

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

**Sent:** Saturday, April 16, 2016 12:28 PM

**To:** GPS

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

**Subject:** Weekly Reports - Executive Privilege 04 15 16.pdf

**Attachments:** Weekly Reports - Executive Privilege 04 15 16.pdf; ATT00001.txt

Highlighted Weekly Attached.

Gov - Pat notes concern with other EB5 projects. She wants to keep a trip to China they currently have planned for Regional Center. Not sure if that makes sense, but we can discuss.

In Public Service notes on two Ashe amendments, one on wind and one on getting AG into rate cases....also national guard looking at solar project and you will have to approve as part of armory board. I have worked with Cray and our agencies have reviewed. No red flags at moment.

Brattleboro bridge update.

Couple updates from tax on scams and misc tax bill.

Justin several notes for you. A few for Sue and Scott and Pepper.

Thanks  
Darren

# WEEKLY REPORTS

Checklist  
4/15/16

Darren Springer

- Agency of Commerce and Community Development – Patricia Moulton
- Department of Financial Regulation – Susan Donegan (**no report this week**)
- 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 (**no report this week**)

James Pepper

- Department of Labor – Annie Noonan

To: Governor Peter Shumlin  
From: Patricia Moulton, Secretary - Agency of Commerce and Community Development  
Date: April 15, 2016  
Re: Weekly Report

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**PATRICIA MOULTON, SECRETARY**

**GOVERNOR'S PRIORITIES:**

- EB-5: This has consumed most of my week. The emails and calls from affected investors have started. The calls to all the projects were mostly positive. Deep concern from Mount Snow, Southface village thus far about how to separate them from the Jay Peak situation and how this affects our Regional Center. We have access to some free crisis communication help through Mintz Levin which we are using. Likely to issue some statements projects can use.
  - Chris Cole has reached out about an event at the Newport airport this summer which Jay peak resorts had organize. Safety, traffic management and other plans are due to be submitted to Vtrans today. We both agree it would be good for the event to proceed and the organizers are still on staff at J. I'm working with Jeff Schneider on that piece.

**LEGISLATIVE ACTIVITY**

- **Economic Development Bill:** Lucy and Fred have both testified in Senate Economic Development on ACCD requests for changes to this bill and are having some success. For the VEGI sections, so far the committee has agreed to change the sunset from 3 years to 10 years (we are seeking repeal); and revert back to the E Board for the review of caps. The House Ways and Means Committee amendment required any request to raise caps be reviewed by the Joint Fiscal Committee, which we oppose, but Senator Ashe seems to like. We have also requested language changes for the Technical Working Group and a Policy Working Group. These would replace Rep. Janet Ancel's vision for how the program will be reviewed and accountability assured.

Senate Finance is having a look at the bill in anticipation of getting possession of it when it's done in the Economic Development Committee. They will be adding the workforce housing pilot bill to it. Senator Mullin is preparing an amendment to set a floor on the value of all tax credits. This seems to be in response to complaints from banks about the franchise tax.

In other provisions, the Windham County Economic Development money for marketing in the region was struck from the bill. Other new funding is still in play, but Lucy made it clear that we do not support. Sen. Baruth is the biggest hold out mostly for the Vermont Creative Network appropriation, but also for the Vermont Employee Ownership Center grants.

- **Budget:** Lucy reports that Sen. Kitchel is preparing an amendment for Vermont Life that would create a future budgeting intention for a line item appropriation to subsidize operations of the magazine in light of the economic value it brings to the state. The ACCD budget otherwise remains unchanged so far, but they have not made any decisions on outstanding items yet and are compiling their lists.
- **S.230 Solar Siting:** Noelle testified in House Natural Resources and Energy and provided a high level reminder of the problems this bill was trying to address in terms of planning – #1 stronger, more consistent energy plans across the state and #2 a path for those communities who want deference in the Section 248 process if they meet certain standards. She emphasized that the language must be clear, simple and straightforward and meet these goals and not try and be all things to all people. DHCD was asked to provide language to accomplish goal #1 and provide an outline for #2. We will work on #1 and told the Committee that #2 would be led by PSD Deputy Commissioner Copans. We will continue to work with our sister agencies and other stakeholders in this process.
- **H.865: Workforce Housing:** Noelle testified in Senate Commerce on the Workforce Housing Bill and outlined our involvement in the development of the policy, but noted that the funding was not in the Governor's Budget. Also made a pitch for why the \$1million should be granted by DHCD.
- **S.257** continues to be discussed in House General, Housing and Military Affairs. Shaun has been covering the hearings and witnessing the committee become increasingly frustrated with the complexity of the issue of sublease agreements and the difficulty of protecting both landlords and tenants who may not be sophisticated in

their understanding of the legal system. As of this writing, the future of the bill is uncertain and the committee has scheduled more time for discussion through the week.

## **KIERSTEN BOURGEOIS, SENIOR PROJECTS MANAGER**

### **Vermont Quebec Enterprise Initiative**

- **Reverse Mission – June:** Working with the FCCQ to finalize an agenda for the visit. The sector focus will be on IT and continuing the conversation that was started in Burlington in February. As a result of the February meeting, there were several good relationships begun that will be advanced through the June event. The morning session will include a roundtable discussion about innovative workforce development ideas that can help IT companies attract and retain good employees. We are limiting company participation to six (we already have three w/o any outreach) at this point – we have found that a smaller group with targeted meetings works well. The FCCQ will invite companies whose presence will be requested by our companies to ensure maximum benefit.
- **CQI Reverse Mission:** Planning an event for late September in Sherbrooke that will focus on specialty food and beverages (alcohol). Prior to confirming this event, I am doing a lot of research around the ease of moving product samples over the border. I have been working several angles – with the federal government, AN Deringer and a Canadian Customs broker – to ensure that, if we move ahead with including alcohol, that there are no hiccups for our participating companies.

### **Recruitment**

- **Pioneer Cold:** This prospect from MA is still seeking suitable space in Chittenden County for a new facility. As mentioned in previous reports, there will not be a lot of job creation, but will provide a much needed service to several large food producers in the state. It has been difficult to identify land close to I-89 in a very small radius around Burlington. However, I have a call today with the CEO and will talk through several other scenarios.
- **Project Patrick Dempsey:** Earlier this week, we learned that the company is proceeding with its plans to move operations from Covington, GA to New England. We offered seven sites for consideration and the one that rose to the top was the Kennametal facility in Lyndonville. The company would create about 40 manufacturing jobs. I am working with the broker of Kennametal to make sure that all environmental issues have been dealt with and have alerted DEC as well. We don't want another Energizer scenario where it takes 18 months to resolve any contamination concerns.
- **PayPal:** Following up on our initial call with PayPal and the Governor's call with the CEO, I have identified two good real estate possibilities in Chittenden County and two others in Windham County. Here is a link to the site that they were considering in NC: <http://www.loopnet.com/Listing/17762529/1000-Louis-Rose-Place-Charlotte-NC/> It is smaller than we anticipated, but I did share that info with representatives from Burlington Town Center and ReArch. John Illick has 54k ready to go and Sinex could move more swiftly if this becomes real. I have photos, additional info of both of these sites and am prepared to share them with their facility location folks at the right time. FWIW, I think that we should be proactive and extend an invitation to PayPal asking them to visit Vermont – that will provide them with the best opportunity to learn about VT and see the real estate options.
- **Fortune 100 Company - Distribution:** This prospect has been looking for a decent site for about 18 months, started working with a developer in Chittenden County and has decided to abandon the project in that region. They are now looking at Central Vermont and I have identified two sites that satisfy their initial requirements of 15-25 acres. Job creation wouldn't be huge, but indirect benefits could be substantial. Actually, the site that this company is walking away from may be suitable for Pioneer Cold. Stay tuned.

### **Other**

- **Chroma:** In speaking with Paul Millman, learned that they would really like to revisit the possibility of relocating to the Bellows Falls Island. A series of meetings around this are being scheduled, including on May 3 w/ EPA. According to Paul, they are in discussion with property owners adjacent to the Robertson Paper site and so far, these discussions have been successful.
- **Certificates of Free Sale:** For decades, the Agency of Agriculture has issued Certificates of Free Sale to food/cosmetic companies that are exporting to certain countries. Effective July 1, 2016, the Agency of Agriculture will not be issuing Certificates of Free Sale for companies whose products they don't oversee or regulate in some way. Affected will be approximately a half-dozen Vermont companies that presently receive their certs from AGR. Of these half dozen, three are major employers in Chittenden County for whom we MUST find a solution.

What is a Certificate of Free Sale? Certificate of Free Sale are “certificates (not pertaining to a particular production lot or export consignment) that indicate that the particular product(s) is marketed in the United States or eligible for export, and that the particular manufacturer has no unresolved enforcement actions pending before or taken by FDA. These certificates may be issued by FDA-CFSAN or by a State governmental authority”. Further, they affirm that the product is legally sold in the US. Assume that applies to the contents as well. The FDA can issue these, but as is the case for many federal agencies, they delegate to state contacts; in this case, usually Agencies of Agriculture or sometimes, Departments of Health. If a company requests a certificate from the FDA, **it takes about six weeks**. Using our AGR folks takes about two. This change is being proposed in the fee bill and we are working through the conversation of who should assume this responsibility. AGR is proposing that the fee be increased from \$15 to \$30 per cert and changing the language that limits the types of companies to whom they will provide these certs to those for whom they have direct regulatory oversight.

#### **DEPARTMENT OF ECONOMIC DEVELOPMENT: Joan Goldstein, Commissioner**

- Met with **Velan Valve** as part of our workforce needs assessment. They have instituted a valuable training program for machinists as a way to address the acute need. The curriculum has a heavy focus on math. VTP has assisted them with funding as part of the program and we will look to do so again.
- Visited **Critical Process Systems** to understand their workforce needs. Welders seem to be their largest challenge.
- Attended the **VMEC** Advisory Board Meeting: Suggested a possible tour of manufacturing plants during manufacturers week in October to permit legislators and others to understand what the businesses do and contribute to VT.
- Attended the sendoff for Joe Woodin of Gifford Hospital and sat with CEO of Southwestern VT Hospital Tom Dee and his wife Rita. Tom said their largest workforce need after primary care providers is physician assistants and nurse practitioners. There currently is not a PA program anywhere in the state. Also sat next to Dan Smith; we will brainstorm further about aggregating demand from the hospitals in the state and see about how we can create and fund a program to create a pipeline of talent.

#### **BUSINESS SUPPORT - Economic Development ♦ Jared Duval, Director**

- Brett, Ken, and I met with Evan Forward to discuss his idea of a “**Center for Energy Innovation**” in partnership with VTC, VMEC, VtSBDC, GMP and EVT to help businesses take comprehensive steps to reduce costs and energy usage. Evan’s idea stems from his reading of the 2013 Advanced Manufacturing Partnership Report (recommendation #4) and his work with Smart Resource Labs in coordinating energy work for businesses. Will explore VSC’s/VTC’s interest in this idea along with Megan Sullivan from Congressman Welch’s office, with a focus on the upcoming opportunity (May 31 application deadline) of the EDA University Center program (5 years, \$500K in funding from EDA for economic development work housed at institutions of higher ed).
- **Business Support Provided:** Jeff Rubin (Wood Heat Marketing Associates); Tabitha Bowling (Kingdom Pellet); People’s United Bank (Amoskeag facility).

#### **FINANCIAL SERVICES ♦ Dan Towle, Director**

- Dan is at RIMS Conference this week. He has the new booth, it looks great!

#### **VERMONT TRAINING PROGRAM ♦ John Young, Director**

- **Stratabond** currently has a VTP in the grant review process to help train 2 new employees in new technology processes. Stratabond is owned by the past Rutland Plywood owners.
- Met with **Ann Clark LTD** and they are considering a purchase of a new product that will bring new equipment and added employees to the company.
- **NuHarbor Security** is planning on moving from their Chase Mill location in Burlington to a location off River Road in Essex Jct. as they continue growing. They are planning on applying to VTP and possibly VEGI.
- Continue to work with **Global Foundries** on finishing their grant agreement and adding a couple of new training classes.

#### **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT: Commissioner MacKay**

- **Digital Parcel Mapping:** Noelle met with AOT Deputy Secretary Tetreault on progress and next steps. He has worked on Senate Transportation Committee and most of the committee members now feel more comfortable with the program and why AOT is funding most of the initial state wide mapping. Over the next several months, next steps include drafting an MOU, obtaining funding commitments and developing roles and responsibilities to

manage the program as well as project components. We hope to launch July 1<sup>st</sup>! Interagency cooperation at its best!

### **Deputy Commissioner Hanford**

- **New HUD Assessment of Fair Housing:** Working with Dale to understand this proposed HUD tool which includes maps, data and a framework linked to the 5-year Consolidated Plan process to ensure that states are Affirmatively Furthering Fair Housing. Comments on the proposed rule are due to HUD by May 10th. The Council of State Community Development Agencies (COSDA) is coordinating comments, information sessions and encouraging states to express concerns both through COSDA & directly to HUD. A very brief summary of concerns identified so far are: increased budget impact & time (HUD's estimate is that it will take each state about 1,500 hours to complete the AFH. That equates to more than 37 weeks of work at 40 hours per week & additional expenses to hire consultants. Poor or non-existing HUD data for rural areas, lack of definitions and clear guidance. HUD is asking for a statewide assessment in areas that Community Development Agencies are not experts in, such as education, environmental, criminal justice and healthcare as they relate to laws, programs, policies, and practices and how they affect the success of members of protected classes. Also many of HUD's questions in the tool are not particularly meaningful in the context of a predominantly rural state.
- **Richmond Creamery Re-Development:** Continued discussions with the Town, Richmond Community Senior Center and Buttermilk LLC. The senior center group, which now owns the contaminated property, is having discussion with Buttermilk on sub-dividing the property. This is progress and the hope is still to find a path forward that allows CDBG & other Brownfield grants to clean-up and re-develop the site.

### **COMMUNITY PLANNING & REVITALIZATION ♦ Chris Cochran, Director**

#### **Partner Report**

- **AHS, Building Bright Futures and Municipal Planning:** Given the ever-expanding municipal planning 'to-do' list, a central challenge is gathering the data needed to identify issues, realistic goals, measurable objectives, and feasible actions to address local concerns. While the state has tons of data to inform this process, it's scattered across agencies and it is often not in a public-friendly format. For this reason, John and IT staff are currently building a data portal to aggregate the information that cities and towns need in a format they can easily use. Stemming from this effort, John met with staff from Building Bright Futures and AHS and had an initial meeting to discuss strategies to better integrate childcare and public health goals into municipal plans. Next steps are to meet with AHS' Public Health Statistics Chief and other staff to identify the right data to include on the website.

### **GRANTS MANAGEMENT ♦ Ann Karlene Kroll, Director**

#### **HUD Labor Standards Report**

- Ray has generated and submitted a Labor Standards Semi-Annual Enforcement Report for October 1, 2015 to March 31, 2016 to Bill Pickett, HUD Regional Labor Relations office for review and approval. We have received confirmation of receipt and approval. This report contained evidence of restitution for 4 individuals that had not been paid the appropriate amount on the Disaster Recovery Waterbury Municipal project.

#### **HUD Quarterly Financial Report**

- Cassie reconciled drawdown reports run from the federal grant systems (IDIS and DRGR) with our back up documentation for cash disbursements for quarter ending March 31, 2016. The Federal Financial Report Standard Form 425 submitted reported \$5,591,827 in cash disbursements and \$64,790 in Program Income earned and expended for grants and administrative expenses broken out as follows: \$1,887,913 (2013), \$64,790 (PI 2014) & \$58,852 (2015) in Community Development Block Grant/CDBG; \$1,341,032 in Disaster Recovery 1/DR1; and \$2,304,029 in Disaster Recovery 2/DR2.

### **HISTORIC PRESERVATION ♦ Laura Trieschmann, State Historic Preservation Officer**

- **Birthday Celebrations:** Among the many birthdays to be celebrated this week is the 206<sup>th</sup> birthday of our own Senator Justin Morrill...you know the guy who lived in the pink house in Strafford.
- **Consultant Training:** The Division for Historic Preservation held its second annual training. Held in the larger spaces at the new Waterbury State Offices, the training brought together 67 consultants. The morning session was an overview of the nomination, determination of eligibility, and project review processes. The afternoon was more detailed and included tax credits as well a lively discussion about archaeology, windows, and solar. Thank you to the entire team for 1) ensuring this is an annual training the sets the expectations for consultants and 2) working so hard to present a professional training.

#### **State Archaeologist**

- Jess and Jenni attended the Vermont Commission on Native American Affairs on Wednesday at 133 State Street. A number of topics were discussed, including an upcoming Abenaki community revitalization conference that will take place on September 24<sup>th</sup> in Eden. Commission members commented a number of times on the positive,

increased participation from member tribes and the increased communication between one another and the VCNAA.

### **State Architectural Historian**

- **Digital Survey App:** The Division continues to assist the National Park Service and the National Alliance of Preservation Commissions with the development of a digital survey application to document historic sites and structures. The Indiana State Historic Preservation Office is interested in knowing more about the project, and Devin spent nearly an hour on the phone with their staff explain how the app works and what we hope to accomplish with it. Hopefully they'll join on and help support the continued development of the app.
- **Historic American Landscape Survey:** Devin and Richard Amore are partnering with the Vermont chapter of the American Institute of Landscape Architects to document several of our National Register-listed landscapes in the Historic American Landscape Survey. Potential sites to be documented include the Justin Morrill Homestead, Greatwood Gardens at Goddard College, and Taylor Park in St. Albans. Preliminary research is being done now, and the group will reconvene in early May to discuss next steps.
- **Burlington Historic Preservation Regulations:** The City of Burlington has hired Graydon Land Use Strategies to review, analyze and diagnose the city's existing historic preservation regulations and processes, and will make recommendations for more predictable and effective regulations and processes. Devin and Laura had a long conversation with the consultant about our interactions with the city and the pros and cons of how historic resources are dealt with in the current zoning regulations. There are problems that need to be fixed to make the historic designation and review process more transparent and predictable, and we look forward to seeing the consultant's recommendations.

### **Project Review**

- **Craftsbury:** Last Thursday Laura and Elizabeth met with Sung-Hee Chung to discuss the Craftsbury Public House project. Right now they are pulling together their project plans to apply for funding from multiple groups including USDA. The historic Public House is being thoughtfully preserved for community space and a new addition will be constructed in the rear to allow for modern improvements needed for a restaurant. In addition, they will be connecting the village more directly to the local trails by placing the ventricular pony truss from Bethel across the river.
- **Salisbury:** Last Thursday Laura, Elizabeth, and Yvonne went to Camp Songadeewin in Salisbury. We met with the Director, facilities manager, and the District Coordinator to discuss next steps in their Act 250 application for the replacement of their post WWII Quonset hut with a new indoor sports arena facility. The Quonset hut has been used by the camp for rainy day activities for many years but extensive leaks and lack of ventilation have prompted the camp to look at replacement of the structure. The site is in the vicinity of an early 19<sup>th</sup> century glass factory and some archaeology will be needed prior to new construction.

### **Historic Sites Section Chief and State-Owned Historic Sites**

- Tracy and Laura met with BGS Project Manager Joe Aja and two employees of EMG on Friday, April 8. The goal of the meeting was to lay the groundwork for building condition assessments to be carried out by EMG at several State Historic Sites in the coming months. The first assessments are scheduled for the Sen. Justin S. Morrill Site on April 28.
- On Friday afternoon, Tracy attended a pre-bid site visit at the Forestdale Iron Works in Brandon. The impressive blast furnace that survives at the site was built in 1824. A modern roof structure, built to keep rain and snow out of the structure, now needs to be resurfaced. While not a large project, the wooded site will present some logistical challenges for contractors.
- On Wednesday, Tracy traveled to the Bennington Battle Monument to work with Marylou on upgrades to the elevator lobby. Seasonal staff members were hard at work preparing for opening day, this Saturday, April 16. The highlight of the visit was a ride in the brand new elevator. It goes up, it goes down – *what a relief!*
- **Bennington Battle Monument:** The week before the Monument opens is always busy. Last minute projects are popping up but the gift shop is just about ready and the elevator is running. The rest of the week was taken up with cleaning and setting up the gift shop. Saturday is the opening for the season and it seems like the weather will cooperate, *the start of year 125 for the Bennington Battle Monument.*
- **Coolidge Site:** Bill spent several hours with Chuck Gibson, who photographed and measured the exhibit artifacts. Chuck now has the main text and high resolution scans of the photographs. Object and photo labels are being edited. We received the wonderful news that the Alma Gibbs Donchian Foundation will fund the exhibit (\$3500), as well as Grace Coolidge Musicales (\$2900).

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

- **HUD Installation Conference Call:** Interest in the “Vermont only” conference call with HUD and SEBA Pro was very high, as expected, with more than 35 people participating. HUD and SEBA Pro gave brief overviews of the installation and dispute resolution program. Mobile home dealers are most concerned with the requirements for foundations when dealing with frost, citing a potential cost of \$5,000 - \$10,000. They are also concerned about mobile home park owners not wanting to have foundations (slabs or footings below frost) installed in the park. One mobile home dealer cited a design that is approved in New Hampshire and which they are already familiar with using. HUD staff said that the installation standards themselves have been in effect since 2008, so any new homes installed since then should have been installed in compliance with the approved designs. The new aspect of the program beginning May 1 is the requirements for licensed installers, and 100% inspections. HUD also answered questions from local and regional planning officials about whether the regulations apply only to new homes (yes) and how to get training. HUD clarified that local officials will usually be involved where the municipality issues certificates of occupancy. Then, the local official should verify that the mobile home was installed by a licensed installer. Following the call, Arthur handled several follow-up questions related to the inspection process and sought clarification from SEBA Pro on these questions. The mobile home dealers also contacted DHCD to request a meeting, which has been tentatively scheduled for May 25th.
- **Vermont Affordable Housing Coalition:** Arthur attended the coalition meeting on Wednesday to give a brief update on including the 15% housing goal for the homeless and private rental rehab initiatives in the Consolidated Plan, as well as the NHTF. As the annual point-in-time homeless count was just released the day before, the agenda was modified to include a report on the results and discussion thereof. Erhard Mahnke also gave a State legislative update and reports on the National Low Income Housing Coalition’s recent forum in Washington DC.
- The Annual **Point In Time Count (PIT) Report** was released this week. The PIT is conducted each year on a single night in January and aims to count every homeless person in the state, both in shelters and unsheltered. While likely not a perfect Census as the nature of homelessness can make people difficult to find, this count is by far the most comprehensive head count and the most consistent data set used to assess the level of homelessness in VT. This year’s count showed a 28% decrease in the number of homeless, an impressive and heartening piece of news. The data also seems to indicate that areas where innovative techniques for rapid re-housing and connecting people with supportive services saw the greatest decline in homeless populations. You can find the full report at the [Coalition to End Homelessness website](#).

## **VERMONT COMMUNITY DEVELOPMENT PROGRAM ♦ Josh Hanford, Director**

### **Regular VCDP**

#### **Applications**

- **City of Rutland:** The City submitted a \$300,000 Implementation Grant application to fund the purchase and renovation of 143 Maple Street, located in the Northwest Neighborhood in Rutland. The former Maples Terrace Assisted Living Facility would be used for the permanent office space for the Southwestern Vermont Council on Aging.
- **Town of Brattleboro:** The town has submitted a \$457,000 Implementation Grant application to assist with the planned renovations and expansion of the Bradley House, a licensed Level III Residential Care Home serving seniors in the Brattleboro area. Some neighbors expressed concerns with the project at the public hearing, and these concerns were included in the application, and responded to by the town and the developers.

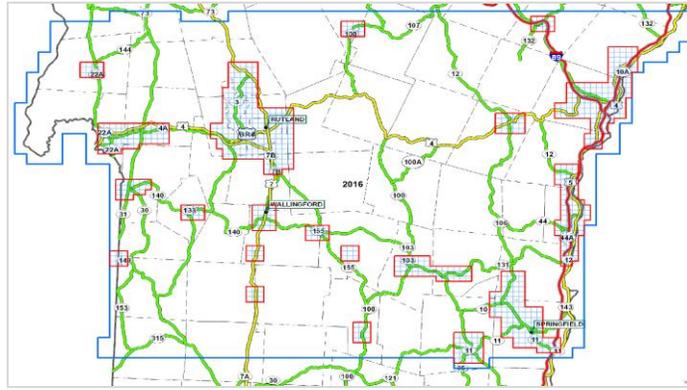
#### **Potential Applications**

- **Town of Brattleboro:** Nathan provided Maggie Foley, Director of Development at the Brattleboro Retreat with an overview of the VCDP and eligibility requirements related to a potential application that would assist the organization with required renovations to the youth mental health facility within the larger Brattleboro Retreat complex. Preliminary estimates indicate that the overall project would be between \$5-7 million. A pre-application was requested to be completed by Maggie to better understand the project.

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

### **VCGI Imagery Program**

- **Orthophotos:** VCGI worked successfully with BGS and the State’s acquisition contractor (Quantum Spatial) to amend the ortho contract. We are now go for acquisition! Thankfully the timing was just right given the current stretch of weather (5-days of sunny!). The contractor began mobilization on 4/12 and should be acquiring orthoimagery as we speak. They will be acquiring 30cm leaf-off imagery for the area outlined in blue (Figure 1 below), including 15cm “buy-up” imagery in specific sub-areas (outline in red). Sub-areas include incorporated cities and villages as well as designated villages, growth centers, and urbanized areas.



- **LIDAR:** With a draft federal contract for the 2016 USGS BAA project now in house, i.e., a Joint Financial Agreement (JFA) and a Scope of Work forthcoming for review, efforts now turn towards securing signed Memorandum of Agreements with our state funding partners: VTRANS, Public Service Department, Two Rivers Ottaquechee Regional Commission and the South West Regional Planning Commission. The 2013 Rutland/Grand Isle LiDAR data collection has been received and is currently being imported into the Vermont Geodata Portal for inclusion with the LiDAR Web Services Plan (see Table 4. “VCGI LiDAR Data Delivery Services” of the [VT State LiDAR Plan](#)).
- **Outreach and Professional Development Program**
  - Intro to GIS/GPS training starts this week at VTC in Williston. It will be every Thursday evening for the next 8 weeks. Leslie is the instructor.
  - On April 6, Ivan provided a webinar titled *The Business Capital Nature of GIS Data Assets*. The webinar described how GIS data can serve an organization’s mission in a capital-like role that is similar to a “plant and equipment” role. For example, operations and decision support might run on GIS street centerline data infrastructure while vehicular transportation runs on the pavement which the GIS data models.



**DEPARTMENT OF TOURISM & MARKETING:**

**Megan Smith, Commissioner**

- **Vermont Tourism Summit:** The VDTM team has spent the week in final preparation for the Vermont Tourism Summit happening this week in Killington. We will be introducing our new staff and all of our plans for the upcoming year. It is an exciting time and we are thrilled that the conference falls during a time where we have so much good news. We will also be awarding the first Christiane Skinner Tourism Champion Award posthumously to Christiane and her son will be attending to accept the award.
- **2016 Vermont Walk/Bike Summit:** The Rutland Regional Planning Commission did an outstanding job organizing this annual conference. There were roughly 200 attendees at the Paramount Theater and several other venues around the city of Rutland. Megan spoke on the Economic Development panel with Gary Holloway from the Downtown Program and Chip Sawyer from St. Albans. We share the good news of all that is going on in our downtowns to make them both more bike friendly and walkable. There was a full house and the presentation was very well received. Many thanks to Ken Jones for the research he provided both Gary and Megan.
- **Discover New England Summit:** Megan and Kathleen spent 4 days in beautiful snowy Newport, Rhode Island with 100 international tour operators and 300 New England hotels and destinations. Due to our new focus on the Australian market we were joined by Karen Ballard, U.S. Commercial Specialist from Australia, at the conference

and she stopped in Vermont on the way. Karen visited Morse Farm, Shelburne Museum, Stowe Mountain Lodge and a show at the Spruce Peak Performing Arts Center.

The Summit included tour operators from Great Britain, Japan, Italy, Germany, France, Norway, China and Australia. We all consider Canada a domestic market so they were not represented at this show.

- **French Tour Operator Fam Trip:** 8 French tour operators visited Vermont following the DNE Summit. In the pouring rain we showed them Simon Pearce, Billings Farm, 506 ON THE RIVER lodge, Vermont Country Store, Taconic Hotel, Reluctant Panther, Mountain Top Inn, Ben and Jerry's, Stowe Mountain Lodge and Trapp Family Lodge. Our generous partners showed them an unforgettable time in Vermont.
- **WDEV:** Megan went on WDEV with Ken Squier to talk bartenders, Vermont Life, fishing, birding and tourism in general. Many calls and much engagement about Vermont Life and I was able to emphasize all the good news Mary has been sharing at the State House. Calls even continued to come in after the show.

#### **COMMUNICATIONS ♦ Philip Tortora, Director of Communications**

- **Maple Syrup Press Release:** After interviewing several sugar makers in Vermont, including Matt Gordon, the Executive Director of the Vermont Sugar Makers' Association, I wrote and distributed a press release on what has been a strong season for maple syrup producers in Vermont. The release was picked up by much of the media in the state, including Vermont Biz, VT Digger, the Times Argus and others.
- **Social Media Channels:** Continued sharing content on Vermont Tourism's social media channels. On Facebook, our brand page has picked up close to 400 new likes in the past week. The most successful posts have been an Only in Your State story on the "7 Wonders of Vermont" that reached 15,000 people and had 63 shares, and the re-sharing of a Vermont Game Warden's post of a rescued bear cub that reached over 16,000 people and had close to 500 likes. A spring skiing photo from Stowe Mountain Resort also had 100 likes.

On Twitter, we saw 14 retweets and 26 likes of a post touting Vermont cheese on VermontVacation.com. Having an image of a cheese plate helped. We have been averaging 55 new Twitter page likes per week over the past month. On Instagram, we've received about 750 picture likes on 15 posts in the past week.

- **One Tank Trips:** Worked with Alaina Pinto of Local 22/44 on coordinating One Tank Trips campaign, where she will be doing a weekly segment on day trips in Vermont. We gave her some suggestions on places to visit, and she will in turn, mention us during her broadcasts. It sounds like she will start this campaign in May, and we will both promote it on social media using the #OneTankTrips hashtag.

#### **MARKETING ♦ Hilary DelRoss, Heritage and Recreation Specialist**

- **Amtrak:** Amtrak is introducing new bike racks on the Vermonter line allowing passengers to travel from Washington DC to St. Albans with their bicycles in tow. This new service launches on May 1st and, in conjunction with the national kickoff event in Washington DC, we'll host a local press conference on April 29th at the Essex Junction platform to announce this new opportunity for visitors to explore our state, car-free. The Vermonter line will serve as the pilot program before the new bike service expands to trains nationwide and, along with VTrans and AOT, we're excited to promote all the recreational opportunities accessible by bike near stations along the line. We'll share the details once they are finalized.  
In addition to promoting bike access, [train travel packages](#) have been coming in from around the state in response to our call out in last week's Commissioner's Newsletter; which team members Patrick MacCormack and Jerri Lamson have been processing.

#### **SALES ♦ Kathleen Kolva, Sales Manager**

- **DNE 21st Annual Tourism Summit:** Kathleen attended the Discover New England Summit, April 4-6, in Newport, RI. She set-up and maintained the Vermont table in the Exhibitor Area throughout the duration of the conference. Over the course of the three days, Kathleen and Caroline Donaldson-Sinclair of WixHill met with 45 tour operators from the U.K., Germany, Switzerland, France, Italy, China, Japan, Netherlands, and the United Arab Emirates. They discussed how Vermont can attract international travelers, both groups and FIT. Caroline and Kathleen will follow-up with many of these contacts - supplying collateral, images, and more specific travel information.
- **Familiarization Tour:** Following the DNE Summit, six French tour operators participated in a New Hampshire/Vermont familiarization tour. On Thursday, April 7th, our French guests enjoyed a busy day in Southern Vermont. Kathleen and Commissioner Smith escorted them to: Simon Pearce, Shackleton Thomas, Billings Farm & Museum, 506 On The River Inn, President Coolidge Historic Site, Plymouth Artisan Cheese, Taconic Hotel, and Reluctant Panther Restaurant.

- **The Travel & Vacation Show, Ottawa, ON:** Ottawans were extremely receptive to Vermont’s presence at the Travel & Vacation Show. Official attendance numbers have not yet been released, but traffic at the Vermont table was excellent, especially on Saturday. Kathleen prepared approximately 200 “grab-and-go” bags stuffed with Vermont brochures, and all of them were gone by 3:00pm on Saturday. Travelers were extremely interested in: camping, bicycling, fishing, Lake Champlain, Burlington, and weekend get-a-ways.



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

- **Advertising:** We were pleased to welcome Chris McGee this week as our new advertising sales director. Chris has hit the ground running and spent the beginning of the week getting up to speed on current and recent clients. He and Mary will be attending the Vermont Tourism Summit, and Chris plans to dive right in selling Vermont Life to tourism professionals at the conference.



**Privileged and Confidential**

**MEMORANDUM**

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

From: Christopher Recchia, Commissioner

Date: April 15, 2016

Subject: Weekly Report

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**Governor Level Issues:**

**Status of Priorities and Cases of Interest:**

**Wind Noise Complaints** – Following up on testimony in the Senate Health and Welfare Committee last week, Senator Ayer and Senator Ashe are working on legislative language that would require the Dept to revamp its protocol upon receiving complaints about alleged § 248 and 248a project CPG violations. Department staff reviewed proposal – most problematic is that the proposed legislation has potential to create an obligation for the Department to “resolve” individual complaints. Resolution on many complaints, particularly regarding wind noise, will only come after extensive proceedings before the PSB.

**Ratepayer Advocacy** – Senator Ashe has also floated language regarding ratepayer advocacy. The proposal would be a pilot lasting from July 1, 2016 until February 1, 2018, and would compel the AG to “represent the interests of ratepayer classes who are not independently represented parties in any proceeding to change the rate schedule of a public service company...” This would only apply to electric companies with 25,000 or more residential ratepayers, and VGS. Finance Committee will consider next week and Ashe has opened to door for the Dept to provide feedback, both via testimony or more informally.

**VGS Base Rate & Alt Reg Filings – Docket Nos. 8698 and 8710** – On April 12, the Board held a prehearing conference. The Board has not yet resolved the effective date issue,

notwithstanding significant briefing on the issue. The Department and VGS have discussed the schedule but could not reach an agreement. The Department proposed a schedule that aligns both the alt reg case and the rate case for order by Feb 2017 (technical hearing in early November 2016). Vermont Gas offered no compromise. CLF and AARP supported the Department's schedule. The issue is with the Board to decide. Separately, Vermont Gas has responded to the Department's first two rounds of discovery in the rate case. The Department has filed a first round in the alt reg case on April 12.

**TransCanada Hydro Dams** - We established contact with JP Morgan on the TransCanada dams and are actively supporting the working group over the next several weeks. We're keeping in close contact with Justin on how to proceed.

**S.230** – HNRE did major surgery on S.230 on Thursday afternoon. Much of the bill, beyond the planning sections, was simply removed. Definitions of preferred sites, the Public Assistance Officer, the Standard Offer pilot – all removed. There was extensive discussion of the planning framework with the Department advocating on behalf of an optional process for towns that want to pursue greater deference in Section 248 proceedings. The Department participated in a meeting this morning with Reps Ram, Olsen, VLCT and RPC's to try to work out something. Generally it was productive with VLCT being over-ruled on multiple occasions. Leg. Council is drafting compromise language that will likely be available over the weekend.

**VY** – Having a call with the internal team this afternoon. After Tuesday's discussion, we really resolved most outstanding issues, but are needing to memorialize them in a document. I expect we will have a proposal back to Entergy by the end of next week, which is later than they wanted, but unavoidable based on everyone's schedules.

**Meetings/Calls this Week:**

Apr 11– Check-in with Darren Springer

Apr 12 – Public Access Subcommittee of NDCAP,

Apr 13 – Hydro Dam Working Group meeting, Deputy Copans speaking with H.Fish & Wildlife on MOU's and S.230

Apr 14 –

Apr 15 – Mike Faher, VY issues

**Meetings next Week:**

Apr 18–

Apr 19 –

Apr 20 – GMP Vegetation Management meeting,

Apr 21 – Commissioner Recchia @ NECPUC meeting in Boston,

Apr 22 – ISO Board meeting, Commissioner Recchia to speak @ Climate Talk VT:Global Ambition, Local Action, Earth Day

**Media:** WCAX on New Haven solar project MOU, Mike Faher on VY.

**Public Official Contacts:**

## Everything Else:

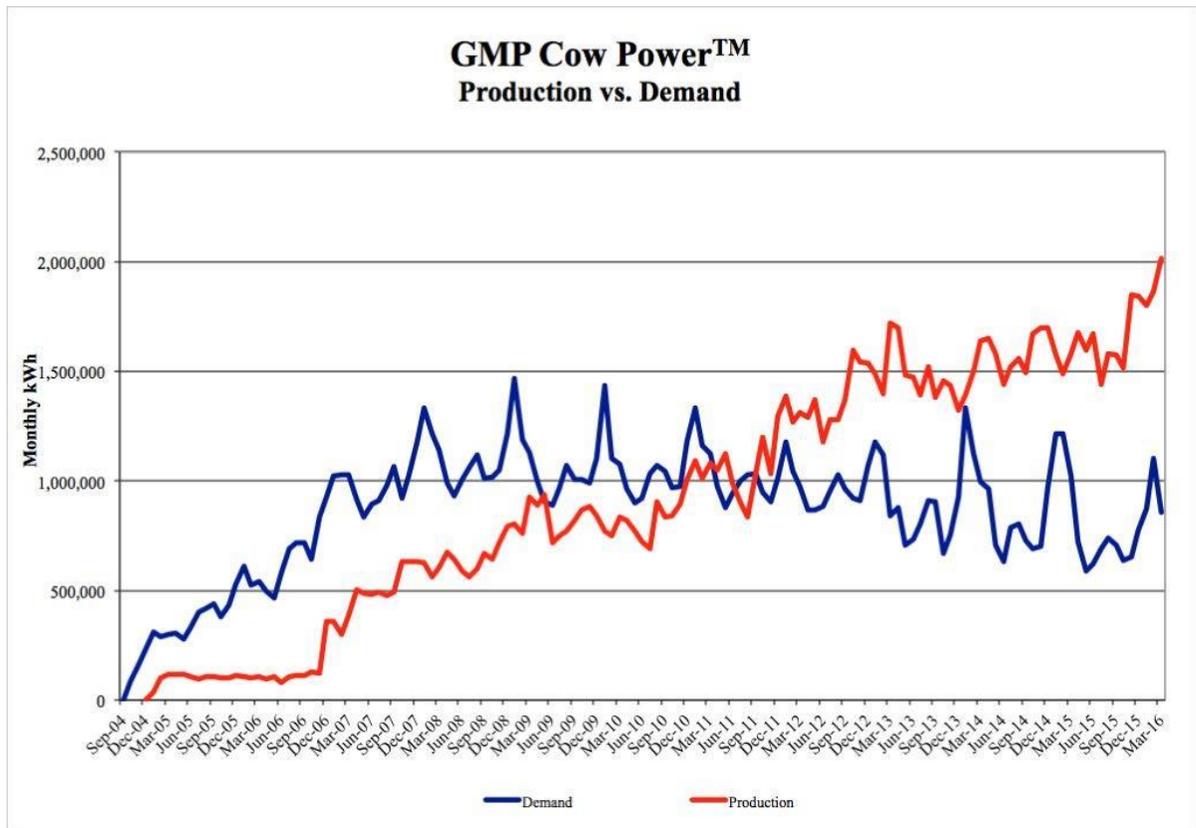
### *PERD*

#### EEU-Related Public Service Board Dockets

- *Docket 8486: VEIC RUS EECLP* – VEIC filed a memo with the Board advising that it does not believe that an evidentiary hearing is required to process its request for an order to satisfy conditions contained in the loan guarantee issued by the Rural Utilities Service in connection with VEIC's participation in the United States Department of Agriculture's energy efficiency and conservation loan program request. VEIC added language at the Department's request to confirm that the next phase of the proceeding (when VEIC seeks approval from the Board for the loan documents) would include VEIC's updated plans for the implementation of the proposed program including detail on any budget and operations impacts including estimated cash requirements, start-up costs, ongoing expenses, and eligible Efficiency Vermont costs to be funded with EECLP loan funds and projected impacts on VEIC's Efficiency Vermont budget and operations.

#### Clean Energy Development Fund

- Approved invoices for VEDA servicing of CEDF's ARRA and CEDF loans for \$4,005 and \$4,628 respectively
- Completed the SunShot Roof Top Solar Challenge report for permitting and costs to install PV in the City of Burlington. CEDF and the City had completed the same report in 2013. Over the past three years costs have come down considerably, but not due to any permitting reforms adopted by the City. Permitting is just slightly better/less costly/timely as it was in 2013. Burlington remains the most difficult and costly municipality in which to install solar in all of Vermont.
- CED Board
  - Held the quarterly CED Board meeting. Reviewed CEDF programs and finances and received Board comments in preparation of the FY 2017 budget and program plan. At the Board Meeting Gaye Symington stepped down as Chair of the Board. Linda McGinnis and Sam Swanson were elected as co-chairs.
  - Staff provided updates on the status of the Heat Saver Loan Program. Reviewed where the Department is with regard to follow up from the Clean Energy Finance Initiative, and our proposal to convene and staff the collaborative. Mentioned that a draft MOU will be circulated shortly leading to a launch after finalizing the agreement.
- Other Item of Note: Despite no new farm methane generators coming on line recently kWh production is increasing as farmers are getting better at maximizing generator output. At the same time GMP customer participation in the Cow Power program continues to decrease. This leaves the farmers open to the risks (but also rewards) of the regional REC market.



- Upcoming Meetings:
  - 4/13 meeting with SW Vermont Hospital to discuss a new proposal for replacing their heat plant. Hospital is expected to propose building a CNG boiler, with the infrastructure/design to accommodate a future shift to biomass.

#### Renewable Energy Standard/Act 56

- Comments were submitted to the Board on April 8<sup>th</sup>.
- Comments on Tiers 1 and 2 focused on outstanding issues for standardizing utility reporting of the environmental attributes of their portfolios and a list of generator types. Worked with BED, GMP, and internal staff to develop a position on these two issues.
  - REV and Ranger Solar took issue with the Board's interim order and its decisions regarding HydroQuebec.
- Staff reviewed DU/stakeholder comments and met to discuss the comments and upcoming Board workshop (April 14<sup>th</sup>)
- DU/stakeholder Tier 3 comments are mainly focused on whether Tier 3 resources should be tradable; equitable opportunity to participate in programs between service provider territories (including whether a standard set of measures and programs should be offered statewide and operated by EVT on behalf of the DU's); best practices for demand management; and annual plan requirements.

#### Load Forecasting

- ISO-NE presented state by state forecasts to the LFC committee. Highlights for VT are:
  - Load decreasing from 5.8 TWh to 5.5 TWh by 2025 after downward adjustments for PV and EE—negative 0.6% annualized growth.

- Decline in Summer system coincident peak over the same period from 924 MW to 894 MW.
- Increase in Winter system coincident peak from 965 MW to 982 MW.

## ***Regional***

### Hydro Power Working Group

- On April 13, the first meeting of the working group was held. The seven members identified general issues and questions to be addressed. The next steps in the process include:
  - DPS staff, in conjunction with the Treasurer's Office, will circulate a scope of work for a consultant to assist in the determination of whether to proceed with some type of Vermont participation in the sale of the TransCanada dams. (To be completed by April 19.)
  - The Secretary of Administration will identify the requests that the group will bring to the legislature (e.g., an appropriation for consulting work, any specific statutory authority). (To be drafted by April 19.)
  - ANR staff will provide information on the expected impact of relicensing on the power plants' output.
  - DPS staff will provide non-disclosure agreements to be negotiated with JP Morgan (which is conducting the sale on behalf of TransCanada).

### Minimum Offer Price Renewable Exemption

- The ISO-NE Forward Capacity Market includes a Minimum Offer Price Rule that is designed to prevent new resources from bidding unrealistically low prices in order to manipulate the market price. In implementing the rule, ISO-NE would look at any out-of-market revenues received by a resource and alter the resource's bid price to remove the economic effect of that out-of-market revenue stream. ISO-NE considered any power purchase agreement to be an out-of-market revenue stream, and as a result, many renewable resources – which rely heavily on power purchase agreements for the necessary financing – were not able to clear in the Forward Capacity Auction.
- As part of a settlement between the states, ISO-NE, and most of NEPOOL, ISO-NE filed a proposed, limited exemption to the Minimum Offer Price Rule for up to 200 MW of renewable resources in each Forward Capacity Auction. In addition to the 200 MW available annually, there is a maximum of 600 MW of renewable resources that can utilize the exemption in any given auction. FERC accepted the settlement and authorized the renewable exemption.
- Several generators have appealed the FERC decision to the D.C. Circuit Court of Appeals. The generators contended that the renewable exemption results in price suppression. Several months ago, the D.C. Circuit granted a request by FERC to have the decision to be remanded back to FERC. On April 8, FERC issued an order finding that the argument that a sufficient amount of new renewables utilizing the exemption within a single capacity zone and therefore significantly impacting the auction price is speculative.

- The generators' appeal is still pending before the D.C. Circuit, however, the April 8 FERC decision strengthens the possibility that the Court will uphold the renewable exemption.

#### Forward Capacity Market Demand Curve

- On April 8, NEPOOL voted in favor of a three-year transition from a straight-line capacity demand curve to a convex demand curve. ISO-NE is expected to file the proposal with FERC.
- The Public Power sector is the only one of NEPOOL's six sectors that did not generally support the transition proposal.

### ***Engineering***

#### Update on VY Groundwater Management Issues

On 4/7, VY staff updated the State Nuclear Engineer, VDH and ANR officials regarding the Turbine Building groundwater incursions. Incursion water previously stored in industrial grade bladders continues to be pumped to the six ~20,000 gallon holding tanks outside the Turbine Building. Three truckloads (~14,000 gallons) shipped to Energy Solutions' disposal facilities last week. The reactor vessel drain-down reported last week was completed on 4/6.

#### NRC Requests Additional Information on Alternate VY Waste Water Disposal

In reviewing VY's License Amendment Request (LAR) to ship "low activity" radioactive waste water to US Ecology Inc. facilities in Grand View, ID (see 1/27/16 report), the NRC has formally issued Requests for Additional Information (RAIs) to clarify several proposal details regarding the potential radiological doses to the truck driver and US Ecology workers. Although these RAIs have garnered some media attention, RAIs on any LAR are not unusual (particularly on lengthy submittals, such as this one). Neither the LAR nor its RAIs relate to VY's ongoing contaminated water shipments to Energy Solutions' disposal facilities. (The LAR, if approved, would provide an additional disposal option.)

#### Vermont Gas Systems Addison Natural Gas Project Construction

VGS representatives of the ANGP informed the Gas Engineer that mainline construction is still planned to resume in the later part of May 2016. The project management structure is expected to remain similar to the project management utilized in 2015; however, several key positions and processes remain to be determined by the company. The VGS persons responsible for project Quality Control and for the Operator Qualification Program (related to individual qualifications) have left the company and will be leaving next week, respectively. The entity (contract company) to perform project construction inspection, on behalf of VGS, has not been determined. A contractor has not been selected to perform the remaining Horizontal Directional Drilling (at nine locations).

The Gas Engineer has informed VGS representatives that the Department has retained the same inspector it utilized during the construction seasons of 2014 and 2015 to perform similar duties during 2016. This individual will begin those activities on 4/18/16. Initial areas of review will include an inspection process for determination of Segment One's condition by inline inspection (ILI). Contractor preparations to pass internal instrumentation through the segment will begin

next week. This instrumentation will be propelled by the natural gas flowing between Colchester and Williston in Segment One.

### ***Public Advocacy***

Spencer-TGC Westminster, LLC 1.8 MW solar net-metering facility to serve Vermont Army National Guard – Docket 8699 - On April 7, the Board granted the Department and ANR's joint request for a one week extension to file legal briefs on whether the lease arrangements proposed in the Petition meet the requirements of § 219a(m). The Petitioner filed a legal brief on April 8 including further details about the proposed lease and sublease transaction between the Petitioner and the Vermont Army National Guard. The Department filed a legal brief on April 11 and the Department understands that ANR supports the Department's conclusions. The Department concluded that provided the National Guard retained an interest in the Project property and that property interest is not illusory, then the lease arrangement likely constitutes "property of" the National Guard for the purposes of § 219a(m)(1). However, because the Petitioner and the National Guard have not yet finalized the details of their respective property interests it is not possible to reach a final conclusion on this matter.

Green Mountain Power Approval to offer net metering above the statutory cap – Docket 8652 - On March 31, 2016, GMP filed responses to questions posed by the Board in its procedural order of March 17. Responses are due April 14. The Department is considering its position.

SSE New Haven Solar II LLC 350 kW Group Net Metered Facility in New Haven – CPG #NMP-5978 - This net metering project has been actively litigated for almost one year. On April 7, 2016 the Petitioner notified the Department that the Town of New Haven and the Petitioner had entered into a settlement in this proceeding. The Department was advised that the Petitioner agreed to decrease the size of the facility from 350 kW to 300 kW, resulting in a total facility size of 450 kW instead of 500 kW (because there is an existing 150 kW facility on site). The Petitioner provided the Department with a revised site plan. The Department is otherwise unaware of the details of the settlement. On April 8, 2016 the Department received a copy of the Town of New Haven's letter of support for the Project.

BDE New Haven Lazar Solar, LLC 500 kW Group Net Metered Facility in New Haven – CPG #NMP-7938 - On April 7, 2016 the Petitioner notified the Department that the Town of New Haven and the Petitioner had entered into a settlement in this proceeding. The Department was advised that the Petitioner agreed to decrease the size of the facility from 500 kW to 350 kW. The Petitioner provided the Department with a revised site plan. The Department is otherwise unaware of the details of the settlement.

New Haven GLC Solar, LLC 500 kW Group Net Metered Facility in New Haven – CPG #NMP-6369 - On April 6, the Department received the Town of New Haven's docketing statement for the Town's appeal of the Board's decision to issue a certificate of public good in this docket. The Town's statement of issues include that the Board was arbitrary and capricious in its denial of technical hearing to the Town and that the Board erred in failing to grant deference to the Town Plan.

Tunbridge Solar New Haven, LLC 144 kW group net-metered system in New Haven – CPG

#NM-6525 - On March 25, 2016 the Town of New Haven filed a Motion for Reconsideration of the Board's March 11 decision to issue a CPG for this project. The Town suggests that the Board erred in finding that the project does not violate a clear, written community standard, and raises an issue concerning the status of the GMP interconnection application. On April 7, the Board requested comments on the Town's Motion within 10 business days.

David Blittersdorf group net-metered wind turbines – CPG # NM-1771 - On April 8 the Department received a copy of Robert Garthwaite's Petition to Revoke the CPG issued to Mr. Blittersdorf in the above referenced net metering matter. Specifically, Mr. Garthwaite alleges that the two wind turbines were not constructed in accordance with the CPG application and plans submitted with the application. In particular, he alleges that the two wind turbines should have been constructed approximately one mile from Mr. Garthwaite's residence, but instead were constructed only 700 feet away.

Swanton Met Tower Penalty Investigation – Docket 8561 –The Department is awaiting Board action on several pending motions.

Enosburg Falls Water & Light Department Section 108 Petition (Hydro Repairs) – no docket – During the course of the Department's review of the petition's consistency with the Comprehensive Energy Plan, a number of questions arose relating to repayment of the proposed loan under the new hydrology standards that will be in place under Enosburg's renewed FERC license. In Enosburg's response they calculated that 79% of the project costs will be recouped by 2023, when the new FERC license will go into effect. If the investment is not made, it is likely the facilities will fail in the next few years. Finance is sticking by its original recommendation, and Planning is going to do a sensitivity analysis but expects to be issuing a 202(f) letter sometime next week. If that occurs, PSD will be supporting the financing.

VEC Petition for Declaratory Ruling – Docket 8551 – The Hearing Office issued a Proposal for Decision on March 23<sup>rd</sup>, denying VEC's petition, relying on the presumptive validity of corporate bylaws. The Department filed a letter on April 6<sup>th</sup>, indicating it had no comments on the Hearing Officer's Proposal for Decision, which it found compelling and persuasive. VEC also filed comments, challenging the Hearing Officer's conclusion that the proposed bylaw is presumptively valid.

GMP 248(j) to Replace Regulators at the East Barnard Substation and to Rebuild the Sharon Substation – no docket – GMP filed its petition on April 6<sup>th</sup>, requesting approval for replacement work at the East Barnard substation and a rebuild of the Sharon substation. The work includes installation of a new 7.5/10.5 MVA power distribution transformer with oil containment; associated 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.

Chelsea Solar 2.2 MW Standard Offer Project in Bennington - Docket 8302- PSD referred the amendment to the petition, which proposes to reduce the size of the project by changing the angle of the solar panels, to our aesthetic expert to review. Petitioner has filed numerous motions which PSD counsel is evaluating. PSD has conferred with counsel for ANR and will arrange to confer with counsel for ANR and the Town of Bennington to discuss substantive and procedural

matters and determine whether and to what extent our interests and positions on all the outstanding motions may be aligned.

Coolidge Solar 20 MW facility in Ludlow - Docket 8685 and Request for Rule 4.100 contract approval- Docket 8586- The Public Service Board issued an order on 4/8 consolidating the § 248 CPG proceeding with the Rule 4.100 proceeding. The Board also set a deadline of 4/20 for parties to reply to Coolidge Solar's response opposing intervention of the utilities. Now that the Board has consolidated the two proceedings, it would appear that the basis cited by Coolidge Solar for opposing intervention is no longer relevant. PSD is unlikely to file additional comment.

Charlotte Solar Enforcement - Docket 8638 – Party recommendations on sanctions and a penalty for Charlotte Solar's admitted violations of the aesthetic conditions of the CPG are due on 4/15. The Public Service Board has not responded to the requests of the Department and the Town of Charlotte to allow them an opportunity to reply to the response of Charlotte Solar.

Grand Isle Solar 5 MW Project in Grand Isle – Docket 8665 – PSD filed aesthetics testimony on 4/8 suggesting ways to ameliorate the impacts of the project. Petitioner has notified the Board it will provide a status report on the project on 4/27.

Renewable Energy Standard – Docket 8550 – PSD filed comments in this proceeding on 4/8 on issues relating to Tier 1 and 2, as well as on Tier 3, with particular focus on a straw proposal outlining in detail the mechanics of how Tier 3 could be administered. Comments filed by numerous stakeholders were reviewed by PSD staff in preparation for a workshop to be conducted by the full Board on 4/14.

BED Energy Efficiency Carryover Request – EEU 2016-01 – PSD filed comments supporting BED's request to carryover program implementation monies between budget years within the current performance period.

Penalty Investigation regarding accuracy of application in NM 5006, for a 150kW net metered facility at Basin Harbor Club – Docket 8692 – The Department filed a response supporting intervention of the neighbor whose efforts revealed the inaccuracy of the initial application for a certificate of public good for this project. The current holder of the CPG has now moved to intervene and has also filed an opposition to the intervention of the neighbor.

Basin Harbor Club 150kW net metered facility in Ferrisburgh, VT - NM 5006 – This site visit is part of the CPG proceeding, as opposed to the penalty investigation (see above), to review the impact of this facility on historic sites. The CPG was issued and the facility was constructed before the inaccuracy of the application came to light. Yesterday, BHC Solar LLC, the current holder of the CPG apparently filed a letter with the Board seeking postponement of the site visit. No phone, email, or hand delivered notice of this request has been received by the Department. However, in an email communication this afternoon, the Board notified parties that the site visit would proceed as scheduled.

Hedgehog Hill Wind 96 kW Standard Offer Small Wind Project – Docket 8683 – The Department filed comments on this controversial project to erect three 120-foot wind turbines in

Mount Holly. However, given the procedural posture of the matter, PSD did not make an ultimate recommendation on the project. Numerous adjoining landowners filed comments, motions to dismiss, requests for intervention and requests for a hearing. The Town of Mount Holly requested the Board stay the proceedings until such time as they “can determine what is in the best interest of the Town regarding siting commercial renewable energy projects.” The Department provided comments about the sufficiency of the application with respect to electrical interconnection, supported the intervention of adjoining landowners and neighbors on aesthetics and orderly development, but not on environmental criteria, and opposed the stay of proceedings requested by the Town, suggesting instead that the Board provide them with an opportunity to intervene. The Department also recommended that the Board convene a status conference at the earliest possible opportunity.

Generic Rule 4.100 Ratesetting Proceeding – Docket No. 8684 – Non-petitioner testimony is due on April 15. The Department anticipates producers filing testimony that indicates that the Department’s proposed rates are too low and were set in a manner inconsistent with PURPA, and utilities filing testimony generally supporting the Department’s proposed rates but noting that by present-day market prices, they are probably a bit high.

Rule 4.100 Rulemaking – No Docket – Reply comments were filed April 9. Staff is reviewing them.

GMP expiring net metering credits – No Docket – On April 12, the Board issued a memo asking GMP for the legal basis for recovering 50% of the one-time cash-out from ratepayers. On April 13, GMP provided a draft answer to Department staff. Staff is providing comments to GMP. GMP will filing on the 13<sup>th</sup> or 14<sup>th</sup> and the Department plans to file a response by the 15<sup>th</sup>.

GMP Vegetation Management – No Docket – A meeting has been scheduled with GMP to discuss the Department’s vegetation management proposal on April 20.

Rule 4.100 Contracts – Docket Nos 8717 & 8716 – The Department received notices of two more Rule 4.100 contracts, with a comment date by April 20. One contract (Ampersand Gilman Hydro) is for a small existing hydro for a term of one year. The Department will not oppose this. The other contract (Ranger Solar – Randolph) is for a 20 year levelized rate. The Department will treat this in the same way as past Ranger proposals and seek a hearing/move to dismiss.

Georgia Mountain Community Wind Investigation – Docket 8613 – The Department filed a proposed deadline of May 13 to present recommendations to the Board for next steps in the proceeding after review of GMCW’s sound modeling that alleges that the sound conditions on the night of the McLane’s September 2015 complaint was not within five (5) dBA of the outside 45dBA CPG noise limit. Modeled conditions within five dBA of the outside limit would trigger an obligation to offer attenuation testing at the McLane residence to determine whether a violation of the indoor 30 dBA sound limit has occurred. The Department’s sound expert continues to review information received during discovery.

GMCW/McLane Icing Complaint – No Docket – GMCW filed a response to the McLane’s complaint regarding alleged operation of the GMCW turbines during icing conditions in mid-

March, arguing that the public health and safety were not at risk and operation under icing conditions did not violate the CPG and Board-approved monitoring plan. GMCW also filed an opposition to a McLane Motion for relief, dated March 16 and requesting real time continuous monitoring at the site, arguing that the complaint is unfounded. The Department is reviewing the filings. Department responses to both are due April 18.

VGS Addison Expansion—Docket 7970- The Board has appointed a hearing officer to conduct post-CPG process with respect to discrete issues in the 3<sup>rd</sup> and 4<sup>th</sup> non-substantial change determination requests. Telephonic status conferences will be held with the Hearing Officer on April 20 in each matter. With respect to the 5<sup>th</sup> non-substantial change determination request, which was submitted on March 25, Vermont Gas sent a letter to the Board on April 13 requesting that comments be solicited and a decision rendered by June 30, 2016. The Commissioner and staff are meeting with representatives of VGS on April 20 to discuss Project status in advance of the upcoming construction season and rate case.

CLF declaratory ruling that an amended CPG is needed for the VGS Addison Expansion-Docket 8330-This docket was opened in September 2014 after the first announced capital budget increase and it has been stayed ever since pending the remands. On March 23, the Board issued an order denying VGS's request to close the docket and soliciting comments on what additional process is needed to resolve the petition. Parties' comments are due April 18.

Lincoln Renewable Natural Gas-Salisbury project-Docket 8596-Biomethane digester project in Salisbury to connect with the Vermont Gas system and ultimately serve Middlebury College. On April 8, the Board approved the petitions and issued CPGs for the Project (under §248(j)) and for Lincoln Renewable Natural Gas to own and operate the Project (under §231).

GMP-St. Albans Community Digester-Docket 8673- 800 kW methane biodigester generation facility to be constructed in St. Albans. On April 8, GMP provided responses to a second round of discovery served by the Department, ANR, AAFM, and Mr. Camisa. Staff is reviewing. Staff will meet with GMP staff informally on April 20 to discuss the Project. The Department's testimony is due May 20.

VGS-Broughton condemnation-Docket 8641 (Monkton) and Cuneo condemnation-Docket 8642 (Williston)-In each of these dockets, the Department continues in a discovery dispute with the landowners. Counsel for the Landowners has now stated that a Motion to Compel will be filed. A settlement in principle has been reached with the Cuneos, which settlement will be finalized when the Cuneos' counsel returns from vacation later this month. In the Broughton matter, Mrs. Broughton's precarious health situation and the discovery dispute are being used by counsel to seek an expanded schedule. There is some thought that the Peyser settlement (see below) may spur renewed interest in a Broughton settlement.

VGS-Town of Hinesburg condemnation-Docket 8643-This parcel is in a park owned by the Town. The individuals who were denied intervention have submitted a Motion to Reconsider Hearing Officer Ruling and the Hearing Officer has requested comments on the Motion by April 15. VGS continues to work with the selectboard and believes it can structure a new, acceptable deal that will include more public process. The condemnation action will need to proceed at the

same time and the parties have jointly proposed a revised schedule to the Hearing Officer. Department necessity witnesses conducted a site visit on April 11 in advance of filing testimony on May 11. The Department's appraiser will also need to visit the property. Representatives of the selectboard have requested a meeting with Department counsel, which meeting will be scheduled as soon as possible.

VGS-Peyser condemnation-Docket 8645-This parcel is in Monkton. Following lengthy negotiations, this matter has concluded and a motion to dismiss the petition was filed on April 12 following the closing of the transaction. VGS purchased the property outright. As part of the settlement, Mrs. Peyser will not pursue her complaints regarding the 3<sup>rd</sup> non-substantial change determination request.

### ***Telecommunications***

Broadband analysis – Stone produced a draft of its analysis of broadband availability in Vermont that indicates that 77.6% of locations have access to broadband at 4/1 or better. Stone will be providing the full analysis including maps and charts later this week.

DPS Fiber Projects – Eustis Cable has been dispatched to the Northeast Kingdom to connect AOT garages to the state owned fiber network. The contractor will send the Department and AOT a schedule for completing the work. The Contractor informed the Department that there remains one last splice point left to do on the Sharon-Pomfret line. This should be complete before the end of the week. Division Staff will follow up with ECFiber and the Contractor to ensure that the work is completed and ECfiber accepts the changes. Construction in Reading is continuing.

VUSF payment to 911 – Finance and Management have sent a memo requesting a \$50,000 payment from the VUSF to the 911 special fund. The VUSF can likely handle this payment. However, it is unclear under what statutory authority the fiscal agent may transfer the money. Division staff will await confirmation from Department leadership before forwarding the request to the fiscal agent to fulfill.

Wilmington Presentation – Staff traveled to Wilmington and gave a talk to Selectboard members and economic development staff about broadband in town.

Comcast CPG Renewal (Docket 8301) – DPS served a second set of discovery requests on Comcast on April 5. Comcast's responses are due by April 26, and the Department's rebuttal testimony must be filed by May 11.

VTel Cabot 248a Petition (Docket 8549) – The Board's hearing officer issued a proposal for decision on VTel's application that will approve the project with two significant conditions. The hearing officer decided to give deference to the Town with respect to setback requirements from Cabot's zoning regulation because VTel failed to demonstrate good cause for why the setback limits should not apply. Accordingly, the decision requires that VTel modify its proposed site design so that the tower and associated facilities are located at least 300' from the public road (as proposed, the tower is 60 feet from the road). The hearing officer also found that the project will create an undue adverse impact on aesthetics unless VTel completes the vegetative mitigation

and landscaping screening that was recommended by the Department's aesthetics expert.

FairPoint Service Quality Docket (Docket No. 8701) – DPS and FairPoint have agreed to a docket schedule that will have the first rounds of testimony filed during the summer months and contemplates that technical hearings will be held in November, 2016. DPS and FairPoint have also recommended that the Board fold public hearings in Underhill and Brattleboro for the docket.

FairPoint Pole Attachment Complaint (Docket 8470) – The Board issued an order approving a motion from the parties for a stipulated dismissal of the docket with prejudice due to the settlements amongst FairPoint, Comcast, and Charter. The Board also approved special contract rates for pole attachments between FairPoint and Comcast and FairPoint and an unnamed party.

Petition of IM Telecom d/b/a Infiniti Mobile for ETC Designation (Docket 8687) – DPS is working on language for a proposed MOU with the applicant. The parties have until April 27 to file an MOU or proposed schedule for litigation. The Department does not foresee any significant issues with the application and anticipates that an MOU will be filed.

Verizon Waterbury 248a Petition (No Docket No.) – The Agency of Natural Resources has requested that Verizon consider moving the proposed tower location several hundred feet on the same parcel to limit the impact on a wildlife corridor. ANR has also requested that DPS have its expert review the impact on RF propagation and service coverage from the proposed alternate location. It is unclear if Verizon will be willing to move its proposed tower location, and it also seems unlikely that neighboring landowners and the Town of Waterbury, who are intervening in the docket, would find that the alternate location is acceptable.

T-Mobile 248a Petition for new facility in Vershire – The Town of Vershire submitted prefiled testimony from the Chair of its Selectboard in opposition to the proposed new tower. The Board, however, issued a memorandum noting that the Town's comments were filed outside of the 21 day comment period and that it was unclear if the Town is requesting a hearing. The Town clarified that it is requesting a hearing. T-Mobile has filed an opposition to the Town's comments and requests that the Board issue an order stating that the Town has not raised a significant issue with respect to any applicable § 248a criteria.

Supreme Court Appeal of AT&T 248a CPG for Essex (PSB Docket 8245) – A neighbor filed a *pro se* appeal to the Supreme Court in response to a CPG that was issued to AT&T in Docket 8245 on May 28, 2014. The neighbor, who was not a party to the Board proceeding, states that AT&T did not provide required notice for the application in 2014. Specifically, the neighbor states that he purchased an adjoining property on March 27, 2015. The neighbor states that he purchased the property after a bank foreclosure, and that the bank owned the property when the application was filed. The neighbor alleges that the bank never received notice of the application. The Supreme Court docketed the appeal and captioned it as a “complaint for extraordinary relief.” DPS staff have contacted AT&T's attorneys, who are reviewing the filing. The tower has not yet been constructed, and it is unclear if AT&T will actually complete the project. Accordingly, AT&T may not actually oppose the appeal. Their attorneys advised DPS that they will review the appeal and make a decision about whether to oppose it in the near future.

## **CAPI**

*Reporting for the period April 3 to April 9, 2016*

Wind complaints CAPI staff met with the Deputy Commissioner and PA about CAPI's process for working with consumers and companies to resolve post CPG wind complaints. Complaint data was researched and provided.

GMP net metering credits- CAPI provided feedback to GMP about its letter to customers and the talking points that CSR's will use to communicate details of the one-time payout for unused net metering credits on June 1. CAPI drafted internal talking points for our own use. The tariff filing is awaiting approval from the PSB.

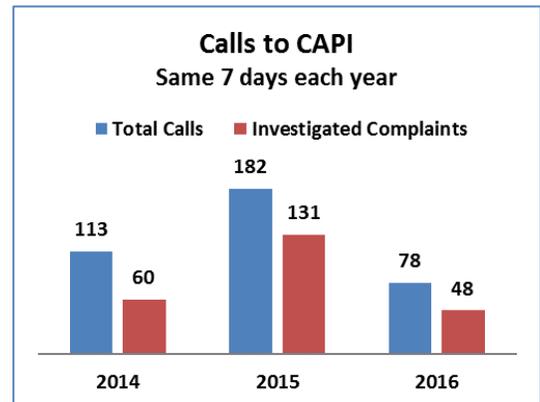
Lifeline – Qlink reports still no response from Economic Services on the applications pending processing by Economic Services. CAPI has followed up with Economic Services. A call is pending with TracFone and USAC to explore opportunities to improve processes to benefit Vermont's Lifeline eligible population. A call is pending with Economic Services and TracFone to respond to remaining questions that TracFone has before they can provide services here in Vermont.

*Cases of the week*

Village of Johnson Water and Light Department – update -- A consumer complaint about this utility is based upon the utility enforcing a commercial rate due to a microenterprise operated within the household. Following receipt of a letter from CAPI and a letter from the consumer, the Village of Johnson has now offered the residential rate to this consumer. However, they emphatically deny facts stated by the consumer or that their tariff is vague.

Post CPG Wind Complaints

One noise complaint about the GMCW project from a state senator on behalf of a constituent living nearby.



**Privileged and Confidential**  
**Memorandum**

**To:** Peter E. Shumlin, Governor  
**From:** Hal Cohen, Secretary, Agency of Human Services  
**Re:** AHS Weekly Report  
**Date:** April 15, 2016

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**Secretary's Message:**

Official data from the annual point in time count of homelessness was released this week. After a small (2%) decline between 2014 and 2015, this year's data shows a more meaningful 28% statewide decline in all regions and among almost all populations. 1,102 Vermonters were counted as homeless during the one-night count, which represents the lowest number in the last five years. Data showed a 22% reduction in the number of families with kids who are homeless. This progress in what has historically been a challenging area for Vermont with its high housing costs and low rental vacancy rates, is strong encouragement that our initiative to End Family Homelessness by 2020 is making a difference and that the state's targeted investments in supportive housing, rental subsidies, alternative shelter and prevention programs are paying off.

✓ Justin

In follow up to last week's report, we've confirmed that Senate Appropriations is looking to cut our General Counsel positions. The 6 permanent in-house attorney positions were established from existing positions to create the GC's for the AHS CO, DOC, DVHA, DMH, DCF and VDH. At DAIL. Beginning in 2012, we identified the need for General Counsel for the Secretary and Commissioners to bring specialized legal expertise to support the Agency heads and their executive teams. While AHS relies heavily on AAGs for representation in court and administrative hearings, such as child custody, mental health commitment and public benefit appeals cases, AHS and its departments also need in-house counsel to advise on specific federal funding program requirements, rule development and enforcement, policy development and the legal aspects of daily management of an administrative agency. This allows the agency to work to identify and to solve issues proactively. These positions are critical to the functioning of our Agency and are important in terms of the separation of powers. Essentially, the Attorney Generals, though they represent the State, are accountable to the Attorney General and not to the Governor (Executive Branch) and their decisions and policies can be in conflict with each other. If the GC positions were eliminated, the work load would require additional funds to hire more Attorney Generals.

It looks like we are in good shape for the capital funds for Integrated Eligibility. Both House and Senate Institutions have cancelled our future testimony/check-ins as they are apparently satisfied with the plan we have put forward.

Commissioner Chen attended the reading of S.107 in a joint committee meeting of House Health and Human Services and House Health Care. Harry's sense is that the bill was met with great skepticism and concerns regarding creating additional bureaucracy.

## **AHS Highlights:**

### **Vermont Department of Health (VDH):**

#### **Substance Abuse Advertisement Campaign**

This week, VDH launched a four week, digital advertising campaign promoting the web site, [ParentUpVT.org](http://ParentUpVT.org). The objective of this campaign is to increase awareness of the website and the resources it provides to parents of adolescents in Vermont. These resources will increase parents' awareness that all teens are at risk for substance abuse, and parents are the #1 influence on their decision to not drink alcohol or do drugs. [ParentUpVT.org](http://ParentUpVT.org) also provides information to recognize the warning signs of drug or alcohol abuse and to provide assistance with tools and advice for substance abuse prevention and intervention.

#### **J. Ward Stackpole, MD Recognition Award**

Maternal Child Health Director, Breana Holmes, was awarded the J Ward Stackpole, MD Recognition Award for the work she has done to contribute to the lives of children in Vermont, and to the practice of school nurses. It is a significant recognition of the strong relationship between VDH and the Vermont State School Nurses Association.

### **Department of Mental Health (DMH):**

#### **Vermont Psychiatric Care Hospital**

VPCH census remains at full census of 25, with 3 new admissions and an equal number of discharges occurring since last week. The hospital recruitment efforts for permanent nurses continues, but there is little change in new applicants to date.

The hospital was surveyed by the Division of Licensing and Protection this week, acting under their purview as state hospital regulators rather than CMS, to investigate a patient complaint. Based on exit survey feedback, VPCH does not anticipate any condition level findings at this time. VPCH has conducted an internal review of the incident and areas for improvement have been identified and will be implemented while awaiting a final survey report.

#### **Emergency Departments**

During this week there were 30 people in need of inpatient psychiatric beds and 24 were admitted. There are currently two involuntary adults (and no minors) waiting and three voluntary adults and one voluntary minor waiting. There were no people waiting in Corrections this week. The majority of people currently waiting have been waiting for less than 24 hours. The adult inpatient system of care has been functioning at 93% occupancy (100% occupancy in Level 1 units) and the adolescent and children's inpatient system of care has been functioning at 100% occupancy this week.

### **Department of Aging and Independent Living (DAIL):**

#### **Governor's Award for Business Excellence in Supporting Mature Workers**

This new award was made available online January 29 and businesses that employ mature workers, people 55 and older, were encouraged to apply by responding to all or some of the following criteria: 1) What recruitment and/or retention policies do you have that encourage the hiring and retaining of mature workers? 2) Does your business have work schedule flexibility and/or accommodations? 3) Do you provide your employees with training and skill development opportunities? 4) Does your business have a retirement program and/or do you provide/support retirement planning? The award is co-sponsored by the Agency of Commerce and Community Development and the Vermont Department of

Labor in partnership with the Governor's Commission on Successful Aging. At the close of business on March 31, 7 applications had been received. A review panel will review the applications, make recommendations to the Commission's Sub-committee and then work with the Governor's Office to finalize award recipients. An award's ceremony will take place in June.

### **Department of Corrections (DOC):**

#### **Escape from St. Johnsbury Work Camp**

On 4/13/16 26-year-old William Blanchard walked away from a work crew in St. Johnsbury. Mr. Blanchard was at the town garage with 6 other inmates and a work crew supervisor. He went to use the bathroom and fled out the window. Reportedly staff was aware in approximately 15 minutes. VSP at SJPD were on site with dogs and Customs provided air support. Blanchard was serving an 18-24-month sentence for 2 counts of burglary and 1 count of possession of marijuana. We learned today he was apprehended in New Hampshire.

#### **Population**

The Department's incarcerated population averaged 1710 for the previous week. The Department's incarcerated male population averaged 1582 for the previous week. The out of state population is currently at 236. The female population averaged 129 for the previous week.

### **Department for Children and Families (DCF):**

#### **Third Annual Poverty & Opportunity Training Program**

The Office of Economic Opportunity is hosting its third annual Poverty and Opportunity Training Forum today April 14<sup>th</sup> in Lake Morey, VT. Over 300 anti-poverty staff from across the state, including the five community action agencies; emergency homeless shelters; family supportive housing programs; and weatherization agencies are in attendance. The keynote is presenting on how behavioral science can help us understand how humans make decisions in an environment of scarcity (e.g., poverty), and help inform program and policy design.

Participants attended workshops led by national and regional experts to build cross-sector skills, and learn about promising, evidence-informed approaches to address poverty. Examples are trauma informed care, progressive employment, behavioral economics, integrating financial capability and much more.

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

#### **All Payer Model**

The RFP, titled "Accountable Care Organization in DVHA's Next Generation Model," was finalized and released on Thursday April 7. A Bidders Conference to provide information to potential bidders is scheduled for Friday April 15.

#### **Vermont Health Connect**

*Medicaid Renewals:* The first 9,000 VHC Medicaid Renewal (VMR) notices are targeted to be mailed April 15. These renewals will be processed manually and will place a significant burden on VHC operations. The State is working with Optum to execute a functional batch renewal process in the coming months, which will make executing 9,000 renewals a month more achievable. The State also hopes to turn self-service on for Medicaid renewals in May.

*Reconciliation:* The SOV/Optum M&O “surge” effort is also addressing reconciliation of enrollment information across SOV and issuer systems, as required by federal rules. Five priority reconciliation buckets of work for 2015 are targeted to be complete by the end of April. The goal is to commence monthly reconciliation for 2016 in June.

*COC backlog:* As of April 12, VHC’s rolling inventory of change requests has been cut to 3,670. The goal is 2,000-3,000 range for a sustainable work queue.

### **Other Agency Report Items for Consideration:**

#### **Vermont Department of Health (VDH):**

##### Opiate Issues Facing Vermonters Conference

On Monday April 4<sup>th</sup> over 200 Vermonters attended the Health Department’s Community Solutions to the Opiate Issues Facing Vermonters Conference. The day began with a welcome and progress report by Commissioner Harry Chen, followed by a federal update from representatives from Senators Leahy, Sanders and Representative Welch’s office. The federal updates included securing funds for four new DEA agents in Vermont, \$1.4 million for an anti-heroin task force, support of CDC new pain guidelines, and the availability of Naloxone kits at CVS.

##### Association of Student Assistant Professional (ASAP)

ASAP held their Annual Conference on Wednesday at the Lake Morey Resort in Fairlee for more than 50 Student Assistance Professionals & community partners from across the state. “A Fresh & Dynamic Wellness Workshop on Substance Abuse, Bullying Prevention & Social Media Land Mines” was delivered by Robert Hackenson Jr.

#### **Department of Mental Health (DMH):**

##### Legislative

AHS Deputy Secretary Dragon and Commissioners for DMH and DAIL met with Chairs of Senate and House Appropriations and the Chair of Senate Judiciary to review Act 158 which goes into effect July 1, 2017. At present, and as enacted, the law presents a number of challenges with regard to access to necessary evaluation expertise, program services, and community resource demands for both AHS Departments in order to comprehensively address the needs of individuals with traumatic brain injury. The Committee Chairs appear ready to propose language delaying implementation of the law, in order that the recommendations addressing the challenges noted can be reported back to committees of jurisdiction prior to the next legislative session.

#### **Department of Aging and Independent Living (DAIL):**

##### Home Delivered Meals Policy Shift

In effort to increase good nutrition and good health through an increase in the utilization of Home Delivered Meals by people enrolled on Choices for Care and the Attendant Services Program, effective immediately the Department will no longer reduce personal care service authorizations/hours when a person chooses to receive Home Delivered Meals. The goal is to encourage enrollment in the Home Delivered Meals program by eliminating real or perceived barriers and ensuring broad access to good nutrition. Access to meals without being forced to choose between meals and personal care support hours will enhance food security within the household and is in line with Vermont’s State Plan on Aging objective to “Improve food security of older Vermonters and Vermonters with Disabilities.”

##### Immediate Jeopardy at Porter Medical Center

On Wednesday, April 13th, two State Surveyors cited Porter Medical Center with an "immediate jeopardy" violation. This level of violation indicates that a situation exists that has or could care a patient death or significant injury. In Porter's case, it became clear that no one was monitoring alarms on the telemetry patients. Surveyors were obligated to ask for an immediate plan of correction and unable to leave the facility until that plan is created and found acceptable. Survey's received and approved the plan shortly before 6 pm that day. They will conduct a follow up visit in the next few weeks to assure that the practice is corrected; if the correction is inadequate, CMS could authorize additional follow ups or ultimately decertify the hospital. We will keep you updated.

**Department of Corrections (DOC):**  
**High Risk Sex Offender Releases**

- Scott

Christopher Edwards (DOB 3/25/1988) will be released on furlough status on 4/20/2016 and will be supervised by CSS Bacon out of the Burlington office. Edward's case was staffed at the central level on 3/23/2016 and was approved for release to an approved residence. Edwards will be residing at 567 St Paul St, Unit 4 Burlington. The residence has been run through the "Bright Futures" website and there are no registered day cares in the area. Edwards will be released compliant with facility treatment as he has recently completed the high intensity in house programming at NWSCF. Edwards will be required to do Sex Offender Treatment in the community as well. CSS Bacon will be meeting with Mike Warren from CUSI this Friday (April 15) to discuss the release.

**Needs Reducing Program for Detainees to be looked at**

On Monday Commissioner Menard and other DOC staff met with Federal Judge Christina Reiss, Judge Gearson, the Chief Federal Probation Officer, members of the defense bar, federal prosecutors and University of Vermont Staff. Judge Reiss would like to offer federal and potentially state detainees an 8 week needs reducing program. UVM and the Crime Research Group have applied for a grant to deliver and study the program. DOC expressed concern that this could lead to extended or increased detention and were assured that would not be the case. The program is delivered in modules, while preferable it is not required that all modules be completed. The program would have voluntary attendance. DOC agreed to work with UVM on space and scheduling issues if the grant is obtained.

Letter from VSEA re: Naloxone use:

TRANSMITTED VIA E-MAIL

April 13, 2016

Lisa Menard, Commissioner  
Vermont Department of Corrections

Justin  
✓

Commissioner Menard,

It is our understanding that the Department of Corrections has implemented one or more directives, policies, or procedures relating to the use of Naloxone, also known as Narcan, as a medication used to reverse the effects of opioids especially in overdose. VSEA has received several concerns about mandatory training, obligations, and consequences associated with this matter. The State Employees Labor Relations Act guarantees that all matters relating to the relationship between the employer and employees shall be the subject of collective bargaining except those matters which are prescribed or controlled by statute. As the exclusive bargaining representative, VSEA has negotiated collective

bargaining agreements with the State for employees in the Corrections and Supervisory Bargaining Units; such agreements are in force for employees of the Department of Corrections. The implementation of a new directive or changes to current directives require the State to notify the VSEA of its intent and following a request by VSEA for negotiations, the parties must meet on a regular basis. Any change to mandatory bargaining subjects require negotiations with VSEA. VSEA has statutory negotiations and impasse procedure rights.

Please consider this letter a formal demand that the Department of Corrections immediately cease and desist from the implementation, training, and enforcement of the above reference matter for bargaining unit employees. If you contend that the Department of Corrections and the State are not required to notify VSEA and bargain over such matters, I request that you provide to me the basis for your opinion by Monday, April 18, 2016 so that VSEA can adequately protect the bargaining rights of our members.

I look forward to hearing from you.

Thank you,

Gary L. Hoadley  
Director of Labor Relations  
Vermont State Employees' Association  
155 State Street  
Montpelier, VT 05601-0518

Phone: 802-223-5247  
Cell: 802-793-1424  
Direct: 802-262-1317  
Fax: 802-223-4035

cc: Rick Plank, VSEA Corrections Unit Chair  
Steve Howard, VSEA Executive Director  
Gretchen Naylor, VSEA Director of Field Services  
Bob South, VSEA Union Representative  
Mike O'Day, VSEA Union Representative  
Mike Touchette, DOC

Sent: Wednesday, April 13, 2016 3:28 PM  
To: 'Gary Hoadley'; Touchette, Mike  
Cc: Gretchen Naylor; Steve Howard; Plank, Rickey; Bob South; Michael O'Day; Hoadley, Gary  
Subject: RE: Implementation of new directive

Gary- thank you for your email. I am wondering if you have had the opportunity to read this directive yourself. It is clear that it is voluntary for staff to "carry and administer" naloxone. I'd be happy to forward you a copy of the directive if you would like.

Lisa M. Menard  
Commissioner, Vermont Department of Corrections

**Department of Vermont Health Access:**

Hospital Outpatient Rates

DVHA continues to meet with the Vermont Association of Hospitals and Health Systems (VAHHS) with the shared goal of developing a plan to eliminate clinic provider-based billing.

Blueprint

The Blueprint hosted its annual conference on Tuesday April 12. The focus was integrating health and human services. Presenters provided both an academic and operational perspective on the challenge of this work and its importance.

**CONFIDENTIAL AND PRIVILEGED**  
**MEMORANDUM**

TO: Governor Peter Shumlin   
FROM: Rebecca Holcombe, Secretary, Agency of Education  
SUBJECT: AOE Weekly Report  
DATE: April 15, 2016

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**Emerging Issues**

**A little good news?**

Some middle school students from Castleton who won the 3d VT competition shared the project at the statehouse yesterday. This is a great initiative for which students select a historical building in their community, research its history and design, then design and print a 3 d scale model. To take accurate measurements of elements they can't reach, the students actually use concepts taught in Algebra 2. It is an incredible, hands-on experience in team problem solving and technology skills, and the students are so excited when they share their work. This work, along with some of the maker movement work in schools, is introducing STEM and design work in an exciting way in earlier grades, and in ways that attracts a more diverse set of students.





Vermont Agency of Ed @VTEducation · 19h  
House Speaker Shap Smith checks out the 3D Vermont models  
#vted #vtpoll

### More PR for schools:

For Teacher Appreciation Week (May 2-65), our communications person (Haley Dover) will bring a large polaroid-like frame out of foam core board to the statehouse on April 28 and 29, and have you, legislators, Lt. governor, etc. pose for photos and videos. We will then share these images on our social media pages throughout the week.

### OPR bill

Friday, Senate Ed (led by Baruth and Zuckerman) voted to write a unanimous committee letter to Senate Operations asking them to postpone this bill for another year.

### H859—Jerman amendment

— Sme

This is a tricky amendment submitted by Rep. Jerman, and now in Senate Ed, that asks AOE and AHS to build an extension on a private home, so that a child with autism can stay resident with her family. It is tricky because by all accounts, her educational placement at school is working well during school hours, but the family is unable to support her at home. They need more space to accommodate a safe and staffed home after school hours. Special education dollars can only be accessed for school placements. The district mentioned residential placement as an option, but the only available placements are out of state and the family is not interested in out of state placement. However, they noticed that the cost of residential placement would be more expensive than building an extension on their house, so have asked the state to support this construction. Again, we have no funding stream that we could divert for this. AHS suggested we split the cost. We would like AHS to support this, since it is a cost not related to an education placement. If we open the Ed Fund to this kind of non-education demand, there is no limit to the kind of demands that would be placed on it.

### Update on Bennington School District Energy Efficiency contract

We have heard that 4 out of 5 board members oppose the project, despite the lobbying and pressure to let it through. The now-dismissed business administrator did not follow proper processes. We told them they could restart the process or put it out to bid properly. The Superintendent thanked us for holding firm on integrity of process.

## Meetings

- Lots of legislative stuff
- Met **VSA and VSBA** on the alternative education structures. School Board chairs in Strafford and Sharon are making everyone else in the White River Valley irritated, as they wander around denigrating other towns for not being good enough to join them and saying they have been approved to stay just as they are in their own new Supervisory Union as an Alternative Education Structure. They have not; they are taking quite a lot of liberties with the technical assistance they have been given. There is no way this region can come to a good end, given how they are treating their neighbors.

## Media Contacts:

**Josh O’Gorman, Vermont Press Bureau:** Josh was seeking comment from Secretary Holcombe about H.870, the telecommunications bill. She provided information from Peter Drescher’s testimony on the bill and this was crafted into a statement for Josh.

**David Corriveau, Valley News:** David asked for a list of the members of the winning team from the 3D Vermont competition. Peter referred him to the teacher who coached the team from Windsor High School.

**Molly Walsh, Seven Days:** Molly had a follow up question relating to her story about school discipline. Molly interviewed Amy Fowler last week, but wanted to know how long a student can be kept out of school for serious incidences, such as sexual assault. She wanted to know if expulsions could go on longer than a year in very serious cases, what schools do with a student who has committed such a serious offense, and if the offending student could get sent to an alternative school program. Molly was provided with a copy of the statute that outlines expulsions while Amy was at a conference. Amy got back to Molly on Saturday to answer her question.

**American Institutes for Research:** A testing project director from the American Institutes for Research contacted Michael Hock about a Washington Post story. The Post wants to interview a few state testing directors on the topic of online testing and AIR wanted to give Michael’s name. The Secretary and Deputy Secretaries gave their approval for this.

**Nancy Remsen, Seven Days:** Nancy reached out to see if Secretary Holcombe would be available to talk about inequities among high schools. She was curious if Secretary Holcombe saw this as a problem, if it’s serious, wanted to know what the remedy would be, and if Act 46 would make any change happen. Secretary Holcombe was out of the office, so Nancy was referred to Heather Bouchee who spoke to her on Wednesday. Nancy also asked for SAT scores by high school. She was provided with the 2015 data that is available on the AOE website. She asked Brad James for per-pupil spending amounts for Bethel, Chelsea and Rochester.

**Michael Bielawski, Hardwick Gazette:** Michael called the main line and emailed the office looking to talk to someone about Act 46 and school choice. He wanted a statement from the AOE. He was referred to Stephanie who provided him with the Act 46 page on the AOE website, information

related to districts that operate a school or tuition their students, and the Secretary's recent op-ed. Donna looked over the information and added in the FAQ page from the AOE website, as well as some information about how districts can choose to merge.

**Liz Kennard, Comcast Newsmakers:** Liz called looking to get an on-camera interview with Secretary Holcombe to talk about the state of education in Vermont. She was also reaching out to the Governor's office, the Speaker, etc. We declined the interview.

**Lola Duffort, Rutland Herald:** Lola called Maureen after she saw applications were being sought for a new student member for the SBE. She asked if the new member would be voting or not. Maureen told her that the existing SBE student member would become a voting member and the new member, for which the Governor's office is now accepting applications, would become a non-voting board member, who would then "graduate" into voting status the following year of the 2-year term.

**Hilary Niles, VPR:** Hilary emailed asking for an upgraded merger status list after the Tuesday votes. Stephanie provided her with the most recent merger update and told her that the voters in any community may file a petition to reconsider the vote before EOB on May 1.

**Executive Privilege**

**TO: Governor Peter Shumlin**  
**FROM: Secretary Chris Cole**  
**DATE: Friday, April 15, 2016**  
**SUBJECT: VTrans - Confidential Report to the Governor**

**NOTES FOR GOVERNOR**

**Brattleboro I-91 Bridge**

I met with the Brattleboro Reformer regarding the delay of the I-91 Bridge; the article came out today and described the reasons why the project has been delayed. The article also mentions that the Agency of Transportation is providing a \$200,000 grant for road resurfacing due to impacts to town roads from diverted interstate traffic. My staff and I gave a tour of the construction project to the Town Manager, Selectboard Chair and DPW Director. They very much appreciated the funding and the tour and we are on great terms with the town.

The project has been doing well because of the mild winter. The segments from the first pier have been completed and they are moving the form traveler to the second pier. PCL has hired a large crane to reduce the time it takes to reset the form traveler and this will speed up the construction on the second segments. We anticipate significant completion of the segments on the second pier by December of 2016 and to the public, the bridge will look largely complete. There will be three remaining sections that have to fill in and do some additional work, so we are looking at late spring or early summer before traffic is moving on the bridge. PCL will obviously be looking to speed this timeline up to reduce their losses.

**Montreal Passenger Train Service**

I went to Montreal this week to meet with US Customs Border Protection, Amtrak, VIA Rail, MTQ (Quebec VTrans), the US Consulate Office and Raymond Cretien, the Province of Quebec's envoy for this project who is Brian Searles' counterpart in this endeavor. This was the first time that USCBP have engaged on the project and they indicated that there were no show stoppers as far as they could tell. We toured Central Station where the new facility would be built and discussed next steps. This was a very positive meeting but there is much work to be done before rail service is restored to Montreal via Vermont. How this is all funded remains to be worked out amongst all the parties.

## NOTES FOR STAFF

### Vermont Legislature:

- T Bill - H.876
  - The Senate took testimony this past week on the following T Bill elements:
    - Vulnerable Users – The Committee has removed the House version of the language and has replaced it with a \$100K Share the Road safety campaign (to be funded within existing programs of VTrans) and incorporating mandatory ignition interlock for repeat DUI offenders.
    - S.1 – Likely to be amended to the T Bill – allows towns to place signs referring to census designated places
    - All other sections of the bill are finalized; the bill will likely be voted out of Committee on Tuesday however, they need to wait for the Fee Bill to determine what programs they need to cut to bring the budget into balance.
    - H.877 VTrans Funding Bill – DMV assumes it will not be voted out of Senate Finance until the closing days of the session. Senator Ashe has indicated the Committee is having a hard time supporting the overall level of fees across State government.
- Bills VTrans continues to follow in the Senate:
  - H.571 DLS Bill – Senate Judiciary Committee is working on final markup of the bill
  - H.854 Timber Trespass – no issues
  - H.552 Endangered Species – no issues
  - H.249 – RPC Intermunicipal Service Agreements – no issues
  - ½ Ac. Threshold on Stormwater Permitting – Senate NRE decided to remove 1/2-acre language changes from H.595. The permitting threshold will likely not be changed in the House FWWR's version either; there are no other vehicles for this language.
- Bills VTrans will continue to follow in the House:
  - S.225 DMV Misc. Bill – HTC voted the bill out on 04/13 11-0; the bill includes Saliva Testing language. The bill is now heading to the House Floor.
  - S.155 Automated license plate recognition (ALPR) systems/use of drones – minor FAA language references which should be addressed, Guy Rouelle testifying in House Judiciary on Thursday, no other issues
  - S.241 An act relating to the regulation of marijuana

### **Shelburne Limestone Update**

Continuing discussions between the New England Central Railroad and Shelburne Limestone Corporation have resulted in plans to consolidate transloading of limestone products in the Swanton quarry location. VTrans continues to be at the table working with the parties on yard improvements that will allow the expansion of the wood chip loading facility for Burlington Electric as well as the movement of limestone via rail right from the Swanton quarry yard. Should this project be successful it will remove the trucks from Route 7 and I-89 that are currently traveling from Swanton to Colchester with product to load into the rail cars at the main offices of Shelburne Limestone Corp. VTrans has committed to helping with this project through our rail economic development program.

### **Commuter Rail Feasibility (Legislative) Study**

The public open houses to roll out the project were held on April 13 in the Pavilion Auditorium and April 14 at the Contois Auditorium, Burlington City Hall.

### **Fair Haven Welcome Center Solar Project**

The final drafts of the power purchase agreement and the lease with All Earth Renewables have been signed by AER. A pre-construction meeting will be scheduled for next week. This project will generate 75kw's.

### **On-Road Bicycle Facilities Plan**

TRB Paper "Estimating Potential Bicycle Usage for Statewide Planning" co-authored with consultant team has been accepted for publication in TRB Journal; anticipating publication date between August-Dec. 2016.

### **Route Match Scheduling Software**

Route Match has now successfully achieved Go-Live with the Paratransit Scheduling and Dispatch software at two Vermont transit locations. They are in the implementation process at 4 additional sites and are scheduled for kick-off discussions with the remaining 3 transit providers this week.

### **Hinesburg – Act 250 Approval for Proposed Hannaford's Supermarket & Pharmacy**

In a decision released on April 12, the Environmental Court upheld Act 250 approval for a new 36,000-square-foot building for a Hannaford's supermarket and pharmacy on Commerce Street in Hinesburg village, just off VT 116. In June 2014, the District #4 Environmental Commission ruled substantially in the developer's favor. However, a group of local residents appealed. After a three-day trial, the Environmental Court upheld the Act 250 permit, with several additional traffic-related conditions:

1. A traffic signal must be installed at the VT 116/Mechanicville Road intersection. (The E-Court required Hannaford's to pay a proportional share of the cost of installation and suggested that if Hannaford's does the installation it might

collect a proportional share from subsequent developers under 10 V.S.A. § 6106 (d).)

2. Hannaford's and the Town of Hinesburg are required to conduct a traffic study of the VT 116 left-turn lane into the proposed Hannaford's to confirm that the 185-foot lane length is adequate. If the traffic study determines that the left-turn lane is inadequate, Hannaford's must mitigate. (Significantly, if the left-turn lane does require lengthening, an existing VT 116 bridge will have to be widened, or replaced.)
3. Truck traffic to Hannaford's will be prohibited during rush hours.

### **Middlebury Tunnel Project**

On Wednesday, April 13, VTrans representatives participated in a telephone conference with Town of Middlebury officials to discuss the Town's response to an April 11, 2016 letter to the Middlebury selectboard from Middlebury lawyer Peter F. Langrock, Esq. In the letter, Langrock demands responses by April 29, 2016 to a long list of project-related questions, threatening litigation if he does not receive satisfactory responses. While the Town should be able to respond to some of Langrock's questions, others are premature, especially given that the project is being advanced under the innovative "construction manager/general contractor" (CMGC) project delivery method.

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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: April 15, 2016**  
**Subject: ANR Weekly Report**

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**Legislative Issues/Testimony:**

**Sen Ashe/Milton Mobile Home Cooperative:** Sen. Ashe coordinated a meeting with the Milton Mobile Home Cooperative and VT DEC and ACCD to discuss the possible funding mechanisms to assist the Coop with their sewer and water infrastructure. The Coop has a need for nearly \$3M in improvements, including modifications to a ravine which bifurcates the park and threatens to undermine some of the residences, improvements to which are prerequisite to Vermont Housing Conservation Board funding. ACCD also discussed the Community Development Block Grants process. Deputy Commissioner Desch discussed state revolving loan funding opportunities. A common theme for access to all the state funds is the need for the Coop to partner with the Town of Milton. Sen Ashe encouraged the Coop members present to work with the Town to sponsor their project.

**Passed by House and Senate:** Several DEC bills were passed by House and Senate in the past two weeks, and have proceeded to the Governor for signature.

- **H.531 Above ground storage tank (AST) red-tag bill.** The House concurred in the Senate's proposal of amendments to H.531 on Friday 4/8. This bill requires ANR to promulgate rules for the inspection and "red tagging" of non-compliant fuel tanks; requires ANR to maintain a database of non-compliant fuel tanks; and requires owners of ASTs to remove the fuel tank and associated piping when converting to natural gas or propane. DEC supports this bill, which came out of work of the Petroleum Cleanup Fund (PCF) Advisory Committee.

- **H.248 Miscellaneous Air Amendments.** The House concurred in the Senate's proposal of amendments to H.248 on Wednesday 4/6. Most notably, this bill proposes to revise the air pollution statutes to require disclosure of emission and monitoring data in compliance with the federal Clean Air Act. This bill is a high priority for DEC.
- **H.625 Sunset Extension for Title Encumbrances Due to Transition Stormwater Permits.** The Senate passed H.625 in concurrence on Tuesday 3/29. This bill gives property owners with pre-2004 stormwater permits an additional two years to obtain revised permits without incurring a cloud on title. DEC supported passage of this bill.

#### **House Floor:**

- **H.517 Water Classifications.** DEC anticipates that the House will concur in the Senate proposal of amendments on Wednesday 4/13. This bill will further the goals of the federal and Vermont Clean Water Acts by allowing the state to identify and protect lakes and river segments that exceed baseline water quality standards. This bill is a high priority for DEC.
- **J.R.H. 26 Joint resolution relating the federal Toxic Substances Control Act.**

#### **Senate Floor**

- **H.674 CSO Notification Bill.** The Senate has scheduled second and third readings of H.674 for Wednesday 4/13 and Thursday 4/14, with Sen. Campion reporting. The bill as introduced required wastewater operators to file a report on DEC's online system within 4 hours of any discharge. The bill as passed the House requires operators of wastewater facilities to report discharges of untreated waste on public media designated by ANR within 1 hour of the discovery of a discharge, and to submit additional information on DEC's online system within 12 hours. SNRE proposes to amend the bill to allow up to 4 hours for posting a public alert of a wastewater discharge when operators do not have access to phone or internet service at the discharge location. Whereas DEC supports all of these approaches, the other stakeholders (VLCT, GMWEA and Lake Champlain International) are at various ends of the spectrum.

#### **House Natural Resources and Energy (HNRE):**

- **S.123 DEC Permit Process Improvement.** As passed the Senate, S.123 requires a pre-application, public engagement process for complex projects; limits the issues eligible for appeal to those addressed by the parties during the permitting process; establishes an electronic notice bulletin at DEC for applications and permit decisions; and consolidates the number of permit routes from eighty-five to five. The Senate dropped on-the-record appeals. DEC is working with stakeholders (VNRC and Warren Coleman) to finalize the provision that requires preservation of issues for appeal. HNRE has scheduled a vote for Thursday 4/14.

### **Press Issues/Releases:**

**PFOA:** Media interest continues for the PFOA investigations, especially as they pertain to Pownal and N. Bennington. Recent results in Pownal regarding the private water supplies is better than could have been contemplated, with only four of approximately 60 samples in excess of the drinking water standard. Progress continues with evaluating the extensions of municipal water systems in Pownal and Bennington, and additional public meetings are scheduled for the week of April 18.

**FWD Press Releases:** VT's Spring Turkey Hunting Starts Soon; Public Meeting Proposal on Stocking Walleye in Moore Reservoir; Deer Ages Available on FWD Website; 2016 VT Moose Hunting Applications Are Available.

**Green River Reservoir State Park:** VPR recently featured a story about the hydroelectric dam at Green River Reservoir, which is currently undergoing federal relicensing and could impact this popular state park.

### **Significant Events/Meetings:**

**Drinking Water Compliance:** Environmental Compliance Division was contacted by EPA's Senior Enforcement Coordinator regarding our drinking water compliance rates. EPA provided an overview of their prioritization process and a history of compliance within the DEC program. EPA suggested areas of future coordination between the two organizations.

**ANR/AAFMOU:** Environmental Compliance Division and the Watershed Mgt Division staff met to begin revisions to the ANR/AAFMOU Memorandum of Understanding. Per Act 64, VT Clean Water Act, revisions to the MOU are required by July 1, 2016. WSMD agreed to take the lead for ANR in drafting the first draft of a revised MOU.

**Hydropower Working Group:** The Hydropower Working Group appointed by the Governor to assess the viability of Vermont purchasing hydropower facilities from TransCanada had its first meeting on Wednesday, April 13. This was the first of four planned meetings, which are set to occur on consecutive Wednesday at 12:45-2:45 PM until May 4, 2016. Secretary Johnson chaired the meeting and representatives from ANR (Leslie Welts), DPS (Commissioner Chris Recchia and Ed McNamara), and ACCD (Ken Jones) attended to follow the discussion and provide support. There are three key issues from which action items stem. These are: (1) defining the scope of the RFP; (2) drafting a "legislative ask;" and (3) assessing the economic/power generation impacts of FERC relicensing.

## **SUMMARY OF KEY DEPARTMENT ACTIVITY**

### **Environmental Conservation (DEC)**

**Water and Wastewater Tracking System (WWTS):** All the regional offices are now accepting permit applications via ANR online. After two weeks, we have reached out to consultants submitting applications, as well as the administrative and technical staff processing and reviewing the applications, to get feedback on the usage experience. The feedback is generally positive and our efforts are being directed to minor changes in the system and outreach/training for improvements. We will continue to take suggestions to streamline the process, for at least the next month, when the old application process and old tracking system are retired.

**ECO AmeriCorps Program Earth Day Planning:** Staff have been meeting with USDA Rural Development to partner on a press event celebrating water quality and service project for Earth Day on Friday April 22. The press event will take place at the Williamstown Public Safety building. The Under Secretary for federal USDA, along with representatives from Congressman's Welch, Leahy, and Sanders Office will be joined by VT/NH USDA staff. DEC has been invited to speak at the press event. We are working closely with the Town of Williamstown and USDA staff to plan the service project which will be a tire clean-up of a stream embankment – a much needed project!

**DWSRF FFY15 and FFY16 Intended Use Plans (IUPs):** Public notice was released last Friday announcing a proposed amendment to the FFY15 IUP and the proposed FFY16 IUP. The IUPs describe how Vermont intends to use available federal and state funds for improvements, oversight, and technical assistance for public water systems. The FFY15 IUP amendment adds three ready-to-proceed projects, while the FFY16 IUP identifies those projects that will likely go to construction beginning this fall through calendar year 2017. The draft FFY16 project list includes 11 fundable projects with an aggregated estimated cost of \$18.9 million with an additional 18 projects below the fundable range with an estimated aggregated loan need of \$12.5 million. The FFY16 EPA grant is \$8.312 million, of which \$2.723 million is proposed to be allocated for set-aside activities.

**Waterbury Complex and Food Scrap Recycling:** BGS is working with WMPD staff on materials management and set up for collection in state offices, in particular in Waterbury where the final move-in recently occurred. BGS worked with us to improve signage around food scraps and materials management and they have announced plans to expand food scrap collection starting July, 2017 so we can start composting at state offices around the state.

**State Electronics Challenge -ANR Recognized:** The State Electronics Challenge announced that VT ANR has received Gold Level Recognition for purchasing, operations and sustainable disposal of electronic office equipment. This is the second year of Gold Level recognition and fifth year that ANR has received recognition from the State Electronics Challenge. The SEC is affiliated with the Northeast Recycling Council and USEPA, and provides technical assistance

and funding to government partners, with a goal of more sustainable practices for purchasing and end of life management of electronic office equipment.

### **Fish & Wildlife (FWD)**

**Federal Wood Turtle Listing Possible:** Staff helped Chris Jenkins of the Orianna Society set up a meeting to select sections of rivers and streams in northeast VT for Wood Turtle assessments in May and June. The USFWS determined that Wood Turtles may warrant federal protection due to a petition requesting listing. The VT work will build on a Regional Conservation Need assessment project that was recently completed.

**Fishing Activity:** There were lots of licenses checked with early trout season opener this past weekend. Trout runs are active in some places but fishing was slow due to cold weather conditions. Many folks were out, however and total angler numbers appeared to be high. Violations detected this weekend included license issues, fishing under revocation, closed trout water fishing prior to the season opener, and lead sinkers.

### **Forests, Parks and Recreation (FPR)**

**Ski Area Lease Payment:** We received the annual lease fee payment last week from Jay Peak in the amount of \$245,381. This payment is based on revenues from January 1, 2015 – December 31, 2015 and does not include the bulk of this past winter's ski season. This lease payment is about \$9,000 less than last year's lease fee payment from Jay Peak.

**NRCS Update:** FPR foresters AJ Follensbee and Rick Dyer, who work implementing the landowner practices offered by the federal Natural Resource Conservation Service (NRCS), met with Toby Alexander of NRCS, Keith Thompson and Nancy Patch of FPR, and Steve Hagenbuch of Audubon Vermont to discuss forestry practices, especially those related to the Foresters for the Birds program, and how to increase their usage on the landscape.

**AMP Enforcement Activity:** Since January 2001, Brad Greenough, State Lands and AMP Forester reports that he has entered eleven cases into the Acceptable Management Practices (for protecting water quality on logging jobs) database. Many of these are for technical assistance, but the AMP work has kept Brad busy this spring.



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**To:** The Honorable Peter Shumlin  
**From:** Joe Flynn, Deputy Commissioner of Public Safety  
**Date:** April 15, 2016  
**Subject:** Weekly Report

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Priorities:

Information Sharing Program (VJISS)

- Scoff

The Vermont State Police are formally joining the White House Police Data Initiative (PDI). In doing so VSP will become the first State Police in the Nation to participate, to date all other law enforcement participants are Municipal. This initiative is in support of the President's 21st Century Policing Task Force's report on effective policing practices. As a participant in the program VSP will be exposing sets of data to the general public that are consistent with PDI guidelines. The data sets are non-sensitive collections of information for public use regarding aggregate crime statistics. We are working with VSP to define the data sets that VSP will offer. The majority of the technical work to implement this is already done through the VJISS system. This is a fantastic opportunity for VSP/DPS to get some very positive public recognition in the areas of cooperative policing, transparency, developing public trust, and aligning our efforts with the work of the White House. DPS will be represented at a meeting on this at the White House on Friday, April 22, 2016.

Vermont State Police responded to a report of a disorderly subject at the state office building in Springfield; subject had made threatening comments. No one was hurt in this incident and the subject was arrested for Disorderly Conduct. Also, there was a threat of a known subject calling the Governor's office indicating he was purchasing a gun to protect himself from the state police.

Southern Tier Insulations hired by BGS to re-insulate the cooling pipes at headquarters, as part of the mold remediation, is doing an excellent job. They are working 7-days a week and are scheduled to be complete by the end of the month. To date DPS, BGS and the contractor they have accomplished this aspect of the project with very little disruption to the employees.

Administration

Trustin

Regarding VSP Vehicle funding from Transportation Fund there are two different drafts of language being considered. The latest version of the language reduces the amount to \$2.1M from \$2.5M. The Administration's version creates a new Special Fund in which the new TF is budgeted and tracked. AOT's version just adds an additional amount to the regular TF appropriation to DPS with some defining language. DPS believes strongly there should be a Special Fund in which to manage this new appropriation because of the issues of tracking proceeds from sales, encumbrances that cross over fiscal years, etc.

Maria Belliveau of Joint Fiscal Office requested information on the DPS cost information in S.241. I believe there is conflicting information being provided to JFO regarding the GHSP funds for the Lab's blood drug testing and the DPS's match requirement. Apparently, Chris Cole had told Maria that DPS could use "soft match" rather than requesting GF to cover the required 20% match on our federal expenditures. I explained to Maria about the complexity of GHSP's match requirements and that we were utilizing every allowable match source that we have available already, which is why we had requesting the additional GF. I believe that AOT is not fully aware of how GHSP match works and what has happened over the years with struggling to ensure eligible match is identified.

Pepper

We are proposing a waiver to the Federal Draw process and have drafted a waiver request letter to Commissioner Pallito asking we change our federal draw process from monthly to quarterly. The draw process is governed by an annual agreement between the State and the Feds along with a Finance & Management Policy that allows for a waiver by the Commissioner of Finance. The waiver will allow us to save a great deal of time which is critical at this point with our staffing/workload issues.

Interviews with 10 applicants were held this week with very promising results. We've had a number of impressive candidates and will be making a decision on this particular position opening by the end of this week. There are several candidates that we would consider making an offer to, so we are checking with HR to see if there is any way we can hire more than one position off of this current hiring certificate. We've had two other identical positions in the Financial Office open since this recruitment began, so it would save much time and effort if we could make multiple job offers.

CJS

Forensic Lab-

Backlogs (as of 3/31/2016):

- Blood Alcohol (0)
- Drug Chemistry (766)
- Serology (64)
- DNA (casework) (154)
- DNA (CODIS) (167)
- Firearms (38)
- Latent Prints (471)
- Arson (0)

We are still awaiting a report from BGS on remediating air handling issues in the VFL. Snorkels/hoods/bio-cabinets are inoperable/unsafe to use when air handling is down. BGS also working on lighting issues (sensors, switches, bulbs, amounts, etc.)

There has been further information from VOSHA since they conducted “a surprise” inspection of employee records mentioned in a previous Weekly.

#### OTM-

OTM is working with The Crime Research Group to formally initiate the creation of the Justice Information Sharing Steering Committee. Through all of our work with VJISS over the past year, we have discovered that the challenges we face in this work from a technical perspective, and not as difficult to overcome as the challenges we face from a policy and governance perspective. Sharing Justice Information is difficult business. There are several layers of complexity to consider – including things like individual privacy, and the integrity of ongoing investigations at the local level. Data policies are another major consideration that are perhaps the most difficult to overcome. The Justice Information Steering Committee will be comprised of key stakeholders across Vermont. The group’s charter will be to develop and implement consistent Justice Information Sharing policy that meets the collective needs of the Justice Community in Vermont as a whole.

Kristi Waits has been hired into the OTM Project Management position. Kristi currently holds the position of IT Manager for the Department of Education. Kristi has an extensive background in project management from a long career in the law enforcement and criminal justice IT world. She worked in this capacity in the state of Wisconsin for a number of years before relocating to VT.

VSP Body Camera Pilot -The Coban equipment is being tested now and the general feedback is not positive. Users prefer the Watchguard systems. There are still active discussions about how this project is going to be funded.

#### VCIC-

Along with Dale Crook from the Department of Corrections, participated in a taping of ‘You Can Quote Me’ on WCAX. The main point of focus was oversight of sex offender in Vermont. Feedback from observers of the show has been positive in nature.

The major event for most VCIC sections was the completion of the FBI triennial audit with a focus on the National Sex Offender Registry (NSOR), National Incident Based Reporting System (NIBRS), National Identity Services (fingerprints) and National Crime Information Center (NCIC). While formal responses have yet to be received the initial assessments are positive with a few areas needing policy updates or adjustments. Additionally VCIC staff notably viewed the process as an opportunity to ‘get it right’ rather than punitive or critical.

## DEMHS

Director testified at House Judiciary re Use of UAVs during emergencies.

14,816 VTAlert Total Public Users as of 4/7/16

VPR ran a story on April 8 regarding Irene Recovery continuing four years later:

<http://digital.vpr.net/post/more-4-years-later-vermont-still-repairing-damage-irene#stream/0>. WCAX ran a modified version of the story on April 10.

R+M Chief sent out an update via the FloodResilience listserv about how Vermont communities are progressing in meeting the criteria of the Emergency Relief and Assistance Fund (ERAF):

- 92% of Vermont communities participate in the National Flood Insurance Program
- 91% of Vermont communities have local transportation codes and standards which meet or exceed the 2013 VTrans template
- 89% of Vermont communities have up-to-date Local Emergency Operations Plans on-file with DEMHS. (note, however, that updated LEOPs are due by May 1, so we will likely see this percentage drop temporarily soon)
- 61% of Vermont communities have submitted Local Hazard Mitigation Plans (48% have received formal FEMA approval, and 13% have submitted plans which are currently under review and/or revision)
- 27% of Vermont communities have adopted River Corridor protection standards.
- When all of the ERAF criteria are taken into account, 52% of Vermont communities are now achieving a higher state share through the ERAF incentive program.

Two HMGP generator projects were awarded this week:

- Gifford Medical Center's Generator for a 30-bed Nursing Home, \$62,000.
- Stamford's School Shelter, \$34,000.

R+M Chief provided information to Rep. Lewis of Williamstown in response to an inquiry to Director regarding open project worksheets from DR4140 for which VTrans has not yet paid out state share.

## Fire Safety

The Division received \$5.2 Million in new plan review construction valuation collecting \$29,000.00 in fees.

The Agency of Natural Resources tested several private water wells adjacent to the Fire Academy and took a sample of water from the Academy office building. The office building is on public water which was tested 2 weeks ago with negative results thus this test should be negative as well.

Our brand new hazmat pick-up was declared a total loss resulting from the vehicle accident several weeks ago. According to David the insurance company for the driver at fault will only be paying \$10,000.00 for the truck which is over \$30,000.00.

Vermont State Police

A Troop

FF

21 Total Arrests, 6 DUI

17 Agency assists by Williston Troops to include assist to Milton PD with Fatal pedestrian crash on Rt 2 and assist Essex with pursuit.

Sex offender registry checks.

Troopers are investigating a burglary in Williamstown in which an elderly woman's home was destroyed by the suspect(s).

BCI

CSST activation in Springfield.

Sworn background assigned to Det Tpr.

Assisted CRCF with a possible sexual assault case. Jail has "victim" on video talking to other inmates on what to say to police when they come. Jail approaching "victim" asking if she still wants to make a report.

Report of a sexual assault. 15 year old female alleging she was sexually assaulted by her father when she was 9. Female interviewed and suspect interviewed completed. Male stated he did not remember this happening but if his daughter said I did he must have done it. Suspect arrested and lodged. Det/Tpr. assigned.

Assist MCU with follow up interviews related to Brownington Homicide investigation.

Assigned possible prostitution / labor case in Georgia. Female told friend she was prostituting herself to pay her rent. Friend called police to report incident. Investigation started to see if there was more to the allegation. D/Sgt assigned.

Assisted Grand Isle sheriff's department with suspect interrogation. Elderly male accused of touching her granddaughter.

Sworn background investigation / D/Sgt assigned.

Sworn background investigation / D/Sgt assigned.

CSST members assisted Burlington High School with Forensic Evidence presentations and crime scene processing.

NUSI investigating alleged sexual assault on a female from a pastor in St Albans.

NUSI investigating 16 year old female receiving sexual images of a 26 year old male from Wisconsin. Images are received while the female is in school. Investigation showed that three other females from the same school received pictures as well.

Suicide in Williston. Veteran suffering from documented PTSD called his girlfriend saying he was going to a better place. Investigators pinged his cell phone and located him in Williston on a dead end street. CNU and TSU were activated as the male had a gun to his head as he spoke to police. Negotiations took place for several hours until male shot himself in the head. Sgt Thomas investigated.

Threatening case in Montpelier. Male posted comments on social media and tagged numerous state agencies. This was handled the night previous by uniform. Male was threatening to take his own life and no direct threat to an agency. Male is seeking attention from law enforcement and anyone else that reads his posts. Possible 10-96 issues.

Officer Involved shooting presentation at Colchester PD.

Sex Asslt allegation that a 4 year old female was putting her hands down her 13 year old brother's pants. Interviews completed and allegation deemed to be false.

Untimely death of a 68 year old male in Waterbury. Investigation showed victim died of a self-inflicted gunshot wound to the head. Det. Sgt. investigating. Financial concerns for family believed to be the cause of the suicide.

Two female victims made allegation of sexual assaults from a dance teacher three years ago. The D/Sgt previously investigated this case when she was in the SIU. Victims were not ready to disclose at that time. They now were ready to talk. Interviews showed that the teacher brought the then 15 year old females to gymnastics meets throughout Vermont as well as other states and had sex with them. D/Sgt assigned case and obtained wire warrant for emails. Case continues.

B Troop

FF

19 Total Arrests, 8 DUI

Trooper identified three individuals involved in a camp burglary in Wheelock and arrested two individuals. One individual was arrested for burglary and the other as an Accessory (to the burglary).

Met with school staff and children at Barton, Orleans, Troy and Albany.

BCI

Follow up on Brownington Homicide for Major crimes.

Follow up on possible overdose death.

Background Investigations.

Evidence Room audits-individual Trooper evidence.

Assist Major Crimes /CSST with transportation of evidence to Maine for analysis.

Sex offender registry Check.

Derby, VT 45 yr old male with medical history. Autopsy Pending.

Newbury, VT 91 yr old female. Natural.

Aiding in Commission of felony- Habitual Offender.

Aiding in Commission of Felony.

Intake regarding Juvenile sending nude photos.

Reported Sexual assault involving a juvenile reporting she was assaulted by another juvenile.

C Troop

FF

13 Total Arrests, 5 DUI

Vehicles stop resulted in arrest of driver for DUI drugs. Driver gave a false name and came to the barracks the next day to retrieve his belongings and signed for them under the false name again and drove to the barracks with a suspended license and no insurance. More charges were added to include forgery, ID theft, and two counts of false info to LE. Traffic tickets also issued.

Consent search, ticket issued for possession of marijuana, K-9 assisted.

Tpr. pursuit and arrested the driver for DUI drugs, attempting to elude, gross C&N.

Tpr. arrested a suspect for unlawful mischief and aggravated disorderly conduct after the person smashed into a residence with a cast iron pan and confronted the homeowner re: property they were in dispute over.

Tpr. took a wanted person into custody.

Tpr. arrested a driver for excessive speed and reckless endangerment for high speeds on a back road.

Troopers will continue to assist in gathering information related to the numerous MV thefts that have occurred throughout Bennington County over the past two months.

Troopers assisted Winhall PD with Stratton Mt event.

Tpr. responded to a crash in Rockingham; arrested one for DUI.

Tpr. responded to a crash in Landgrove; it was reported the operator had left the scene; one was located and arrested for LSA and DUI #2.

Assisted Springfield PD with taking a subject into custody for an Attempted Second Degree Murder (stabbing) in Springfield.

Tpr. responded to a dispute in Cavendish; arrested one for Aggravated Domestic Assault.

Responded to a crash in Marlboro; reportedly a subject from the accident had run up into the woods; this subject was located and arrested for Violation of Conditions of Release (has 24 hour curfew), DLS, and Aggravated Operating without Owner's Consent; both occupants of the vehicle had been ejected and were intoxicated and both claimed someone else was driving (no witnesses to who was operator)

A complaint was made to Windsor PD about a suspicious vehicle. The vehicle was located, stopped on I91 south and the operator was processed for DUI.

Troopers responded to two separate complaints about possible suicidal subjects. Both subjects were eventually located and were okay.

Troopers assisted Royalton PD with a search warrant.

Tpr. is investigating a fatal motor vehicle crash that occurred on Interstate 89 in Bethel. Single vehicle crash, the operator was located outside of the vehicle with a head injury. At this time it is unknown if the operator was thrown from the vehicle or staggered out on his own.

BCI

Write up West Rutland stabbing interview of Timothy J. Pierro Sr. for weight of evidence hearing.

Assist Trooper Crick with suspect interview related to Lincoln Elementary School burglary investigation.

Assist uniform with cell phone search warrants.

Prepare for Laraway proffer.

CSST activation – Assist to Springfield PD.

SIU officer meeting with DSA Wygmans at SA office.

New case – 14 year old female reported she was touched by an adult male while riding in the back of a car. Investigation complete, no crime was committed.

Meeting with NYSP and Granville, NY PD to discuss Schaff missing person case.

Assisted Uniform division as well as Lanesborough, MA PD. with investigation into multiple burglaries, car breaks and frauds in the Bennington County area; multiple interviews conducted, consents searches and search warrant written. Many stolen items recovered and individual responsible is in custody.

Completed write-up for death investigation, correctional facility drug and suspicious cases.

Continue follow-up on 2003 sex offense.

Preparation for Rutland county Sex offender Registry checks.

32nd International Symposium on Child Abuse. Huntsville, Al.

D Troop

FF

14 Total Arrests, 5 DUI

Stopped a vehicle on I91 in Rockingham for operating over 100 miles per hour – arrested one for Excessive Speed.

BCI

Follow up/work on double fatal fire from Marlboro.

Search Warrant-Springfield- Executed house warrant for PREA Case.

Search Warrant- Dropped iPhone off at ICAC for Search Warrant (child porn case).

Suspicious / Luring child on-line (Cavendish).

Death Investigation, Wardsboro 63 year old female. Alcoholic suspected of choking on food.

Background Investigation – NY – Follow up phone interviews.

Sex Offense – Bethel – Interview with victim at Kurn Hattin.

Death Investigation – Bellows Falls – Assisted PD with suicide investigation. 20 year old male. BFPD reported the gunshot wound as suspicious and requested VSP assistance. Numerous BCI detectives responded.

Child Abuse Prevention symposium in Alabama.

Bethel Daycare, L&L w child, follow-up investigation on other children for possible victims and witnesses.

Sex offender, submitted subpoena to DCF for additional info for SA.

Submitted affidavit for assault at SSCF.

Submitted affidavit for L & L at SSCF.

TSU – meeting in Williston for new trailer purchase.

Death investigation call out in Hartland. 33 yr old male – GI bleed – medical issue.

ATF National Odor Recognition Test (NORT) for K9 in Boston.

OCME

13 autopsies/1 inspection

CSST training

CCU

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

Attended a three day cell phone training.

Current Cases: 8

Pending Cases: 3

New Cases This Week: 1

Polygraph:

7 Pre-employment polygraphs for OPD

Major Crimes Unit

Continued investigation into Brownington death (Smith). Meeting with OCME, review of autopsy findings/scene investigation/interviews. Wire warrants obtained.

Continued grand jury into Northfield homicide. Additional names identified, ATF/MCU teaming up to locate and serve subpoenas. Additional surveillance videos related to past gas assaults being sought.

Burlington OIS: All interviews completed, CSST materials completed, reports of investigation being completed, supervisor approval pending, entire case being formatted onto electronic format for submission.

Continued investigation into Bristol kidnapping with FBI/USAO. Numerous warrants/subpoenas out on multiple players cell records.



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*Justin Johnson, Secretary*

**PRIVILEGED AND CONFIDENTIAL  
MEMORANDUM TO THE GOVERNOR**

**TO: Governor Peter Shumlin**

**FROM: Secretary Justin Johnson**

**DATE: April 15, 2016**

**SUBJECT: Confidential Report to the Governor**

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**BUILDINGS AND GENERAL RESOURCES**

**Issue Updates:**

DEW – Barre – Security in OCS Space: AHS management followed up with tenants and will integrate their needs into the AHS field plan for all offices. Working on parking plan once DCF moves out of CP.

Vacant Space: Met on Central VT vacant space and working to determine next steps. Approximately 60,000 sq ft of underutilized space in Central VT. Estimates are in development by facilities to get the space reoccupied and reduce leased space. (110 State, 110 State, 144 State, Redstone are in the mix). Still concerned with how the space study plays out with this.

VTel at Mt Snow: Is in review and I believe this one along with the other “Commercial Carrier” leases belong in the “Department of Connectivity” that replaced VTA last session. The challenge is to get them to see it the same way!! No response from the Deputy or his Project Development Manager.

Randolph – VAEL – New Construction: Still reviewing the 50% Design Development Architectural drawings. The users are verifying equipment locations and space layouts. We are working with Jeff Lively on phasing issues within the CM Services contract. Preparing for the DRB hearing on April 26<sup>th</sup> with the new heat plant location. The draft Environmental Assessment was submitted to FEMA on April 5<sup>th</sup>. We expect their comments by April 25<sup>th</sup> which should allow us to publicly advertise for public comments and, hopefully, receive the FONSI (Finding of no Significant Impact) in May 2016. We are still targeting for April 15<sup>th</sup> as the date for our initial submission of the ACT 250 application.

**Status of Governor’s Priorities:**

House Corrections and Institutions Committee finished markup of the FY’17 Capital Budget Adjustment Bill and voted it out of Committee. The bill passed the House with little debate and is presently assigned to Senate Institutions Committee.

## **FINANCE AND MANAGEMENT**

### **Issue Updates:**

- 1) Held first round of interviews for the vacant Budget Analyst positions. We will likely interview other candidates over the next few weeks and are still hoping to have the positions filled by mid to late May.
- 2) Commissioner Pallito and Deputy Commissioner Ferland met with DHR staff on the recently released morale survey. A common theme in the survey is the lack of personnel evaluations. This is likely to be echoed in the SAO audit of personnel evaluations. We are making it a priority to provide timely evaluations and feedback to staff on performance and expectations.
- 3) Next week, Commissioner Pallito and Budget Director Emily Byrne are meeting with Michael Stratton, who was referred to F&M by the Governor's Office. Mr. Stratton wants to discuss his suggestions for utilization of lottery funding.

## **HEALTH CARE**

### **All Payer Model:**

**SIM/VHCIP:** The SIM Team is digging into our numerous deliverables that is due at the end of April: Year 3 Operational documents and Quarterly Report, plus Site Visit planning (The Feds will be here May 2-3). Our Core Team approved our final budget (performance period 3) this week and approved one last Practice Transformation project: supporting the Opiate Addiction Alignment work in Chittenden County.

### **Legislative Issues:**

**H.761 – Alignment on primary care provider quality measures--** Voted out of SHW on Thursday -- unanimous

**H.812—ACO oversight and protections--** Several changes from House bill made, including GMCB establishing health care guidelines, GMCB doing a report on how to improve Medicaid, GMCB doing a report on multiyear medicaid and aco budget. Robin and Michael worked with the committee and GMCB to eliminate or reduce these reports. Committee also adding further universal primary care study.

**S. 214-- No large employers in VHC--** passed out of HHC on Thursday. AoA supports.

**S. 216— Rulemaking around Prescription Drug Formularies—**HHC will be taking this up on Tuesday. AIDS Organization, which has been most vocal critic against changing the prescription drug limit has proposed an advisory committee, which may work for AoA and GMCB

**S. 243—Opioid Bill--** Robin testified in HHS on Friday morning in order to get the DHR study out of the bill-- DHR has determined that they cannot provide helpful information from their data re: effect of acupuncture on pain treatment. Committee is also changing DVHA's pilot-- DVHA looking at this change and weighing in.

**S.245—Notice of Provider Affiliations and Reimbursements to Recently Acquired Hospital Providers.** DVHA testifying on this in HHC on Friday. Committee determining whether they need to address provider-based payments or can take language re: provider-based payments out.

**S. 255—MCO Oversight**—HHC added several amendments-- including public participation for hospital board meetings. HHC will listen to further testimony on Friday and likely vote out.

**S. 256—Home Health Agency CONS**—voted out of committee -- no amendments

Employer Assessment in Misc. Tax Bill: Annie Noonan testified in SFC on Thursday-- requested later implementation date

Dr. Dynasaur Study & Universal Primary Care Study: SHW putting language into H.812-- either a low-cost or no-cost plan for universal primary care

## **HUMAN RESOURCES**

### **Legislative/Policy Update:**

Testified on H. 111 (confidentiality of grievance decisions) in Senate Gov Ops. We worked on this language with VSEA and the VLRB. All are in accord.

Labor Board decision on last best offer due April 21<sup>st</sup>.

Senate Gov Ops voted out an amendment to H. 434 which would prevent Administration from outsourcing Worker's Compensation function. We gave heads up to Senate leadership that we opposed. Appears bill will now go the Senate Appropriations, and we hope to keep it there.

### **Significant Events/Meetings:**

VTNR production system went down along with it all testing environments on Wednesday morning 4/6. It was down for two full work days. The issue we were told was hardware specifically controllers again, the same issue as December. This failure makes the second time in approximately 3 months that we lost system access for more than a 24-hour period. The DII ERP Team is still in the process of bringing up 4 of HR databases where testing and configuration work occur prior to being implemented. The File Transfer Protocol (FTP) Server remains inoperable and will likely not be working until April 13, 2016. The FTP server allows the VTNR system to communicate via files with partners such as BCBS, Express Scripts, AOT and AHS. At this time during the Pay Cycle, the biggest impact is to AOT. This system also holds all recruitment file attachments (i.e. resumes applicants upload) – we lost over 300 attachments but are able to contact all applicants to rectify.

Changing how we code AAGs vs non AAG staff attorneys in order to have good indicators in our system as to who are sworn AAGs directly reporting the AG office, and who are outlier staff attorneys. This will be important as it appears there will be a study over the summer (in draft budget bill) regarding proper balance of AAG v. non AAG attorneys.

Coordinating with Risk Management on review of RFPs for possible outsourcing of Worker's Compensation function. This is a controversial subject with the legislature and we have been assisting Risk Management as needed.

Classification Study: Working to schedule the employee meetings with the Consultants. The meetings will take place April 26, 27, and 28 and will include VSEA.

Public Service Recognition Week announcements went out this week re: cross Agency team award recipient. Event is scheduled for May 2 at Capitol Plaza.

Conducting investigation in anonymous complaint that employee of health care reform office directed deletion of emails. Complaint went to Secretary of State and State Auditor. Complaint assigned to investigator and we are following normal investigative protocol.

Briefed the AHS Deputies on the impact the paid sick days bill will have on the State.

## **INFORMATION AND INNOVATION**

### **Significant Events/Meetings:**

#### DII Testimony:

- Commissioner Boes testified to Senate Institutions on Tuesday using Legos as an analogy for the software components for the health service enterprise (HSE). This was follow-up testimony to his testimony previously to House Corrections & Institutions and House Health Care. All were very well received and AHS is now leveraging the Lego analogy for their testimony as well.

### **Evolving Issues:**

#### Web Updates:

- The Department of Environmental Conservation has completed its new site and has requested that it be made live. It will launch on 4/18.
- The new ANR Climate Change Website has been moved to the live server and will be launching in the next week.
- Training for the Treasurer's Office Website has been scheduled for 4/25 and 4/27.
- A meeting of the Web Portal Board to discuss the contract extension and amendment was held on 3/11. A vote on the amendments was postponed so that language could be added addressing what would happen if a service for which fees were prepaid was cancelled before launch. The new language is now with the AGO. Once language is agreed by both parties a vote on the amendment will be held electronically.

#### Project Updates:

- **ANR Parks Reservation, Accounting & POS System** – The ANR resources are looking at understanding how to move forward in the next two years post a falling-out with a contracted vendor. Work for this project will require timing and is focused during the parks "off season".

ANR will be reevaluating current work to be completed against work issued through a RFP and contract.

- **TAX ITS** - Development for Phase 3 (Personal Income Taxes) starts next week. This week they obtained sign-off from the team and key stakeholders on the Data Migration Plan and Phase 3 Requirements.
- **AOT Learning Management System:** Finalized Master Contract, all parties have signed. Received approval from AOT legal to process with SOW; finalized initial project implementation team.
- **VOIP Implementation** – This week the team achieved the first project objective, completion of the Waterbury State Office Complex implementation. There are approximately 800 users on the system.

## TAXES

### Legislative Update:

Miscellaneous Tax Bill: Word is that Finance will be pushing out the bill next week. Hoping for more clarity this afternoon on what they intend to put into it. Sen. Ashe was looking this week into whether we should have a reciprocal refund offset program with other states for unpaid traffic tickets – just the sort of distraction with unclear payback that our small staff would rather not be burdened with. Also murmurings that some would prefer for Tax to collect the employer assessment rather than DOL – that would be another challenge, likely impossible before the end of our current IT project (actually much more complex than a straight payroll tax to administer). Rep. Ancel continues to assure folks that she will move the Estate Tax reform through the senate bill, but no sign of the committee taking it up – so will be interesting whether the Senate sticks it onto the tax bill.

### Operations Update:

Tax Season: Refund Fraud: The Town of Essex appears to be the latest victim of this season's phishing scheme where town staffers responded to an official looking email seeking personal information on its employees. The IRS warned of this scam back in March, with the emails often directed at HR professionals and purporting to be from the business or organization's top executive. Tax practitioners have also been targeted. The problem is that we aren't learning of the breaches until after the employees have been notified, and fraudulent returns are getting to us quicker. We intend to put out a statement to some of our list serves to both warn against the scheme, and ask that we be notified so that we can flag employee accounts.

VTax Project: Our consultant from MA spent Monday here debriefing with staff on the just completed phase 2. We always get a great deal of information from him since he is leading MA's effort, which is proceeding on the same track. He will also prepare a full report on lessons learned to apply to the next phase.

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Patrick Delaney, Commissioner**  
**Date: April 15, 2016**  
**Re: Weekly Report**

**Vermont Department of Liquor Control**

**Legislative Issues/Contacts/Updates:**

The House General Committee took up S.250 on April 8.

Senate Finance took up H.872 on April 8.

We meet with House Appropriations 4/15 to provide a Department overview and plans for the future of the Department.

**Press Issues/Releases/Contacts:**

4/13 Board Hearings included two cases prominent in the news: Zen Lounge and Agony LLC. Media were present for the testimony.

The Zen Lounge hearing proceeding took up most of the day. The board will be reviewing the hearing findings and make recommendations for proposed action. Overall the State's case was not particularly strong and compelling evidence to support the points of the hearing were lacking.

The agony LLC Media case hearing was postponed until next month's meeting

**Significant Events/Meetings:**

The House Appropriations Committee visited DLC on 4/13. They toured the Warehouse and observed some testimony at the Board Hearings.

We continue to plan for an open house event for Legislators with office and Warehouse tours, as well as question and answer sessions; we have a tentative date of April 22.

The Department's next Communication Committee meeting is May 9<sup>th</sup> for Liquor Agents. Topics will include on-going discussions on store evaluation criteria, retail contracts, new special order criteria, and shipping manifest policies and procedures, surety bonding, POS concerns, and new listing codes, programming,.

**Summary of Key Department Activity:**

*Agency Issues:* The Department has identified a new agency contractor in Pownal. The ownership of the building which houses the store will require some renovation which will result in a temporary closure. The new owner should be on board in 3-5 weeks.

The Bradford Agency Contract has been awarded to the Hannaford supermarket.

The Brandon Agency contract is being extended for 60 days to allow for review of applicants for the new Agency contract.

Department staff:

Deputy Commissioner Gary Kessler is working on a review of Warehouse positions with respect to classification.

*Staffing:*

Two Warehouse positions are in the final stages of recruitment, with one new Warehouse Worker starting Monday April 18.

*IT POS system:* We are continuing to work on the RFPs and other State required paperwork to restart the POS and retail projects. We hope to have this completed for the POS project and out to bid by the end of the month.

*Licensing:* The fee bill appears to be progressing with a 9% annual increase planned on all of our licenses.

A new license for off premise retailer delivery of wine and beer to adult Vermonters appears to be progressing.

Addressed issues with the house Ways and Means for the creation of a Master Resort License.

**Commissioner's Commentary:**

I visited five additional agency stores in central Vermont on Thursday April 14.

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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:**

**Secretary's Top Issues**

**Vermont Ag and Environmental Lab floor plan review**

The floor plans for the new lab building in Randolph were reviewed this past week by lab staff and CannonDesign for the placement and specifications lab hoods and vented equipment. This information will be used to prepare a set of plans for final review that are expected to be released before the end of April.

**Classification of food residuals brought onto farms**

The VAAFM continues to work with the DEC Solid Waste Division to draw clear lines regarding the regulation of food residuals being brought on farms. The VAAFM is developing its position, clarifying with DEC its regulatory jurisdiction, and outlining the type of assistance it can provide to implement universal recycling in Vermont as it relates to diverting food residuals. The VAAFM is not opposed to farm operators importing food residuals, but the VAAFM is clear that in most instances importing this material to farms and feeding to livestock does not make it an animal feed, constitute "farming", or an activity regulated under the VAAFM's Required Agricultural Practices.

**PFOA Update**

Three samples of maple syrup from the N. Bennington area were tested for PFOA by our organic chemist, David Crosby. The results of testing for all three samples were below the detection limit and below the screening level set by the Vermont Department of Health. Also, the VT Ag and Environmental Lab is standing by to develop methods for the detection of PFOA for soil, water and other agricultural products, if needed.

**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 289 farms have been fully surveyed and approximately 69 farms are left to survey as part of this effort. The following number of farms were surveyed within the last week as part of the survey initiative:

- 8 SFOs
- 2 MFOs

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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:**

**Status of Governor's Priorities:**

**Legislative Activities and Issues:**

The Agency of Ag monitored testimony on the Energy Siting bill S.230 in House Natural Resources. Margaret Cheney of the Public Service Board testified on concerns she had with the bill. Relative to primary agricultural soils a couple of issues were raised on how the 9(B) criteria would be applied in the PSB proceedings, and VAAFM involvement was noted in projects for roof tops, which would not be necessary because soils would not be impacted. It was clear from the testimony that issues remain on the bill that passed out of the Senate. Brian Shupe of the Vermont Natural Resource Council testified this week as well. Among his comments it included

Stephanie Smith met with Rep. Carolyn Partridge and Harvey Smith on two separate occasions to discuss H. 779. Rep. Smith was interested in more information about municipal regulatory authority and shared the types of uses he thought fit into a diversified operation. Rep. Partridge wanted commitment from the VAAFM, VNRC, VPA, VLCT between the end of this biennium and the beginning of the next to continue discussions and craft language that would support the diversification of farm operations. Certainly the VAAFM is committed to continuing discussions and informed the Chair of this commitment.

**Press, Marketing and Communications:**

Henry Marckres, Chief, Consumer Protection, was interviewed by Lisa Rathke of the Associated Press on the maple season.

**Evolving Issues:**

The floor plans for the new lab building in Randolph were reviewed this past week by lab staff and CannonDesign for the placement and specifications lab hoods and vented equipment. This information will be used to prepare a set of plans for final review that are expected to be released before the end of April.

**Summary of Key Agency Department Activity**

**Administration:**

**Land Use**

The VAAFM continues to work with the DEC Solid Waste Division to draw clear lines regarding the regulation of food residuals being brought on farms. The VAAFM is developing its position, clarifying with DEC its regulatory jurisdiction, and outlining the type of assistance it can provide to implement universal recycling in Vermont as it relates to diverting food residuals. The VAAFM is not opposed to farm operators importing food residuals, but the VAAFM is clear that in most instances importing this material to farms and feeding to livestock does not make it an animal feed, constitute "farming", or an activity regulated under the VAAFM's Required Agricultural Practices.

Agency staff met with farmland conservation partners to discuss the Governor Approval and Acceptance of an Executory Interest in Development Rights process. The change in the Agency's legal interest necessitates changes in much of the

documentation associated with this process. All parties are interested in making sure these first few farmland conservation projects move forward smoothly.

### **Agricultural Development:**

#### **Produce Program Team Meeting with Vermont Department of Health**

- Produce Program Team—Abbey Willard, Shelley Mehlenbacher & Kristina Sweet—met with the Vermont Department of Health (VDH) Food & Lodging Program to discuss coordination and collaboration during Food Safety Modernization Act (FSMA) implementation
- The group discussed water testing requirements for farmers and potentially working with the VDH lab to provide water test kits to farmers.
- The Vermont Agency of Agriculture & VDH will continue to discuss possible shared authority or delegated authority so that Agency of Agriculture produce safety inspectors could also inspect on-farm manufacturing/processing that may be subject to VDH's food manufacturing rule and/or the FSMA Preventive Controls for Human Food Rule.
- The group also outlined a plan for developing resources to clarify when and where each agency has authority over a food or process, as, for example, producers are often unclear about who regulates a manufactured product containing meat.

#### **Produce Program Coordinator Participation on Farm to Plate Working Group on Aggregation and Distribution Panel**

- Produce Program Coordinator Kristina Sweet participated on a panel with representatives from UVM Extension and the National Sustainable Agriculture Coalition to discuss how FSMA will impact Vermont's food system, and in particular food aggregators and distributors.
- The group discussed ways to educate wholesale buyers about FSMA and to work with growers to integrate planning for possible FSMA compliance into business planning, stressing the importance of collaboration with both farms and buyers to facilitate the adoption of food safety practices that are reasonable for small scale agriculture.

#### **Produce Program Team Submits Letter of Intent to FDA for Cooperative Agreement to Enhance Produce Safety in Preparation of Implementation of FDA's Rule: Standards for the Growing, Harvesting, Packing, & Holding of Produce for Human Consumption**

- This cooperative agreement will support Vermont in the development of a state produce safety program to implement the FSMA Produce Safety Rule
- The letter of intent expresses the Vermont Agency of Agriculture's intent to apply for cooperative agreement funding. The Agency will submit a full application for funding by June 3, 2016.

### **Food Safety and Animal Health and Consumer Protection:**

#### **Meat Inspection:**

- The Meat Inspection division was contacted by USDA for an update of H860.
- The Meat Inspection division was contacted by USDA in relation to our annual audit, asking clarification questions.
- Asst. Veterinarian Dr. McNamara set up the account for interpreter assistance for LEP persons for the meat inspection admin staff and field compliance officers.
- Shaw's supermarket in Waitsfield received a Notice of Violation for mislabeling of ground beef fat percentage.
- New York Ag Dept. contacted VT compliance officer to inquire about Vermont state-inspected deer being transported and offered for sale in NYC. This is allowable since it is voluntarily inspected by the equal-to VAAFM meat inspection program.

#### **Dairy:**

- The dairy lab is 'test driving' former DEC lab's laboratory information management system (LIMS) to digitize and manage milk quality sample data. This is a big step for the dairy lab, which has used paper records up until this point. Thanks to Wendy Blackman, Kristen Needham and Anne Charbonneau for their hard work and patience. One of the benefits of using LIMS is that results can be automatically imported into AAFM's Food Safety database, replacing manual entry.
- Dairy Section continues to perform required regulatory activities and to pursue enforcement actions as warranted.
- Farm and plant inspectors continue to do their assigned duties.

- USA Food Safety is still being modified to meet our needs. The farm and plant inspection parts are functioning. Now working on the auto generated licensing.
- Three Dairy Plant inspectors conducted a Pasteurizer Operator training course on April 13. This was hosted by Agri-Mark at their plant in Middlebury. Employees from 4 other plants also attended.
- The VDPC met this week to review the use of moneys expended. This is a promotion program funded by VT Dairy producers.
- Greg Lockwood attended a FSMA training in Swanton that was sponsored by Vermont dairy processors. It was very informative and will be sharing his new knowledge with the other VT plant inspectors.
- Four small dairy processors ceased production, but two new small processors have been added.
- Three USPH Check Ratings were conducted on processors by our Regional Milk Safety staff out of Albany, NY. All scored well.

### **Agricultural Resource Management:**

- Three samples of maple syrup from the N. Bennington area were tested for PFOA by our organic chemist, David Crosby. The results of testing for all three samples were below the detection limit and below the screening level set by the Vermont Department of Health.
- VAEL is standing by to develop methods for the detection of PFOA for soil, water and other agricultural products, if needed.

### **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 289 farms have been fully surveyed and approximately 69 farms are left to survey as part of this effort. The following number of farms were surveyed within the last week as part of the survey initiative:
  - 8 SFOs
  - 2 MFOs

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

- Staff conducted a vegetated buffer check on a MFO in Franklin County and discussed vegetative buffer requirements with the farm owner.
- Staff responded to a complaint about a LFO spreading manure in the flood plain in Franklin County. After responding to the complainant and contacting the LFO owner it was determined that the farm was not spreading manure and was transferring manure to another manure pit for application at a later date. No site visit was conducted.
- Staff conducted interviews with eight (8) applicants for open Agriculture Water Quality Specialist positions. We are currently setting up second round interviews and following up with candidates.
- Staff met with several partner organizations to discuss nutrient management planning (NMP) efforts and strategies to help farms develop NMPs. The goal is to find ways to hasten NMP development for SFOs that will be required to have a NMP as a result of Act 64. Partners included VACD, UVM Extension, ANR-DEC and the NRCS.
- 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. We are currently working on enforcement actions, permit fees and payments, data tracking and data migration. Releases to the staging environment have allowed for continued testing.

### **Conservation Reserve Enhancement Program (CREP):**

- Staff visited two (2) SFOs in Orleans County.
  - One visit was to delineate/flag out a CREP buffer

- One visit was to meet with a farmer to discuss fencing, pipeline and tubs as a BMP in an area adjacent to a CREP buffer where fence not originally needed.
- Staff visited a SFO in Orange County to meet with 2 contractors to get estimates on the cost of repairing a cattle laneway.
- Staff travelled to a SFO in Lamoille County to assess livestock exclusion from surface water as well as BMP solutions for a barnyard. The visit was conducted with ARM Division engineering staff.
- Staff visited three (3) SFOs in Orange and Caledonia Counties to meet with CREP tree planting contractors. The visits were pre-planting coordination meetings to discuss CREP implementation.

**Secretary's Comments:**

- **Avian Influenza** – Still no reported issues.
- **Water Quality** – Agency continued to meet with interested stakeholders regarding comments and concerns with the RAPs. Agency is in final process of completing draft RAPs for the submission to formal rule making. Submission likely to be next week. This submission will enable Legislative Rules Committee to make a decision on RAPs by mid-September.
- **Food Safety Modernization Act (aka FSMA)** – VAAF staff continue to work with the Legislature on legislation that will enable the Agency to serve as the state partner to FDA on the implementation of FSMA.
- **Meetings** –
  - Vermont Dairy Promotion Council – met with the Council to review various work products and get updates from organizations promoting dairy. Spent over an hour discussing Water Quality issues.
  - Vermont Agriculture Environmental Lab (VAEL) governing board – met with Board to review and update progress on Lab construction and operations. Lab continues to be on track for March 2018 opening but there are also continuing risks from appeals of local and state permits.
  - Monthly internal Agency review of enforcement actions
  - Work with DEC on water quality matters and coordination at staff level

Sent from my iPad