket Nos. 8710 & 8698 – The Department submitted a 4th round of discovery on Vermont Gas last week. Responses are due on June 3. Department staff is developing a fact sheet to post on our website and provide at the public hearings that describes, in plain English, how the cases affect residential customers.

GMP Vegetation Management – No Docket – Department staff has prepared a round of discovery to follow up on the new information and positions advanced by GMP at the meeting and submitted it to GMP last week with a requested 2 week turnaround.

GMP 2015 ESAM Filing – No Docket – Department staff and our outside consultant are working toward finalizing a report within the next week or so on GMP’s 2015 ESAM filing. The report will focus on the change in projected to actual plant additions from the base filing to the ESAM and the impact that has on the alt reg process.

North Hartland Rule 4.100 Contract – Docket No. 8569 – The Department filed testimony on May 16. The testimony found that a PPA at Docket No. 8010 rates (non-levelized over 20 years) for an existing hydro fails (b)(2) and (b)(4). North Hartland has filed discovery on that testimony. Department staff has initiated a discussion with North Hartland about whether to return to the negotiating table.

Vermont AllSun Solar XII, LLC 500 kW net metered facility in Charlotte, VT – CPG #NM-6314 – On May 20, 2016, the Hearing Officer issued a proposal for decision recommending that a CPG be granted subject to certain conditions relating to aesthetics and wetlands. The proposal for decision recommends that the Board adopt the MOU between the Applicant and the Department and impose the substantive terms relating to aesthetics as conditions to the certificate of public good. Those conditions include additional plantings to help screen the project from adjoining properties, and an obligation on the Applicant to notify the Board if existing vegetation is altered in a way that increases offsite visibility, in which case the Board will determine whether to require additional landscape mitigation. Parties must file comments on the proposal for decision by June 3. The Department forwarded a copy of the proposal for decision to adjoining property owners who are not parties but have expressed an interest in being kept apprised of developments in the proceeding (Abilock, Bull, and Ridgeway).

SSA II, LLC 500 kW net metered facility in North Springfield, VT – CPG #NMP6966 – SSA II LLC filed an application to construct and operate a 500 kW net metered facility on School Street in North Springfield in October 2015; a CPG was granted in March 2016. We understand that no comments were filed by adjoining property owners during the 21 day comment period but that the Town of Springfield was granted party status in the proceeding; the Town did not file comments opposing or supporting the project or requesting a hearing on any issue. On May 16, the Department received a telephone call from an adjoining landowner, Kimberly Myer, stating that she had a private agreement with the developer to install landscape mitigation. The Department subsequently reached out to Mrs. Myer’s attorney and provided her attorney with a

copy of the landscape mitigation plan included in the application documents. On May 24, 2016 Mrs. Myer telephoned and emailed the Department to notify the Department that significant clear cutting had occurred on the project site. The application states that the project will involve approximately 1 acre of clear cutting – it is unclear at this stage whether there has been any violation of the CPG. On May 25 the Department spoke with the applicant's attorney about the complaint. The applicant's attorney stated that the legal agreement between Mrs. Myer and the developer contained a term that Mrs. Myer would not oppose the application. On May 20, the Department also spoke with the Town of Springfield about the project. The Town of Springfield wanted to know if it still had an opportunity to file comments on the project and whether its party status gave it future rights to require landscape maintenance on the project site.

Peck Electric, 150 kW Group Net Metered Facility in Charlotte – CPG #NM-6691 – On Monday May 23 the hearing officer convened a site visit. The site visit involved viewing the project site from the summit of Mt. Philo, from Route 7, and from the project site itself. The project will be visible from Mt. Philo. The Town of Charlotte sought clarity on the exact location of the solar panels and whether trees could be planted in the wetland buffer area to help mitigate the views from Mt. Philo. A wetland delineation has not yet been completed. The results of that delineation will determine the exact location of the solar panels and feasibility of additional plantings. On May 24, in response to Town comments, the applicant provided parties with a revised site plan which reduces the east/west expanse of solar panels by placing more panels in a north/south layout. On May 23 the Town of Charlotte Select Board held a meeting and voted to formally intervene in this proceeding.

SunCSA 22, LLC 150 kW Group Net Metered Facility in New Haven – CPG #NM-6199 – On May 23, 2016, the Town of New Haven filed a written response to the Applicant's comments on the hearing officer's proposal for decision. The Town urges the Board to adopt the hearing officer's proposal for decision. The hearing officer's proposal for decision recommended that the Board decline to issue a certificate of public good for the proposed project on the basis that the Applicant had failed to meet its burden of persuasion with respect to whether the project will take generally available aesthetic mitigation measures that a reasonable person would take to harmonize the project with its surroundings. Oral Arguments will be held on June 10.

New Haven GLC Solar LLC 500 kW Group Net Metering Facility in New Haven – CPG #NMP-6369 – On May 18, 2016 the Town of New Haven filed its legal brief with the Vermont Supreme Court. The Town appeals the Board's decision to grant a CPG in this case. The Town argues that the Board was arbitrary and capricious in denying the Town a hearing in this case and in granting the CPG.

Gilman Renewable Solar, LLC 2.1 MW Net Metered Facility in Lunenburg (Gilman Landfill Solar Project) – Docket 8725 – On May 24, Michael Lazar filed a response to the Department's comments of May 16, 2016. Mr. Lazar, who is affiliated with BDE solar developments, reasserts his argument that the Petitioner should have to provide evidence of a viable means of selling power to GMP as a pre-requisite to Board review under section 248. He states that absent such evidence, the petition is materially incomplete. The Department does not intend to file further comments on this issue.

WEC and BED Retail Electricity Provider Determination – Dockets 8712 and 8714 – In response to issues raised with the hearing officer during the status conference, the PSB allowed further comments in the RES 8550 docket regarding whether a utility given this designation can use net metering to satisfy its tier 3 obligations. The PSD drafted and filed comments recommending limiting the utility's ability to do so. The PSD participated in a prehearing conference during which the PSD negotiated a schedule that allows until June 7th for motions to intervene.

Investigation into the Practice of Vermont Utilities Use of Poles Treated with Pentachlorophenol – Docket 8310 – The PSB has requested comments by June 8 on the working report, which includes best management practices to be applied to all aspects of the use of utility poles treated with pentachlorophenol. The PSD's engineering director was a member of the working group.

GMPSolar Williamstown – Docket 8682 – The PSD planning division is in the process of reviewing the SIS. The engineering division has reviewed the SIS, resulting in a question for GMP and a possible CPG condition aimed at maintaining system reliability and stability. The PSD has been in ongoing communications with the Williamstown Planning Commission. The PSD expects the commission's concerns will be addressed in a MOU with GMP. GMP filed a Response to Allco Renewable Energy Limited's Motion to Reconsider. Non-petitioner direct testimony is due June 6th.

City of South Burlington 248(j) 1.55 MW Group Net-Metered Facility on Closed Landfill – Docket 8722 – The City of South Burlington requests approval for a 1.55 group net-metered facility. The Department filed a letter on May 18th indicating it believes the project does not raise any significant issues with respect to the Section 248 criteria. However, as South Burlington did not include with its petition an explicit statement from GMP that it consents to treatment of the project as a net-metering facility pursuant to 30 V.S.A. § 219a(m)(2), the Department communicated the need to obtain such a statement. While South Burlington was unable to provide that confirmation by the filing deadline, South Burlington filed a letter on May 24th, attaching a letter from GMP's General Counsel stating that the project has been accepted as a net metering facility.

GMP 248(j) to Replace Regulators at the East Barnard Substation and to Rebuild the Sharon Substation – Docket 8727 – GMP filed its petition on April 6th requesting approval for replacement work at the East Barnard substation and a rebuild of the Sharon substation including: installation of a new 7.5/10.5 MVA power distribution transformer with oil containment; associating fusing and arrestors; new 35 kV gang operated loadbreak switch; and new distribution breaker and regulators. This project is associated with the Elizabeth Copper Mine Solar Project. Comments are due to the Board by June 8th.

Commercial Building Energy Labeling and Benchmarking – Docket 8488 – PSD filed a recommendation with the Board on 5/25, on behalf of the building energy labeling and benchmarking working group. The recommendation addressed the provision of utility energy usage data that will be necessary for the implementation of labeling and benchmarking programs for commercial, multi-family, and mixed-use buildings.

Charlotte Solar Enforcement - Docket 8638 – Parties have proposed two dates for a technical

hearing to determine an appropriate sanction or financial penalty in this investigation, and we await confirmation from the Board. Parties reached agreement on how to address certain additional changes in the planting plan, necessitated by Petitioner's unilateral decision to build the project access road in a different location than is specified on the site plan for the facility.

BDE Grand Isle Solar 5 MW facility in Grand Isle Vermont – Docket 8665 – Petitioner filed a revised site plan on 5/23/16 which it states will address concerns of ANR and PSD with respect to environmental and aesthetic concerns. Supplemental testimony explaining the changes to the project and how the changes address the agency and Department concerns is anticipated by 6/1. The nearest adjoining landowner, to the project, Jay Buermann withdrew from the Section 248 proceeding last week, noting that he had addressed his concerns about having to live near the project by selling his home and moving away.

VGS Addison Expansion—Docket 7970- On May 19, the Board issued an order granting VGS's 4th non-substantial change determination request. This change involved the Palmer re-route. VGS entered into an MOU with the Palmers, which was presented to the Board. Currently, there are no outstanding issues in this docket.

CLF declaratory ruling re amended CPG for the VGS Addison Expansion-Docket 8330- On May 20, Jim Dumont withdrew AARP and the Cuneos from this docket. His other individual client, Mrs. Broughton, died on May 18 or 19 so she is no longer a party. Initial briefs are due May 31 from the remaining parties-VGS, CLF and the Department.

VGS Renewable Natural Gas Program and Optional Tariff-Docket 8667-On May 25, VGS filed the Protective Agreement which was executed by it, the Department and CLF, but not Lincoln Renewable. VGS will now provide confidential documents that were requested in discovery. The Department submitted a second round of discovery on May 24; responses are due June 7.

VGS-Broughton condemnation-Docket 8641 - This parcel is in Monkton and is owned by Mrs. Broughton's Revocable Trust. Mrs. Broughton died on May 18th or 19th. Immediately before her death, her counsel produced to VGS certain trust and power of attorney documents. Mr. Dumont has advised that he does not represent either the estate or the successor Trustee, so VGS will make contact with that individual directly.

VGS-Town of Hinesburg condemnation-Docket 8643-This parcel is in a park owned by the Town. The Motion to Reconsider the previously denied intervention requests was granted on May 23 and the 5 individual Hinesburg residents represented by Jim Dumont are back in the case. Given this change in the docket, the parties have begun discussing a new schedule to propose to the hearing officer. VGS will circulate a draft on May 26. On May 24, the Department and the Town (as the only non-petitioners at the time) filed direct testimony on both necessity and compensation. The Motion to Dismiss the Petition filed by the Town is still pending. VGS continues to work with the selectboard and believes it can structure a new, acceptable deal that will soon be ready for a vote by the selectboard.

Telecommunications

FairPoint E-911 Service – There was a disruption to normal E-911 operations in January that was

caused by a faulty VoIP networking device in New Hampshire. Redundancy measures ensured that calls were routed to a single PSAP. PSD staff discussed the situation with FairPoint engineers and determined that the network in place now requires significant reliance on the FairPoint IP (Internet protocol) network and devices in New Hampshire. PSD staff is concerned that this may affect the robustness of the new E-911 system. PSD staff informed the E-911 Board staff and is arranging further meetings with the E-911 Board staff and FairPoint engineering staff.

PSD GIS Server Architecture – PSD staff has gathered pricing information from VCGI and DII for various GIS server architectures. PSD staff will meet with DII, VCGI, and Stone Environmental this week to develop a recommendation on how best to proceed.

VUSF Fund Administrator – Staff has grown increasingly concerned about the competence of Solix, the fiscal agent for the VUSF. Much of the fiscal agent's work product has contained errors, both minor and major. Staff plans to discuss this issue with the management of Solix, so that, going forward, materials are proofed before going out. There is a general concern among Division staff that the fiscal agent misunderstands its statutory relationship to the fund.

Fiber Project - Ulteig Engineering Report – Ulteig provided a make ready report and P&P drawings for the Bethel GMP transmission line build. GMP is reviewing the report. Staff expects the make ready work and ongoing license fees to be too expensive to reasonably attach to the transmission line. Staff have reached out to VELCO to request a lease on VELCO's existing dark fiber. VELCO has not responded yet.

Comcast CPG Renewal (Docket 8301) – DPS submitted rebuttal testimony on May 18, 2016. DPS is requesting that the PSB require that Comcast construct at least 50 miles of new cable buildout for every year of the 11 year CPG term. DPS has also made recommendations on several other smaller CPG conditions that Comcast opposes, such as annual report filing requirements. The PSB also held a site visit for the docket at a Comcast facility in South Burlington on May 19. Although the meeting was ostensibly identified as a site visit to view Comcast's facilities and call center, Comcast executives made an extensive presentation about the features of new Comcast hardware and applications. Comcast's presentation also included discussion of the merits and value of their newest technology and service offerings, including internet and cloud based programming that is not subject to Board jurisdiction. Comcast technicians also displayed new software based applications that are available to Comcast customers for streaming content remotely. The meeting was attended by the full Board, several PSB staff members, staffers from the DPS' Telecom and CAPI divisions, and representatives from the public access ("AMO") channels.

Burlington Telecom CPG Renewal (Docket 8719) – The Board will hold a public hearing on May 25 in Burlington City Hall. Telecom and CAPI division staff will attend the hearing. The Department's first round of discovery is due in mid-June and the first round of testimony is due in mid-July. CAPI staff are finalizing the survey questions that will be used in the Department's Community Needs Assessment.

Board Procedures Order for High Cost Fund – The Board granted a motion from Comcast to

extend the deadline for submitting comments in response to the draft high-cost program procedures order until June 6, 2016. Comcast is challenging the Board's jurisdiction to issue a procedures order for the implementation of the high cost fund because of unnoticed and unintended revisions to 30 V.S.A. § 7515. Telecom Division staff have been advised that the legislature will correct the statutory revisions through a technical correction bill during the next legislative session. Board staff participated in a conference call with DPS staff and representatives and attorneys from the affected telecom companies to discuss the statutory issues and jurisdictional concerns that Comcast raised.

VETC Designation Dockets (Dockets 8416 and 8542) – The Board has scheduled a status conference for the dockets that were opened for designation of several telecommunications carriers as Vermont eligible telecommunications carriers (“VETCs”). The status conference will be held on May 31. The VETC designation will allow incumbent telecom companies to receive support through the high cost fund. The dockets were opened during 2015, but have not proceeded because the Board planned to finalize the high cost procedures order before completing the VETC designation process. Because the high cost procedures order has potentially been delayed due to jurisdictional concerns raised by Comcast (see above), the Board may seek to proceed in the VETC dockets without the procedures order. Comcast has intervened in the VETC dockets. The petitioners include Waitsfield Telecom, VTel, Shoreham Telecom, Topsham Telecom, Franklin Telephone Company, and FairPoint.

FairPoint Service Quality Metrics Investigation (Docket 8701) – The Board held a public hearing in Underhill on May 18. The meeting was attended by the full Board, several Board staff members, DPS staffers from the CAPI and Telecom Divisions, and a reporter from VPR. No members of the public attended the meeting.

Leases with AT&T and VTel for Use of a Tower at Mount Snow – Telecom Division staff have been tasked with negotiating the terms of a lease amendment for AT&T to operate equipment on a tower that is owned by Public Safety and located on federal forest service land. VTel is seeking to install new equipment on the tower. Division staff have been in contact with an AT&T consultant and a VTel employee about preparing and completing necessary lease documents. Division staff will also speak with Terry LaValley from the Department of Public Safety to ensure that there are no significant public safety concerns before finalizing any agreements with the providers.

GMP/VTel § 248(n) Application – DPS staff filed a letter with the Board recommending that it issue a CPG to GMP to allow VTel to operate telecommunications equipment at its substation in Brandon. DPS initially filed a letter recommending that the Board withhold issuing an order because GMP and VTel had not provide sufficient information to describe the telecommunications equipment that will be used by VTel. After VTel filed supplemental information, the Department recommended that the Board issue a CPG.

Readsboro meeting: Connectivity staff participated in a panel discussion hosted by the Readsboro Broadband Committee. The Readsboro group invited DPS, senior staff from FairPoint, and local legislative and senate representatives for a public discussion of the open Connectivity Initiative grant RFP opportunity and completion of the town's grant application.

The town hopes to partner with FairPoint, to apply for grant funding.

Connectivity Initiative RFP – As part of the RFP, a map is being developed for the proposed bidder that depicts probable areas of underserved addresses. Similar data is also being provided in a spreadsheet format. Time was spent refining the data for public consumption. A meeting is set for May 26th to have a discussion with Stone Environmental on deliverables thus far, the processes involved to develop the data and the timeline for final transfer of data.

Coverage Co Project –Worked with staff to develop field test maps for staff to use to verify and update coverage areas along with level of coverage. For the first field test we decided to go with the maps that were developed by VTA we may refine and customize different maps.

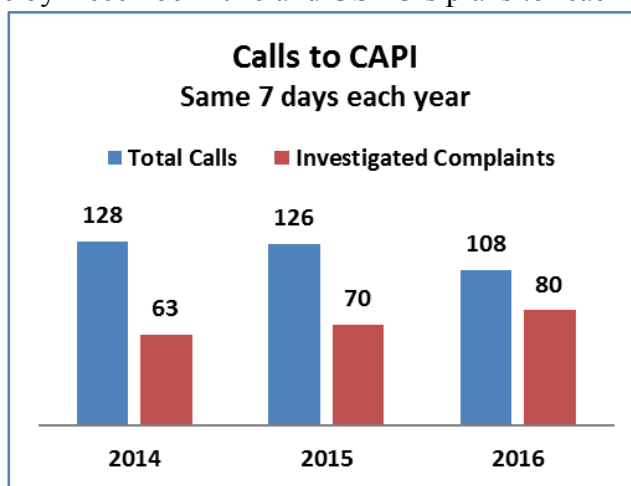
CAPI

Report period for May 15 through May 21, 2016

Lifeline – we are presently stalled with bringing TracFone to Vermont due to DCF’s eligibility and duplication checking procedures. We are waiting for DCF to work out possible fixes. In the meantime, CAPI staff continue to learn more about pending changes for the National Lifeline Verifier, some programs having been removed as automatic qualifiers for eligibility, the plan for broadband to be added as a supported service by December 2016 and USAC’s plans to reach out to the states to work together on implementation at the state level.

CASE OF THE WEEK

Vermont Gas -- a consumer was billed by her roommate, the account holder with VGS. The roommate charged this consumer more for the gas than the amount of the bill. CAPI said this sounded like reselling and suggested that VGS check their tariff to see if there was a prohibition against this; CAPI also suggested that VGS speak with their attorney about how to approach the account holder about this matter.



SELECTED CONSUMER COMPLAINTS

22 responses to Comcast Quality of Service notice (responses include multiple subjects)

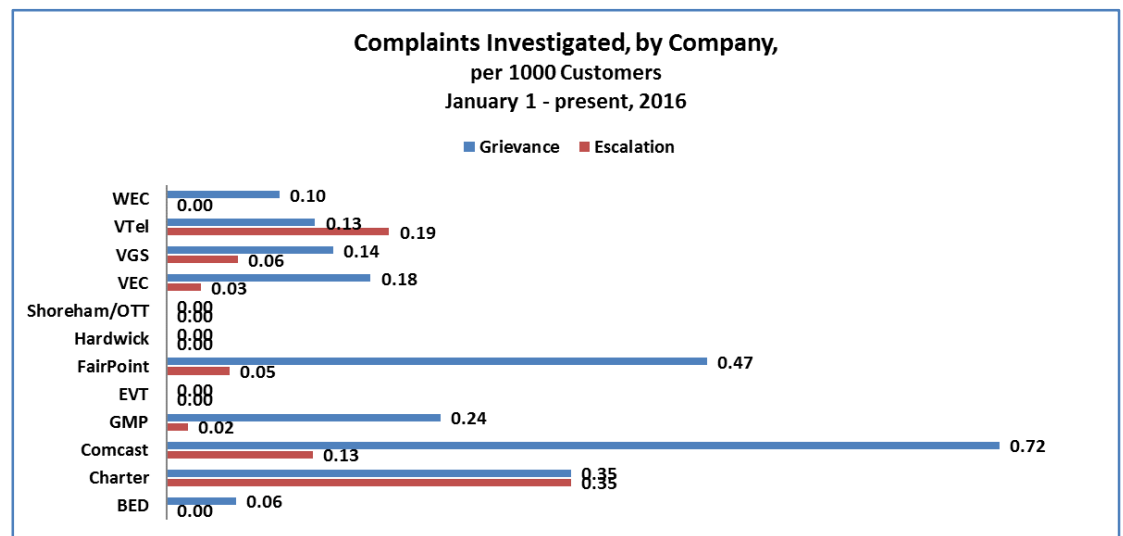
- 23 complaints regarding rates/affordability/billing practices
- 4 about programming
- 7 customer service issues
- 5 repairs
- 3 fees
- And 1 happy customer

Comcast (45) calls and complaints in total including a consumer seeking assistance with

reimbursement for time without service, a complaint about a delay with moving their lines to a new pole and a complaint about being billed at a different rate than that quoted by a sales representative.

FairPoint (17) calls and complaints such as seeking assistance with an incomplete internet service order and a call about restoring service after FRP failed to adhere to the written payment arrangement.

GMP (16) calls including billing complaints, disconnection of service complaints and a assistance with making a payment arrangement to avoid disconnection of service.



Privileged and Confidential
Memorandum

To: Peter E. Shumlin, Governor
From: Hal Cohen, Secretary, Agency of Human Services
Re: AHS Weekly Report
Date: May 27, 2016

Secretary's Message:

This week I attended the American Public Human Service Association annual summit conference. I had a chance to meet with a number of my colleagues from across the country and to learn about some of the programs that are making a difference in the well-being of their citizens. Not surprisingly, the focus of the conference was on the integration of health and human services and in particular how the social determinants of health impact the future development of children. The impacts of trauma and importance of prevention were the themes that were addressed throughout the conference.

I continue to be concerned about emails that are being leaked to Erin Mansfield at VT Digger. Just this week, there was an article about the change in leadership in the Health and Human Services Enterprise. In the article it extensively quotes an email that I sent to a number of staff. The email didn't contain any confidential or sensitive information, but the fact that it is being shared with the media is a concern. This is on the heels of a sensitive and confidential email that got in the hands of Erin Mansfield in March. I spoke to Richard Boes from DII and he is going to investigate whether any state employee sent an email to Erin Mansfield. I hope that I can find out where the leak is.

SCVHP
I just received a copy of the United Health Foundations - America's Health Rankings Senior Report 2016. In comparison to the rest of the country we continue to do quite well. It appears that our overall rank did go down from first to second. I'm most concerned about two particular statistics; According to the report, middle aged Vermonters have a 52.6% prevalence of diabetes, and 8.2% prevalence of obesity. These higher rates of diabetes and obesity put a significant strain on our Medicare program and overall health care system. I will be discussing this issue with Commissioners Chen and Constantino. Additionally, Vermont is one of 25 states that will face a 50% or more increase in our Senior aged population by 2030. We are already the second oldest state in the nation just behind Maine.

AHS Highlights:

Vermont Department of Health (VDH):

Chittenden County Opioid Alliance Steering Committee Update:

The Health Department hosted the third Chittenden County Opioid Alliance Steering Committee meeting on Thursday. In addition to AHS representatives, 20 community/municipal partners met to empower Action Teams to implement mutually reinforcing strategies to combat opioid abuse. The Action Teams focus on 1) access to treatment/recovery supports, 2) rapid intervention for people with complex service needs, 3) community-based prevention, and 4) workforce development. The Alliance's dedicated Project Director began on Wednesday and will work closely with the Health Department and community leaders to measure progress toward shared outcomes.

Department of Mental Health (DMH):

Vermont Psychiatric Care Hospital

VPCH census at VPCH is currently 24. Patient acuity at the hospital is high, largely due to patient-to-staff assault events. Most recent event was on the night shift 5/25 requiring staff transport to the CVMC emergency department for evaluation. State Police were also involved at the request of the responding ambulance service. VPCH staff did not require their involvement with the patient, but did provide statements of the event should potential charges be filed. Fortunately, no serious sustained staff injury resulted from the assault, but VPCH personnel are concerned for ongoing patient and staff safety with at least two large, dysregulated male patients in the overall patient acuity mix. In addition to multiple one-to-one patient observation needs and daily overtime needs, these heightened physical concerns contribute to additional workplace anxiety for treatment providers. Hospital leadership is reviewing events and alternative intervention strategies, including patient movement, staffing configurations, court-ordered medication modifications and/or emergency medication use where clinically indicated.

The hospital is also working with senior clinicians and DMH General Counsel and AAG's on feasibility, regulatory and operational issues involved with emergently admitting patients under the age of 18 on a temporary basis, who are in need of hospitalization and no other beds are available in our inpatient system of care. This planning is in follow-up to the recently delayed admission of a 17-year old who was eventually able to be voluntarily hospitalized out-of-state.

Emergency Departments

This week there were 34 people in need of inpatient psychiatric care and 25 were admitted. There remain four involuntary adults waiting in EDs, and three of them have been waiting one day or less. There were four court ordered adults this week alone (rather than a monthly average of four per month). One individual was placed directly from court and one was placed in less than 24 hours. The two remaining court ordered adults have been waiting less than one day each, with one in DOC custody and the other in an ED waiting for appropriate disposition. Of the two voluntary people currently waiting for an inpatient bed, both have been waiting less than six hours. The adult inpatient system of care had an average occupancy rate of 93%, and the children/adolescent inpatient system of care has had an occupancy rate of 100%.

Department of Aging and Independent Living (DAIL):

DAIL RFP for Analysis of the Receivership Statute

The Receivership for Cota's Hospitality Residential Care Home in Barre is drawing to a close and DAIL should be able to recommend to the Court that it be terminated by the end of May. Two of these receiverships have occurred within the last few years and both were hampered by the broad terms of the receivership statute and ended in crisis for the individuals in care. With that in mind, DAIL will be issuing an RFP for an individual or organization to conduct an assessment of the most recent process and to document both recommended process and practice as well as to make recommendations about changes to the current statute. We will identify both internal and external stakeholders for purposes of the assessment.

Department of Corrections (DOC):

Incident at North Lake Correctional Facility in MI:

On 5/25/16 the Restricted Housing unit in Northlake, Michigan was searched as they had intel that the unit had cell phones. During this shakedown three cellphones were recovered, along with other

nuisance contraband. GEO and VTDOC strongly believe that the cell phones were being introduced by a GEO employee who was terminated several weeks ago. However, GEO will continue to investigate this. During the shakedown a number of the inmates in this unit became disruptive, covering their cell windows, with mattresses, or making self-harm statements. Those who covered their cell windows with mattresses had the mattress removed until the individual committed to using it appropriately. Several inmates made statements of self-harm and were placed in safety smocks. We suspect that the inmates used the cell phones to contact family and friends to let them know that a shakedown was taking place, and in doing so provided inaccurate or embellished information which raised concerns for family and friends.

Population:

The Department's incarcerated population averaged 1750 for the previous week. The Department's incarcerated male population averaged 1605 for the previous week. The out of state population is currently at 236. The female population averaged 144 for the previous week.

Department for Children and Families (DCF):

Family Services Deputy Commissioner Receives National Award

The National Association of Public Child Welfare Administrators (NAPCWA) and the American Public Human Services Association (APHSA) recognized Family Services Deputy Commissioner Cindy Walcott on May 22nd in Arlington, Virginia. She was presented with the 2016 Betsey R. Rosenbaum award for her "leadership and commitment to Vermont's children and families and [her] dedication and resiliency during one of the agency's darkest period, the death of Lara Sobel." She was applauded for her tenacity in supporting staff, driving reforms including child welfare finance reform, and in her work advancing national child welfare policies and best practices. While we are saddened that Cindy is retiring at the end of June, we are honored to have had her on our team and see this award as a wonderful recognition of the tireless work she has done in her 38 years of service to the state of Vermont.

The United Way Recognizes DCF's Homelessness Reduction Efforts

The United Way of Northwest Vermont presented DCF with a Community Impact Award for supporting the development of Beacon Apartments which houses formerly chronic homeless individuals. The award was presented to Commissioner Ken Schatz on May 24th at an award dinner at St. Michael's College. We are very pleased to have been recognized in this way as we continue to strive for homelessness reduction across the state.

Department of Vermont Health Access (DVHA):

Vermont Health Connect

Navigator Funding Announcement: DVHA released the next fiscal year's grant application for Vermont Health Connect Navigator Organizations earlier in May. Interested organizations have until June 3 to apply. Most current Navigator Organizations are planning to re-apply and Vermont Health Connect expects to continue to provide statewide coverage for in-person assistance.

Call center: Call volume at the Customer Support Center has been significantly heavier in May than it was in March and April, driven both by groups of Legacy Medicaid enrollees and VHC-Medicaid enrollees face a May 31 deadline, as well as by enrollees who are responding in advance of June 30 deadlines and those who are reapplying after missing an April 30 deadline and closure. There were

about 11,000 calls in each of the last two weeks, making them the fourth and fifth busiest weeks of the year and the busiest since February. Last week, 51% of calls were answered within 30 seconds – down from March and April service levels but significantly better than January and February.

Other Agency Report Items for Consideration:

Agency of Human Services AHS CO:

2016 Audit Prep

CFO Clark met with Commissioner Pallito and other members of the Finance & Management audit team to strategize and prepare for a successful financial and single audit for 2016. As a result of this meeting, an entrance conference with KPMG, Finance & Management, Secretary Cohen and the AHS Commissioners has been scheduled for June 6th.

Department of Mental Health (DMH):

Ransom-Ware Breach

An unknown number of departmental files involving protected health information (PHI) were potentially breached by a “ransom-ware” virus. A ticket was submitted to DII on 5/24 alerting them to this issue. Discussions with DII indicate that this is not just a DMH breach. DII has been restoring shared-location files back to the restore point of 5/20/2016 without identifying the process or the scope of their restoration efforts. This has created additional burden for staff who have lost tracking and communication data a number of times since Wednesday morning. DMH staff have been instructed to submit tickets if any of their documents have been affected during this process. Notification was also provided to the AHS HIPAA Privacy Officer, AAG Martha Csala.

Supreme Court Decision

AAG’s submitted a timely (5/20) amicus brief in response to the recent Vermont Supreme Court decision in the Kuligowski vs. Brattleboro Retreat and Northeast Kingdom Human Services. The expanded “duty to warn” requirements, the new requirements for “caretaker” training, and the Court’s broad reading of HIPAA, without adequate definition or guidance, continue to be concerns for inpatient and outpatient treatment providers. A response to the legal brief is pending from the court.

Department of Aging and Independent Living (DAIL):

DAIL Staff on Across the Fence

As you may recall, May is Older American’s Month. DAIL was able to secure two spots on Across the Fence related to the Older American’s Act. The first is the Commissioner and Director of the Adult Services Division, the second are the Director of our Money Follows the Person Program and the Assistant Director for the Adult Services Division discussing our Choices for Care Program.

May 5th Episode: https://www.youtube.com/watch?v=S-ol7_krHDI

May 16th Episode: <https://www.youtube.com/watch?v=6Ar8cOf4ACk>

Adult Protective Services Public Hearing

APS held a public hearing on Tuesday, May 24, 2016. Attendance was somewhat limited but about 10 stakeholders and members of the public were at the hearing. We received some good feedback and will sort through themes with the APS Subcommittee to decide on future actions.

Department of Corrections (DOC):**Meth lab fire:**

Joel Alexander is being supervised in Vermont for the State of North Carolina via the Interstate Commission of Adult Offender Supervision (ICAOS). ICAOS is a federal compact that allows the transfer of offenders between states. He is currently on Parole with a supervision end date of 11/23/2017 for Possession of Heroin and Trafficking Heroin. It appears that there was a fire at his residence that was connected with a Meth Lab. A criminal investigation is still ongoing. Mr. Alexander is currently in a Boston Hospital in serious conditions. VT will be notifying NC if a violation has occurred after the investigation has concluded.

Vermont featured in The National Reentry Resource Center Publication:

Vermont Department of Corrections has benefitted tremendously from the support we've received through the Second Chance Act. Community Justice Centers are now at the forefront of nationally recognized reentry practices through the success of our Circles of Support and Accountability (CoSA). Copy and paste the link below to read the whole article.

https://csgjusticecenter.org/reentry/posts/vermont-doc-builds-commitment-to-restorative-justice-2/?utm_source=CSG+Justice+Center+Primary+List&utm_campaign=84f38d14cf-5_18_18_16_NRRC_Newslette&utm_medium=email&utm_term=0_db9d88bcfb-84f38d14cf-42358057&mc_cid=84f38d14cf&mc_eid=0d251aa368

Department for Children and Families (DCF):**FNS Integrity Review of DCF's Quality Control Program for the 3SquaresVT Program**

The Office of Inspector General (OIG) released a report last fall criticizing the federal Food and Nutrition Service (FNS) for many aspects of FNS' oversight of Quality Control (QC) programs across the country. Vermont was one of the states included in the OIG report. As a result, FNS is conducting integrity reviews of all states and Vermont was one of the first to be reviewed. FNS has never conducted an integrity review of Vermont's 3SquaresVT QC program before. FNS made two findings related to its FFY2015 Vermont review: DCF failed to maintain the integrity of the QC review process and DCF failed to collect, document and maintain certain information in its QC files. DCF recently submitted a Corrective Action Plan (CAP) in response to these.

In FFY13, Vermont had a 3SquaresVT error rate of 9.66 percent. In FFY14, Vermont's error rate was 2.76 percent. DCF implemented many different strategies to improve the quality of 3SquaresVT program and the error rates including hiring a consultant to assist in improving the QC work. The FNS findings appear to be a result of some of the strategies recommended by the consultant. In response to these findings, DCF is providing training; has issued policy memos clarifying the QC error review process ensuring integrity is maintained; has issued policy memos to ensure FNS required documentation is maintained in each file; and DCF is no longer contracting with the consultant. DCF has also requested further information from FNS on this second finding as the level of detail provided in the March 2016 integrity review letter does not provide much clarity about the FNS concerns. DCF will provide further updates on this CAP and the FNS response when we learn more.

Department of Vermont Health Access (DVHA):**Blueprint**

The Blueprint is developing a Steering Committee for the Women's Health Initiative, working with VDH, Planned Parenthood of Northern New England, and others to identify women's health providers and health services leaders around the state who are best suited to advise on initiative design including curriculum content, outreach strategy, payment model and evaluation design. The first Steering Committee meeting is June 14.

The Blueprint hosted an Integrated Communities Care Management Learning Collaborative session on Thursday May 26. Multi-organizational care management teams from around the state joined for professional and team development and peer-to-peer learning in support of more integrated, seamless care for the most complex patients. Presenters included Luran Hardan, Director of Complex Care at Mercy Health in Grand Rapids, MI who focused on "How to Maintain Continuity of Care Over Time," a PatientPing representative describing that event notification system, and the Blueprint Project Manager from the Rutland area who talked about how to train care staff in the use of care management tools.



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CONFIDENTIAL AND PRIVILEGED
MEMORANDUM

TO: Governor Peter Shumlin *PS*
FROM: Rebecca Holcombe, Secretary, Agency of Education
SUBJECT: AOE Weekly Report
DATE: May 27, 2016

Emerging Issues

- Scott + Sarah

OCR complaint against AOE

We received notice from US ED Office of Civil Rights that our website is not ADA compliant and documenting some needed changes to get in compliance. We are formulating a response and plan of action now. OCR is correct and we need to make changes. The backstory is that several years ago, someone made a decision to build and host our own website, rather than using the state system. I think it is risky to do what we are doing, and we had begun planning for migration anyway. This brings some acute urgency to that task. It will actually be a healthy process-- if OCR will allow us a little time. We may need to hire a temp to help expedite. I will keep you posted.

Syrian Refugees

Gov—if you want to voice on an issue, this would be a great issue to support. It would be great to help the public understand that the only demographic group that seems to be growing in VT is New Americans, and this represents an opportunity to revitalize our communities and bring in willing hands to take jobs and create businesses.

State Board

The State Board is intensely interested in PK/Act 166, and has been clamoring for an evaluation of equity in initial implementation. The SBE is pushing hard for data that speaks to issues of equity in the context of initial implementation. We are doing our best to move this out of the realm of anecdote and into a more qualified conversation that is mindful of what we actually can and can't know at this stage of implementation. We called a meeting with CDD, which Ben Allen attended on behalf of Reeva, to flesh out what we can and can't share in terms of initial implementation. I suspect they will follow up with some requests. Also met with Ken and Reeva and our team and James Pepper to coordinate on communications and media and data requests. We want to make sure we are working in a coordinated way as questions come in.

I met with Stephan Morse to discuss the Board's upcoming retreat. I am encouraging the board to spend most time at their retreat focusing on Act 46. They need to develop a deeper understanding of progress to date, and begin planning for the next two phases of Act 46. Specifically, they also need to initiate rulemaking around the final phase of Act 46, including what the process is for becoming an "alternative education structure" that contains several unmerged districts and what the criteria are for maintaining small school support if unmerged.

Act 46 communications

We are putting together a periodic newsletter to the field (targeting School Boards and Superintendents) that will provide updates on technical assistance and guidance, share some solutions districts have found to common challenges, and highlight some successes. Initial data seems promising; Rutland South is unifying in the FY17 year, and keeping all structures and programs and currently approved budgets the same, they are saving about \$443,000 off a \$17 million budget. Tinmouth voted to give up choice, but because of public high school choice, all but three students currently attend schools not accessible through public school choice, and these are grandfathered. These savings are much larger thus offset the cost of the small schools grants.

The clamor around school choice, driven by Ron Roper and John McLaughry and Margaret McClean and David Kelley in particular, continues. **We have been consistent and adamant that only districts decide by a vote of the electorate whether they tuition students or operate. The only people who can "take away choice" are the voters of a district.** Nevertheless, these parties continue to take out ads, send out newsletters statewide and advocate loudly in the press that we are "taking away choice."

There are opportunities here for those who can think pragmatically. These people should go talk to Chittenden and Mendon.

The misinformation is systematic, coordinated and relentless, and ignores the productive merger conversations taking place in a number of tuitioning towns across the state. It is a little sad, because their irrationality is preventing some needed conversations from happening, and in the Peacham area in particular, is taking on some very classist overtones that are starting to really antagonize neighbors – including neighbors who are tuition towns-- in ways that are destructive. The bottom line is that most of these towns are not going to vote to give up tuitioning, and it is too bad they can't focus instead on how to work together to bring down their overhead to spare taxpayers and attract better and more stable leadership in the coming years.

Independent School Rule Review

The SBE has been working through its rules, updating them and addressing gaps. They are in the public comment period of rules related to post-secondary approval (updated to reflect advent of distance learning programs) and are now focusing on review of independent school approval.

This rulemaking falls under their purview, not ours, but we are tasked with providing support. Their role is to ensure that private schools, and especially those that serve publicly

funded students, meet some basic quality standards. In effect, they (and by extension, the AOE) regulate this market to protect the public against a subprime problem.

For context, currently approved schools:

- Serve between 0 (yes, 0) and over 800 students
- Serve between 0 and 100 percent students with disabilities
- Include general education and open enrollment schools, as well as schools with specific purposes (e.g. ski academies, therapeutic schools, and schools for students with specific disabilities)
- Are often up to 100% publicly funded

The SBE has asked us to draft rules that address four areas, but in particular:

Updating antiquated language

Fiscal solvency (in response to some recent independent school closures, including the very abrupt closures of the Austine School and Burlington College, which left students in the lurch.) Some of the very small and less viable programs have been very contentious about providing any evidence of solvency. The board wants all programs that receive public dollars to be NEASC approved, as this would serve the proprietary interests of private schools while ensuring some kind of fiscal review. All the main players are already NEASC approved, and would not be affected by this rule change, so the primary effect of this would be to put pressure on the smaller, less viable players to demonstrate quality. I am not sure that is a bad thing, as some of them seem pretty weak.

Open Enrollment: the Board's concern, is that unlike public schools, independent schools that are publicly funded don't have to serve all students, and thus don't have to be comprehensive. However, as competition with selective schools potentially closes small public high schools, this potentially creates a service gap. The board wants some assurance that, particularly in places like the NEK where small public schools are closing, there will still be schools for students with disabilities and students in poverty, who often present more discipline challenges. The Academies basically do this already. They have concerns because they are not able to serve all disabilities, however, neither can public schools, and both public and private schools only serve students who are placed there by IEP teams. I think we can address the Academies concerns. If the school were not an appropriate placement, this IEP process already would preclude placement there. We are dusting of the guidance on this for redistribution, to make clear that open enrollment still acknowledges that IEP teams make decisions based on the least restrictive environment that can serve a child. Once challenge we will have as a state is that as the public school closes, there is less capacity to create places for the most challenging students. One risk to manage: a public school would be obligated to create an opportunity in a pinch, but an independent school is not. We may be creating a situation in which more kids with some disabilities end up in residential placement or travelling large distances.

There will have to be exceptions to this principle. For example, the specialized schools may have missions that preclude open enrollment. We will suggest changes with this in mind.

Discipline data: See preceding item. This I think is in part a response to the heavy emphasis on discipline data for public schools. The board is concerned that there is a lack of transparency around discipline and exclusions in private schools. We have some concerns around this request, as we don't think this data is comparable to public school data anyway, and even if we had it, not sure what we would do with it, so we have concerns about this burden.

In the current context, which is supercharged by Act 46, **we feel we need to be very clear in our messaging that our commitment is to ensuring that every child has a good school, and not on whether the school is private or public.** There are good public and private schools, and there are weak public and private schools. The **purpose of regulation is to put pressure on weak players in whatever sector they sit.** There are large swathes of the state that depend on private schools. This is a fixture in our VT landscape. I can't see rules taking place that would jeopardize or upset that balance. In particular, Burr and Burton, Thetford and St. Johnsbury provide high quality education to diverse students. We have a compelling interest in making sure the state continues to have a strong and productive partnership with those schools.

I assume this will be a summer of many kicks and hits for the AOE. I don't see anyway out of this. We will just focus on threading this needle and keeping politics out as much as possible.

Lamoille North

This issue will likely get some press—I will give you a simplified overview. Lamoille North had an accelerated merger vote, and Waterville voted against the merger. The Merger is moving forward without Waterville and Cambridge, so will be a Modified Union. This merger made some local choices which are going to have unintended consequences. They included in their articles of agreement, which were voted on by members of each district, a provision ensuring that all students continue to attend school in their town of residence for at least three years. They also did on include any language on grandfathering. However, the town of Belvidere in the past has contracted with Waterville to serve its students because it does not have a school. The locally approved language does not appear to allow this relationship to continue once the unified system is formed, given that Waterville voted down the merger.

An oddity in the law is that despite voting no, Waterville and Cambridge will benefit from merger incentives even though they don't merge, because of their membership in the high school union. It is possible that the value of the tax break is sufficient to offset the value of tuition dollars for students from Belvidere, so we can work to encourage Waterville to serve them in the three-year transition at little or no cost. We will analyze this next week. Stay tuned.

Wednesday: I finally got my doctorate from Harvard. I think that fully qualifies me for something. ☺



Media Contacts:

Carmen Rojas, Education Week: Carmen called to ask for data to track the change in the number of school employees over the past few decades. She was looking for FTEs back to 1997 or the earliest year we have for that information. She said the PDF links on our website are broken. She was provided with another link that is on our website to the FTE data dating back to 2001, which is the earliest year we have.

Jessica Windt, Education Week: Jessica called Stephanie looking for a map that shows only school district boundaries for a video segment for Education Week. Stephanie forwarded the request to Sean Cousino to create a map (like the merger map) but with only district boundaries and no color. Stephanie sent her the up-to-date map.

Tiffany Pache, VTDigger: Tiffany reached out to follow up on her Pre-K requests for data and a report that The Edge Gym submitted to the AOE to become a 4-star program. Melissa Riegel-Garrett answered Tiffany's questions this week upon returning from vacation. Tiffany was also informed that the December data showing the number of providers, etc. was the most up-to-date information we have.

Lesley Engle, Fox 44: Lesley reached out to me after receiving our first Good News Brief about a Burlington High School student who, for a school project, created a petition to get more lights on the Burlington Bike Path. Lesley wanted to get in touch with the student to expand on the story for the station.

Tiffany Pache, VTDigger: Tiffany asked if the AOE had the number of Weathersfield students who choose to attend Windsor High School. Brad James provided her with the numbers. Tiffany later emailed again asking for more up-to-date information for the number of mergers and upcoming votes related to Act 46. She was provided with the May copy of the "narrative for the public."

Gina Tron, Times Argus: Gina called to see if the AOE had any information about the sale of NECI, who bought it, if it is moving, etc. Cassandra Ryan said she had yet to hear anything about the sale. Robert Stirewalt told Gina that we didn't have any information.

Elaine Ezerins Reed, St. Albans Messenger: Elaine called hoping to talk to someone about Act 77 and the pros and cons of the law. Deputy Bouchey spoke to her.

Nicole DeSmet, Burlington Free Press: Nicole called Stephanie looking for information about Act 46. Stephanie gave her some factual information about the upcoming merger votes and sent her the recent 5/16/16 narrative. She had the overall question of “why” and “why now.” Stephanie gave her the statement of creating quality, equitable educational opportunities for Vermont students at a price we can afford. Nicole asked to speak to someone official. She later called Haley back to check facts about the possible CSSU merger. Donna Russo-Savage said she would call Nicole.

Sally Pollak, Burlington Free Press: Sally called to get the number of students who receive free/reduced lunch. She was looking for a statewide number and percentage. She was provided with the data for the 2014-2015 school year that is available on our website.

David Corriveau, Valley News: David is working on a story about the Sharon Academy’s capital campaign to improve their facilities. He was hoping to talk to someone who can give him perspective on private academies and sending school districts and how that process is evolving with the consolidations starting to take place under Act 46. David reached out to Brad James for this as well. Brad said he would get back to David and give him some factual information.

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Deborah L. Markowitz
Agency Secretary

Trey Martin
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 27, 2016
Subject: ANR Weekly Report

Governor Level Issues:

PFOA Updates:

Kocher Drive – We received final laboratory results for the Bennington Superior Court House. This is a state owned building. Water samples were collected from the geothermal wells. These wells are not used for drinking, but one of the wells had detections for PFOA at 20 ppt and PFHpA at 2.4 ppt. Results will be mailed to BGS.

Statewide Sampling – Staff worked with EPA Removals and their contractor to collect water samples from the former Harbour Industries site in Shelburne and the former Supertemp site in Winooski. Both sites are located within the municipal water supply service areas. We have made substantial effort to determine if there are private water supplies within the municipal service areas. Water samples were collected from wells at Kwiniaska Golf Club on Spear Street which has three deep wells for irrigation; not used for drinking. Water samples also were collected from a private well on Webster Road and Spear Street. All these water samples are within a one-mile radius of Harbour Industries. We have not located any private wells in the area around the former Supertemp facility.

On a parallel track, ***Shelburne Realty*** (property owner) has retained their own consultant to investigate and collect soil and groundwater for a suite of PFCs. Soil boring and sampling work took place May 12-13. We are expecting a follow-up summary report from their consultant.

EVERYTHING ELSE:

Legislative Issues/Testimony:

2016 Session Follow Up: We are already working on the numerous reports and rulemaking requirements generated by the recently concluded legislative session. All three commissioners are working with Trey and the implementing programs to develop work plans, identify stakeholders, and scope the issues and process summaries which are foundational for the reports and rules.

H.857: Commissioner Snyder met with Governor Shumlin to review the forestry omnibus bill, and he worked with Trey and Deb to provide to Darren and Sarah an overview of options for successful implementation of the bill. We are receiving lots of calls from stakeholders who are interested in this bill and are wondering when it will be signed. We are advising them that we are still in process with it.

Press Issues/Releases:

Headlines from FWD Press Releases: Bird-Lovers Urged to Support Habitat Conservation; Hunter Education Instructor Training Course; and Fawns are Arriving: Leave them Alone Urges FWD.

Britton Lumber (Fairlee): The Regional Permit Specialist was contacted by Valley News in regards to the rebuilding of this facility that burned approximately one year ago. The company president said environmental permitting was not a factor in the decision and the reporter said he wanted to understand that position better. Staff explained that Act 250, floodplain management, stormwater and the permit specialist met with the Town of Fairlee and Britton Lumber staff twice (the first time within a few days of the fire) to discuss their rebuilding plans. Assistance staff gave reassuring opinions that it would be possible to obtain the permits necessary to rebuild. The story ran in Valley News on May 13, 2016.

WLEB Grants Announced: On May 17 the Working Lands Enterprise Board announced its fourth year of grants, totaling \$634,000 in investments that impact every county in Vermont. The 44 grantees (including 24 trade show assistance grants) will leverage an additional \$2.5 million in matching funds to create jobs, increase income, and keep working lands acreage in production. Grant recipients were announced at a ceremony and networking event held at Vermont Tree Goods in New Haven last week. In the announcement, Commissioner Snyder summarized the importance of supporting Vermont's working lands enterprises: eighty cents of every dollar spent on fossil fuels for heating in Vermont leaves the state, whereas when we buy Vermont pellets for heating, 80 cents on every dollar stays in the state.

Other FPR Headlines: New Firewood Rule Prohibits Untreated Firewood from Entering Vermont; Vermont Uses Controlled Fires to Improve Habitat; Protecting Vermont Trees.

Significant Events/Meetings:

Clean Water Fund meeting: Watershed Management and Facilities Engineering Division assisted the Office of the State Treasurer and the Department of Taxes in hosting and facilitating a series of stakeholder input meetings on financing statewide clean water improvement. The initial meeting addressed funding options to meet the Clean Water Fund goals and was attended by 85 stakeholders and agency partners.

SUMMARY OF KEY DEPARTMENT ACTIVITY

Environmental Conservation (DEC)

ECO AmeriCorps 2016-2017 Grant Award: We received official notification this week that our grant proposal for the upcoming year is being fully funded by the Corporation for National and Community Service, this include four additional full time members bringing our total corps from 20 to 24 members. ECO AmeriCorps staff have already started working with the Solid Waste Program to begin soliciting service sites to incorporate universal recycling into the ECO AmeriCorps program.

Public Water System Capacity Program: The Capacity Program is in the process of awarding grants to 26 municipalities (see list below). There are two other communities that may receive a grant, but would need to significantly alter the scope in their proposal to qualify. The grants are to help the municipalities develop an Asset Management Program for their drinking water utility. The grants require an in-kind match (staff time) from the municipality. The staff match will improve the chance that the program will be successful.

Municipalities to be awarded grants: City of Winooski, Town of Bethel, Town of Pittsford, Swanton Village, Town of Williston, Town of Hardwick, Town of Fair Haven, Jericho-Underhill Water District, Newport City, Town of Manchester, Grand Isle Consolidated Water District, Dorset Fire District #1, Village of Lyndonville, Town of Bristol, Village of Enosburg Falls, Castleton Fire District #1, Town of Richmond, Town of Randolph, Village of Hyde Park, Town of St. Johnsbury, Barre City, Town of Northfield, Village of Alburgh, City of Burlington, City of Montpelier, Town of Bennington.

Entergy, VT Yankee: Entergy VY submitted a modification of their approved plan under the Multi-Sector General Permit to discharge uncontaminated foundation and footing drain water. We anticipate getting monitoring results on May 26 and we will request that Entergy monitor for possible contamination from the site.

Okemo Mountain snowmaking: Okemo Mountain representatives met with Watershed staff and legal counsel about the required February Median Flow (FMF) for snowmaking. Watershed staff walked through the requirements of the Snowmaking rule and how the revised FMF for Okemo (which is based on ten years of site specific data as required by the Rule) must be implemented.

Fish & Wildlife (FWD)

Fishing Activity: The great weather this week brought out high numbers of anglers. Catches of target species continue to increase, especially trout and salmon. Violations that wardens detected included the usual minor license violations, methods issues and revocations arrests.

Bear Activity: Nuisance bear calls continue statewide. The department continues its outreach efforts in preparation for the new composting law and the bear-human conflicts that may arise as a side effect.

Warden Activity Highlights: Sargent Gallant spent five hours in the woods feeding the black flies this past Thursday and eventually was able to watch a man go well over his limit of trout. The black flies were happy but the angler was not. Another great case this week was handled by Senior Warden Watkin and Trainee Schmid who issued six fishing-without-license tickets and nine boating tickets on a late shift over the weekend. This case led to fifteen underage drinking notices and a DUI screen.

Wood Additions for Fish Habitat: Staff provided technical assistance to Trout Unlimited by developing a map of potential future strategic wood additions sites in the Paul Stream watershed and inquiring of the Army Corps as to the need for permits for this work. Staff also provided a map and editing for a National Fish and Wildlife Fund grant for which TU is applying. This grant would help to fund TU's ongoing efforts to restore trout habitat in the upper Connecticut River watershed.

Scotts Cove in NEK: Staff electro-fished Scotts Cove of Lake Memphremagog. As part of the larger effort to monitor long term trends in size and catch rate of bass and other fish species, this cove has been electro-fished almost annually for the last few years. An invasive plant, starry stonewort, was recently discovered in the cove, and continued sampling of the cove will help to assess the effects, if any, that this plant might have on the fish community.

2016 Hatchery Day! Various fish culture staff met with the Fish Culture Operations Manager and FWD Special Events Coordinator to discuss specifics of the upcoming "hatchery day" celebration which will be held on August 6, 2016. The purpose of the statewide event is multifaceted: It celebrates fish culture in VT and the advances made since 1891 when FWD first started culturing fish; it serves as a date to celebrate the various anniversaries of fish culture stations in VT in 2016 (Roxbury – 125 years, Bennington – 100 years, Ed Weed – 25 years); and it is hoped to be the date of the groundbreaking ceremony for the Roxbury Fish Hatchery rebuild project.

Forests, Parks and Recreation (FPR)

Ski Areas: State Lands Administration staff accompanied district stewardship staff on a site visit to Killington to review proposed new downhill mountain bike trail development at the Ramshead area. A site visit to Big Jay and Jay Peak is scheduled later this week to assess how

well the “scar” that was illegally cut at Big Jay several years ago is healing, and the extent of any additional unauthorized glade trimming in the area. We are working with the Green Mountain Club and Bromley Ski Area regarding an agreement on development of a new observation tower at the summit of Bromley Mountain. We are working with Smugglers’ Notch Ski Area regarding the possible assignment of several telecommunication licenses located at the Sterling Base Lodge. Over the coming weeks, we expect to coordinate with the court appointed receiver and interim management for Jay Peak and Burke Mt. to insure that the lessees’ responsibilities and obligations under the ski leases are clearly understood as new owners are sought for these ski areas.

Big Weekend Coming Up at State Parks: Memorial Day weekend marks the kickoff of the summer season at state parks. All facilities will be fully operational and ready for visitation. Camping reservation activity remains about thirteen percent ahead of last year to date.

Traps Go Out: FPR Forest Health Specialists set out traps this week to monitor for saddled prominent, a major forest insect pest. This moth is named for the markings on the back of its larvae. It is a native pest that erupts periodically, defoliating sugar maple, beech and birch trees after they emerge between late May and July. FPR has also been establishing trap trees as one of the methods to monitor for emerald ash borer. All of Vermont’s surrounding states and Quebec have recorded the presence of this pest.



State of Vermont
Department of Public Safety
103 South Main Street
Waterbury, Vermont 05671-2101
www.dps.state.vt.us

To: The Honorable Peter Shumlin
From: Joe Flynn, Deputy Commissioner of Public Safety
Date: May 26, 2016
Subject: Weekly Report

Priorities:

The Vermont State Police Fair and Impartial Policing Committee hosted a public presentation at Vermont Law School. Discussion was related to analysis of over 200,000 traffic stop data collected during all Vermont State Police traffic stops over the past 5 years. Directed by Commissioner Flynn, Colonel Birmingham and Fair and Impartial Policing Director Captain Jonas are committed to further review of this data and implement changes where determined necessary.

VOSHA has informed DPS they want to issue us a citation (no monetary fine) to the Forensics Lab for failure to adequately maintain records on lead exposure levels. While seemingly ready to act, VOSHA has not provided DPS details pointing to any "regulation" on maintaining records they allege we are in violation of. This stemmed from an awkward surprise inspection conducted by VOSHA March 23, 2016 and reported here previously.

Administration

Finance and Management have confirmed that the Pay Act amount of \$752,707 as requested will be added to the VSP budget.

CJS

Forensic Lab-

All 24 existing lab positions currently filled.

1 analyst currently training in Alcohol and another 7 cross-training in Latent Print analysis.

1 DNA analyst will be leaving July 20th for Grad School.

Will have 4 summer interns (unpaid) for several projects (starting week of June 7th).

Backlogs (as of 4/30/2016):

- Blood Alcohol (0)
- Drug Chemistry (768)
- Serology (67)
- DNA (casework) (161)
- DNA (CODIS) (311)
- Firearms (34)
- Latent Prints (478)
- Arson (0)

The VFL continues to wait on resolution from BGS on many HVAC issues with the Lab. Recently concerns with the UPS back-up power system was also identified.

ASCLD/LAB surveillance visit for accreditation conducted May 17th (zero findings).

Informational meeting with law enforcement (Sinclair/Merkel/Wilk) was held this week.

Passage of S.10 (expansion of designated crimes for DNA database) – will impact lab and increase backlogs in DNA section; no funding or positions associated with bill.

OTM-

Information Sharing Program (VJISS)

The Police Data Initiative (PDI)

We continue working to identify four data sets that can be published by VSP. The four initial data sets we are considering are:

1. Law Incidents – This data set consists of a listing of all law incidents for the state police that have occurred over the past three years.
2. Traffic Stops/Race Data – A data set that lists all traffic stops with accompanying race data that allows for the creation of aggregate statistics on traffic stops by race.
3. Traffic Fatalities (All).
4. Impaired driving incidents with an arrest or citation.

NCJA Justice Reform Project

Vermont is participating in the National Criminal Justice Reform Project through the NCJA. This is a project that will utilize Vermont's Justice Information Sharing system to create long-term impact on the justice process across the state.

e-Ticket

Electronic ticketing functionality is working very well with the Valcour system. Delays continue on the Spillman side of the project due to procurement issues. Contract negotiations with Spillman over this new functionality are slow. We have initiated a process of facilitating regular negotiations between the state of Vermont and Spillman legal counsel. This appears to be effectively moving this process forward in a very efficient manner. We anticipate having the contract signed before the end of June.

GIS Support/E911

This issue has become more urgent with the opening of the new Westminster barracks for VSP. The dispatch function in Westminster depends on consistency between Spillman GIS information and the dispatch assignments that come from E911. Betty Wheeler has been working with a number of different resources to patch together an upgrade but is experiencing problems. This work is 90% complete. Betty has gone above-and-beyond the call of duty to get this work done. The lack of GSI support for DPS continues to be a high-need, high-risk issue.

VCIC-

Several media inquiries have come in concerning S.14, relating to potential changes in the therapeutic medical marijuana program. The majority of these have focused on changes in language from 'severe pain' to 'chronic debilitating' pain. It is unknown what level of impact this will have on the number of qualifying patients but should this lead to any meaningful increase in patient count additional staffing resources may be required.

The Tri-State AFIS sign-off sheet has left DPS and is currently awaiting final signature by the Attorney General's Office. Given their previous review and the successfully completed DI&I Independent Review it is hoped that this final phase will be cleared reasonably quickly. An update from New Hampshire (Maine has already completed all necessary review and signature) is expected shortly.

Several local child care agencies have reached out to DPS recently concerning fingerprint supported background checks and it is hoped that the Agency of Education and Department of Children and Families will finalize their workflow in the near future. A billing agreement and security agreement have been forwarded to DCF as well for review and signature.

DEMHS

A verbal offer of employment was made to the top Hazard Mitigation Planner II candidate, contingent on background check. The offer was accepted, with a tentative start date of 06/13/16.

As of 5/19, 63% of Vermont towns have submitted their 2016 Local Emergency Operations Plan.

Vermont's oldest pending HMGP applications, Ludlow's Commonwealth Ave/Main St/Meadow St Drainage Improvement project, was approved by FEMA Region 1 for \$817,500 federal share.

State Hazard Mitigation Officer submitted a timely first appeal to FEMA Region 1 on 05/23/16 on behalf of the Vermont Natural Resources Council and Community Resilience Organizations (CROs), appealing a denial letter dated February 11, 2016, regarding their DR-4022 HMGP 5% outreach and education application.

Director, R+M Chief, and SHMO attended the New England Climate Adaptation, Preparedness, and Resilience Seminar in Durham NH. R+M Chief presented on the topic of "Coordinating Multiple Federal Funding Sources and Vermont's Interagency Approach to Recovery and Resilience after Tropical Storm Irene".

All FY14 reprioritization communications grants have been executed, except for the Central Vermont Public Safety Authority. We are still waiting for quotes from them so that the project can move forward.

RERP Tri-State meeting held at Lake Morey.

Fire Safety

The Division received \$10.5 Million in new plan review construction valuation collecting \$58,000.00 in fees.

The Fire academy as you know has received the AFG award in the amount of \$500,000 to replace the old burn building. I spoke with a reported from the Rutland Harold and sent her an email explaining the burn building grant. We will be entering into the permit process soon.

I will assemble a memo explaining the impact the new rules will have on the business community. I feel real comfortable with our approach to the rule process paying attention to the economic impact people face. We were able to put forth a real reasonable package resulting in less restrictive requirements in many situations.

After July 1, 2016 the academy will start offering solar training to first responders through a partnership with the CleanEnergy States Alliance and the Department of Public Service. This training will provide firefighters with important safety information regarding solar installations.

Vermont State Police

A Troop-

FF

10 Total Arrests, 5 DUI

Williston had 16 Agency Assists.

Trp. had a successful Narcan deployment.

St. Albans Barracks took 151 cases last week making it one of the busiest this year.

Assisted in a large BHO lab and a seizure at the POE that has resulted in DEA assistance.

BCI

Assault case at CRCF. Inmate threw a diaper at a CO causing vomit and feces to have contact with her face. Sgt Kamerling assigned.

VSP background completed. Skinner.

Sgt Kamerling attended National Police week in DC for Honor Guard.

Assault case at NWCF. Inmate on CO / Det Tpr assigned.

Clan lab activation in Highgate / One male arrested for multiple charges.

16 year old female alleging her father has been peeping on her while she takes showers. NUSI assigned.

Female alleging she was sexually assaulted by her mother's ex-boyfriend. Victim alleged this happened 20 years ago and occurred between the ages of 3-13. NUSI assigned.

Two students at Georgia elementary were caught in sexual activities on school grounds. Student were partially clothed. NUSI assigned.

12 year old male disclosed to his mother that while at the doctor's office the doctor performed oral sex on him. NUSI assigned.

Tax fraud investigation assigned. Unknown persons filling fraudulent tax returns for Champlain Oil employees.

Background investigation for VSP. Sgt Katz Assigned.

Assault case at NWCF. Inmate on inmate physical altercation. One male suffered a broken jaw.

6 year old boy presented at ER with a fractured arm. Child is in DCF custody at time of injury. Investigation showed no physical harm. Accidental.

Special investigation in Colchester. Unfounded.

Assisted in Fugitive from justice case out of ME. Wanted person does not meet the criteria for a fugitive from justice protocol.

B Troop-
FF

13 Total Arrests, 3 DUI

Arrest for an outstanding warrant for Cruelty to Animals.

Located Ethan Holt in Lyndonville. Holt was wanted for Escape.

Investigated a fatal motor cycle collision in Island Pond.

Assisted NIU with a meth lab in Barton.

Troopers responded to a residence in Bradford for a report of several individuals breaking into a residence and assaulting the tenants. The individuals were identified by the victims and were located. Lance Ilsley and Kara Appleton were arrested for Burglary.

Assisted in the investigation of a residential fire in Ryegate that was later determined to be a methamphetamine one-pot lab.

BCI

2/ new Meth Lab cases.

Follow up on sex assault investigation.

Death case 13 yoa girl in Lunenburg. Natural expected death died at hospital in Lancaster NH.

Follow up on Aggravated sex assault.

Evidence room processing.

New case female reporting she was part of sex trafficking. May have mental health issues.

C Troop-
FF

19 Total Arrests, 5 DUI

Full-Scale Exercise participated in which tested the emergency plans of Rutland/Southern Vermont Airport and the ER of Rutland Regional Medical Center.

Open House for Castleton Police Department (new facility) attended by Troops.

K9 assist by Trooper to WPD locating a suicidal male who was transported to SVMC.

Raised \$1000 for Relay for Life Event through VSP efforts.

BCI

Continued investigation of Poultney sexual assault/kidnapping (16C101275): Obtained multiple subpoenas for cell phone records, supplemental report.

New Case – Embezzlement (16C102409): Assigned embezzlement case regarding a business in Florence, contacted business owner and arranged meeting for May 23rd.

Begin prep for deposition in Windsor Officer Involved Shooting (14D103538).

New case: 78 y/o male deceased in bed at home in Monkton. Natural causes.

Hart homicide follow-up with Drug task force arrests and interview.

Case follow up 16C201040 – interview with POI and his father at C2.

Follow up work on civilian background.

Completed background for Courtney Baker.

Continued scan on Rutland evidence room.

New Case: Death investigation Ripton. 55 year old male who was on hospice care. (Natural).

Assigned and completed Background investigation for applicant.

Continued investigation Schaff missing person (14C100425). Worked on Subpoena's for phone records and meeting with SA.

Clan Lab Training.

Clan Lab in Derby- one pot active cook.

Assisted polygraph unit with interview scenario at the VPA.

Coordinated with Maine State Police and Lincoln County Sheriff's Dept. on apprehension of Lee Laughlin on outstanding aggravated domestic assault warrant. Laughlin is also witness in 03C102662 sex offense case. Notified victim of sex offense and Rutland County S.A.

Contacted Federal Bureau of Prisons, Petersburg, VA and Rutland County State's Attorney Office regarding extraditing Gerald Lamb to Vermont on pending sexual assault 12C104276.

Sex Offender Registry cases.

Assisted A.G. office with meeting with David Wisell (Victim's Father) regarding Pelletier homicide. 14C102697.

Attended monthly Multidisciplinary Team Meeting at CFAC.

Completed review of Pelletier Homicide Depositions. Mailed to AG's Office.

Case Follow-Up: 16C102347. Sex Offense. City of Rutland. It was reported a 13 year old girl may have been sexually abused by an unknown male subject when she was 3 years of age. Case Completed.

Case Follow-Up: Sex Offense. Town of Brandon. It was reported a 15 year old girl may have been sexually abused by a 22 year old male subject. Case Completed.

Case Follow-Up: Sex Offense. City of Rutland. It was reported an 11 year old boy may have been sexually abused by his 58 year old uncle. Case Completed.

New Case: Sex Offense. Town of Fair Haven. It was reported a 13 year old girl was sexually abused by her 16 year old boyfriend. Victim Interviewed.

New Case: Death Investigation. Town of Wallingford. 51 year old male subject found dead in his residence. Not suspicious. Autopsy Pending.

New Case: Death Investigation. Town of Wells. 59 year old male subject found dead in his residence in the shower. Not suspicious. Autopsy Pending.

New Case: Death Investigation. Town of New Haven. 90 year old male found dead with a single gunshot through the mouth. Apparent Suicide. Autopsy Pending.

Continued to work jointly with ATF regarding the Winooski Fire Investigation.

Attended a Unit Meeting with BCI Command staff at HQ.

Jury trial in Bennington Superior Court.

Contempt of Court charge in Arlington VT.

Dead body Rupert VT, 87 yr old female deceased at home. Non suspicious case, non AME case.

D Troop-

FF

10 Total Arrests, 5 DUI

Fatal ATV crash that occurred in Westminster; operator was processed for DUI; passenger on ATV is deceased victim.

Troopers responded to a report of a possible suicide. Male found out his significant other was having an affair and threatened suicide. She observed him with a rifle and after she went outside she heard a shot from inside. Troopers responded and male was still alive and refused to come out. A perimeter was established and eventually the male came out and surrendered.

BCI

New fire investigation in Athens.

New fire investigation in Putney.

BCI / Arson meeting with Lt and Capt. at HQ.

NTO signed in Windsor County.

Follow up on Extortion case Jamaica.

Advanced Forensic Interview.

Assist Hartford PD with overdose death case.

Dead Body in Cavendish (call out). 57 year old male with medical history OCME sign off. No autopsy.

Special Investigation (Middlesex) – Case write-up.

Applicant background investigation in Connecticut.

Inmate assault correctional officer (body fluid) at Southern State Correctional Facility.

SAR training in Williston, 1 day.

L & L with a child, interviewed father and met with DCF.

K9 EOD training in Connecticut all week.

CCU-

Continued forensic examinations on several state and federal child exploitation cases.

ICAC Investigations training in Burlington.

Asisting Addison County SIU with a Domestic Assault/Kidnapping/Agg. Sexual Assault.

OCME-

8 autopsies/1 inspection

Polygraph-

Interview and Interrogation training.

Major Crimes Unit-

Testimony in Fitchburg Mass for Strangulation case. Offender was charged with domestic here in VT in 2013 and needed Trooper Cassandra Herbes and I as possible witnesses for prior bad acts.

Kevin Smith homicide: follow up, located POI Sean Burden completed recorded interview, draft of additional wire warrant (updated version to continue same).

Follow up on Russ Fraud special.

Marzilli homicide: review of jail calls.

Hart Homicide: coordinate with NIU and FBI- two arrests in Rutland and subsequent interviews.

Rashed Homicide – submitted discovery submission “E”, Google search warrant compliance review transcript with audio recording of the interview with Jerome Clement.



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Justin Johnson, Secretary

**PRIVILEGED AND CONFIDENTIAL
MEMORANDUM TO THE GOVERNOR**

TO: Governor Peter Shumlin

FROM: Secretary Justin Johnson

DATE: May 27, 2016

SUBJECT: Confidential Report to the Governor

BUILDINGS AND GENERAL RESOURCES

Issue Updates:

DEW Barre: We need to find a tenant for DCF space – looking at potential small groups and also splitting up the 10K square feet into smaller buckets.

Working with new Executive Director of State's Attorney's Office and & Sheriff's on their move to 110 State Street and furniture upgrade.

- FFS impact resolved
- Furniture needs fulfilled
- Clean up task list and schedule is in development
- No move in date as of yet

Lamoille County Courthouse: On May 11th a Substantial Completion Certificate was given to ECI. Without issues, on Friday May 13th the court staff were moved from the temporary courthouse at the Plaza Hotel, to Hyde Park. Court hearings resumed on Wednesday May 18th. To date the project is on budget, but still awaiting final invoices. ECI needs to finalize landscaping; minor interior issues with 10% of heat pumps being too loud, Mike McArdle is working to resolve noise issues. The ribbon cutting is scheduled and approved by the Governor's Office, Judiciary & County for June 14th at 11AM. Project looks beautiful!

Montpelier – 115 State Street – State House Flowerbeds: The tulip bloom was fabulous this year. The simplified bid for the design and installation of the annual flowers has been awarded to Landshapes. They are scheduled to plant the summer flowerbed scheme on Friday, May 27th, before Memorial Day, as requested. The pending weather for the next two weeks is calling for temperatures no lower than 53° at night.

Milton pending resolution for actual wetland locations: Have reviewed and talked with land owner. Then reached out to DEC. They just reached back minutes ago. Solid Waste Director just learned about this today. Their Commissioner has never been informed. We will need to raise this to a Commissioner/Commissioner level ASAP. I also think that it will require the Secretary of Administration.

Significant Meetings/Events:

Rutland Garage: Discussed the fact that the manager of the parking deck has talked a bit about the possible purchase of the garage.

Setting Montpelier Heat Plant Rate: Discussed efforts to lower the rate charged to the City of Montpelier.

FINANCE AND MANAGEMENT

Issue Updates:

Recruitment of two Budget Analysts: Two offers have recently been made, waiting for formal acceptance.

Year-End Close Process:

- Year-end close processes are going well, Financial Operations staff working with departments to prepare for June 30th.
- Meeting with AHS, Auditor's Office and KPMG to discuss audit issues with Medicaid eligibility and redetermination in preparation for year-end close.

PayAct: Working with departments to finalize payact needs for this year.

HEALTH CARE REFORM

Nothing to report.

HUMAN RESOURCES

Legislative/Policy Update:

Drafted guidance for e-cigarette ban in workplace for distribution to state workforce. Will be sent out next week.

Putting together plan for legislative reports and implementation of paid sick leave bill for temporary state employees.

Communications:

The Lt. Governor, and House and Senate Minority Leaders sent me a letter demanding that the Executive Branch stop converting Exempt positions into Classified positions. This practice is not occurring. We coordinated with the Governor's office in responding to the press. VTDigger, AP, Seven Days, and WCAX inquired about the letter.

Significant Events/Meetings

Changing life insurance to an opt-out is a go, with open enrollment of current employees set for June and automatic enrollment for new employees starting in July. This is a very positive development for state employees.

Working with VSERS board on making 457 plan (deferred compensation) retirement savings an "opt-out" for new employees. Gathering data for board decision on % of automatic contribution and possible collective bargaining implications.

Creating internal project plan for system updates based upon new collective bargaining agreements to go into effect July 1.

INFORMATION AND INNOVATION

Evolving Issues:

Web Updates:

- A meeting of the Web Portal Board to discuss the contract extension and amendment was held on 3/11. A final version of the new language was approved by both the AGO and the VIC legal team. The board was provided with the new language on 5/6. A minor edit was requested by board chair Michael Clasen and approved by both legal teams. The edit was distributed to board members on 5/10. Once approval was complete but before the amendment could go to signature the Treasurer's Office requested a meeting to discuss the out-of-state bank provision. At that meeting VIC was asked to drop that portion of the amendment and agree to move their accounts to an in-state bank. This language has been approved by VIC legal and is now with AGO. Assuming AGO approval the language will go back to the board for approval and then on to signature. It is possible that a contract extension to avoid the June 9th expiration date might be needed if final language cannot be completed and approved by the board by that date.
- Harry Bell is working to update the data.vermont.gov home page in preparation for further publicizing the site.

Project Updates:

- **Voice over Internet Protocol (VoIP)** – Statewide telephone transition project, updating technology from analog to internet. Several transitions have been pushed back due to an issue with FairPoint refusing to allow more than one Billing Telephone Number to move at a time. This issue is beyond project control by either State of Vermont or the NWN vendor. Issue created by FairPoint requires limit on requests for porting to 100 numbers each. State will continue to submit requests to NWN for full transitions, regardless of number of phone lines.

NWN will generate appropriate number of requests for FairPoint to meet the 100 maximum per request limitation recently set. Project remains in yellow until updated schedule brings transition numbers up to expectation. Sites scheduled for transition this week include: Vermont Department of Health at 111 Colchester Ave in Burlington; BGS, DOC, and Judicial at 255 Main St Barre; and the Agency of Education in Barre. ISI automated billing form distributed and revision requested to one field character length before sign-off. Fax over Internet Protocol (FoIP) continues to present challenges, meeting with NWN takes place week of June 6 with vendor fax representative. Invitation to participate in VoIP Communication Sub-Committee sent to large distribution list on Monday.

LIBRARIES

Nothing to report.

TAXES

Issue Updates:

Miscellaneous Tax Bill: On our way to implementing.

Estate Tax: This too – already have a new, much simpler form out for practitioners to view.

Burlington TIF: Tax attorneys decided that Burlington's claim that it get to keep money that erroneously was deducted from the city's Ed Fund liability before the TIF was activated would fall into the new dispute resolution pathway set forth in the new TIF regs. Burlington would make argument to VEPCI, which would make rec to the ACCD Secretary, who would hold hearing and rule. Fred is informing Burlington of its right to pursue its "claim" in this fashion if it really wants to keep the EF money.

VCFA Rental of Buildings to State: Tax had issued a letter stating that Montpelier was free to exempt buildings leased by the college to the state since the law was unsettled. Montpelier instead went to court to put the buildings on the Grand List as taxable, and won. Superior Court Judge went with narrow interpretation of the charitable exemption, will be interesting if appealed.

Sale of Food on College Campus: The Commissioner had signed a determination that a hotdog vendor at Norwich games had to charge meals tax. The result may have been logical, but the reasoning a bit convoluted, especially since the statutory exemption for food on campus is very broad. We revisited this issue as we considered other campus exemptions, and I ultimately instructed staff to drop the case (which by then was on appeal), both because of litigation risk and the potential for a statutory clarification or change. This was one of a number of issues that we discussed with the Secretary and then JFO and ultimately did not pursue this year – it is still on our list of policy issues however. The attorney for the taxpayer was very angry at what he terms our about face, and has gone to Supreme Court for attorney fees – and tried to enlist support of other tax attorney.

Operations Update:

2015 Tax Changes, Return Errors: More press interest this week. For the most part, Intuit's active handling of this seems to be minimizing the immediate impact on the Department – not fielding too

many calls ourselves. What is disconcerting is the persistent notion that taxpayers can just sit back and wait for us to bill. Luckily, we have the payment from Intuit to help cover our costs if we need to ourselves launch massive outreach to get the tax in the door.

VTax Project: We are about to start testing for personal income tax, generally the most resource intensive stage of implementation. There are continued concerns that we are not in an ideal position since we still are working out some user issues with Phase 2 (meals and rooms, sales and use, withholding). I would say the biggest takeaway is that we underestimated the lack of technical savvy on the part of many of our small businesses and practitioners. We have users who still struggle with the concept of security authentication codes – that was somewhat anticipated. A problem we totally underestimated was the hesitancy of a small but significant minority to use the online banking function. What happens is they send in an electronic return, but then a paper check (often with the wrong form). So we have a return that breezes through, and then a payment that gets hung up as our small staff tries to manually match it with the correct return. Continue to try to manage and troubleshoot. Unfortunately, the complaints boil down to our new IT system doesn't work. The IT system works too well, it's the users who don't take advantage of all the functions thereby bypassing the system that we need to recalibrate for.

To: Governor Peter Shumlin
From: Patrick Delaney, Commissioner
Date: May 20, 2016
Re: Weekly Report

116 STATE STREET
MONTPELIER, VERMONT 05620



OFFICE OF THE SECRETARY
TEL: (802) 828-1619
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Chuck Ross, SECRETARY

**STATE OF VERMONT
AGENCY OF AGRICULTURE**

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: May 27, 2016

Significant Events/Meetings:

State Veterinarian, Kristin Haas, participated in a conference call with veterinary colleagues to approve the issuance of a monetary educational loan repayment award to a Franklin county food animal veterinarian in exchange for her agreement to practice in Vermont for the next 12 months. Another application/award program for this state-funded veterinary loan repayment program will be held in November 2016.

Evolving Issues:

State Veterinarian, Kristin Haas, and Meat Inspection Program personnel continued to work this week with USDA and state colleagues in NY, VA and NJ to facilitate the regulated movement of quarantined pigs to a VT slaughter facility. Diligence has been necessary to ensure that all transport, offloading and slaughter regulations are met to protect the health of Vermont's swine population.

The VAAFM Animal Health section became aware this week of developments in an ongoing criminal investigation of a rescue organization based in Vermont. Two individuals associated with the rescue were charged and pleaded not guilty to allegations of drowning multiple cats housed at the shelter in order to dispose of them and "allow their souls to jump from the dead cats to live ones". This facility has a history of being registered with VAAFM, but animal welfare issues fall outside of the Agency's statutory authority. This case represents the reason why VAAFM should not be responsible for registering or licensing companion animal facilities. The general public equates that state registration with assurance that the welfare of the animal residents is protected, and yet, VAAFM does not have the authority to regulate that segment of the business' operations. The 2016 VAAFM fee bill eliminated the shelter registration requirement and will go into effect July 1, 2016.

Summary of Key Agency Department Activity

Administration:

Land Use

It's construction season, and the VAAFM fields requests for determinations if a building is a "farm structure," and its construction is regulated by the VAAFM under the Required/Accepted Agricultural Practices Regulations. Over the last month, requests for determinations came in for 6,000+ square foot sugarhouse, which will be used for both processing of sap and sales of maple syrup principally produced on the farm, and four different requests regarding construction of buildings on horse farms. In some instances, the buildings met the definition and others did not because of the specific use of the building on the horse farm.

In addition to confusion about the buildings the VAAFM regulates, it is also common for individuals to presume that if a building is a "farm structure" that it is also eligible for enrollment in the Use Value Appraisal Program. While there may be overlap, this is not always the case and it is important for individuals to check with the Vermont Tax Department.

Agricultural Development:

The Working Lands Enterprise Board met on May 17th, 2016 at Vermont Tree Goods in Bristol for a celebration to announce its fourth year of grants, totaling \$634,000 in investments that impact every county in Vermont. The 44 grantees (including 24 trade show assistance grants) will leverage an additional \$2.5 million in matching funds to create jobs, increase income, and keep working lands acreage in production. The celebration included a ceremony in the morning

followed by a networking event for working lands businesses to connect in a small group setting with technical and financial assistance providers.

Food Safety and Animal Health and Consumer Protection:

Meat Inspection:

- Asst. Director working on finishing scripts for Vigilant Guard.
- Updating Web page to reflect changes to statute regarding on farm slaughter.
- Asst. Director beginning work on applying for the Cooperative Interstate Shipment Program with USDA.
- Meat Inspection is working with Animal Health, USDA/FSIS, USDA/APHIS and several other states regarding interstate movement of animals to slaughter.

Animal Health:

- Animal Health Specialist Darryl Kuehne attended the weekly livestock auction at the Addison County Commission Sales to monitor Animal Disease Traceability compliance and complete the livestock market report.
- Animal Health Specialist Darryl Kuehne assisted Vermont Beef Producers Association in inspecting, processing and making sure cattle comply with ADT regulations that were be offered for sale during the Spring Feeder Cattle Sale at the CVE in Essex Jct.
- Animal Health Specialist Darryl Kuehne assisted Lt. Andrews from the Department of Motor Vehicles this week with compliance/enforcement activities. During a roadside detail in Fair Haven VT an out of state shipment of swine arrived at the stop point. Kuehne used the section's "cheat sheet" when questioning the driver regarding the swine. Kuehne was able to obtain the required interstate movement paperwork for swine imported to farms in Addison and Hyde Park but determined that the trucker did not have the required VT Transporter license and will forward the necessary information to VAAFM for regulatory follow-up.
- Animal Health Specialist Zach Bartlett assisted the Vermont Beef Producers Association in inspecting, processing and making sure all cattle comply with ADT regulations that were offered for sale during the Spring Feeder Cattle Sale at the CVE in Essex, VT
- Animal Health Specialist Zach Bartlett traveled to Tunbridge Fairgrounds to inspect for proper import documents for out of state birds coming into the state. The birds entering the state were being shown at the Green Mountain Poultry Show.
- Animal Health Specialist Zach Bartlett is receiving in house training from Animal Health Specialist Jim Cameron on cooperative agreement processes and documents.
- Animal Health Specialist Zach Bartlett contacted two cervid farms in his region; regarding their annual inspection of the facility, and also the annual herd inventory.
- Animal Health Specialist Zach Bartlett has been working on completing annual inspections on livestock dealers in his designated region.

Agricultural Resource Management:

- The Agrichemical Toxicologist in cooperation with our Partners at NOFA is conducting several Pesticide Handler trainings all over the state.
- Organic growers applying pesticide sprays are required to be trained prior to any applications, as a way to prevent exposure to themselves and their employees.
- The Agrichemical Toxicologist gave a presentation on "Responding to chemical contamination incidents" at the NEUSAHA Conference in Stowe, regarding technical assistance provided to the agricultural community in Bennington surrounding the PFOA contamination.

North Lake Farm Survey Initiative:

- Staff are conducting water quality surveys of farms in Franklin and Orleans Counties as part of the North Lake Farm Survey Initiative. Approximately 360 farms have been identified in the survey area and surveys are being conducted by several ARM Division staff members. To date, over 338 farms have been fully surveyed and approximately 15 farms are left to survey as part of this effort.

Small, Medium and Large Farm Operation (SFO, MFO and LFO) Programs:

- Staff conducted follow-up visit to a complaint investigation on a LFO in Addison County related to field practices and erosion.
- Staff conducted a technical assistance (TA) visit on a SFO in Franklin County to survey a site for BMP development of silage bunk runoff control system.
- Staff conducted a TA visit on a SFO in Franklin County to work with the farm owner on manure management options.
- Staff attended a night meeting regarding Lake Carmi to discuss agriculture water quality efforts within the watershed.
- Visits to 3 SFOs in Franklin County were conducted as part of the North Lake Contractors initiative where contractors will provide case management services to farms that need assistance to improve water quality as a result of North Lake Farm Surveys.
- Staff have finished processing annual report submissions from MFOs and are contacting MFOs that have not submitted their annual report materials.
- Staff are preparing documentation for the ARM Division Enforcement Section as a result of review of LFO annual reports. The review included nutrient management plans (NMPs) submitted by LFOs as part of their annual reporting as well as other permit compliance concerns.
- Staff are working with the ARM Division financial management team to review Farm Agronomic Practices (FAP) Program applications for education/outreach grants and develop grants agreements with the applicants.
- Staff are continuing to work on and test the FoodSafety Water Quality database. The Agency recently hired a new project manager and we are currently developing a new strategy to complete the water quality database. Additional team members are assisting with database testing to hasten database go-live.

Conservation Reserve Enhancement Program (CREP):

- Staff conducted inspections of three (3) re-enrollment CREP projects with FSA, NRCS, and Partners for Fish and Wildlife staff to provide consistency to site evaluations prior to re-enrollment.
- Staff conducted multiple visits to a SFO in Lamoille County to evaluate fencing, seeding and other related items to a nearly completed CREP livestock exclusion project.
- Staff visited a SFO in Addison County to discuss CREP proposals and to plan BMP practices
- Staff visited a SFO in Addison County to evaluate a site/farm for CREP eligibility.

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To: Governor Peter Shumlin
From: Greg Smith, Executive Director, VT Lottery
Date: May 27, 2016
Re: Weekly Report

Status of Governor's Priorities:

none

Legislative Issues/Contacts:

none

Press Issues/Releases/Contacts:

none

Significant Events/Meetings:

none

Evolving Issues:

none

Summary of Key Agency Department Activity:

VT Lottery outside auditors are in-house this week doing some field work before year end. Last week we had a different group of auditors in for the same work for Tri-State. They will both be back in July or August to complete the work after year end.

Our problem gambling service provider CARTER (Dr. Rick Barnett) attended the VLC meeting last week and provided an update on what he has done and the direction he thinks these services should go. CARTER is a good partner for the Lottery and he has very good credibility in the psychology field for addressing and treating addictive behaviors.

We have begun removal process for lottery products and equipment from our agents who have liquor licenses that prohibit them from holding lottery licenses. This will be completed before the end of June.

Executive Director's Commentary:

Over the next three weeks I will be travelling most days. Next Thurs-Friday at a Tri-State meeting in VT; June 6-8th at a Multi-State Lottery Assoc meeting in IA, and June 13-15th at a NASPL meeting in Cleveland. We delayed the normal VLC meeting in June until the 22nd.

Sent from my iPad