

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

Sent: Saturday, July 16, 2016 10:29 AM

To: GPS

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

Subject: Weekly Reports - Executive Privilege 07 15 16.pdf

Attachments: Weekly Reports - Executive Privilege 07 15 16.pdf; ATT00001.txt

Highlighted Weekly Attached.

EB5 updates in ACCD and DFR.

Sarah check out ACCD item about VW settlement. If there is an opportunity to decide how to use these funds including more charging stations I'd like our office to be involved. Can you check on status with AG?

Lampricide update in Health section. Deb M has spoken with Leahy office about this.

Gov - see item about Quechee suicides in VTrans.

Hermitage Act 250 filing to separate project into phases was rejected. They said they are considering options.

Scott, Sue, Sarah and Justin notes in here for all of you.

Thanks,
Darren

WEEKLY REPORTS

Checklist
7/15/16

Darren Springer

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

Sue Allen

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

Sarah London

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

Jessica Gingras

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

Laura Gray

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

James Pepper

- Department of Labor – Annie Noonan

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

PATRICIA MOULTON, SECRETARY

GOVERNOR'S PRIORITIES:

- It's been a busy week between transition announcements and EB-5 press.
- **EB-5:** We have reached an agreement with **Southface Village** at Okemo and they have signed a new MOU. We worked out appropriate security for investors which we believe will work as a template for other projects.
 - **On Stowe Aviation**, we are still having strategy discussions. We have not issued a revocation letter and won't be this week. More discussions with Pieciak required.
 - **USCIS:** Late last Friday we received a request for information (RFI) from USCIS pertaining to Jay Peak and Selden. This appears to be a standard request to get records in order for them however they are asking for a lot of detailed information about flow of funds, job creation and more. This request does not seem to have any relationship to our letter regarding Jay Peak investors and pooling to enable green cards. However, there is an art to responding to these RFI's, and we need to engage experienced EB-5 legal counsel. Joan Goldstein has some carryforward in her budget we will ask to retain for these purposes. We also need to be coordinating but not in lockstep with the Receiver on this. Many legal issues to sort out with this RFI so we will be working with DFR and AG.
- **Commonwealth Dairy:** I spoke to Tom Moffitt to assure him my transition will not interrupt his expansion plans. He indicates he cannot "read the Germans" and so he really won't know their reaction to our offer until their board meeting August 10 and 11. We have straightened out the pump station replacement and upgrade between Federal highway and the town. We expect an \$80,000-\$100,000 short fall on what Federal highway will pick up, which we will pick up with the Windham county funds. This will be a grant to the town as part of the pump station upgrade so there is no cost to Commonwealth.
- **NBRC:** We have reviewed all 22 NBRC applications we received, and are forwarding a great list of projects to the Governor for discussion with the other Governors. I'm recommending we do a presentation with Laura, Darren and/or the Governor if you would like. There are a lot of applications, a lot of nuances to applications, and most recommendations for award have been trimmed from their original request with good reason. I will follow up with Darren to ask how he would like to proceed.

Fred Kenney reports: The VEPC Board met on June 23 and took the following actions:

- Gave initial approval of VEGI incentives totaling \$126,593 for Bariatrix Nutrition for employment growth at their Georgia plant.
- Gave initial approval of VEGI incentives totaling \$459,430 for Caledonia Spirits for an expansion including a new facility in Montpelier, new employees, and machinery and equipment.
- Gave initial approval of VEGI incentives totaling \$876,046 for Chroma Technology for an expansion of facility in Bellows Falls, new employees and machinery and equipment.
- Terminated incentives approved for Revision Military (Essex) due to failure to meet performance requirement.
- Approved a minor boundary amendment to the South Burlington TIF District.
- Additionally, the Council broke into two subcommittees to start consideration of policy questions required by Section H.13 of Act 157.

WCEDP

- Finalized loan terms and conditions for loan to **Schoolhack Solutions**. This is the start up developing software for personal learning plans. We are making them a \$350,000 loan from WCEDP funds. As a software start up, it is high risk but with huge potential. We have a personal guarantee on the loan.

LUCY LERICHE, DEPUTY SECRETARY

- **Vermont Association of Planning and Development Agencies Retreat:** Pat and Lucy were asked to spend an hour at the retreat for a conversation about ACCD's working relationship with the RPC's. There had been a fair amount of tension building between Noelle and a number of the RPC Directors. This was a chance to clear the

air, and work toward better collaboration moving forward. In a nutshell, they would like more flexibility in their contracts, and better collaboration. They were complimentary of the Shumlin Administration with regards to improvement in silo busting, but remarked that ACCD could still do more in that regard within our own Agency. Lots of other details, so let Lucy know if you'd like to know more. She and Pat will be having a follow up meeting to further discuss.

- **Downtown Board—Johnson:** Heads up, the Town of Johnson is asking for an expansion in their village center designation, which will not be recommended to the Board, and is unlikely to be approved. The request does not meet the definition of the program.

KIERSTEN BOURGEOIS, SENIOR PROJECTS MANAGER

Vermont Quebec Enterprise Initiative

- **Sherbrooke Event:** Planning is well underway for the Sherbrooke B2B event that is being planned for late September. We are working with the Vermont Brewer's Association, as well as individual companies, that are interested in selling products in Quebec. A big focus of the event will be to clarify rules and regulations and try to eradicate the misconceptions about doing business over the border.

Brownfields

- **\$\$\$\$\$:** On Wednesday, I learned that EPA awarded \$500k to our RLF. This is the highest award given in New England and nationwide, there were only a few other jurisdictions that received that amount, which is the maximum. With this funding, we will support four projects that have already been identified. Over the past three years, we have secured \$1.7million in funding to support brownfield remediation projects around Vermont. Nearly all of our funding has been committed, and we are looking forward to the next round of funding already.
- **Pownal:** Working with EPA, we finally have approval to fund the Pownal Dam project that is being developed by Hoosic River Hydro. This is the same team that worked on the former Vermont Tissue hydro project in North Bennington.

Other

- **Clearpath:** Followed up on another lead from SelectUSA with a conference call earlier this week. Clearpath is a robotics company that is looking to establish a US presence within a year or so. They are not interested in talking about ANY incentives at this point, that will happen when they narrow their search further. Of greater importance to them is a welcoming community, relationships with colleges/universities that offer curricula in ME/EE and CS majors. Clearpath is based in Kitchener, ON and their customers include John Deere and GE. They would create about 50-60 jobs here to start and are interested in the Chittenden County area.
- **CS Canada:** Sent a follow-up note to this company that is interested in either Chittenden or Windham Counties. This was another SelectUSA lead and the company presently has facilities in Quebec and Connecticut. Given the summer holiday schedule in Quebec (construction holidays), it may take some time for them to get back to us.

KEN JONES, ECONOMIC RESEARCH ANALYST

- Ken Jones (supported by a high school intern) submitted a data enhancement to the EAN dashboard as a prelude to its roll out for supporting community energy planning. EAN is a recent recipient of a grant from VLITE to support this effort that will be coordinated with Regional Planning Commission regional energy planning. The data enhancement provides each Town and City a profile of its recent home heating fuel use. This information will help those towns consider the opportunities for local energy programs.
- Net Zero Vermont announced the start of a design competition that invites architects and community planners to provide visual images of redevelopment in Montpelier. The intent is to convert some of the existing land used for parking to more productive residential and commercial applications. The designs will also describe how transportation options can reduce the current parking demand. Early submittals will be reviewed by City residents in September with finalists presenting more detailed designs in November. This project is a part of Montpelier's effort to achieve a Net Zero energy goal by 2030 and resulted, in part, from discussions sponsored by Leif Rasmussen, a Vermont Law School intern who convened local businesses in discussions about how to make Montpelier a global leader in working to a clean energy future. The financial support for this design project was provided by several of those meeting attendees.

CHIEF MARKETING OFFICE ♦ Heather Pelham, Chief Marketing Officer

- **Creative Services:** Draft layouts for the redesign of the biannual 'Fishing Regulations' guide were presented by Vermont Life and the CMO to Fish & Wildlife this week. Erin designed new treatments for feature stories, sidebars, complex charts and map resources, all with an aim to make the content more visually appealing, clear

and engaging for the reader. The mockups were very well received, keeping the project on schedule for final content to be delivered and full layout of the 96-page publication to begin in early August.

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

• VCGI Projects and Technical Support Services

- **VT Open GeoData Portal:** The project team is hoping to release a Beta version of the site to a select group of internal stakeholders for review, but we are dealing with some technical issues that have to be resolved first.

DEPARTMENT OF TOURISM & MARKETING: Megan Smith, Commissioner

- **Northeast Kingdom Regional Marketing:** Megan attended the Northeast Kingdom Regional Tourism Marketing meeting, that came about due to the resignation of the longtime Executive Director of the Northeast Kingdom Travel and Tourism Association. The gathering included all the chambers, the NCIC, Kingdom Trails and two representatives from the Northern Forest Center. The meeting was very productive and we discussed how the NEK could once again collaborate with each other and with VDTM on marketing initiatives. Joe Short, Vice President of the Northern Forest Center, shared the success they have had in Maine and offered to write a similar grant for Vermont to use to get the group back on track. Megan will be supporting the grant process by reaching out to her counterpart in Maine to discuss their successes.
- **Bringing Journalists to VT:** Megan continues to work with the Northern Forest Canoe Trail and the “Trail Town” group to bring journalists to the region. The hook for journalists seems to be the cross border cooperation with the outfitters in Quebec.
- **Stowe Area Association Transition:** Longtime Executive Director Ed Stahl will be retiring at the end of this year. Ed is also the chair of the Travel Recreation Council. The organization is doing a huge revamp with a new board and seemingly a new direction. Megan has been helping this small working group.

MARKETING ♦ Patrick MacCormack, Digital Marketing Coordinator

- **ACCD Email Template:** Members of ACCD have been discussing a consistent look and feel for email marketing campaigns that are sent from departments within the agency. Departments have expressed interest in adopting the current design of VDTM’s Commissioner’s Email Newsletter. The goal is to utilize MailChimp’s drag and drop template designer offered through their interface and recreate the Commissioner’s Newsletter look and feel.

SALES ♦ Kathleen Kolva, Sales Manager

- **Simplified Bid, Canadian Promotion Services:** Bidder inquiries and corresponding responses were emailed to all bidders for the State of Vermont Simplified Bid Opportunity: Promotion of Vermont Tourism to Canadian Consumers & Travel Professionals.
- **Sterling Ridge Resort:** Kathleen conducted a phone conference with the Marketing Manager for Sterling Ridge Log Cabin Resort in Jeffersonville. This resort is located on 372 acres and features 23 secluded rustic chic cabins, as well as exclusive Field & Stream Dream Cabin and the Mansfield House. They are starting to market themselves internationally; Kathleen advised on partnership opportunities for 2017.

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

- **Advertising:** Chris has been working on sales for the Winter 2016-17 issue. Sales for the issue are strong already, with the back cover and inside front cover sold. We have partnered with VDTM for a Winter Recreation Guide using their sponsorship to offer clients a 30% discount. Our first client for this program was closed this week with the Burke Area Chamber of Commerce for a full page ad reservation. Also working on sales for Fish & Wildlife Guide as well as continuing calendar sales calls.

- **Social media:** We have had a few big hits lately on social media, and also finished awarding prizes for the



#myvermontlife contest.



DEPARTMENT OF ECONOMIC DEVELOPMENT: Joan Goldstein, Commissioner

- **VTC Working Families Grant:** DED was written into this USDOL grant so we will receive 25k per year for 4 years to help fund an employer liaison position at the department. This dovetails nicely with our efforts on the workforce needs assessment. VTC will partner with AHS and others to get the cases where families have significant barriers to employment and DED will work with employers that have openings.
- **Workforce Needs Assessment:** Visiting Husky Injection Molding Systems today, team was at Addison County HR roundtable this past week and will be in Bennington for the BCIC/BRPC meeting Friday.
- **Southwestern Vermont Medical Center:** Met with CEO Tom Dee and his Director of Planning. Their recruitment of providers: primary care and physician assistants continue to be a challenge. They are investing their own resources and are part of the Greenberg block project with other Bennington partners to enhance the housing availability. Additionally, they have purchased several rundown housing properties with the idea to renovate them and resell to employees who are unable to get into the housing market. This is in part an employee recruitment and retention boost but also a community revitalization effort.
- **ED Marketing Plan:** When we met with Dynapower last week, Adam Knudsen mentioned that when they do employee recruitment from outside Vermont they spend about 25% of their time selling Vermont. He fully supports our marketing efforts and is willing to be interviewed, videoed, etc. to help sell the state as a great place to do business. He is especially appreciative of the Vermont Training Program funds and is ready and willing to testify to that effect at any time.
- We are sponsoring the **Wings over Vermont** airshow in August. Will be inviting businesses in the aerospace cluster amongst others. Will have opportunities to promote Vermont as a great place to do business. Will have exhibit booth, place for B2B meetings, and viewing deck.

BUSINESS SUPPORT - Economic Development ♦ Jared Duval, Director

- **2016 VT NBRC Overview:** (Note, these numbers are revised from what was reported in previous weeklies, based on updated information.) We received **22 NBRC applications for Vermont** – a 60% increase from both 2014 and 2015, which each saw 14 applications. **Total requests (approx. \$3.7 million)** are a little over twice the **available funding (approx. \$1.86 million)**. If we were able to fund all 22 projects, estimated job creation and retention would total **543 jobs**. Total matching funds for these 22 projects are about \$8.75 million, with a mean average leverage ratio of 2.37 (for every \$1 in NBRC funds invested, it would be matched by \$2.37 in applicant funds, in-kind, and/or private investment). The **average grant request is approx. \$170,000**. We will likely be able to fund somewhere between 10-15 of the total projects, depending on prioritization and possible partial funding awards.

VERMONT ECONOMIC PROGRESS COUNCIL ♦ Fred Kenney, Director

Vermont Economic Progress Council

VEGI

- OpEd regrading VEGI and layoffs was carried by Free Press, Times Argus, Rutland Herald, VT Digger, and Addison Independent.
- Continued to work with the following regarding potential applications: Westminster Cracker (Rutland), IBEX (WRJ), Black River Produce (Springfield), SoyCo (Lyndon prospect), NuHarbor Security (Burl), Inntopia (Stowe), MSI (Morrisville), Precision Composites (Lyndon).
- Provided PreApplication estimate to Commonwealth Yogurt (Brattleboro).
- Met with Kinesys Technology (Canada), Cadcut (Montpelier), Citizen Cider, Burlington Bytes regarding potential projects.
- Sent program information to CS Canada, a company considering expansion that staff met at SelectUSA event in Washington, DC.
- Recruited experts for VEGI Policy Reviews required by Act 157.
- Continued preparation of 2017 VEGI application including testing.

Tax Increment Financing Districts

- Received notification from State Treasurer that education property tax revenue prematurely retained by Burlington Downtown TIF District has been paid by City of Burlington to Education Fund.
- Continued OTV certification work with all TIF Districts.
- Held quarterly TIF meeting with Tax/PVR.

VT PROCUREMENT TECHNICAL ASSISTANCE CENTER ♦ Robin Miller, Director

- **Sawabini & Associates LLC – Shelburne:** Mary & Wadi wanted to contact Babette to thank her for her assistance. They submitted a contract that Babette reviewed and provided them with some feedback. They had not heard anything back for the longest time, and it came to light when they finally touched base that the government was waiting to see if they would receive another bid for the rule of two. That being said they did not, then contacted Mary and Wadi, provided them with a contract for 2 years with no other optional years. Mary and Wadi mentioned that they believe they are the only ones that are providing this service, and they always seem to get the contracts each time it comes up for bid. They were awarded 10 classes for the first year, and 14 classes for the second year. There is another bid that interested them with the state that they are looking to entertain as well.
- **Bike Track Inc. – Woodstock:** Ed Williams met with Max Wunderlich, Gerry Hawkes and Carol Weinjerist of Bike Track Inc., having been referred by Deb Tarleton of the GSA (Boston). Bike Track has both a GSA Schedule and a BPA Contract, and are well versed in the government market. After hearing a bit about the product that Bike Track manufactures (which is actually referred to as "bike track flooring" in the military) Ed discussed what the PTAC is. As Deb Tarleton had sent Bike Track to us for a discussion on better marketing their GSA Schedule, much of our discussion centered on that. Ultimately a list of NAICS was developed for a Schedule Mod., at this time, and discussions on getting on multiple schedules will happen down the road. Bike Track discussed their desire to do business with DLA.

VERMONT TRAINING PROGRAM ♦ John Young, Director

- Met with HR from South Burlington School District who are struggling with ESL training as well as other Chittenden County employers. I am setting up a meeting with Penne Lynch from CCV to explore a group training for ESL.
- Organized a meeting for VTC, South Burlington, and Burlington fire fighters to explore paramedic training. VTC is planning on doing a training provider grant which may be our first grant in Intelligrants.
- I had a meeting with Burlington Record plant who makes vinyl records and is one of a few places worldwide that produces vinyl. They are booked out 12 weeks with orders and are not presently advertising their services. The company currently has one-part time employee that they are looking at making to full time as well as another hire or two depending on sales.
- Meeting with Rosie's Snacks as they are expanding their beef jerky line and are looking to add staff.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT: Deputy Commissioner Hanford

- **Housing the Homeless - Executive Order:** Held planning meetings with Shaun and a work group meeting with housing & service partners/stakeholders to finalize the reporting requirements to track the progress in serving homeless families/individuals in publicly supported affordable housing.
- **Mobile Home Park Guidance & HUD's Rules:** Continued to support Arthur's efforts to inform & educate mobile home park owners & dealers about HUD's new installation rules and the effect of this cost increase on low income mobile home owners.

COMMUNITY PLANNING & REVITALIZATION ♦ Chris Cochran, Director

Sarah

Partner Report

- **ANR - EV Charging Station Grants:** With funding for this program to help municipalities install electric vehicle charging stations in downtowns and villages nearly exhausted, Chris and Gary met with lead ANR staff to discuss next steps. By lucky happenstance, the draft decree for the Volkswagen diesel emissions settlement was just released. Vermont's anticipated share is nearly \$18M. This decree limits funding to a short list of eligible activities, which includes as much as \$2.67M for charging station infrastructure. We therefore discussed this potential opportunity to use the settlement funds to expand the municipally focused program to include workplaces within state-designated centers. Next steps include outlining what an expanded program may look like and working with VTrans, VEIC, ANR, VEDA, and GMP and other partners to finalize the details. We need to work fast as ANR anticipates drawing the funds down before the end of the year, and perhaps even sooner than that.
- **Housing Report (Act 157) - Tax Department:** John met with Tax Department staff to discuss ACCD's legislative assignment required by Act 157, an affordable housing study that requires a review of existing programs and recommendations to improve housing stock in the state. Tax Department staff will collaborate with ACCD on certain parts of the study by providing data analysis and by working to help identify top recommendations to include in the report.
- **Determination of Energy Compliance – PSB Deference in Energy Siting (Act 174/S.260):** John attended the first transportation and land use stakeholder meeting, hosted by the Public Service Department as part of their work to publish plan review standards required by Act 174. The standards must include criteria for issuing a determination of energy compliance that ensure municipal and regional plan consistency with the energy goals and policies contained in the statutes. Plans that obtain the determination will receive substantial deference in Public Service Board proceedings for electric generation facilities. Stakeholders offered a lot of opinions regarding the PSD's challenging task, which has a deadline of November 1st. John met with PSD and VTrans staff in a follow up meeting to discuss the viability of various alternatives. Biweekly meetings are scheduled between now and November.

State Designation Program Report

- **Northfield:** Richard participated in the brownfield area-wide planning steering committee meeting to organize the upcoming "Night Out on the Common" public engagement event at the farmer's market on July 19th. The Northfield Community Development Network and Town of Northfield (in collaboration with ACCD, DEC and CVRPC) are hosting the event to share ideas and collect input for two redevelopment opportunities in the downtown, provide updates on the conceptual design for the Water Street park, and launch their community branding effort. Northfield has been actively pursuing community revitalization projects since the aftermath of Tropical Storm Irene and this event furthers the recommendations developed during the Vermont Downtown Action Team project in 2014.

GRANTS MANAGEMENT ♦ Ann Karlene Kroll, Director

CDBG Program

- The Grants Management team of Ray Marzbani, Ann Karlene Kroll, Quin Mann and Jessica Mendizabal made a trip to the City of Rutland on July 12th for an On-Site Monitoring Visit of the Northwest Neighborhood Revitalization project, grant #IG-2013-Rutland-00009. This project is managed by NeighborWorks of Western Vermont (NWWVT) and the Rutland Redevelopment Authority (RRA). \$1,250,000 of VCDP funds were awarded to support the demolition and clearance of vacant and abandoned properties; and rehabilitation of vacant properties that are at risk of becoming blighted. Highlights included a property which was torn down and converted into a children's park and a fully rehabilitated and occupied home. It is encouraging to see how multiple programs can make an impact as we witnessed work underway on a home in the same neighborhood utilizing funds from our scattered-site program through NWWVT, as well.



Demolished home turned into park on Baxter Street

Environmental Review

- The Environmental Release for the Bennington Applegate Biomass Energy Rehab project was administered on July 13, 2016. The project had previously received an Environmental Release on June 19, 2015, but the review and release only addressed HOME funding. The project will be receiving CDBG funding as well and therefore warranted the review to be updated and go through appropriate public comment/objection periods.

HISTORIC PRESERVATION ♦ Laura Trieschmann, State Historic Preservation Officer

State Archaeologist

- Vermont Archaeology Month's event schedule is nearly completed, although as in previous years' requests for last-minute additions are still coming in. The schedule should be finalized in the next week; ready for distribution in early August.

State Architectural Historian

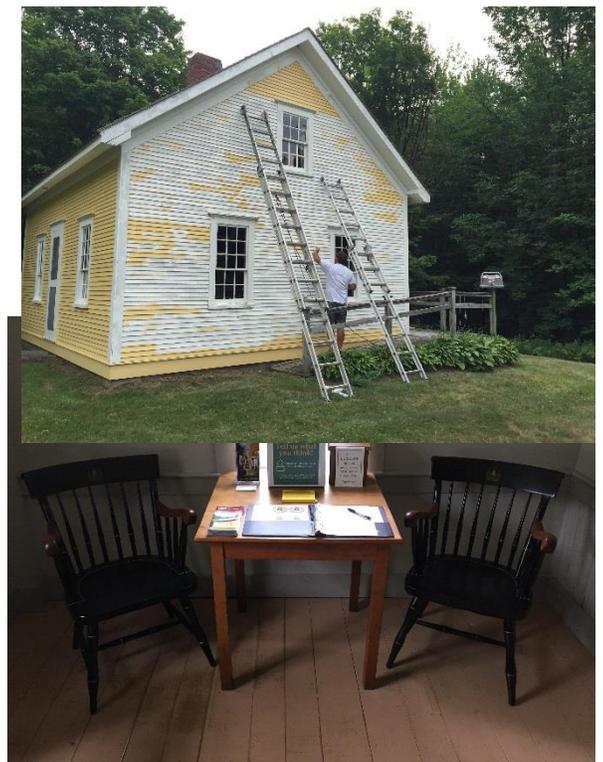
- **Hubbardton Battlefield National Register Update:** Thanks to Dale and Christine's speedy work on the contract, the project consultants were able to come to Hubbardton for the battle re-enactment weekend. Elsa connected them with several key people who know the battlefield well, and they spent time driving the surrounding area and walking the battlefield. On the evening of Monday, July 11, we held a public meeting at the battlefield to present the project and answer any questions from the public. Attendance was light, but those who were there offered great encouragement for the project. There may be opportunities for public outreach and volunteer efforts through the Hubbardton Historical Society and Crown Point Road Association, and Devin will follow up with those groups to see how they'd like to be involved.
- **Historic Architecture of Essex:** Devin presented an illustrated lecture to the Essex Community Historical Society about the historic architecture and architects of Essex. The event was held in the historic Essex Memorial Hall (1871), which the Division helped restore with a 1995 Historic Preservation Grant to rehabilitate the windows.

Project Review

- **Salisbury:** On Friday Jamie and Elizabeth met with preservation consultant Paula Sagerman at Camp Songadeewin to discuss the rehabilitation plans for the Manor House in preparation for the Act 250 application. We talked with the Keewaydin Foundation director and the architect about the space needs to convert the building into year round office space. The project will be preserving the impressive three story wood panel entry hall and staircase, as well as preserving the historic windows by adding new storm windows to meet the energy efficiency needs. Consultation will continue as the plans are further developed.

Historic Sites Section Chief and State-Owned Historic Sites

- The President Chester Arthur State Historic Site in Fairfield has been getting some much deserved TLC over the past several weeks.
 - Last Thursday Tracy met Jackson Evans at the site where he installed a newly restored window in the North Fairfield Church.
 - This week painters completed their work on the exterior of the Arthur house which now looks bright and welcoming.
 - On Tuesday, Tracy met with an electrician at the site who addressed a number of minor issues with the wiring and electrical panel, and installed an exterior outlet. (And there was much rejoicing!)
 - Carpenters from Upland Construction were also at the site on Tuesday to take a look at two rotted windowsills discovered by the painters and to make a few other minor repairs. In the course of their work they discovered carpenter ants. (Yuck!)



- On Wednesday, Chris Sabin an exterminator with BGS, came to our rescue travelling to Fairfield and treating the carpenter ant infestation. (Whew!)
- At the end of all this work, the President Chester Arthur site is bright, clean and ready for the eager presidential history buffs who beat a path to its door. Should they be weary from their travels, visitors can now sit in one of two beautiful chairs donated to the site by the Office of the State Curator (Huzzah!).
- **Hubbardton:** The Hubbardton Battle weekend, commemorating the 239th anniversary of the July 7, 1777, battle was challenged by weather conditions. The 300 participants came from every New England state, New York, New Jersey, Maryland, Virginia, North Carolina, and Quebec. This is the largest Revolutionary War weekend in northern New England and the second largest in New England. The reenactors, the great people from many Hubbardton organizations, and our western sites did all we could to be prepared, and the weather was just out of our hands, with severe rains and high winds Friday night, cool temperatures, wind and drizzle on Saturday, and rains on Sunday. Even so there were over 275 visitors from many states on Saturday and nearly 150 on Sunday. The shop took in over \$1,800 in two days. Thanks to authors Bruce Venter and John Polhemus, who signed their books, and all the other special presenters. The western sites interpreters really pulled together to get everything on our end ready and to carry out the event—such a great team! Everyone looks forward to next year’s 240th anniversary event (July 8 and 9).
 - Consultants for the National Register update project came to the battle weekend and were able to talk with many knowledgeable people.
- **Coolidge Site:** Articles about the July 4 celebration appeared in the *Rutland Herald* and *Vermont Standard*. The latter included a number of color photographs.

<http://www.thevermontstandard.com/2016/07/photos-coolidge-presidential-wreath-july-4th/>

 - Several maintenance projects were crossed off the list: village fence rails received a fresh coat of paint and handrails at the Coolidge Homestead have been replaced. Volunteers Rose and Buzz Buswell have been tending the Carrie Brown Coolidge garden daily, anticipating this Sunday’s “Welcome to Our Garden” program. A small reception will be held afterwards for site staff and others who contributed to the Mountain Ash tree that was planted earlier this spring in memory of Bill’s mother.
 - Next big event - Plymouth Old Home Day, August 6. In addition to the Division’s activities that day, the Coolidge Foundation is sponsoring a naturalization ceremony, which is guaranteed to attract visitors and the media.
- **Old Constitution House:** Preparations for the 1777 Constitution Day celebration for this Saturday, July 16, are well in hand. The forecast for cooler weather is appreciated by all of us who will be wearing woolen period outfits this Saturday!

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

- On Wednesday, Arthur and Josh met with Jonathan Bond from the CVOEO Mobile Home Program to get progress updates on the First Stop Grant and Cooperative Technical Assistance Grant, and meet their new Resident Organizer, Laura Mistretta. Laura has a background in environmental justice and organizing and is a graduate of Duke. The Co-op Grant came to a close on June 30, 2016. This was one-time money allocated by the Legislature “post Irene” for technical assistance for mobile home cooperative development. Since 2011, five mobile home parks have converted to resident owned cooperatives, in large part because of CVOEO’s work. A small amount of funds from the grant were not spent and they hope we can recycle this to continue supporting cooperative trainings. The Mobile Home Program is also undertaking a pilot project with CVOEO’s weatherization and financial futures programs to provide up to \$5,000 to 15 mobile home owners and 15 site built owners to make home repairs to bring the homes up to a condition where they can be eligible for weatherization.
- Stanton (Stan) and Mary Pratt issued a Notice of Intent to Sell for the Pine Tree Mobile Home Park in Forestdale. This is the 3rd park sale notice for the park, but the first in several years. As there is a verbal offer on the table for the asking price, and 8 of the 20 homes in the park are rentals owned by the park, a nonprofit or cooperative purchase does not seem likely. Per protocol, Arthur contacted the Housing Trust of Rutland County but they are not interested in looking to buy the park.
- Shaun has been participating with a group that is leading an effort to develop a “Roadmap to End Homelessness”. After appropriate vetting, a consultant - the Corporation for Supportive Housing (CSH) - has been hired to provide technical assistance for this effort. CSH has conducted similar systems analysis and reform work in several other states and their expertise will be very helpful.
- Work shaping the implementation plan for the Executive Order “Publicly Funded Housing for the Homeless” continues. Josh and Shaun have been coordinating workgroups to discuss various aspects of this plan to ensure

that the goal is met with the least amount of data collection and reporting burden and redundancies with other reporting requirements.

VERMONT COMMUNITY DEVELOPMENT PROGRAM ♦ Josh Hanford, Director

Regular VCDP

Potential Applications

- **City of Rutland:** The City plans to submit two applications for the October 13th CD Board Meeting. One is a \$30,000 planning grant to complete a redevelopment study for Evelyn Street in downtown Rutland. The planning grant would be used for conceptual design, engineering costs, and construction cost estimates to further define a concept of realigning and expanding city streets and infrastructure to support new development, including a hotel and conference center, in the northerly section of the Rutland Shopping Plaza along the Evelyn Street corridor. The second application is a request for \$348,350 for an implementation grant to fund Phase III of the Hickory Street project, formerly known as the Forest Park site. The first phase of the revitalization was completed in 2011 and included the demolition of 37 units (8 buildings) and the construction of 33 units in 7 new buildings. The second phase of the redevelopment effort was completed in 2013 and resulted in the demolition of four (4) additional buildings containing 11 units and the Community Center and the construction of 23 units in 6 new buildings, a new community center and maintenance shed. This third and final phase will demolish the remaining 27 units contained in 5 buildings and construct 22 units in 3 new buildings. The public road will be extended to Granger Street and make a complete connection to the surrounding neighborhood. VCDP funds were not originally planned as part of the budget for Phase III.
- **Town of Putney:** Nathan and GMS staff traveled to Putney to meet with the Town and Windham & Windsor Housing Trust (WWHT) staff to review the proposed “Putney Landing” project and provide programmatic information and guidance to both the Town and the new WWHT Director of Development. The proposed project would result in 18 new units of affordable housing being constructed adjacent to Curtis’ All American BBQ. Additionally, the project will result in the acquisition and rehabilitation of the historic Noyes House which houses 8 private affordable units for seniors and disabled persons (currently owned by Putney Cares but managed by WWHT). An application is expected for the October CD Board meeting.

State of Vermont
Department of Financial Regulation
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www.dfr.vermont.gov

For consumer assistance:
[All Insurance] 800-964-1784
[Securities] 877-550-3907
[Banking] 888-568-4547

CONFIDENTIAL and PRIVILEGED

To: The Honorable Peter Shumlin, Governor
From: Michael S. Pieciak, Commissioner, Department of Financial Regulation
Date: July 15, 2016
Re: Weekly Report



Securities Division:

EB-5: (1) ACCD and DFR reached agreement with the Okemo / SouthFace Village EB-5 project regarding regulatory standards. The new MOU was executed yesterday; (2) we are still finalizing strategy regarding Stowe Aviation (working strategy is identical to what I discussed with Darren and Sarah earlier this week; i.e. denying the specific escrow request and putting them on notice that their failure to close the deal and raise money is causing us to lose confidence in their program).

Personnel: This morning I internally announced Bill Carrigan's appointment at DFR's first monthly "coffee with the commissioner" event. Bill's appointment was well received. DFR plans to notify the media on Monday.

Division Revenue: Since the July 1, 2016, fee increases, the division has seen a substantial revenue increase. In the first two weeks of FY 2017, the division has seen a 217% increase in fee revenue compared to the first two years of FY 2016 (approximately \$400,000 for the first two weeks of FY2016 compared to approximately \$1.3 million for the first two weeks of FY2017). Note, these figures do not include the additional sum from the Raymond James settlement.

Insurance Division:

Consumer Data: The Consumer Assistance Section of the Insurance Division (the "CSA") announced this week the summary of inquiries and complaints received during the second quarter of 2016. Of the 914 inquiries and complaints opened, the largest number related to auto insurance at 25 percent, down slightly from the 36 percent in the first quarter of 2016 and less than the 30 percent received in the second quarter of 2015. How claims were handled produced the highest number of concerns from consumers at 61 percent. That number was also down from last quarter's 66 percent and up slightly from the second quarter of 2015, which was 59 percent. In the second quarter of 2016, the CAS recovered \$78,222 for Vermonters.



Privileged and Confidential
Memorandum

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

Secretary's Message:

We have completed the majority of closeout processes for FY16. I'm pleased to report the Agency ended in a positive position. The AHS fiscal team, led by CFO, Sarah Clark, briefed Commissioner Pallito at a high level on closeout on Tuesday, July 12th. We anticipate this information will be used to help address the statewide general fund gap in FY16 and will be assessed as part of a solution to a potential FY17 general fund rescission.

I met with Susan Rhodes, the Regional Director for the US Department of Health and Human Services, Office for Civil Rights earlier this week. She came to brief me on the resources available from her office related to child welfare, working with individuals with limited English proficiency (LEP), aging populations, emergency planning and HIPPA issues. Recently, Massachusetts was sanctioned for improperly terminating the parental rights of a disabled mother. Ms. Rhodes emphasized the importance of having a plan in place for families with disabilities and ensuring that they get the necessary supports before parental rights are terminated. Parents experiencing substance abuse issues are deemed to have a disability and would need to fall under such a plan. The Office of Civil Rights offers various staff trainings and I have informed my Commissioners of these opportunities.

AHS Highlights:

Agency of Human Services Secretary's office

Drug Awareness Event and Truck Convoy Held in Swanton to Honor a Local Man

Swanton residents held a drug awareness event on Saturday July 9th in the park to help reduce the stigma and lack of understanding around substance abuse. There was also a Big Rig Truck Convoy to honor a recent local man who died as a result of his addiction issues. The response from the community was supportive with over 50 trucks participating in the convoy. It is hoped that the event will be done on an annual basis, and will raise awareness of the opioid crisis.

Franklin County Hub Planning Underway

ADAP Director Barbara Cimaglio and Field Director Kristin Prior met with St. Albans Town and City managers to discuss potential locations for the new Hub being built in Franklin County. Bay Area Addiction Research and Treatment (BAART) programs is the identified provider and the plan is to have the HUB up and running by January 1, 2017. AHS staff will continue to meet while a property is identified and the building of the Hub begins. Looking ahead, BBHS and the Health Department will host a series of community forums once the clinic has a confirmed site.

Vermont Department of Health (VDH):

Buprenorphine Patient Cap

Effective August 8, 2016, credentialed addiction specialists or physicians working in “qualified practice settings” will have the ability to receive a waiver to treat up to 275 patients at a time with Buprenorphine. Under the present regulation, physicians can treat 30 patients during their first year, and up to 100 patients thereafter. The new SAMHSA rule allows a third category, physicians in their 3rd year of prescribing Buprenorphine (and beyond) can increase their maximum number of patients treated to 275.

Lampricide

Health and ANR are discussing the use of TFM, a lampricide, in the tributaries that empty into Lake Champlain. One treatment proposed for this year could result in the pesticide being present in the drinking water from Lake Champlain that serves 70,000 people. Previous treatments where drinking water was potentially impacted had mitigation measures (treatment) in place. EPA expects people are not exposed to lampricide through drinking water.

On July 18, 2016 the Department of Health will provide a memorandum to the Department of Environmental Conservation that drinking water containing TFM above 3.0 parts per billion (ppb) should not be used for drinking or food preparation. TFM is the pesticide used in lampricide applications. This health advisory level is lower than the historic level of 35 ppb in part because previous applications of lampricide were not expected to affect large public drinking water systems that did not have charcoal in place to remove the lampricide. Health also reviewed the scientific basis for the historic 35 ppb level and found the science inadequate to assure the public that water with TFM above 3.0 presents negligible risk to health. At this time, the Department is working with ANR, USFWS, and EPA to initiate a study that would fill this critical information gap.

PFOA Blood Testing

Blood test results are anticipated back from CDC in the next few months for the 485 individuals that had their blood tested during the eight blood draw clinics. Another clinic will be offered in the fall. The Department has shared information about what people should expect when they get their results. For example, if their water was contaminated with PFOA, their blood will have higher levels of PFOA than what is found in the general US population.

Department of Mental Health (DMH):

Vermont Psychiatric Care Hospital

VPCH census is currently 25. The Joint Commission posted its final survey report for VPCH on Wednesday. VPCH has already initiated an action plan from the exit interview comments on July 1st in anticipation of condition-level standard citations which required correction within a 45-day timeline from the exit survey. For each deficiency, there is a planned corrective measure addressing the deficiency, action step(s) to implement the specific correction, responsible staff identified, date for when conformance will be achieved prior to August 15th, and monitoring plan to assure ongoing conformance. VPCH and DMH staff are working collaboratively to make sure the hospital has the necessary resources, training, and consultation available to assure full compliance during this rapid follow-up survey time frame.

Emergency Departments

There were 20 people in need of inpatient psychiatric admission this week and 17 were admitted. There are three individuals currently waiting for placement; and they have been waiting less than 48 hours with potential placement later today. Four of the 20 were individuals court-ordered for an

inpatient forensic evaluation and waiting in DOC. There was one involuntary child presenting for inpatient treatment who was placed within 15 hours. Of the adults on involuntary status who were admitted, 85% were placed within 48 hours overall and 30% were placed within 24 hours. The overall occupancy of the adult inpatient system of care is at 92% this week and the youth inpatient system of care had an occupancy rate of 82%.

Department of Disabilities, Aging and Independent Living (DAIL):

Green Mountain Passport Program Distribution

The Green Mountain Passport program was legislated in 1972 under Title 31, Chapter 19: Leisure Time and Benefits for the Elderly. Currently Vermonters 62 years and older and veterans of the uniformed services are eligible for this program.

Once a simple application is completed at the town office and submitted with the \$2 fee, a Green Mountain Passport card is issued which allows the bearer permanent access to Vermont State Parks (day use only), Vermont Historic Sites and events which are fully sponsored and supported by state funds (some restrictions apply).

This season, 2467 cards have been mailed to 64 town clerk offices, and three of those towns have called again needing a re-supply mid-season.

Department of Corrections (DOC):

Population

The Department's incarcerated population averaged **1742** for the previous week. Last year at this time, the average was **+116** over the current number.

The Department's incarcerated male population averaged **1603** for the previous week. Last year at this time, the average was **+107** over the current number.

The Department's incarcerated female population averaged **139** for the previous week. Last year at this time, the average was **+8** over the current number.

The Department's overall detainer population averaged **439** for the previous week. Last year at this time, the average was **-63** under the current number.

The out of state population is currently at **252**. Last year at this time, the out of state population was **+28** over the current number.

Department for Children and Families (DCF):

Recent Vermont Supreme Court Decision Highlights the Crisis of the Juvenile Court System

In a recent Vermont Supreme Court (VSC) case, *In re A.S. & K.S.*, the VSC expeditiously affirmed the trial court's ruling that A.S and K.S. were children in need of care and supervision (CHINS) because the arguments raised on appeal were not raised below. The VSC then took the opportunity to expound publically, for many pages, on the crisis state of the juvenile court system and the need for extra resources and creative approaches. The merits hearing in the A.S and K.S. case took one year after the CHINS petition was filed and the VSC noted that the delay in this case highlights systemic problems in the juvenile court docket. The VSC attributes the rapid increase in CHINS and termination of parental



rights (TPR) cases in part to the recent increases in drug addiction. The Court also notes that there is a shortage of guardians ad litem (GAL), who are volunteers, as well as a shortage of attorneys to represent children and parents. The VSC notes that the scheduling problem that exists normally in these cases due to the number of parties and attorneys in each case (each child and parent has their own attorney in addition to the State's Attorney, DCF and GAL) has been further exacerbated by the sheer volume of the juvenile caseload and lack of courtroom space and judge time. In paragraph 12 of the decision, the VSC notes that "[t]his is a system under great stress, and all branches of government must continue to work together if the situation is to be alleviated."

The VSC suggests that in order to "restore balance," Vermont must be open to experimenting with new methods. To that end, last session the Vermont legislature approved a regional court venue approach to hear TPR cases. The VSC suggests other solutions including adding more or dedicated attorneys, judges and staff working in a state-wide juvenile docket; allowing the appearance of witnesses and attorneys by telephone or video conference; and adding more courtroom space and judge time. DCF is part of a CHINS working group that was created by Act 60 (S.9) of 2015 and chaired by the Attorney General that is tasked with examining the current state of CHINS proceedings and recommending ways to improve the efficiency, timeliness and processing of these cases. The CHINS working group report and recommendations are due to the legislature and Child Protection Oversight Committee by November 1, 2016.

Economic Services' Farm to Family Program Update

The Farm to Family program allows 3SquaresVT participants to use their food benefit at farmers' markets. The program was in jeopardy this season due to the staff person who administered the program for the past 20 years retiring under the incentive program, which resulted in the loss of the position and its funding. It is now underway for the summer, however, the program was delayed due to the lack of staffing resources to administer it within ESD's 3SquaresVT program. A collaborative effort with the Agency of Agriculture and the Northeast Organic Farming Association of Vermont has allowed the program to proceed in an untarnished manner this season. In the coming months a workgroup will examine how the program can be sustainably administered in subsequent years.

Department of Vermont Health Access (DVHA):

Vermont Health Connect

IT Releases: The fifth major maintenance and operations "surge" deployment is on track for 7/20 to implement codes fixes, data clean-up, and process resolution. Deployment will build on the more than 200 defects and data issues addressed in the first four deployments.

Customer Support Center: For the month of June, more than 39,000 calls were answered out of more than 49,000 received. This was the heaviest volume of any month since the summer of 2014. Only 32% of calls were answered in under 24 seconds (target is 60%). Volumes and performance have been significantly better the first week of July. The week of 7/4, 92% of calls were answered. 57% were answered in under 24 seconds (target is 60%).

Other Agency Report Items for Consideration:

Agency of Human Services Secretary's Office

Emergency Board - Medicaid

The AHS fiscal team is assisting the Joint Fiscal Office in preparing FY16 year-end Medicaid reports for presentation at the Emergency Board on Thursday, July 21st. Following the E-Board meeting, the Medicaid Consensus forecast group plans to meet to forecast the Medicaid program in FY17.

Washington County Substance Abuse Treatment Coordination Pilot Underway

Implementation of a Statewide Abuse Treatment Coordination (SATC) pilot in Washington County is underway. Partners are involved in strategic planning sessions to ensure that this work is complementary to addiction treatment efforts already under way in the region, including the Washington County Substance Abuse Regional Partnership (WCSARP), and Opioid Addiction Steering Committee (OASC).

Housing Capacity and Needs Assessment in the Barre District

The local Continuum of Care (COC) and Housing Review Team (HRT) partners have begun compiling data to get a firm sense of how many unique individuals are precariously housed and homeless, and what it would cost to create additional, affordable housing and case management capacity in the region. The Coordinated Entry (CE) pilot is also gaining traction. Community partners are beginning to use a standardized intake and referral process to improve our response time to resolve homelessness-related issues and ensure that Vermonters aren't falling through the cracks.

Short Term Shelter Planning Continues in Morrisville

The Patchworks Coalition, a consortium of housing and other service providers in the Morrisville community, have articulated a mission and vision to provide desperately needed supports for homeless individuals in Lamoille County. The task at hand is to identify an optimal physical location and assemble funding to support both a shelter and enhanced wrap-around services for individuals who are homeless in Lamoille County.

Vermont Department of Health (VDH):

Franklin/ Grand Isle Hub

BAART Behavioral Health Services (BBHS), together with the Franklin county field services director and Health Department leadership, have been reaching out for collaborative planning meetings with St. Albans City and Town officials to discuss progress toward the opening of a new Hub serving this area. St. Albans's City and Town Managers are weighing in about possible siting locations and the local zoning board has had an active role in the conversation as well.

Chemical Disclosure Program

Manufacturers are now able to use the online system to report to the Health Department when they use Chemicals of High Concern to Children in their products. This reporting was required by legislation (Act 188) signed in 2014.

<http://www.healthvermont.gov/enviro/chemical/cdp.aspx>

Lodging Regulations

The proposed regulation for Licensed Lodging Establishments is available for a second comment period through July 25th. The goal is to modernize a regulation from 1975, and the department is receiving comments and questions about how the sharing economy is affected by the regulation and licensing requirements.

Department of Mental Health (DMH):

Vermont Psychiatric Care Hospital Cont.

The VPCH CEO, DMH Commissioner and Medical Director met with leadership counterparts at CVMC this week to discuss patients with both psychiatric follow-up and long-term care support and services needs and experience longer lengths of stay at both facilities. There was agreement that the needs of this population, in conjunction with higher than necessary health care system costs when the right level of care is not available, was worthy of further study and identification of opportunities for improvements. There was also some initial interest expressed about possibly securing consultation in this area of long-term care and neuro-psychiatric rehabilitation services if preliminary findings supported more planning and development. A follow-up meeting will be scheduled in upcoming weeks to continue the discussion and will include Commissioner Hutt from DAIL and staff of the Division of Licensing and Protection.

Department of Disabilities, Aging and Independent Living (DAIL):

Loretto Home Involuntary Transfer

The Loretto Home, a Level III Residential Care Home operated by Vermont Catholic Charities (VCC) in Rutland, has been warned twice in the past two months that they are at risk of regulatory action by the Division of Licensing and Protection (DLP) if they fail to readmit a resident who was involuntarily discharged from the facility. The resident was initially transferred to Rutland Regional Medical Center (RRMC) in April and from there was transferred to Rutland Health and Rehabilitation Center (RHRC, a nursing home) for further skilled therapy and treatment prior to returning to the Loretto Home. While the resident was at the nursing home, the resident was notified by the Loretto Home that they were involuntarily discharging him, stating that his medical needs exceed the level of care that they are licensed to provide. However, DLP had granted the Loretto Home a variance to provide the higher level of care to this resident two years ago and upon notification of the discharge, reviewed the resident's care needs in May, finding no significant changes from when he was last at the home. DLP further found no allowable reason for the involuntary discharge. The first letter was sent to VCC on June 8, advising them of the Regulations, instructing that they readmit the resident and alerting them to possible regulatory action. A second letter was issued to VCC on July 13, again informing them of the regulations, instructing VCC to readmit the resident and warning of appropriate regulatory action if they fail to comply with the regulations.

Newsline Outreach

With the re-funding of the Newsline Service for individuals who are blind, visually impaired and/or print challenged, DAIL is coordinating with the Assistive Technology Program, the Vermont Association for the Blind and the State Libraries to develop a comprehensive outreach plan to ensure that all eligible individuals take advantage of the service. In addition to outreach, we plan to work with the national association to develop tracking and data metrics in order to identify and track usage and uptake of the service.

U.S. Department of Labor Approves VT SCSEP Plan

DAIL received notice that the US DOL had approved our recently submitted SCSEP (Senior Community Service Employment Program) Plan through June of 2020. They cited our efforts to deliver integrate, job driven services, our support of regional economies, focus on continues improvement and active community and workforce development as highlights of the Vermont plan. Although we have been concerned about potential cuts in the SCSEP program, current congressional action in the house seems to support at least a level funded federal budget.

- Justin

Department of Corrections (DOC):

Rule Making

28 V.S.A. §107(b)(5) requires the Department of Corrections (DOC) to adopt rules that: (1) define what are "offender and inmate records"; and (2) identify how the DOC will release or permit inspection of designated offender and inmate records. The Department is close to filing this rule pursuant to the September 1, 2016 deadline established in statute. The economic impact study anticipates several significant cost increases as a result of this rule. The estimated total pages in inmate/offender records is between 2 million and 66 million sheets, and the department will be responsible for scanning, uploading, redacting, printing, and storing this amount of paper, which will vary annually depending on the number of total requests. The total estimated costs between staff time and paper range from just under \$1 million to nearly \$25 million depending on the number of offenders requesting records.

Agreement and Memorandum of Understanding between The Vermont Department of Corrections and the Office of the Attorney General

The Department of Corrections (DOC) and the Attorney General's Office (AGO) have developed an agreement effective September 1, 2016. As per this agreement, the AGO will provide pretrial services as set forth in 2014, No. 195 (Adj. sess.), § 3 and 13 V.S.A. § 7554c on behalf of the DOC and in accordance with the risk assessment and needs screenings chosen by the DOC and by using the procedures developed by the DOC, modifying them in the future as needed. The AGO will also seek legislation that transfers responsibility for the provision of the Covered Services to the AGO.

The AGO, in consultation with the Judiciary and the Crime Research Group, will also continue the development and implementation of a system to evaluate goals and performance of the Covered Services and report to the General Assembly annually on or before December 15, as set forth in 2013, No. 195 (Adj. sess.), § 3(f)(1). And also in consultation with the Judiciary, ensure that a study is conducted to include an outcome study, process evaluation, and cost benefit analysis, as set forth in 2013, No. 195 (Adj. sess.), § 3(f)(2). The AGO will also negotiate all future contracts, MOU's, and SLA's as may be required to provide the Covered Services.

The DOC will assign its existing contracts and other (Memoranda of Understanding (MOU), and Service Level Agreements (SLA) for Covered Services to the Attorney General and the DOC will validate the selected risk assessment and needs screening tools pursuant to 2013, No. 195 (Adj. sess.), § 3(a). Lastly the DOC, in consultation with the Secretary of the Agency of Human Services, will map services and assess the impact of court referrals and the capacity of the current service provision system in each region and perform related duties, as set forth in 2014, No. 195 (Adj. sess.), § 3(g). The AGO agrees to share data generated by its provision of the Covered Services with the DOC as is necessary to enable the DOC to perform these duties.

Department of Vermont Health Access (DVHA):

Vermont Health Connect

Change Requests: The COC inventory is below 2,000 households (1,612 as of 7/13) – by far the lowest level this year. Only one in four (425) involve a QHP. Target is to complete requests that come in by the 15th of the month by the next invoice (5th of month). 84% of requests that came in month ending 6/15 met this target by 7/5.



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CONFIDENTIAL AND PRIVILEGED
MEMORANDUM

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

Good news:

U.S. Department of Education's Office of Career, Technical, and Adult Education (OCTAE) has made a new two-year investment in a project entitled, *Advancing Equity in Career and Technical Education (CTE)*. The project, carried out in partnership with the Manhattan Strategy Group (MSG), seeks to identify and disseminate information about programs and practices that have the potential to advance equity, access, and opportunities for CTE students, and, in so doing, positively impact their secondary and postsecondary outcomes. The project identified Vermont's policies and program "as having a considerable impact on equity, access, and opportunity for students and, therefore, as one that has the potential for replication in CTE across the nation." The project will visit Vermont and interview our team about equity practices because it feels Vermont "has demonstrated a strong understanding of equity practices and policies that meet the needs of underserved populations to help them succeed in CTE programs."

A handwritten signature in black ink that reads "Sarah".

Purchasing legal services

Greg Glennon's last day is coming right up. I am interviewing Chris Leopold, a well-respected Vermont education attorney, to see whether he is willing to be on contract to provide legal counsel in the interim. I do not expect to be able to replace Greg before the end of the administration. We are redistributing some work internally, shelving other work, and hope to use Chris for the remainder. The biggest challenge will be supporting the State Board, which is focused on revision of independent school rules, Act 46 and some thorny school approvals. A complicating factor is that Bill Mathis has become quite angry about the fact that responsibility for plans around the disposition of federal funds is now under the Agency and our ESSA plan will be signed by the Governor now, and not the Board. This is symbolically important to Bill: he likes to tilt at the Feds, and since there is no state funding, the only funding to advance state goals

is federal. Even the mandated state tests are federally funded. We have been quiet on this issue because given the lack of state funding, the SBE may have “authority” for state education policy but has absolutely no gas to get it implemented. It will be interesting to see how far Stephan lets Bill push this. Our biggest challenge beyond that is that between the hyperactive legislature and the increasingly hyperactive State Board, we are just exhausted trying to manage all the volatility and players and demands.

Contracting

Sue

Sue—haven’t heard back so I assume you got the information you needed to work with Mike Mrowicki and Jeannette White. As I have mentioned in several SWRs, we have really worked on improving procurement and bidding processes. More competitive processes mean we are unsettling some very comfortable and long-standing relationships.

Senator White has now implied she wants to investigate our contracting processes, and thinks we should credit local entities. Once we have a signed contract in hand (we expect it back from AOA imminently) we will send her all the bids and scoring sheets. (An aside- the local vendor she supports submitted his bid in partnership with a national vendor, since he did not have the capacity to deliver on the scope of work. Supporting her preferred friend would actually be supporting a national vendor. In addition, he had some monitoring challenges, although that was not information that was part of the review process.)

The Vermont School for Girls (Bennington, VT)

The State Board of Education is likely to hold a special emergency meeting next week to consider suspending (on a temporary basis) the (education) approval of the Vermont School for Girls as an approved independent school. Presently, a pending investigation by AOE is reviewing several incidents that raise grave concerns about the safety of the school as a placement for some of our most vulnerable children. This school has had several very serious incidents, including two alleged sexual assaults involving two separate male staff members and two (alleged) female student victims in the past 4 months. Both sexual assault cases have been charged by the Bennington County State's Attorney and are pending in Superior Court. Incident # 1 happened on or about March 2016. Incident # 2 happened on or about May 2016. DCF has substantiated incident # 1 already for sexual abuse. Due to the age of the alleged victim in incident # 2, DCF is not investigating for child abuse. Ken Schatz advises he will inquire if DAIL should investigate for abuse of a vulnerable adult. Defendant in incident # 2 is being held without bail. Defendant in incident #2 has a lengthy history of criminal convictions dating to 1980 including recent criminal history. We question how/why this school would hire a person with this history and characteristics considering the highly

vulnerable nature of the entire (female) student population. As to incident # 1, the defendant and alleged (female student) victim (age 14) were seen going into a room together alone, on multiple occasions. This violates school policy (of Vermont School for Girls) and is an obvious red flag. Yet, these (preceding) incidents were not properly documented or reported to appropriate supervisors and/or acted upon by the school in any corrective fashion prior to the alleged sexual assault.

Subsequently, a 15-year-old girl and an 11-year-old girl disappeared from this (residential) school on or about July 6th for about 48 hours. DCF states that the school isn't responsible for runaways. However, DCF has custody of these students and the school is the state's agent for the state placed students located there by DCF. I cannot agree that two minors running away, on the heels of the 2 rape cases (now pending) should be minimized. These 3 events are just the public incidents (all of which have received much media attention).

We also have evidence that the school and its parent company (Becket Corporation) are not following rules related to restraints of children, and that in at least one case, an unwarranted and undocumented restraint led to serious injury of a child at a "sister entity" owned by the same corporate parent. The Becket Corporation owns/operates several of these types of schools in Vermont that serve high risk and vulnerable students who come from backgrounds that are very challenging. In sum, the Vermont School for Girls serves a very vulnerable population, and does not appear to have the controls and culture in place necessary to keep these students safe. Its served population includes 27 students in the care of DCF. SBE suspension of educational approval would not affect the residential care, but would compel the school to seek alternative education opportunities for students. Ken and I do not agree on this one. I think the school is a serious risk. He sees the school and its corporate parent (the Becket Corporation) as a valued partner. I think we rely on it because it solves our problem to have a place for these kids, but does not solve the kids' need for a safe place to learn. These kids deserve better. We may need, as a state, to figure out a different and better way to support children in acute need if outsourcing puts them at risk. At this point, the State Board of Education has statutory authority regarding the continued approval status of this school and I am following the Board's directive to me on dealing with the acute issues that have surfaced with regard to the Vermont School for Girls (as summarized herein).

Independent school rules

The board is determined to revise and review its rules for approval of independent schools. There is no way to avoid having this be a contentious process. The proposed

changes should have no practical impact on the historical academies (Burr and Burton, St. Johnsbury, Thetford, Lyndon), but will have an impact on other programs, and may potentially threaten the viability of some very small programs that are basically taxpayer supported home schooling. There will likely be a noisy period of public input, followed by some revisions to what the Board initially proposed. I can't see how this won't get picked up by some of the gubernatorial and legislative campaigns.

Act 46

We will do our best to hold the course as long as possible, but we don't have the capacity to get all cats through the door before it closes. We also just don't have capacity to counter the misinformation and politicking that is now starting. My assumption is that the legislature will panic and gut it before all districts that need solutions move to solutions. Our strategy is to continue to focus on the coalition of the willing; without willingness, there is no way to create good outcomes for schools. To the extent possible, we are also trying to gently contain what I can only call "toxic" districts, so that they don't destroy the good efforts of their neighbors. I used to think the Act 46 "orphans" would be high poverty districts that wealthier neighbors wanted to avoid. While that is true, interestingly, it seems some of the biggest orphans may end up being a handful of comparatively wealthier districts that have been so unkind to neighbors that nobody wants anything to do with them. Peacham may be at the top of that list.

Act 166

Reminder: CDD/DCF just hired our PK/Act 166 person, so we will be starting initial implementation without anyone on board in that role-- one of the risks of being one deep. However, since our Act 166 role is primarily to support implementation of the voucher model, we may focus on finding a project manager type person, rather than a PK person, to make it easier to fill this position.

Media Contacts July 7-July 14

Lisa Locke, VSBIT: Lisa emailed Haley looking for an updated list of the FY17 principals to update the VSBIT database. Haley sent her a list that Ken Page at the Vermont Principals' Association shared on his listserv. Haley is a member of the listserv.

Lola Duffort, Rutland Herald: Lola emailed Haley asking for comment on the Early Childhood Workforce Index released by the Center for the Study of Child Care Employment in Berkeley. Haley forwarded the request to Karin Edwards who said the AOE is not involved in that and suggested Lola contact the Child Development Division at AHS. Haley explained how CDD and AHS fit into the workforce index, and

gave Lola contact info for the PIO at AHS. [Story here.](#)

Lisa Rathke, AP: Lisa called Haley with follow-up questions regarding universal Pre-K. After getting some updated talking points from Secretary Holcombe, Haley explained to Lisa how the voucher system works. Lisa asked Haley and Scott Coriell what Vermont had before the law passed. Haley provided Lisa with the documents the pre-k team presented to the SBE in June. That included a timeline of events and previous laws regarding early childhood education. Lisa also called Melissa Riegel-Garrett, who provided the total number of prequalified pre-k programs in VT. [Story here.](#)

Mary Pasciak, Buffalo News: Mary called Haley about a story that involves analyzing school expenditure data for all districts in the country. She was not focusing on Vermont, but noticed that the federal expenditure data they use from the U.S. Census Bureau includes a category for payments to private schools. She wanted to get a better understanding of why that is. Haley called her to explain Vermont's unique education system, including the difference between operating and tuitioning towns.

Curt Peterson, Vermont Standard: Curt emailed Haley with follow up questions after a conversation last week about the Sharon Academy's "open enrollment." He asked if because TSA only serves two categories of disability if they are not considered open enrollment in the AOE's eyes; if the Ethan Allen Institute is correct in saying that 46 percent of VT students fall into two disability categories, what those two categories are; if public schools are required to accommodate all 14 categories of disability but independent schools are not, and what the rationale is; the AOE's stance on Senator McCormick's opinion that public school accommodation requirements should be imposed on independent schools and vice versa; and if public schools are rated by the AOE for compliance regarding students with disabilities. Haley and Stephanie are working on simple responses to Curt's questions, providing basic information about the application process for independent schools to serve disability categories, how they need approval from the SBE, along with reports from Mike Bailey showing the percentage of students who fall into each category of disability. Haley will also explain, for the second time, how TSA cannot be considered open enrollment if they do not accept all students.

Rachel Aragon, Local 22: Rachel called to see if the state has any requirements on diversity classes where kids learn about racism, avoiding stereotypes, etc. She also asked if there are any schools ahead of the game that have started this type of class or curriculum recently. Haley checked the Education Quality Standards and did not find a requirement. She suggested Rachel contact schools with diverse student bodies, including Burlington School District.

Kelsey Hamilton, American Enterprise Institute: Kelsey called Melissa Riegel-Garrett for information about the budget for Act 166. Melissa forwarded the message to Haley. Bill Talbott gave Kelsey the amount that was spent on pre-k in 2015 (before the law passed) and said he could share the estimated cost for 2016 when Brad James comes back from vacation.

Denise Colety, Arlington American Legion Aux Unit 69: Denise emailed Stephanie to see if we could add a link to the website for scholarships from the AL Auxiliary. Stephanie explained that we are unable to do that, but could add information about scholarships to the Weekly Field Memo.

Rebecca

Executive Privilege

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

NOTES FOR GOVERNOR

Quechee Gorge Hope Holder Initiative

Following another suicide at the Quechee Gorge Bridge, VTrans fielded inquiries from the Vermont Standard and the Valley News regarding the status of the project. The "Hope Holders" have not been installed yet, although the Legislation called for installation on or before July 1, 2016 or as soon as practicable barring permitting delays. VTrans began in mid-May following passage of the T Bill (which contains the language regarding this matter) to reach out to local stakeholders and other state agencies. It took time to sit down with some stakeholders individually to better understand the challenges of the effort we were undertaking, and to identify the stakeholders who should be invited to provide input. The first meeting of the stakeholder group was held on June 29. A second meeting to finalize the design of the Hope Holders, as well as content and signage, will be held on July 22. Dubois and King has been hired to conduct the in-depth analysis and produce a study to include long-term recommendations which will be vetted through the stakeholder group and presented to the Legislature in January.

NOTES FOR STAFF

Construction

We have 44 active work zones: 24 bridge, 6 safety, 6 paving, 4 reclaim, 3 roadway and 1 rail. We anticipate 90 contracts active this year.

Middlebury Tunnel

VTrans just received a FOIA request from the same attorney representing landowners in the Vermont Gas Pipeline project who now appears to be representing downtown Middlebury business owners. I'm still working on a possible deal between the railroads to shorten the construction time.

VW Settlement

DEC is working with VTrans and others to determine potential benefits to the state from the VW settlement as well as comments on the agreement language which are due at the end of this month. Issues of interest to VTrans include the potential for purchasing electric buses and replacing VTrans' older, more polluting diesel trucks. VTrans has four major areas of concern regarding the environmental mitigation settlement. The comments are summarized as follows:

1. Replacement of VT transit diesel buses with cleaner options, such as electricity, be eligible. Clarification is needed regarding "government owned" transit buses.
2. It is important to seek clarity regarding Class 8 truck tractors vs. trucks.
3. Model year 2010 vs. model year 2006 cut off makes more sense given the timing of federal emissions requirements.
4. Section 177 states should receive a focused portion of the funds in recognition of their ongoing investment in ZEVs.

I-89 Waterbury

The steel is being delivered for the I-89 Exit 10 ramp bridge project this weekend. There will be traffic impacts as the girders are brought on site and put into place. We are monitoring the traffic situation closely.

Missisquoi Bay Causeway Scoping

The draft report was sent to ANR and NWRPC for comments. At VTrans' request, NWRPC staff has submitted a proposal to use some of the re-purposed earmarked funds for roadway water quality inventories and capital planning that will be required for the Act 64 local roads stormwater permit and for some related infrastructure projects. We will be meeting with NWRPC staff to review the proposal.

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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: July 15, 2016
Subject: ANR Weekly Report

Governor Level Issues:

Muckross Now a State Park: We closed last week on the Muckross donation. This 211-acre property in Springfield was donated from the estate of Edgar May to the Department and is now Vermont's newest State Park. Additional funding totaling \$600,000 was also donated to the Vermont Parks Forever Foundation as a part of this project. This funding is to be used by the Department for repairs and state park management purposes at the property. The Department's initial focus at Muckross will be to establish a staff presence at this site, stabilize the buildings, and begin necessary repairs to park facilities and infrastructure.

Hermitage Resort Denial of Motion to Amend Scope: On Tues, July 12, the Act 250 District Commissioned issued a Memorandum of Decision that denied Hermitage's request to amend their pending Act 250 master plan application to remove the East Tract and Airport Tract projects, and to proceed with an application only for the Mountainside tract. The Commission's primary bases for denial was that Hermitage "presented no evidence to support its assertion that it is not proceeding with development of the East Tract and Airport Tract at a time in the reasonably foreseeable future". The Commission appears skeptical of Hermitage's claim that they are actually dropping those project components and denied the request because the Commission continues to believe they must review the cumulative impacts of all anticipated project elements – East Track and Airport included – when issuing findings in a master plan decision. The denial is a major setback for the project.

At the time the denial was issued ANR was finalizing its review of Hermitage's proposed findings for the Mountainside Tract in accordance with an agreement we made with them earlier in the month. Despite this ruling, we will finalize our internal review as agreed and we will be prepared to continue our review of the project if Hermitage chooses to appeal this week's denial.

Verizon Ruby Raymond Road Cell Phone Tower: The Board has ruled that ANR has raised a significant issue with respect to the tower's potentially unduly adverse impacts on ecological connectivity. As of right now, we are poised to oppose the project completely. The project is proposed near the center of a regionally significant wildlife travel corridor connecting the Worcester Range with the Green Mountains, which local communities and DFW have been working to conserve for a number of years. In addition to locating a cell tower in the corridor, the project would require significant clearing and blasting for an access road as well as the construction of a large support building and generator that would create ongoing impacts to the wildlife's use of the corridor in the future. The Agency has worked in good faith to explore alternative locations on the parcel to site the project that would have impacts on the corridor that are less than undue, but Verizon has not been receptive to these suggestions.

The Towns of Stowe and Waterbury and citizens' groups (including the Lintilhacs, among others) also oppose the project based, in part, on its impacts to this critical wildlife connector, but also based on aesthetic concerns.

Ranger Solar Coolidge Solar Project: ANR will be filing testimony on Wed, July 20, in the Public Service Board matter regarding Ranger Solar's petition for a certificate of public good for its 20 MW solar array in Ludlow/Cavendish. ANR's testimony will recommend that the PSB require Ranger Solar to provide a lifecycle analysis for the greenhouse gas emissions of the project under 30 VSA 248(b)(5). ANR's recommendations that a lifecycle analysis is necessary for the PSB to give due consideration to greenhouse gas impacts is based on the limited information that Ranger has provided in its petition, primarily that the project entails clearing approximately 40 acres of forest that stores carbon. The last time ANR filed similar testimony recommending a full lifecycle analysis was when PSB was considering Vermont Gas Systems' petition for a certificate of public good for Phase I.

EVERYTHING ELSE:

Press Issues/Releases:

Spiny Water Fleas Spur Reminder to Anglers and Boaters on Preventing Spread of Invasive Species: Recent reports of spiny water fleas becoming snagged on fishing gear used on Lake Champlain have prompted officials to urge anglers and boaters to take appropriate steps to prevent the spread of this and other harmful aquatic invasive species.

Significant Events/Meetings:

North Bennington PFOA: Cores of geologic materials provide important data needed to understand groundwater flow and transport of contaminants in the subsurface. On July 6, the Vermont Geological Survey visited the St. Gobain Performance Plastics plant to finish logging

(describing and photographing) the seven cores (surficial material and bedrock) that were taken on the former ChemFab property in North Bennington, VT. The VT Geological Survey is also collaborating with Rensselaer Polytechnic Institute (Troy, NY) and Union College (Schenectady, NY) in taking samples from sections of selected cores for PFOA analysis. Their research will also address the fate and transport of PFOA in the subsurface.

Legislative Contacts:

Sen Ayer Called about Supeno enforcement– here is an update FYI.

ANR v. Supeno et al. Scheduling Order issued: On August 3, 2015, ANR initiated an enforcement action by issuing an Administrative Order to Francis Supeno, Barbara Supeno, and Barbara Ernst (the Supenos) for violations of the Vermont Water Supply Rule and conditions of an individual wastewater permit related to the operation of a rental house on their property in Addison. In accordance with court procedure, they requested a hearing in the Superior Court, Environmental Division. The Supenos subsequently initiated a civil rights action in Vermont Superior Court, Civil Division, naming a number of ANR employees. On November 13, 2015, the Supenos filed a motion to stay the enforcement action to allow its civil action to move forward. ANR filed an opposition to the motion.

Concurrent with ANR's opposition motion, the Attorney General's Office, which is representing the ANR employees named in the civil action, filed a Motion to Dismiss that action. The AG's Office made several arguments in its Motion, including absolute immunity for some of the named employees, qualified immunity, and that Plaintiffs' claims represent a collateral attack on the enforcement action currently pending before the Environmental Division, which has primary jurisdiction over the claims alleged in the civil action.

On April 15, 2016, the Civil Division issued a decision agreeing that some of the claims were committed solely to the Environmental Division's jurisdiction, and that those claims needed to be addressed first before those claims committed to the Civil Division's jurisdiction could be answered. In its decision, the Civil Division exercised its discretion to stay its own proceeding pending a conclusion to the Environmental Division matter. It therefore denied the Motion to Dismiss without prejudice, stating that it could be renewed once the enforcement case is concluded.

As a result, the Environmental Division held a status conference on June 21, 2016 and issued a Scheduling Order following the conference. The schedule identifies time periods for submitting pre-trial memorandum and completing discovery by October 31, 2016. The trial for this case will be scheduled during the month of December 2016. ANR is currently awaiting the specific dates.

SUMMARY OF KEY DEPARTMENT ACTIVITY

Office of Planning and Policy (OPP)

Vermont Gas ANGP Phase 1 (Geprags Park, Hinesburg): On Fri, July 15, the Agency will file with the Public Service Board a response to Attorney Jim Dumont's request for an Order to Show Cause and Investigation regarding areas of class II wetland that had not been identified in VGS's Sec. 248 petition or state Wetlands application. Mr. Dumont argues that all work on the pipeline project should halt until the wetlands permit issues are resolved. The Agency's filing will state that the project has a valid wetland permit that covers proposed and ongoing construction in all areas other than the recently identified wetlands at Geprags Park and that construction activity may continue in those areas while issues at the Park are resolved. The filing goes on to say that if VGS does intend to build the pipeline as currently proposed and impact the recently identified wetlands, VGS will need to obtain a new wetlands permit to cover impacts to those areas. Indications from VGS is that they will instead choose to avoid all direct impacts to the park property by shifting to a horizontal directional drill at the site, a move that will add roughly \$1M to the project. Finally, the filing highlights the importance of complete and accurate applications and suggests the Agency will continue to investigate the underlying issues that lead to the omission of the Geprags Park wetlands from the Sec. 248 and Wetlands applications.

GMP E-Farm Biodigester (St. Albans): Staff from OPP and DEC met with GMP's project team on Wed, July 13, to discuss the issues raised in ANR's direct testimony to the Public Service Board. The PSB proceeding for this project is currently paused at the request of GMP, who wanted time to resolve outstanding issues with PSD and ANR. GMP has agreed to reduce the propose electric rate for the project by several cents to address PSD's concerns about the cost of the power and provided information this week that makes progress in addressing ANR's concerns around water quality and how GMP will track and confirm the purported phosphorus reduction benefits of the projects. Staff will continue working directly with GMP's consultants to resolve outstanding issues as the PSB proceeding resumes. GMP has floated a proposed schedule for the remainder of the proceeding that begins with GMP supplementing their testimony on July 27 with additional information and project reconfigurations intended to address PSD/ANR concerns and concludes with technical hearings on September 12.

New Applications for the week of July 3: OPP received 3 new Act 250 applications and 1 new Section 248 petition.

Office of the General Counsel

ANR v. Vermont State Colleges (ACT 247): Assurance of Discontinuance entered as a Final Order. Vermont State Colleges owns and operates Vermont Technical College (VTC) which is the owner and permittee of two 12,000-gallon Category 3 underground storage tanks (UST) located in Randolph. On November 26, 2016, VTC personnel discovered fuel oil spilling out of the UST fill pipe and onto the ground. Respondent notified the Agency and instituted emergency

mitigation measures at the facility. Upon further investigation, improper operation of the system controlling the flow of fuel oil between the two USTs and the boiler was determined to be the cause of the release. The volume of the release was estimated at between five hundred (500) and one thousand (1,000) gallons of #4 fuel oil. Approximately two hundred and sixty-four (264) tons of contaminated soils were excavated and shipped offsite for thermal desorption. To date, Respondent has completed all required corrective actions at the facility, recorded a Notice to the Land Record regarding contamination left in place around the USTs and entered into a contract to upgrade the UST spill alarm system. As the result of settlement negotiations, an Assurance of Discontinuance was entered as an order of the Environmental Court on July 11, 2016. The settlement includes a penalty of \$5,250.00.

Environmental Conservation (DEC)

EPA Performs Technical Systems Audit (TSA) on Air Monitoring Program: EPA-New England Air Program staff were in Vermont from June 21-23, to perform a TSA on the Air Monitoring Program. The TSA is an important part of the Air Monitoring Quality Assurance Program and is performed by EPA every 3 years. The TSA includes the completion of a comprehensive checklist for field and laboratory operations as well as the review of training, documentation, data handling and validation procedures. EPA also visited the DEC/AG laboratory to review the air toxics analytical program as well as all of the ambient air monitoring sites throughout the network. At each air monitoring site, EPA inspected the ambient air sampling system, continuous gas analyzers, particulate samplers and meteorological sensors to verify the installation, operation, calibration and EPA siting criteria were met. EPA indicated that no significant deficiencies were observed and that the air monitoring program is considered acceptable and meeting EPA requirements. EPA will provide a report by the end of August.

Annual Report on Public Water System Violations: The annual report on public water system violations (a.k.a. annual compliance report) for calendar year 2015 was submitted to the Environmental Protection Agency as required by the Safe Drinking Water Act. A copy of the report has been made available to the public on the Division's website and can be found in the following location:

<http://dec.vermont.gov/sites/dec/files/dwgwp/DW/2015%20Annual%20Report%20on%20Public%20Water%20System%20Violations%20Final%20Sent%20to%20EPA%20.pdf>

EPA / State Lead and Copper (LCR) Coordination: As part of the ongoing EPA response to the events of Flint, Michigan, on July 7, 2016, the EPA Administrator sent a follow up letter to her February 29, 2016 letter to the Governors that asks that states work with the EPA to address deficiencies and improve transparency and public information regarding the implementation of the Lead and Copper Rule. The Administrator's letter includes a brief summary of the responses from the states and confirms EPA's commitment to follow up and continue to work with states.

EPA Pollution Prevention Grant Awarded: EPA notified DEC that we were awarded a two-year \$160,000 grant for work in three areas: 1) food and beverage manufacturer outreach –

specifically related to dairy and compliance with environmental laws 2) outreach to smaller Conditionally Exempt Generators of hazardous waste and 3) updating and implementing our recognition programs including the Vermont Green Business Program and the Governor's Awards for Environmental Excellence.

E-Waste: July 1 is the beginning of the new contract for implementing the state Electronic Waste collection and recycling program. We anticipate a smooth transition since the contractor had the previous contract and the recycler is also the same. There will be no Opt Out Program for the next program year. Although an application was submitted in March for a proposed manufacturer Opt Out Program, the application was incomplete and no additional information has been submitted; any application was required to be complete by June 30. A letter was sent this week denying the application, to close it out.

Great Hosmer Pond (Craftsbury): The Lakes & Ponds Program met with representatives from DFW to consider how to support the Town of Craftsbury Selectboard as they continue mediating the situation on Great Hosmer Pond, as described in last week's issue of *Seven Days*. Dept of Public Safety has reported that antagonism between scullers and other lake users has increased this summer, and is concerned about safety on the lake. The Craftsbury Selectboard has invited Public Safety, DEC and DFW to attend a meeting on July 20.

Fish & Wildlife (FWD)

Bear Problems: Bear issues persist around the state, perpetuated by human inability to clean up their collective acts. Trash is the big problem currently. Staff responded to a number of bear-human complaints where landowners have asked for assistance. Several game wardens also reported having bear incident reports that were serious enough that they requested assistance. In one case in the town of Dover, staff helped two district wardens address a problem of a bear that on two occasions broke into a private residence while people were present in the house. For the reason of human safety, the bear was efficiently trapped and euthanized. Bears still remain in the area as there remains a garbage and feeding problem that is being addressed. At least three other problem areas in other towns will be worked on in the coming couple weeks.

Wardens Assisted in Search and Rescue: Major Scribner and Warden Hungerford assisted Middlebury PD with a suicidal subject whose cell phone was pinging him on the side of a mountain. Both Wardens responded in tactical gear, walking 3 miles in search of the male who would later be found at home. Thank you both for the effort in assisting our fellow Vermonters.

Land with Potential Endangered Vegetation: Staff visited a site in Pownal that is being offered to VFWD. The site contains some of the only population of the state endangered tulip tree (*Liriodendron tulipifera*) including the ca. 100-foot tall "legacy tree". Property also contains a formerly impacted wetland that has been colonized by beaver so presently flooded.

Stream Crossing Handbook: Staff revised the VT Stream Crossing Handbook for a second printing. This document is a user friendly guide to the ecological and geomorphic issues

associated with road/stream crossing design and construction and has been used as an educational resource for state and municipal transportation staff, regional planning commissions and private consultants and contractors.

Perkins Pier Marina Expansion: Last week staff met with the Burlington Parks and Recreation Department to review the final draft of the Environmental Assessment (EA) for their planned Perkins Pier Marina expansion. The City was awarded a \$1,500,000 Boating Infrastructure Grant in 2014 from the USFWS as part of a pass through grant to the VTFWD. The expansion will provide 185 new slips, of which 95 will be transient slips funded by the federal grant. This marina will provide much needed slips and organization to the Burlington waterfront. The EA addresses numerous issues, including potential impacts to natural and historic resources, as well as multiple expansion options. The comment period is open until July 30.

Forests, Parks and Recreation (FPR)

State Parks Visitor Numbers: State Park visitation to date is 1% ahead of 2015. Things are very, very busy. Staff across the system are rising to the challenge. Day use areas like Boulder Beach (36% ahead) and Waterbury Center (30% ahead) are among those parks seeing significant increases.

Forestry Stewardship Partnerships: Stewardship Forester Tim Morton is working with retired forester and logger Russell Barnes and the Hartford Restorative Justice Program to develop a program where mandated community service hours can be used to accomplish forestry work on State Lands. They are conducting a small project on Mt. Ascutney State park where Russell and two volunteers are doing pre-commercial thinning and pruning of white pine and prep work for a pine regeneration harvest in an adjacent area. The initial area is 3 acres. The projection is to add another volunteer and complete an additional 20 acres of site prep before winter.

Service Learning: Conservation Education staff gave a presentation at the Engaging Vermont Woodland Owners through Wildlife project launch on June 23 at the Grafton Inn. CE staff are working on the education portion of this project - engaging high school students and teachers in hands-on service learning projects at four high schools in southern Vermont. FPR is receiving grant funds to pay for CE staff time and materials for this project.



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

To: The Honorable Peter Shumlin
From: Joe Flynn, Deputy Commissioner of Public Safety
Date: July 14, 2016
Subject: Weekly Report

Priorities:

The passage of S.10 (*expansion of designated crimes for DNA database, effective 5/23/16*) will have an impact on the VFL. We are expecting backlogs may be significant due to an additional 2,000 samples from qualified offenders in custody. VFL staff have done a tremendous job lowering the DNA (CODIS) backlog in the last 10 months, currently reported at 258. S. 10 provides no funding or positions associated with its passage, yet will impose significant impact on Lab DNA operations.

Significant focus on the upcoming Vigilant Guard '16 Exercise continues.

Administration

We had a good discussion with our newly appointed budget analyst Nick Foss. We used our FY17 Budget Presentation PowerPoint to give him an overview of DPS and its budget issues/concerns. I'd like to schedule a time for Nick to come by to meet you and Joe as well as the Directors at some point soon.

Staff attended the statewide Bulletin 3.5 training this week. The training was helpful, but there is still much to digest with all of the changes. A summary of the changes has been put out to our procurement contacts, but there will be more direction needed as we move forward.

We discussed that we may be able to use Fire Academy fire service training costs as match which lessens the impact of a reduction in the amount of 911 funds that we may have available for match. Erica will be contacting FEMA to discuss whether they will approve of this, and if so, what needs to be done with our application materials to document this change of plans.

CJS

Forensic Lab-

Backlogs (as of 6/30/2016):

- Blood Alcohol (0)
- Drug Chemistry (741)
- Serology (76)
- DNA (casework) (154)
- DNA (CODIS) (258)
- Firearms (29)
- Latent Prints (497)
- Arson (0)

Following the meeting with VOSHA our procedure is being updated in regards to notifying the Lab safety Officer when an employee requests their records from DHR. This is intended to insure that the VFL can monitor the timeliness of DHR responding to employee requests as that is what caused this issue in the first place.

OTM-



The Police Data Initiative project is moving forward steadily. We have scheduled a public release event for August 9th, with a backup date of August 16th if the 9th becomes problematic. VSP has settled on their initial 3 data sets they want to launch at the event and we are in the final stages of helping clean them up and finalizing the narratives that go with them. OTM has been tasked with getting White House representation and possibly a taped message from the President for the event, if possible.

An MOU/SLA between DPS and the Dept. of Public Service is in development. Public Service indicated they may be able to assist with some lower level GIS tasks, but not the critical infrastructure support necessary. This process has initiate further scrutiny on DPS's GIS requirements. We may have an alternative proposal, based on new findings with regard to our need for GIS support.

Communications-

The radio shop has been focusing there work efforts on maintenance activities surrounding the 20+ remote communications sites. Each site is evaluated in the following areas:

- Transmitting and receiving equipment is operating within manufacture specifications. Any deviations from this standard are corrected and the systems are retested for compliance.
- All voting equipment and networks are tested for proper operation. These system ensure dispatch personal receive the best quality audio from the radio networks. All audio levels are tested and adjusted as necessary.
- Antenna systems (antennas, transmission lines, connectors, pressure systems and grounding) are swept for problems and repairs are made as necessary. Systems that are found defective are replaced by the technicians. This includes climbing structures and rigging towers with ropes and hoisting devices to get the hardware replaced. The task of replacing one antenna could consume several days of work effort if the device is in a difficult location. Each year we replace several systems due to ice damage.
- The communications sites rely on stable AC / DC power to operate. Each communication site has commercial power, a backup generator, battery banks and uninterruptable power supplies installed to ensure reliable power is always available. With the exception of the commercial power lines, all systems are all maintained by our technical staff. During the summer months the staff:
- Refueling all generators. This involves in some locations physically carrying 5 gallon cans of diesel fuel or gasoline to replenish large fuel tanks. Other locations require propane cylinders carried on four-wheelers or trucks.
- All power line right of ways and microwave paths are cleared of small trees and brush.
- Building repairs are accomplished including small structural work, air conditioner replacement, insect, rodent control, and cleaning.

- All batteries are tested and replaced as necessary.
- Tower maintenance. We have contracted with a structural engineering firm to conduct tower safety inspections and to provide structural services as deemed necessary. During the next two months we will be completing our tower inspections.

Our testing work on the message switch (VLETS) continues. We are transferring files and testing functionally in a test environment before we go live. We are aggressively working to bring the new “Messenger” interface online which will replace the current PS portal software.

VCIC-

The vacant Deputy Director position has been reposted in order to update the candidate list for interviews and selection and a vacant Criminal Record Specialist position is being reclassified for the Marijuana Registry (due to continued increases in patient applications).

The Tri-State AFIS contract has been now been signed by the Attorney General’s Office, DI&I, and the Agency of Administration. At this time Maine stands prepared to move forward as soon as possible with New Hampshire now projecting an early August date for final approval and formal project commencement.
DEMHS

Phase II of Brandon’s \$1.3M Irene HMGP downtown drainage project cleared the congressional queue but has not yet been formally obligated due to questioning of a \$6.5k line item by FEMA R1 staff.

FEMA R1 gave final approval as adopted of Local Hazard Mitigation Plans for Brownington and Sandgate.

CI Planner delivered CI Introductory briefing to Commissioner of Economic Development on 7/14.

A test of the satellite phones were conducted this week. All but two of the phones were successfully tested. The remaining two will be tested in the near future.

Director, Deputy, COS, PIO, and HS Section Chief participated in the Vigilant Guard Press Conference at Camp Johnson.

Director and Deputy met with new American Red Cross Executive Director for Vermont.

Director attended the intelligence briefing for the upcoming “Wings Over Vermont” air show in August.

Representative Buxton called regarding Royalton PA funds.

Fire Safety

The Division received \$5.2 Million in new plan review construction valuation collecting \$36,000.00 in fees.

We have a public building located just outside the front entrance to Smuggler’s Notch in Jeffersonville called Café Banditos. The building has an apartment unit upstairs and from what we have been told the first floor restaurant has been opened to the public on weekends. The power company shut the power off because the electrical service entrance meter pack was completely rusted and dangerous. The power company had been trying to get the owner to make the repairs for over 2 months with no success. John Black was on –

site when the meters were pulled because an energizing permit would be required to make the repairs and have electricity re-introduced. John indicated to the owner he would expedite the work notice and meet with a licensed electrician to go over what was needed. The owner is extremely upset the utility pulled power and I am sure there was loss of food in the freezers and so forth as the owner is struggling to find an electrician.

The 4 candidates were interviewed for the Chief of Fire Service Training and the panel provided one candidate for the second interview. As you are aware we will be meeting with Peter Lynch on Thursday.

The water storage tank at the academy is 60% drained and appears by Friday the tank will be empty ready for visual inspection and cleaning.

The academy is gearing up to what will be a real busy fall with an increased number of fire fighter I/II classes provided this year.

We are holding 2 public meetings on our rule package this month and sense there will be very little opposition.

Vermont State Police

A Troop-

FF
12 Total Arrests, 2 DUI

One overdose response.

Fatal involving two Georgia VT firefighters. The DUI operator survived and the passenger died. Case is ongoing.

Male died from an ATV crash 3 weeks ago. He was the lone occupant. Alcohol was a factor.

Arrested 18 year old who was traveling in excess of 100MPH through Waterbury village charged with DUI, CN, ATE, LSA and excessive speed.

BCI
Assigned Trooper background. D/Tpr assigned.

Proffer of day care worker in the investigation of a toddler drowning. SA put out a press release that charges would be not brought forth in the investigation. Family agreed that no charges should be brought.

Prepared for Mock CALEA assessment.

Report form a 5 year old child that her mother was taking naked pictures of her. CUSI assigned Det. Tpr.

Arson unit responded to Poultney for a grocery store fire. Cause determined to be lightning. D/Sgt assigned.

Arson unit responded to a barn fire in Pownal. Cause of fire determined to be electrical. D/Sgt assigned.

Arson unit responded to a fire in South Burlington. Residence caught fire and appeared to have started on the porch. Investigation showed recessed lighting on the porch failed. D/Sgt assigned.

Arson unit responded to a residential fire in Essex. Building house three apartments. Cause of fire believed to be a coffee pot that failed to shut off and caused a fire on the counter. D/Sgt assigned.

D/Tpr. arrested parents of a young child who refused to allow DCF to take the child into custody. Parents were issued flash citation to appear in court when they responded to family court regarding custody. Arrests made without incident.

Fugitive from Justice case in St Albans. Jail called to report they were releasing a male in federal custody who was wanted out of NY. Investigation showed this was a parole warrant and male was never entered into NCIC. Inmate did not meet policy requirements for a fugitive from justice warrant. SA reviewed case and agreed more info was needed before an arrest could be made. D/Sgt assigned.

Death investigation into a 6 week old child. D/Tpr assigned. Investigation showed the parents were sleeping with the child and child died possible from positional asphyxiation. OCME conducting autopsy. No outright injuries to the child noted. Parents were cooperative. SA also involved.

Level II background assigned and completed by D/Tpr.

Death investigation in the Town of Eden. Apparent suicide of an elderly male who has attempted suicide in the past. Body had been in residence for a number of days prior to locating. D/Tpr assigned.

Death investigation in Duxbury. 69 year old male dies of apparent cardiac issues. D/Sgt assigned.

Assault case at the State Hospital. D/Sgt assigned.

Overdose death in the Town of Groton. D/Sgt assigned and working with NIU on follow up of heroin supplier. Witnesses willing to work with the police.

B Troop-

FF

Investigated a motorcycle vs moose crash in Concord, VT. The motorcycle had two individuals riding at the time of the crash, one of which was ejected, lost her helmet in the process and sustained serious injuries.

Troops were involved in a pursuit of one suspect who took leg bale and was unable to locate him. His identity is now known and there is a warrant for his arrest (unrelated to burglaries). Another subject was identified and he is on furlough, through their aggressive efforts that subject was also arrested for violation of his conditions of furlough, subject provided credible information regarding others who are involved in the burglaries.

BCI

Assist Troops in Derby with Missing Person. Located.

Bar coding equipment installed in Derby and St. J barracks.

Assist A Troop with follow up on Overdose investigation.

Assisted Uniform Troopers with patrolling back roads of Orleans County in attempt to identify subjects committing daytime burglaries in the area (Thurs and Fri).

Served multiple subpoenas for sex offense case for CUSI.

Glover, VT. 27 yr. old male found deceased. History of seizures and drug use. Nothing suspicious at scene. Pending Autopsy.

Morgan, VT 58 yr. old male with cardiac history. Natural.

ST. Johnsbury, Vt. 78 yr. old female with hypertension and cardiovascular disease. Natural.

C Troop-

FF

15 Total Arrests, 1 DUI

6 "missing" people, all involving the Rainbow Gathering. All 6 were located at the Rainbow Gathering, and were overdue to return to their homes.

Assist to Fair Haven PD with a search of a suicidal male. VSP SAR Team leaders along with NE K9 and the Upper Valley SAR. Nothing found that night, but the male was located the next morning, deceased by hanging.

Worked on a burglary case in which several tips were received reporting a vehicle casing residences in the southern part of Addison County, one homeowner got pictures of the vehicle which led to the owner who is a well-known burglar in Rutland and is on furlough, troops worked with DOC and Rutland troopers who helped solve the case, suspect and girlfriend arrested burglary, charging male with habitual offender.

Arrested a juvenile for domestic assault after they attempted to strangle a family member.

Night shift responded to a domestic in which shots were fired, suspect fired rounds into mothers vehicle and fled scene, no injuries, suspect vehicle located at a farm nearby, suspect attempted to drive away and was taken into custody with a felony stop, BCI assisted.

Night shift responded to a hiker who fell from a cliff and sustained severe head injury, subject passed away several days later.

BCI

Discovery for correction officer assault.

S/A case submission for Benson sexual assault arrest.

New Case: Missing Person in Mount Tabor; Erica G. Lavoie who was located safe at the Rainbow Gathering by US Forest Service personnel.

Schaff missing person follow up: tip received that led to multiple interviews in Glens Falls and Granville, NY.

Met with prosecutor on Hart case.

Suicide in Fair Haven on missing person Jeremiah Rudnicki. Located by a couple children hanging behind Fair Haven grade school.

Discovery paperwork for Monkton tree sitter.

Assist Det Tpr on shooting in Lincoln.

New case, hiker fell 30' off cliff in Lincoln.

New case: Assault at correctional center. Investigation continues.

Follow-up Hartford officer involved shooting.

Assisted Det. Sgt. with fire investigation follow-up in Poultney.

Began reviewing VSP/Fire Investigator reports (Technical Review).

New case; Shooting in Lincoln VT.

CRT casework for fatal in Brattleboro.
D Troop-

FF
6 Total Arrests, 1 DUI

Stopped a vehicle for speeding on I91 in Rockingham; 0099 done on vehicle & on the person of the female operator; 63.5 grams of cocaine was located on the female's person.

BCI
Review of jail calls for Homicide.

Continued Evidence Work at Rock and Bratt prepping for move to Westminster.

CAC-Brattleboro meeting for pre-accreditation/certification.

Sexual Assault- Conducted follow up interviews. Case will be completed and sent to SA for review.

Write up sex assault case, transfer to NH for further invest.

Fair and Impartial Policing Sub. Committee conference call.

SSCF Inmate fight-write up and Interview at SSCF; Affidavit for subpoena for video/photos/medical records.

VCR/TRO Viol. By Inmate at SSCF-attempt. Inmate interview-cited for 5 counts of VCR/5 counts.

TRO Violation-Affidavit for Subpoena for jail calls.

5 DRE evaluations reviewed.

New Sexual Assault Investigation Case Started in Andover, 5 year old disclosed that his father touched him inappropriately a couple years ago, interview of victim done in Rutland, no disclosures made, re-interview scheduled for next week.

TOPS-

Assist to Sanders detail.

Assist to VTANG with traffic for funeral.

Georgia night fatal.

Two assists to NIU with arrests and processing, one significant Heroin seizure.

POLYGRAPH-

6 Pre-Employment polygraphs.

Meeting with OPD regarding new testing format and improvements.

Received two criminal case requests. Cases are being reviewed and scheduled for exams.

MAJOR CRIME-

Hart homicide: prepare another copy of submission a material for US Attorney, Grand jury for Greenos (Amanda now has an attorney and will proffer July 26th). Corey Carter to be arraigned today in Burlington.

Smith homicide: continue to organize material, review transcripts, follow up interviews and documentation regarding tip.

O'Hagan homicide – Conditions violations and discovery issues taken care of.

Preparations for VSP death school.

Lott homicide-review jail phone calls 400+ calls.

Russ Fraud-follow up with FBI.

CCU-

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



State of Vermont
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Justin Johnson, Secretary

**PRIVILEGED AND CONFIDENTIAL
MEMORANDUM TO THE GOVERNOR**

TO: Governor Peter Shumlin
FROM: Secretary Justin Johnson
DATE: July 15, 2016
SUBJECT: Confidential Report to the Governor

BUILDINGS AND GENERAL RESOURCES

Scott
↓

Issue Updates:

Save the Date: BGS Employee Appreciation Day is September 14th @ Lake Elmore State Park. Festivities commencing @ 10:00 AM.

Information for the Fifth Floor: A ribbon cutting and grand opening of the Maplewood Travel Service Center at Exit 7 is projected for the first week in September. This is a Public Private Partnership (PPP) between SOV and Maplewood developers, Randy LaGue and Wayne Lamberton. This may be an event the Governor wishes to participate in?

Maplewood Exit 7 Travel Service Center: In count-down mode. Center is projected to open first week of September. An action list has been prepared to ensure partners are doing what is necessary to ensure a successful opening and that quality services are provided to the travelling public in this new State sanctioned Visitor Center/Travel Service Center. Graphics, brochure racks and scrim are being readied for installation prior to opening. Wayne Lamberton has asked if the State would participate in the purchase of electric vehicle charging stations.

Berlin – VPCH – LaGue’s Property: The property retention request is under consideration. We are reviewing the Town Zoning Regulations implications as to what impacts may occur with potential development on the retained parcel. We hope to complete the review this week.

Randolph – VAEL – New Construction: Supplemental information pursuant to the Recess Hearing Order was submitted on Monday, July 11, 2016. The District Commission will be scheduling the next hearing after today. We expect the Phase 1 Site & Foundation bid packages from the design team next week, as well as the Lab Building permit documents for the Division of Fire Safety. Jeff is currently working on the CM Services RFP. We have received a Notice of Appeal from Mr. LaFrance to our

Town of Randolph Development Review Board Site Plan Approval and Conditional Use Permit. All bets are off regarding the project schedule.

At the new Westminster Public Safety Facility, occupants are scheduled to start moving in on Monday, July 18th.

Vermont Information Centers: We are ready for the Jeffords renaming of the Bennington Welcome Center. We are reviewing request for additional contractual funding from the Bennington Regional Chamber of Commerce.

FINANCE AND MANAGEMENT

Issue Updates:

Fiscal Year 2016 Close/Fiscal Year 2017 Revenues: SFY 2016 closed with a revenue shortfall of about \$16m. F&M has been working with JFO and others and is addressing this shortfall through the use of some one time sources of about \$10m (utilizing funds set aside at the end of the legislative session for an anticipated short fall ~ 6M; additional direct applications from DFR, SOS, and unclaimed property ~4M) and by reverting about \$6m in general fund from AHS that was not needed due to less than anticipated expenditures in the Medicaid program. Additionally, AHS was able to cover the costs of the 53rd week within their FY 2016 appropriation. For SFY 2017, F&M is proposing to address a potential revenue downgrade (which we should learn more about, early next week) by removing more funds from AHS/Medicaid. It appears the Medicaid program expenditures will be under target for SFY 2017. We will provide more details at our pre E Board meeting scheduled for Thursday at noon.

Certificate of Excellence in Financial Reporting: The Department of Finance and Management's CAFR has once again qualified for a Certificate of Achievement for Excellence in Financial Reporting. The recognition is awarded by the Government Finance Officers Association. This is the highest form of recognition in governmental accounting and financial reporting and its attainment represents a significant accomplishment for the State and our staff. This is the 9th year in a row for this prestigious distinction.

HEALTH CARE REFORM

Nothing new to report.

HUMAN RESOURCES

Legislative/Policy Update:

As per the Big Bill, we have reviewed State policy pertaining to the death of a state employee in the line of duty. We will soon propose policy changes and language for the required legislative report.

Responded to an inquiry from Rep. Mary Hooper regarding state security training and workers compensation in the case of a death of a state employee in the line of duty.

Communications Update:

Responded to a request from VT Digger regarding a Fish and Wildlife practice that DHR objects to which compensates game wardens with a phone allowance outside of the CBA. We are working with Commissioner Porter to comply with the CBA.

Significant Events/Meetings:

Discussed the transition of administrations with the Extended Cabinet and prepared our HR Field staff to be prepared to deal with related requests from appointees and exempt employees.

Sent a memo to DHR staff outlining the department's role in Vigilant Guard 2016.

Part of interview panel for BGS Security Director. Interviews ongoing.

Received draft audit findings regarding performance appraisals/timeliness for DHR, DII and F&M. As expected, percentage of completed/timely for 2015 is low – 15% across all 3 Departments. We are drafting a combined response to the Auditor which is due on the 21st. I would expect some press coverage. We will coordinate with Governor's office.

Went to UVM and met with Amanda Chase from their Career Center to start laying the ground work for structured Partnership RE: internships. Reviewed UVM Internship MOU and will finalize with Legal.

DHR recruiting team met with DAIL to kick off the Disability Employment Working Group (of the GWEDC, per Governor's EO). DHR will chair the group.

Our life insurance open enrollment window was very successful, with just over 300 existing employees enrolled. We have now changed our life insurance to an auto-enroll for new employees, requiring them to affirmatively opt-out. This should greatly improve enrollment numbers and provides a real benefit to employees.

Coordinating with GMCB nominating committee on anticipated vacancy on board this fall. Will be advertising vacancy on July 15th, open for 28 days, interviews with goal of list on candidates to Governor by end of August.

All pay adjustment/updates for new FY have been processed in the system without incident. This is a huge effort for the DHR staff- very meticulous work. They have done an excellent job!

INFORMATION AND INNOVATION

Issue Updates:

Web Updates: The Governor's Office new Website has been moved to the live server in preparation for launch.

LIBRARIES

Nothing to report.

TAXES

Nothing new to report.

CONFIDENTIAL and PRIVILEGED

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

Vermont Department of Liquor Control

Legislative Issues/Contacts/Updates:

We have commenced the evaluation of the rule making process proposal for S250.

We have identified two law clerks that are interested in assisting in the initial steps of filtering and evaluating language in the Title 7 re-write. We have spent several weeks attempting to get DHR to issue job codes to the positions. They have been unresponsive to our needs. We risk losing the two candidates if DHR continues to ignore our requests for action.

Press Issues/Releases/Contacts:

The Department issued a press release explaining the circumstances surrounding the surrender of the class one and class three licenses by the owner of the Zen Lounge.

Significant Events/Meetings:

On July 13 Liquor Board Meeting met for their monthly meeting. The owner of Burlington's Growler Bar presented a proposal to designate a Class 2 retail space within his Class 3 premises. The Board and the owner of the establishment came to a compromise to allow the licensing of this Calls 2 space.

The owner of the St. Albans bar, Karib appeared to contest an infraction. Due to the absence of a subpoenaed witness the proceedings were continued until the next board meeting on 8/10/16.

Have been meeting with DHR to evaluate our options to deal with both short and long term staffing challenges with our warehouse operation

Summary of Key Department Activity:

Agency Issues:

The agent transition for the Harmonyville store is progressing toward its completion at the end of the month.

The contract bid for the Pownal agency has received one applicant to date. The bid acceptance period has ended. We are awaiting a completed application from the candidate and will make a recommendation to the Board on August 8th.

Staffing:

The Warehouse Worker 1 position has been filled as of July 11th. We have received the routed candidate list for a Temporary Warehouse Worker II (driver) position. We are progressing to posting a position opening for a Warehouse supervisor position

We are awaiting Board approval to fill the Principal Assistant position.

Commissioner's Commentary:

We are preparing for and awaiting an off premise Board retreat on Tuesday, July 19th to discuss a number of operational procedure changes.

116 STATE STREET
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STATE OF VERMONT
AGENCY OF AGRICULTURE

OFFICE OF THE SECRETARY
TEL: (802) 828-1619
FAX: (802) 828-2361

Chuck Ross, SECRETARY

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: July 15, 2016

Summary of Key Activity

Secretary Ross and key AAFM staff worked with AOT to prepare a statement explaining that VT Railway would be spraying the tracks that run through Montpelier this July. This is the stretch of track that was mechanically maintained for the last two years. After a public process with VPAC and discussions with AOT about how to minimize the risk associated with the use and maintenance of this track it was determined the track needed to be sprayed this year. A statement is posted on both the AOT and VAAFMs websites.

Deputy Secretary Bothfeld and Senior Ag Development Coordinator took part in the Renewable Development Fund meeting with representatives from GMP, CLF and Public Service Department. The group received an update on farms interested in methane digesters in VT. Two farms are showing interest with one hiring a consultant to determine feasibility. Current drawbacks for dairy farmers include low milk price eating into equity and lowering capital to invest and operating requirements for methane digesters. New models of ownership are being discussed with these farms that include ownership by a third party and farmer just supplies manure, joint ownership with third party owning the energy generation and farmer owning manure structures and potential for a lease to own to farmers after an upfront equity investment. Agency of Ag is monitoring closely to determine if any of these ownership models may be of interest to farmers.

Secretary Ross met with staff to discuss Conservation Easement issue with property in Shoreham VT (Harper property) and Act 250 issue in Swanton (Harrison property).

Agency of Agriculture is working with a well know sheep's milk cheese maker on a potential antibiotic residue issue in a batch of cheese. The original sheep's milk samples tested positive for antibiotic residue but the farmer had already made cheese from the milk. This would result in a \$30,000 loss of cheese due to a zero tolerance for antibiotics in milk. VT Agency of Agriculture Dairy Section staff investigated further and found that the samples were mishandled and worked with the National supplier of antibiotic tests to determine that this type of mishandling could create false positives. Further backup samples have been tested and have been found to be negative. Working with all regulatory agencies involved but hopeful that cheese can be determined free of antibiotics and released for sale. Extra effort on behalf of Dairy Section and Ag Laboratory staff saving sheep farmer from large loss (for that size farm).

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Chuck Ross, SECRETARY

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: July 15, 2016

Legislative Issues/Contacts:

Dr. Haas, State Veterinarian, submitted comments to the Agricultural Marketing Services' proposed rule pertaining to national organic standards. Communication with Senator Leahy's office occurred afterward as his staff person had previously inquired as to whether VAAFV would be submitting comments

Evolving Issues:

Animal Health staff are investigating the importation of horses from an equine rescue group located in PA and MA. Suspected that horses entered VT without health certificates and possibly out of date tests for Equine Infectious Anemia (there is currently an index farm in NY with this disease.) Of the 5 importers, the Section has been able to find contact information for two and those horses have entered the state with the correct tests and paperwork. However, there are issues with origination address on the health certificate. As these issues relate to the accredited veterinarian who completed the form in PA, follow up will be performed by USDA Veterinary Services, who has jurisdiction over both accredited vets and interstate movement paperwork.

Summary of Key Agency Department Activity

Administration

Deputy Secretary Bothfeld and Senior Ag Development Coordinator took part in the Renewable Development Fund meeting with representatives from GMP, CLF and Public Service Department. The group received an update on farms interested in methane digesters in VT. Two farms are showing interest with one hiring a consultant to determine feasibility. Current drawbacks for dairy farmers include low milk price eating into equity and lowering capital to invest and operating requirements for methane digesters. New models of ownership are being discussed with these farms that include ownership by a third party and farmer just supplies manure, joint ownership with third party owning the energy generation and farmer owning manure structures and potential for a lease to own to farmers after an upfront equity investment. Agency of Ag is monitoring closely to determine if any of these ownership models may be of interest to farmers.

Food Safety and Animal Health and Consumer Protection:

Animal Health:

- Kristin Haas, State Veterinarian, along with the USDA veterinarian and Animal Health Specialist Darryl Kuehne, met with the managers and veterinarian affiliated with the VT Summer Festival horse show in

Dorset VT. Parties discussed compliance issues at the event and the occasional lack of required health papers for out of state horses. A compliance protocol was developed as a result of the discussion and will be finalized by the end of the week.

- Kristin Haas, State Veterinarian, participated in a conference call of the Veterinary Services Training and Exercise Program workgroup, where she represents the National Assembly of State Animal Health Officials and the New England States Animal Agriculture Security Alliance.
- Kristin Haas, State Veterinarian, had a conversation with Col. (Dr.) Kristina McElroy with the U.S. Army this week to discuss improved collaboration between veterinarians employed by the military services and the United States Animal Health Association (USAHA). As a member of the USAHA executive team, Haas is charged with implementing the portion of the organization's strategic plan that focuses on membership enhancement and involvement.
- Assistant State Veterinarian participated in the Regulator Training Subgroup of the NASDA Technical Working Group. This group holds a call every two weeks with FDA to develop and plan for the implementation of training courses for regulators who will be inspecting produce farm compliance with the federal Produce Safety Rule.
- Animal Health Field Staff
 - Attended the weekly livestock auction at the Addison County Commission Sales to monitor Animal Disease Traceability compliance and complete the livestock market report.
 - Met with management of Vermont Summer Festival regarding the import of equine from out of state and management's role in identifying participants who show up without required documents. Inspected documents of participants at the Vermont Summer Festival at the Harold Beebe Farm in No. Dorset.
 - AHS Bartlett met with a fallow deer producer in Charleston to complete a yearly herd inventory and inspection of facilities. Fence and facility passed inspection along with his herd inventory paperwork. He has 2 bucks to be tagged and requested this be postponed until they shed their velvet. Also at that time, any fawns would be tagged. Section will provide producer with RFID tags.
- Completed the annual inspection of a livestock dealer in the Troy area.

Dairy:

- Susan James represented the VT Agency of Agriculture at the National Association of Dairy Regulatory Officials annual meeting July 10 – 13 in Grand Rapids, MI. Items discussed were FSMA, NCIMS update, USDA update, Fairlife Milk products, IDFA update, Bovine TB, and NCIMS proposal 211 regarding drug residue testing.
- USA Food Safety is still being modified to meet our needs. The farm and plant inspection parts are functioning but still need more adjustments to the program.
- Dairy Section continues to perform required regulatory activities and to pursue enforcement actions as warranted.
- Dairy section staff have completed a USPH rating at Agri-Mark/ Cabot in Middlebury.
- Dairy field staff worked in office to catch up on paperwork in office.
- Antibiotic residue in sheep milk investigation is ongoing but near completion.

Topics from Secretary

Meetings:

- Attended an All Agency Staff meeting. Organized staff development opportunities using VDHR services and worked on staff informational and morale issues.
- Met with staff to discuss Conservation Easement issue with property in Shoreham VT (Harper property) and Act 250 issue in Swanton (Harrison property)
- Spoke to Jim Harrison and arranged for a follow up longer conversation next week.

Commented [RC1]: ore

- Spoke to vendors of the Big E who were meeting with Agency staff in preparation for Big E in September.
- Worked with Agency Staff to develop strategy and timing for submittal of final draft of RAPs to LCAR by mid-September.
- Worked with AOT to prepare statement explaining that VT Railway would be spraying the tracks that run through Montpelier this July. This is the stretch of track that was mechanically maintained for the last two years. After a public process with VPAC and discussions with AOT about how to minimize the risk associated with the use and maintenance of this track it was determined the track needed to be sprayed this year. A statement is posted on both the AOT and VAAFM websites.

+CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Greg Smith, Executive Director, VT Lottery
Date: July 15, 2016
Re: Weekly Report

Status of Governor's Priorities:

none

Legislative Issues/Contacts:

none

Press Issues/Releases/Contacts:

none

Significant Events/Meetings:

none

Evolving Issues:

none

Summary of Key Agency Department Activity:

We have been preparing for the initial meeting with our new ad agency to negotiate contract terms. We are meeting them on Friday in Boston.

Our marketing staff has been on location at three different agents this week promoting an instant ticket contest. We were present in Barre, Springfield and Lyndonville this week, and will be in Rutland and Burlington next Tuesday and Wednesday to finish the promotion.

We are currently studying sales volume by game and store, as well as website traffic to determine how to approach marketing themes this year. We have quite a bit more info available than we have in the past due to new websites.

Executive Director's Commentary:

Our final FY16 sales and profits will be finalized early next week and we had a good year. Even without the record Powerball jackpot in January we were up nicely. Lower fuel prices are a strong contributing factor.

We are in the midst of evaluating a few prospective new hires and the development of a few current staff members to fill our open positions. This should cause a nice adjustment for new and long term staff.

Sent from my iPad