

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

Sent: Saturday, April 30, 2016 9:21 AM

To: GPS

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

Subject: Weekly Reports - Executive Privilege 04 29 16.pdf

Attachments: Weekly Reports - Executive Privilege 04 29 16.pdf; ATT00001.txt

Highlighted Weekly Attached.

Gov - see update on PayPal in ACCD, siting bill in Public Service, and TMDL in ANR sections.

Also update on body cameras in public safety, and all payer and tax revenues in Agency of Admin.

Notes in here for Sue, Justin, Lawrence, and Scott.

Thanks,
Darren

WEEKLY REPORTS

Checklist
4/29/16

Darren Springer

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

Sue Allen

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

Sarah London

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

Jessica Gingras

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

Laura Gray

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

James Pepper

- Department of Labor – Annie Noonan

To: Governor Peter Shumlin
From: Patricia Moulton, Secretary - Agency of Commerce and Community Development
Date: April 29, 2016
Re: Weekly Report

PATRICIA MOULTON, SECRETARY

GOVERNOR'S PRIORITIES:

- **EB-5:** The whirlwind continues. Wednesday's presser was very helpful. We have sent the positive news stories worldwide, tweeted, Facebook, tumbled you name it. And it is getting some traction overseas with investors.
 - House Commerce held their hearing Wednesday and the feedback is mostly positive. Jay receiver Michael Goldberg testified via a phone at House Commerce Thursday and did a great job. Pat got a little testy with the chairs contention that "clearly the appropriate risk management tools were not in place or this never would've happened." Defending the actions and we have taken to provide greater oversight well ahead of federal requests or expectations. Chair Botzow so was clear there's always room for additional risk management, Pat fully agreed. Friday morning Pat and Susan Donegan are in House Commerce on the EB-5 amendments to the fee bill.
- **PayPal:** We sent off a great presentation to PayPal on Wednesday. It features properties in Burlington and Brattleboro. We indicated \$2 million from the Windham County economic development program for Brattleboro. We could reach \$3 million potentially in VEGI incentives anywhere plus \$500,000 in Vermont training program funds. This meets or exceeds what North Carolina was putting on the table. A ready to go class A office building is critical to land this company. Fortunately, we have some options there. Our goal is to get them to visit.
- **NBRC:** This next round of grants apps to the Northern border regional commission is shaping up to be quite robust. There are multiple applicants coming in with a variety of projects. Jared Duvall in our office has done an excellent job reaching out. We have also started conversations about potential he expanding the eligibility territory to include the entire state. Not sure if that will happen, but it's worth pursuing.
- **Steve Cook reports: 1-800-VERMONT Call Center:** Unfortunately, BGS was not able to support the 1-800-VERMONT in bound calls. VDTM is now looking at outside resources to support the program. This is most unfortunate as we could contract with BGS welcome centers to take these calls, which is not a huge volume. Now we will go outside of government which seems a shame.
- **Joan Goldstein and Katie Corrigan report: Aero Montreal Innovation Forum**
 - Attended Aero Montreal Innovation Forum held at Palais Des Congres in Montreal. The objective of this event was to seek business opportunities in terms of aerospace innovation for Vermont and our small businesses; to strengthen links between key players of the Quebec aerospace industry; and to foster partnerships.
 - Aero Montreal Innovation Forum was a great success for Vermont and our nine companies. Vermont Department of Economic Development attended this show with Vermont Chamber of Commerce, U.S. Department of Commerce, Liquid Measurement Systems, Sathorn Corporation, MSI, Concepts NREC, SemiProbe, Stephens Precision, North Hartland Tools, Superior Technical Ceramics and Omega Optical.
 - Companies were able to meet with major players in the Canadian Aerospace industry such as Bombardier, Bell Helicopter, Pratt and Whitney, Thales, Lockheed Martin and many more. DED was also able to make substantial connections during their B2B (business to business) meetings and gather some great



potential resources for companies who attended the show and companies not in the Aerospace industry, but may be able to work in a different part of the supply chain.

- Companies were able to hear speeches from M. Philippe Couillard, Premier of Quebec and Ms. Christine St-Pierre, Minister of International Relations.
- Multiple workshops and industry specific seminars were put on for the companies. Some of the key speakers were Dr. Dan Schumacher Director of Science and Technology of NASA and MSFC; Mr. Colin Bole, Senior VP of Sales and Assets Management, Bombardier Commercial Aircraft.

LEGISLATIVE ACTIVITY

- Fred Kenney testified in House Ways and Means, Senate Economic Development and Senate Finance regarding **VEGI sections of H.868**. The bill came out of the Senate pretty much as we wanted. Hopefully a short conference committee on this bill.
- Fred Kenney attended Senate Finance Committee meetings to monitor TIF changes in **Misc. Tax Bill**, including extension of certain parcels in Burlington Waterfront TIF for Town Center project. Extension was included in **H.873**.
- **S.230 Solar Siting**: “Why would you sit in a committee all day?” is a question that we often get from those who do not spend much time under the Golden Dome. Well, last Thursday the reason was to make sure that our Agency did not get assigned to staffing (without any resources) an appeal board for regional and local energy plans. Sitting in committee until 7pm paid off and we were not named in the bill – that went to the Natural Resources Board. The reason – ‘they weren’t in the room to speak up.’ Special thanks to Chris’s daughter Avery who sat in committee with her Dad so he could keep an eye on things in the morning! Her pizza lunch was well deserved! The bill is slated to pass the House this week and then will be off to conference committee.
- **Senate Finance**: Noelle and Chris covered Senate Finance Friday evening to monitor the administrative fee bill as well as the miscellaneous tax bill. No unexpected changes in the fee bill for ACCD and the Committee added the TIF language that Burlington was requesting to assist with infrastructure financing associated with the Burlington Town Center redevelopment. Otherwise, no surprises.

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

- **VCGI Imagery Program**
 - **Orthophotos**: Quantum Spatial (our orthoimagery acquisition contractor) successfully completed acquisition of Rutland and Windsor counties last week. They collected 30cm resolution imagery for the entire area as well as 15cm imagery for specific cities, urban areas, and villages. The 2016-2020 VT Ortho Acquisition Plan interactive map is available [here](#). VCGI is also very close to releasing a “quality control services” RFP which will provide the State with an independent 3rd party review of Quantum’s deliverables.
 - **LIDAR**: The Vermont LiDAR Initiative is considering the United State Geological Survey (USGS) Broad Agency Announcement (BAA) for Federal Fiscal Year (FFY) 2017 (state fiscal year 2018). The USGS BAA is a Federal matching grant opportunity intended to “facilitate the collection of lidar and derived elevation data for the 3D Elevation Program (3DEP)”. (USGS, p.4; U.S. Geological Survey Broad Agency Announcement for 3D Elevation Program (3DEP) G15PS00558: 2015) Currently, Vermont has 80% coverage of “Quality Level 2” data in various stages of development, with the remaining 20% covering sensitive areas in the Missisquoi Bay watershed, shore land and watersheds of Lake Champlain in Addison County and Bennington County.
Efforts to secure signed Memorandum of Agreements with our state funding partners for the current collection effort continue as do including the final 2013 Rutland/Grand Isle and pre-delivery 2014 Eastern VT data collections into the LiDAR Web Services Plan (see Table 4. “VCGI LiDAR Data Delivery Services” of the [VT State LiDAR Plan](#)).
- **Projects and Technical Support Services**
 - **VT Open GeoData Portal**: The Project Team discussed applying the Scrum method (an Agile approach to project management) into this project as we begin the build phase. DII has endorsed this approach, and ACCD is already using this with other projects (Site Locator). Our next meeting will be a “Spring Planning Meeting”, and then we’ll start sprinting! Also, DII has initialized the development website for the new Portal, so the team can now move straight into the build phase.

DEPARTMENT OF TOURISM & MARKETING: Megan Smith, Commissioner

- **Outdoor Recreation Press Conference:** Megan participated in the press conference with Peter Welch announcing that the U.S. Dept. of Commerce will conduct a comprehensive study to quantify the benefits of the outdoor recreation business to the U.S. economy.
- **Lyndon State:** Megan met with the administration of Lyndon State to discuss their new hospitality training program. This program was developed with a grant and was to target the new staff at QBurke and Jay. Since those plans are on hold, Megan will be helping them try to get some other regions to take part as well as get some funding through the Department of Labor.

Steven Cook, Deputy Commissioner

- **Restaurant Week:** VDTM is supporting the expansion of Vermont Restaurant Week throughout the state. It's been a goal for the Department to make VT Restaurant Week a truly statewide event. This year it all begins. Nine restaurants in the Brattleboro area are participating for the first time in this year's VT Restaurant Week. They are all very excited to finally be part of this statewide culinary event. VDTM, in partnership with Seven Days, are running advertising throughout Vermont and border states. VDTM launched a targeted digital campaign in Albany to attract consumers to southern Vermont.

COMMUNICATIONS ♦ Philip Tortora, Director of Communications

- **Huffington Post:** Working with Huffington Post travel writer Malerie Yolen-Cohen who will be spending 6 days essentially barnstorming dozens of attractions in Vermont. We are assisting with her itinerary.
- **Social Media:** Another video we posted to Facebook this past week on Vermont Tourism's page was a "Vermont. Arts. Everywhere." clip from the Vermont Arts Council. The video has reached nearly 4,000 views. Also, a video we shared on Vermont's byways has received more than 500 views. The top Facebook posts for the week from our team were a new spring in Vermont Facebook cover photo that has received over 800 likes and 125 shares, a piece on attractions in Manchester from a travel writer at Creators.com which reached over 17,500 people, and an "Only In Your State" piece on "The 12 Best Kept Secrets in Vermont" which reached over 23,500 people. In the past 28 days (as of 4/25), our Facebook page has acquired 678 page likes, a 111 percent growth rate increase versus the previous 28 days.

MARKETING ♦ Hilary DelRoss, Heritage and Recreation Specialist

- **Recreation:** Rutland and Killington area businesses are in the early stages of planning a regionally focused marketing strategy to promote the vast array of warm-weather recreational opportunities in the area. The group envisions long term goals for regional economic development, starting with a regional campaign to brand it as a destination for bicycle enthusiasts. The conversation included representatives from the Rutland Economic Development Corporation, Castleton University, Killington Resort, Pine Hill Park, and Rutland and Killington Chambers of Commerce, with Hilary representing VDTM. As the scope and goals of the project become defined, additional organizations will be invited to collaborate. More to come as the group evolves.
- **Bicycle Service on Amtrak:** This Friday, April 29th, journalists and representatives from VDTM, VTTrans, Amtrak, and Local Motion will gather on the platform at the Essex Junction train station to kick off bicycle service on Amtrak's Vermonter line starting May 1st. Cycling journalists were invited to join us at the platform for brief announcements then board the train with their bikes, test out the new on-board bike racks, ride the train to Waterbury, then bike back to Chittenden County or drive back in an available shuttle. VTTrans distributed the following invitation to those who would like to join us on the platform.



JOIN US

FRIDAY APRIL 29, 9:30am
ESSEX JUNCTION STATION
29 Railroad Ave, Essex Junction, VT

**PRESS CONFERENCE SHOWCASING
AMTRAK'S NEW BIKE SERVICE ON
THE VERMONTER**

Join Amtrak officials, the Vermont Agency of Transportation, Vermont Department of Tourism & Marketing and Local Motion, as we launch a pilot project to bring carry-on bike service to the Vermonter. Service begins May 1.

For more information, please contact Erik Filkorn:
erik.filkorn@vermont.gov | (802) 498-6988

ANNOUNCING AMTRAK'S NEW VERMONTER BIKE SERVICE

- **Byways:** David and Philip helped Hilary compile digital collateral for inclusion in a media kit flash drive to be distributed by the US Cultural and Heritage Tourism Marketing Council and Shop America at six travel trade events this year, including International Pow Wow (IPW), and on TheCulturalTraveler.com.

SALES ♦ Kathleen Kolva, Sales Manager

- **Amtrak:** Kathleen aggregated information regarding attractions, events, and transportation in the downtowns along the Vermonter and Ethan Allen Express routes. Highlights from this information will be used to create a bi-fold brochure that will begin being distributed at the New York by Rail Day on May 19th. The entirety of the information will be used to bolster the VermontVacation.com\Amtrak page. Minor edits are being made to the Vermont by Rail postcard before it is reprinted; this will be distributed at upcoming tradeshow. Also, Kathleen is working with Phil Tortora to prepare the appropriate collateral to be shipped to the New York by Rail event.
- **Quebec Sales Mission:** Kathleen is preparing for a two-day sales mission to Montreal, Quebec next week. She will have ten 30-minute appointments with tour operators and travel agencies. Packets with general up-to-date Vermont materials have been prepared for distribution. Currently she is working on personalized pitches for each meeting based on their business model – groups, FIT, outdoor rec., RVs, etc.
- **Canadian Brochure Fulfillment:** The draft of the simplified bid for Canadian brochure fulfillment is at its final review step, and should be emailed to potential bidders in the next couple of weeks. The current contract with the New England Travel Center will be completed on June 30, 2016.
- **Colleges:** Kathleen is meeting with Susan Stitely, President of the Association of Vermont Independent Colleges, to discuss potential VDTM representation on Vermont campuses for out-of-state and international student/family orientation days.

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

- **Circulation:** Our circulation management firm, Shain + Oringer, report that while it is still early, the March 2016 direct mail campaign appears to be ahead of budget in terms of bringing in subscriptions.
- **Digital:** Our website was rejuvenated with fresh content, and the Summer 2016 digital issue was uploaded and ready to go.

DEPARTMENT OF ECONOMIC DEVELOPMENT: Joan Goldstein, Commissioner

Aero Montreal Innovation Forum

- Attended the Aero Innovation Montreal Forum in Montreal. This was arranged by Aero Montreal, which represents the Quebec Aerospace cluster. We brought 9 VT businesses to the trade show via our SBA funded STEP grant. The VT booth was in a high visibility spot; we were side by side with the VT Chamber and the US Commercial Service. Our VT businesses were able to meet with several good contacts via the B2B segment.
- Those in attendance were Liquid Measurement Systems, Superior Technical Ceramics, Semiprobe, Concepts NREC, MSI, North Hartland Tool, Omega Optical, Stephens Precision, and Sathorn. All were grateful for the state assistance provided to get them to this show.



Other

- Attended the **IIUSA EB-5 conference** in DC last week: Despite all of the negativity in the press, the attendees – immigration attorneys, agents, etc. noted how appreciative they were for our attendance and forthrightness. We just sent the video of the press conference with the receiver to our EB-5 contact list and have already received positive feedback.
- Finalizing the **Economic Development Marketing Plan** and will prepare for the submittal to the Legislature.

BUSINESS SUPPORT - Economic Development ♦ Jared Duval, Director

Business Support Visits

- **Bourne’s Energy - Morrisville:** Alongside John Young, met to discuss a proposed new comprehensive HVAC training program for heating and efficiency work and including advanced wood heat systems. Vermont Training Program application pending. Bourne’s has 85 employees. Also spoke with Peter Bourne (President) re: the Clean Energy Development Fund (CEDF) incentive structure and some of the challenges of advanced wood heat

adoption from the perspective of fuel dealers. Working with Andy Perchlik to have Peter share information at relevant forum.

- **Northern Reliability - Waitsfield:** Alongside Sam Andersen, met with Charlie Van Winkle (COO) and Jay Bellows (CEO). After a difficult 2015, business/contracts are very strong in the first quarter of 2016. 12 employees currently. Looking at possible expansion and considering the new training needs that would involve. Focused more and more on energy storage systems and pilot programs to model possibilities. VTP application in progress.
- **Stone Environmental - Montpelier:** Alongside Sam Andersen, met with David Healy (VP), Steve Karcher (CFO), and Daniel Volsin (Director of Consulting). Exploring a VTP application as well as PTAC assistance. Also considering OEA grant engagement with Brett.

Other

- **Trade Show Assistance Grant Reviewers Meeting:** Met to review 14 applications, with total requests of \$24,645. These are for working lands businesses to attend out of state trade shows for the first time, to expand markets and sales. Decided to fund 13, all at partial amounts, for \$12,145 in total. Impressive results and great leverage from this program (funded by WLEB).
- **Scheduled VTP Meeting Re: Owner/Employees:** Following John Kessler's advice, on Thursday, May 12, John Young and I will meet with Michele Kupersmith (DOL), Chris Loso (WIB), Ellen Kahler (VSJF), and John Ryan (VADP) to get feedback and input on the outstanding/unclear question of "owner/employee" eligibility for VTP.

FINANCIAL SERVICES ♦ Dan Towle, Director

- **Non-Admitted Reinsurance Reform Act (NRRA) Advocacy in Congress:** Dan Towle, Director of Financial Services, will be in Washington, DC along with Richard Smith of the Vermont Captive Insurance Association. The purpose is to meet with several advocacy firms to see if they are a good fit to assist us in our efforts for a legislative fix concerning the confusion surrounding NRRA and if it applies to captive insurers. These meetings have been scheduled for Friday afternoon. NRRA has caused vast confusion among captive insurance companies and the efforts have been ongoing by the state to solve this issue. Meetings with the Vermont Congressional delegation are also occurring. Senator Leahy has introduced legislation to assist in the matter, but the bill has had no moment thus far.
- **Towle to Present on Keynote Panel on Self-Procurement Taxes:** Dan will be presenting on a panel of captive experts on self-procurement taxes, the negative effects of the Non-Admitted Reinsurance Reform Act (NRRA) and how it is effecting the formation of captive insurance companies and the choice of their domicile. This panel is the lead event at the Captive Owners Summit that Dan will be attending next week.
- **Captive Owners Summit Chicago:** Dan will be attending this Captive Owners, day long education and networking event next week. Dan will be on the keynote panel on self-procurement tax and be leading a round table discussion on the topic, "Justifying Your Captive and Communicating Its Value".
- **RIMS Exhibitor Advisory Committee:** Dan has once again been selected to serve on this important RIMS Committee. Dan previously was Chair of the Committee for 3 years, and then served as Ex-Officio for the committee. This group has provided recommendations and feedback to the RIMS Board of Directors and has provided tremendous networking opportunities with Risk Managers, which make up the target market for captive insurance companies.

VERMONT ECONOMIC PROGRESS COUNCIL ♦ Fred Kenney, Director

VEGI

- Continued to work with the following regarding potential applications:
 - Vermont Aerospace acquisition (St J) – AIAC was winning bidder and will file an Initial Application for special meeting on May 5.
 - Autumn Harp (Essex) and Lyndon Furniture have been provided estimates and plan to file Initial Applications for May 26 meeting.
 - Westminster Cracker (Rutland), IBEX (WRJ), Black River Produce (Springfield), CadCut (Montpelier), Caledonia Spirits, and SoyCo (Lyndon prospect) encouraging submittal of VEGI Pre-Applications.
 - Met with NuHarbor Security (Burlington; 4/8), Burlington Bytes (Burlington; 4/8); Bariatrix (Georgia; 4/14); Inntopia (Stowe; 4/22), and MSI (Morrisville; 4/22), and a phonecon with Elmet Technologies (prospect) regarding potential growth and VEGI applications.
 - Prepared VEGI estimates for PayPal and DB Global Technologies proposals.

VT PROCUREMENT TECHNICAL ASSISTANCE CENTER ♦ Robin Miller, Director

- **Companies PTAC is currently working with:**

- Andy’s Dandy’s – Richmond
- Classic Dental Laboratory, LLC – South Burlington
- Harold Wilkins Contracting – Lyndonville
- JMS Services – Lyndonville
- Kalow Technologies, Inc. – North Clarendon
- Multifunctional Landscapes – St. Johnsbury
- Solinsky Farms – Sutton
- Sumptuous Syrups of Vermont, LLC – Hardwick
- Vaughn Farms, LLC – East Thetford
- Workability – Burlington

VERMONT TRAINING PROGRAM ♦ John Young, Director

- Visited **Dealer.com** with Brett Long and Curt Carter. Dealer continues to grow their business and have a few new training initiatives that they may reach out to VTP to partner.
- **NuHarbor Security** is a cyber security company in Burlington which will be moving to Essex near Global Foundries and will be doubling in size from 12-24 people within the next year and are working on a VTP application.
- Along with Fred Kenney, I met with **MSI** in Morrisville and **Inntopia** in Stowe. Both companies may apply for a VEGI as well as VTP in the near future.
- Kristen Ziter and I met with **Northern Reliability** in Waitsfield who provides storage units for renewable power and continues to grow. They are hiring new engineers who do not have the skills needed in their sector and are having challenges training them. In the past Northern Reliability would have about 10 contracts in a year to bid on and have over 130 to bid on currently. If they receive a good portion of the new contracts they are going to need to expand rapidly.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT: Commissioner MacKay

- **Barn and Preservation Grants Event:** Noelle emceed the grant award event. It is a wonderful event that brings together DHP staff, legislators, and the grant awardees. Caitlin did an amazing job giving out the grants and received accolades from the grantees she works with. Thanks also to Secretary Johnson for kicking off the event, Deb and Jenni for helping with event planning details and Yvonne for being the official photographer! Shout out to Vermont Life’s Skye who not only received a grant, but finished the work as well. Ask to see her before and after photos, as they are amazing!
- **Kingdom Pellets:** Noelle held a conference call with Chris and Tabitha from Kingdom Pellets. They are working on a CDBG grant and had some questions around the financial analysis required by HUD. Thoroughly prepped by Nate who is staff point on this project, Noelle reinforced the information requirements laid out by Nate. Noelle will follow up with summary of the conversation and next steps that include a funders meeting with USDA-RD and the VSJF, and a “check list” of info that they need to provide to ensure we have all the information we need to finalize our analysis for the June Board meeting.
- **Dirty Dirt:** Noelle spoke with Brian Dunkiel who is representing the City of Burlington on the review of the interim rules for contaminated soils that DEC is working on. They were to have those rules done by this summer; however, the DEC staff that are working on this now have their hands full with the PFOA testing. Brian mentioned that VTrans is also monitoring the interim draft rules. Noelle touched base with Secretary Cole and then met with Dale and Chris. Dale will follow up with VTrans’ legal staff that are working on this and provide a summary for Noelle to discuss with Lucy and Pat to determine how ACCD might want to participate.

Deputy Commissioner Hanford

- **Winooski Hotel:** Held discussion with Adam Dubroff (hotel developer/owner), City and GMS staff to discuss alternative uses of the proposed CDBG funding to avoid Davis Bacon Wage Rate Compliance on the entire \$15M project and to propose other possibilities for streamlining use of the funds and clean-up of the contaminated soils on the proposed site.
- **VCDP Board Member Recruitment:** After serving on the CD Board for over 12 years, Kate O’Connor is stepping down and I have been searching for a replacement that will represent Windham County and their Community Development needs. Reached out to two, highly recommended, potential board members and will continue conversations with them next week.

COMMUNITY PLANNING & REVITALIZATION ♦ Chris Cochran, Director

Partner Report

- **NRB, Act 250 Criterion 9(L) Training:** John led a training on Act 250 Criterion 9(L) with the district coordinators and NRB staff, including the newly appointed Chair, Diane Snelling. Act 250 Criterion 9(L) was substantially amended by the Legislature in 2014 and is intended to prohibit strip development along highways. The guidance, produced in partnership with the ANR and the NRB, included an extensive stakeholder process and

was adopted by the NRB on March 8th. This training completes ACCD's role in the process required by Act 51 of the 2015 legislative session. A copy of the guidance is available for download [here](#).

State Designation Programs

- **Downtown Board**
 - Renewed village center designation for Weston and Belmont (in Mount Holly).
 - De-designated Saxtons River village center (in Rockingham) due to delays in their town plan update. The town is working to update their plan to meet the requirements for renewal of both the village center and the downtown (Bellows Falls) due for renewal in September.
 - Awarded downtown designation to the Town of Stowe for the upper village and reduced the village center boundary to the lower village.
 - Expanded South Burlington's new town center and neighborhood development area designation boundaries to include the University Mall and other Dorset Street properties. This change sets the stage for South Burlington's request to VEPC to expand the existing TIF district.
 - Awarded \$351,185 in Downtown Transportation Fund grants to Montpelier, Morrisville, Poultney, Rutland, St. Albans and Vergennes.
 - Awarded an Electric Vehicle Charging Station Grant to the Town of Johnson.
- **Bethel:** Richard and Gary met with local business leaders and property owners along with Julie Iffland, RACDC and Bob Haynes, GMEDC to discuss a large vacant building in the heart of the designated village center. The group provided a tour of the building and discussed various strategies to redevelop the property into a local market/general store with housing/office above. Richard and Gary discussed how state grants and the downtown and village center tax credits could support their redevelopment efforts. Caitlin will follow-up and provide more detail on the upcoming round of tax credits.

GRANTS MANAGEMENT ♦ Ann Karlene Kroll, Director

Closeout Agreement Program Income/Revolving Loan Funds

- Cassie provided technical assistance to Tara Morse, Town Clerk/Treasurer of the Town of Jay, to get current on delinquent annual financial reports and overdue program income assessments for FY13 – FY15 from the Town. Cassie then did receive a total of \$97,511 in program income due from the overdue State assessments for repayment of the Jay Resort and Jay Golf loans. These revolving funds will be back out to support new or continuing CDBG projects that complies with the federal grant.

CDBG Disaster Recovery Program

- The Grants Management Disaster Recovery team of Tamera Pariseau, Maria Davies, Jessica Mendizabal, Ann Kroll and Ray Marzbani paid a visit to Hunger Mountain Children's Center to monitor the renovation of the existing non-profit child care center and preschool in downtown Waterbury as well as the construction of the additional new building for the Center, a CDBG-DR funded project. The Town has been awarded \$1,325,000 in CDBG-DR funds to be used in combination with \$387,917 in other resources for the renovation of the existing Center which was adversely affected by Tropical Storm Irene and caused severe damage to the structures located at 121 and 123 South Main Street. The existing portion of the building required substantial renovations to comply with current state child care licensing standards, building codes, and best child care/preschool practices. Upon completion of the renovations and construction which is anticipated to be in late July 2016, HMCC hopes to resume operations before September 2016. HMCC will continue to operate as the community's largest state-licensed child care and preschool. With the addition of the second building, the Center will have ample space to allow it to expand its operation to care for up to 65 children per day (up from 45 presently). The main new construction element of this project is the connector linking the two buildings to comply with child care licensing regulations that require a center with two buildings to be connected, including an elevator and additional egress on the Main Street side of the connector. The team completed the review and provided technical assistance, and found that the Town and HMCC is in substantial compliance, and the construction work by Millbrook Contracting is going well.

HISTORIC PRESERVATION ♦ Laura Trieschmann, State Historic Preservation Officer

- **Bonding with NRB:** Laura, Dale and Jamie had a productive meeting with the new chair of the Natural Resources Board (NRB), Diane Snelling, and General Counsel Greg Boulbol. The meeting focused on big picture process for VDHP, explaining our process and procedures under Act 250. Several projects having a "rough go of it" were discussed as examples of process, difficulties, and how NRB and VDHP can move forward in partnership. One step includes training of the District Commissioners, which actually excited the SHPO.
- **Grants Ceremony:** The awards ceremony for the Historic Preservation and Barn Grants was held in the Cedar Creek Room of the State House, with Commissioner MacKay as our emcee. Catlin did a fabulous job announcing

each of the projects, recounting the work to be done and the significance of each building. Party planning and production were a team effort, so thank you to everyone. Special thank you to Noelle and Secretary Johnson, who opened the event. It was so refreshing to hear grant recipients talk about their buildings with such enthusiasm, to talk with those interested in applying next year, and to have so many legislators attend and extol the benefits of these grant programs.



- **Stuck in Vermont!** Devin, along with architectural historian Britta Tonn and graphic designer Alec Julien, spent several hours on a recent Saturday morning filming the current episode of Stuck in Vermont! with host Eva Sollberger. The topic is historic signs in downtown Burlington, and the stories they can tell about the history of both the city and the specific building to which they are attached. It was seen on WCAX this week on 30 for 30. Check it out [here](#).
- **Turner Homestead, Grafton:** On Saturday, April 23, a group of volunteers from the UVM Historic Preservation Alumni Association and the Preservation Trust of Vermont undertook a clean-up day at the Turner Homestead in Grafton. Devin and Caitlin participated, and the group removed eight large bags of garbage from the site and cleared overgrown brush and trees from around the Birchdale Camp building. It was a great day and nice show of interest and support for this important African American cultural site.



Project Review

- **US Forest Service:** Last Thursday Scott, Elizabeth, and Jess met with Tim Watkins, US Forest Archaeologist to discuss the Green Mountain National Forest South of Route 9 Integrated Resources Project and Environmental Assessment. The project includes multiple types of undertakings for forest management and recreational resources that will involve long term implementation. Further consultation will be required to identify how to manage the review of the specific undertakings included in the plan and establish survey and identification needs for historic properties in the area of potential effect.
- **Peth Road:** The team reviewed the status of a property on Peth Road in Randolph, where an historic house has been dismantled and a barn is soon to also be taken apart for salvage. Neither structure will be reconstructed but parts used in the construction of other buildings. The property was reviewed under Act 250 about 10 years ago, when a gravel quarry was proposed. The house and barn were not evaluated at that time. The lack of

documentation about the house—which could be from the early part of the 19th century—will not allow for the proper evaluation of its eligibility now after its demolition. Moreover, the site is returning to agricultural use and it is not clear if Act 250 would apply, or if the permit would/should include the house and barn. Because of the return of agricultural use, the archaeological secrets this site may hold will remain intact to tell its story another day. Therefore, VDHP is not asking for a Jurisdictional Opinion under Act 250. The new owner of the building parts is preparing a history of the property/buildings and has offered to submit a copy to VDHP for documentation purposes.

Historic Sites Section Chief and State-Owned Historic Sites

- We are thrilled to announce that the Historic Sites program has received a grant of \$2,500 from the Alma Gibbs Donchian Foundation. The grant will enable us to keep the Justin Morrill State Historic Site open on Wednesdays, Thursdays and Fridays during the coming season. Thanks to the continued support of the Donchian Foundation we are able to share the remarkable story of Morrill’s life and work with a larger and more diverse audience.
- A request for information was presented by the Burlington Free Press regarding the New England Air Systems contract, which began in 2012 and has been amended. Working with Dale Azaria, Tracy submitted the requested documentation.
- **Bennington Battle Monument:** Week one of the season was a good week. The weather was sunny and cool bringing in over 600 visitors, making this the best opening week in 5 years. Schools were on Spring break in CT, MA and some in Vermont so we did have over 100 children as visitors; we also had quite a few groups of prospective students checking out our local colleges. The new panels that interpret the view from the top are now in place. The first comment was ‘wow’ we will have to come back in the fall; the panels do show the fall colors beautifully.
- **Sites Facebook Page:** Very popular posts last week include Chimney Point’s redware pottery artifact photo (1003 people reached), Bill’s great post with 3114 people reached on Earth Day (Calvin Coolidge’s writing on that day about the earth and soil), and Tuesday’s snow photos. Marylou reports some of her visitors said they knew about Bennington being open from the Facebook page, good news.
- **Coolidge Site:** The pace quickens, with opening day just one month away. Paperwork packets were sent to seasonal employees. Orders were placed for the two museum stores, and shipments have started to arrive – there’s plenty to unpack and price for “store set-up day” on May 5! The vending machine was removed from the Wilder Barn, and a retro style beverage cooler placed in the Cilley Store – really enhances the ambience.
 - Chuck Gibson has sent his preliminary designs for the exhibit panels, and object and photo labels. We’ll be responding soon with our comments/edits.
 - The Corrections Department work crew arrived in the rain and departed in snow on April 26; despite the weather, they got quite a bit of raking done along the main street, so the area is ready for the Amer-Ride filming on April 28.
 - Andy finished dismantling the ticket booth in the Homestead; this makes the space more authentic to period, and will improve visitor traffic flow. Ursula began spring cleaning in the Homestead and Summer White House office. Alliance Mechanical installed the new hot water heater in the Museum & Education Center on April 27.
 - Bill participated in the Mount Independence archaeology walk-over on April 23 as a volunteer - always an enjoyable and worthwhile day!

VERMONT COMMUNITY DEVELOPMENT PROGRAM ♦ Josh Hanford, Director

Regular VCDP: Applications

- **City of Winooski:** Staff (Josh, Ann, Ray, Dale, Quin, Claire) held a conference call with Deac from the City and Adam Dubroff, the developer for the Winooski Hotel project, to discuss the status of the project to ensure full compliance with the environmental review and procurement/Davis-Bacon requirements. This \$1,000,000 VCDP application going before the June CD Board is structured as a \$150,000 grant to the City for soil remediation and infrastructure improvements and an \$850,000 loan to pay for soft costs. If VCDP funding paid for only soft costs, the procurement/Davis-Bacon requirements would not apply. However, if \$1 is spent on construction with VCDP funds, Davis-Bacon would apply. The City and the developer are going to discuss this further before getting back to us.
- **Town of Royalton:** The application to support the Vermont Law School’s Veteran’s Legal Assistance Project is being reviewed and additional information has been requested by Nathan to obtain the income levels for the Veterans that are currently served by the project. VLS indicates that the majority of the Veterans served are below 120 % of AMI however HUD requires that at a minimum 51% of those served by the project are below 80% of AMI.

Potential Applications

- **Town of Lunenburg:** The Town of Lunenburg has indicated they will re-submit their application for consideration at the June CD Board meeting. VCDP staff, Noelle, Josh and Dale, have been working with the owners of Kingdom Pellets, LLC, the potential sub-recipient, to obtain the financial information and feasibility study required to meet HUD's established guidelines and objectives for evaluating project costs and financial requirements. The application proposes to loan \$668,000 to the startup company, Kingdom Pellets, LLC. The proposed \$5+ million pellet mill would create up to 21 new jobs at the former Gilman Paper Mill, and has the potential to indirectly benefit many independent contractors in the NEK (i.e.; loggers, truck drivers, and service providers).

CHIEF MARKETING OFFICE ♦ Heather Pelham, Chief Marketing Officer

- **Economic Development Marketing Plan:** Final adjustments are being incorporated into the marketing plan this week based on feedback from several internal presentations of the draft document. We anticipate the final marketing plan will be submitted to the Legislature next week. Strategies for implementation are being evaluated and may include a combination of internal resource/staff allocation as well as outside consulting services to maintain momentum in putting our plans into action.
- **Historic Sites Marketing Plan:** Heather has been working with Tracy Martin to finalize the marketing plan and budget for the 2016 season to promote our State Historic Sites. Tactics include the expanded distribution of the popular Historic Sites 'mother' brochure, which includes visitor information and fun facts on all the sites open to the public. Updated collateral is also in the works for several individual sites, as well as the annual Calendar of Events, and new consistent point-of-sale signage.

ITS/CONNECT VERMONT ♦ Robert White, ConnectVermont Director

Activities and Accomplishments

ITS

- Attended I95CC DMS Messaging Standards Discussion meeting.
- Kicked off discussions with US DOT Consultants and private sector regarding public/private partnership opportunities for FHWA grant.
- Attended meeting with CCRPC, GeoDecisions, and Traffic Signal group to discuss connectivity options for Chittenden County Bluetooth project.
- Attended Tri-State meeting and provided update on MATS AID application and ATMS-511 project.

MATS

- Revised MATS AID application per input from FHWA and resubmitted to FHWA.

Future Plans/Activities

- Attend I95CC TISPTC meeting.
- Attend I95CC Connected and Autonomous Vehicles Committee meeting.

Obstacles and Opportunities

- none

State of Vermont
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101
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: Susan L. Donegan, Commissioner, Department of Financial Regulation
Date: April 29, 2016
Re: Weekly Report

Susan L. Donegan

Insurance Division:

The Insurance Division has received several inquiries recently about student health insurance. Colleges must offer health insurance policies to uninsured students in order to meet the college insurance requirements. While most students are covered under their parents' policies or have their own, policies offered by colleges can play an important role for some foreign students or low income students. The recent inquiries are probably driven by the limited options available in the Vermont market. There are two companies currently serving Vermont colleges and universities: Nationwide Insurance Co. and Companion Life Insurance Co. Nationwide has filed a large rate increase, which is being reviewed by DFR. That may cause some schools, such as Bennington College, that are shopping Nationwide's plans for next year to seek an alternative. That alternative will be only Companion Life, however it has not yet received approval for its policies, which is necessary prior to developing rates. DFR is working very hard to collaborate with Companion and hopes that it will submit a policy that is compliant with Vermont insurance laws soon. Then the process of rate filing and approval can begin. The Insurance Division is meeting with officials from the University of Vermont to discuss the possibility of the university self-insuring its own student travel insurance.

Lawrence





Privileged and Confidential

MEMORANDUM

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

From: Christopher Recchia, Commissioner

Date: April 29, 2016

Subject: Weekly Report

Governor Level Issues:

Status of Priorities and Cases of Interest:

S.230 – After a 142-0 vote on the energy siting bill in the House, the Senate Natural Resources and Energy Committee has begun to review the bill. Of greatest concern at this point is the retroactive provision relating to wind sound. Conversations are underway with advocates and legislators to modify the House approach to this issue. Senators including Rodgers, Bray, Starr, and Champion have priority provisions of the Senate bill that they would like included in the final package, but many of those efforts will run into headwinds with the House. Senator Bray would like to avoid a conference committee by proposing amendments to the bill and sending it back to the House, but that path forward isn't yet clear.

Wind Noise Complaints and Ratepayer Advocacy – Senate Finance took testimony Thursday on both of these issues. On CPG complaints, Deputy Commissioner Copans provided testimony and some suggested language to improve the Finance Committee proposal. On ratepayer advocacy, Bill Griffin of the AG's office testified about a proposed pilot program to engage the AG in rate cases for two years. He did not clearly oppose, but raised many technical issues. At the end of 30 minutes, there was no sense of the Committee on their desire to pursue this proposal. It also remains unclear what path forward remains to get these concepts over to the

House and to the Gov's desk. The Dept. continues to work quietly to kill the ratepayer advocacy proposal. It is unworkable and will duplicate effort with costs being billed to ratepayers.

GMP Vegetation Management – No Docket – Department staff transmitted the Department's proposal to GMP on April 19, after which GMP cancelled a planned April 20 meeting to discuss the topic. The meeting is rescheduled for April 28. That meeting happened on Thursday. GMP provided a strongly worded rebuttal to the Department's vegetation management proposal. This meeting was simply an airing of positions with no move towards resolving them. The Department will review GMP's response in detail and then plot a course forward. The group will reconvene in a few weeks.

GMP/LCI Biogas Pilot – James Ehlers has joined forces with Green Mountain Power to pursue an advanced biodigester project. A meeting was convened including Ehlers, representatives from GMP, and representatives from Agency of Ag. ANR, BGS, and the Department. Consulting Engineer John Forcier was also there and did most of the talking. This initial meeting provided a good opportunity to better understand the proposal and to begin to identify and work-through potential hurdles. Identification of a possible site (Vergennes is a possibility) will help to focus the conversation. It is clear that ANR will have the most complicated issues to work through.

Meetings/Calls this Week:

Apr 25– Health In All Policies Task Force Qtrly meeting

Apr 26 – VGS meeting, Entergy VY meeting

Apr 27 – Hydropower Working Group, GMP/LCI Biogas pilot meeting, WEC Board Meeting

Apr 28 – GMP Vegetation Management meeting

Apr 29 – VEDA Board meeting

Meetings next Week:

May 02– Meeting with Darren Springer, Discussion on Wind with Pat McDonald

May 03 – Washington Electric meeting & Dinner

May 04 – Hydro Power Working Group

May 05 –

May 06 –

Media:

Public Official Contacts: None this week.

Engineering

Changes in VY Senior Management

As widely reported elsewhere, VY will eliminate roughly 120 positions on May 5, reducing VY's total staffing to roughly 196. This reduction is possible because virtually all near-term system abandonments are complete and elimination of the offsite Emergency Planning Zone also eliminated several plant monitoring requirements. One position being eliminated is Site Vice-President. Chris Wamser, VY's current Site VP will retire. VY's chief executive will now be the Plant Manager, Decommissioning. While Corey Daniels is currently acting in this position, he will return to VY's Plant Maintenance organization. Jack Boyle, currently VY's Director of

Engineering, will become Plant Manager and will likely also replace Chris as a VY representative on the Nuclear Decommissioning Citizens Advisory Panel.

Vermont Gas Systems Addison Transmission Pipeline Project Construction

Contractors completed a process of passing internal inspection devices through the 11 mile long Segment One of the ANGP last week. No immediate indications of hazardous conditions were detected, however the data gathered during the inspection will require several additional weeks to be analyzed. The data will then be integrated with several other surveys, conducted from the surface of the ground above the pipeline, which are scheduled later this month. Analysis of the integrated data results from multiple instrumented methods is expected to produce a reliable assessment of the pipeline segment, its coating and corrosion protection mechanisms.

Public Advocacy

Chelsea Solar 2.0 MW Standard Offer Project in Bennington - Docket 8302- PA staff has dedicated significant resources over the past week to drafting responses to the 5 separate post-judgment motions filed by Petitioner. Responses must be filed by 4/29.

Apple Hill Solar 2.0 MW Standard Offer Project in Bennington - Docket 8454- PA staff is preparing responses to two motions and a request to amend the petition filed by Petitioner. While the grounds for the motions and request are identical in substance to those filed in the Chelsea Solar matter, Docket 8302, the procedural posture of the Apple Hill project is different. In Apple Hill, the Board's Hearing Officer has not yet issued a Proposal for Decision, so the matter is at an earlier stage. However, it is nonetheless likely that PSD responses, which must be filed by 4/29, will be very similar to those filed in Chelsea Solar.

Coolidge Solar 20 MW facility in Ludlow - Docket 8685 and Request for Rule 4.100 contract approval- Docket 8586- Petitioner and State Agency counsel have now filed responses to one another's proposed schedules. The Board is likely to exhort parties to confer and work out a compromise. The outcome will determine when the active litigation process will begin.

Charlotte Solar Enforcement - Docket 8638 – Parties are filing a joint proposed schedule calling for a technical hearing in late May or early June, with prefiled testimony due seven days before the hearing date. Next step will be for the Board to issue a final schedule.

Penalty Investigation regarding accuracy of application in NM 5006, for a 150kW net metered facility at Basin Harbor Club – Docket 8692 – The Board granted permissive intervention to Neighbor Mary McGuire and current CPG Holder BHC Solar, LLC. The next step is likely to be a rescheduling of the prehearing conference to determine a schedule.

Elizabeth Mine Solar 5 MW Project in Strafford and Ludlow - Docket 8632 – Parties are preparing for a technical hearing on 4/29. It now appears that the Town of Strafford, DHP and ANR may have reached agreement on terms to enable those parties to support the project. The Department does not oppose the project and will cross examine EMS witnesses regarding the utility of a post-construction review of landscape mitigation along a short section of Mine Road adjacent to the project entrance road. We will have engineering and aesthetics experts at the hearing, though we did not file any testimony.

Commercial Building Energy Labeling and Benchmarking – Docket 8488 – PSD drafted language for inclusion in a Board Order to implement building energy labeling. The language places obligations on Distribution Utilities and Energy Efficiency Utilities to release certain data, in an aggregated form, to facilitate labeling while protecting ratepayer privacy. The working group met to discuss the proposed language, and determined that more drafting and another meeting are necessary. Our recommendation is due to the Board on 5/25.

WEC 248(j) Petition for Upgrades to its Landfill Gas to Electric Facility in Coventry – Docket 8721 – WEC requests approval to construct upgrades to its Coventry facility, including installation of a Siloxane Removal System and related facilities to reduce the concentration of siloxane compounds in the landfill gas, and replacement of the existing emissions stacks and increasing their height by 6.4 feet to address Air Quality Permit standards. The Board issued a memo requesting information by May 10th regarding greenhouse gas emissions and impacts to Class III wetlands. The deadline for comments on this project is May 17th.

City of South Burlington 248(j) for 1.55 MW Solar Group Net-Metered Facility on the Closed Landfill – Docket 8722 – The City of South Burlington requests approval for a 1.55 MW group net-metered facility consisting of approximately 6,768 solar modules. The Board issued a memo requesting supplemental testimony addressing whether additional municipal services will be required for emergency response. The Board also set a deadline of May 18th for comments on the petition. The supplemental testimony is also due on the 18th.

GMP 248(j) to Replace Regulators at the East Barnard Substation and to Rebuild the Sharon Substation – no docket – GMP filed its petition on April 6th requesting approval for replacement work at the East Barnard substation and a rebuild of the Sharon substation. The project includes: installation of a new 7.5/10.5 MVA power distribution transformer with oil containment; associating fusing and arrestors; new 35 kV gang operated loadbreak switch; and new distribution breaker and regulators. This project is associated with the Elizabeth Copper Mine Solar Project. The Board has not set a deadline for comments on this project.

Petition of Robert Garthwaite to Revoke CPG #NM-1771 – no docket – This case involves a complaint that the holder of the CPG, David Blittersdorf, did not construct the turbines in accordance with the CPG application. On April 15th the Board issued a memo requesting Mr. Blittersdorf's response by April 29th, and comments from the Department on May 6th.

Spencer-TGC Westminster, LLC 1.8 MW solar net-metering facility to serve Vermont Army National Guard – Docket 8699 – On April 25 the Board granted a two week extension of the Section 248(j) comment period for this project. Comments are now due on May 9, 2016. The Department is continuing to review the Petition. On April 25, NextSun Energy Rutland, LLC filed a motion to intervene in this proceeding. NextSun owns and operates a 500 kW net metered solar project on a parcel adjacent to the proposed facility in this docket. NextSun states the NextSun project necessitated substation upgrades and a lengthy line extension, which the Petitioner in this docket will benefit from. NextSun further states that the proposed project may compromise system stability and reliability and adversely impact the NextSun facility. The Department understands from the Petitioner that the Petitioner is making efforts to engage with the Town of Westminster to resolve the Town's concerns about the proposed project.

Green Mountain Power Approval to offer net metering above the statutory cap – Docket 8652 – On April 21, the Department filed comments with the Board stating that it continues to support GMP’s petition as a reasonable response to continuing strong demand for net-metering in GMP’s service territory. The Department supported ANR’s request for a phased review period as part of the proposed lottery process – there is unlikely to be sufficient time for a meaningful review of applications if state agencies and other stakeholders are required to review and comment on all applications for the additional 7.5 MW capacity within the usual 30 day period. GMP also filed comments on April 21, defending its proposed lottery process and eligibility criteria. Notably, GMP opposes ANR’s (and the Department’s) request for a phased review process – presumably this means GMP is confident it can process fast track studies for all applications within the time frame specified in the Board’s Rules - something it is currently struggling to do. The parties are now awaiting a Board order.

Otter Creek Solar, LLC Dispute Resolution Request under Rule 5.508(D) – No Docket – On April 21, the Department filed a response to Otter Creek’s dispute resolution request relating to GMP’s conclusion that changing project location to a different parcel than the one identified in the interconnection application is a material modification under Board Rule 5.500. The Department stated that it agrees with GMP’s position and that Otter Creek should be required to file a new interconnection application. Effective and fair management of the interconnection queue requires certainty of a project’s site and point of interconnection at the time the project enters the queue. On April 25, Otter Creek responded to both GMP’s and the Department’s comments by reasserting its analysis from its dispute resolution request. The Department does not intend to file further comments at this time.

SunCSA 22, LLC 150 kW Group Net Metered Facility in New Haven – CPG #NM-6199 – The Department understands from the Applicant’s attorney that the Applicant intends to challenge the Hearing Officer’s proposal for decision of April 18. The proposal for decision concludes that the Applicant failed to carry its burden of demonstrating that it has taken generally available mitigating steps that a reasonable person would take, because it did not put an aesthetics expert on the stand to rebut the Town’s testimony. The Department is continuing to evaluate the proposal for decision.

SunCSA 58, LLC 150 kW Group Net-Metered Facility in Addison – CPG #NM-6841 – On April 7, 2016, the Board granted adjoining landowners a hearing limited to the issue of aesthetics and whether the Applicant will employ generally available mitigation measures that a reasonable person would take to improve the harmony of the project with its surroundings. A pre-hearing conference will be held on Friday April 29. The Department has reached out to the parties to initiate discussions about a schedule in this proceeding. The Applicant is represented by legal counsel but the adjoining landowners will appear pro-se.

Village of Morrisville Water & Light Department Request Regarding Solar Net-Metering Project – No Docket - On March 25, 2016, the Village of Morrisville Water & Light Department (Morrisville) filed a letter with the Board stating that it intended to construct and operate a 500 kW net-metered community solar facility. Morrisville stated that utilities are not prohibited from developing net-metering projects, and also that Morrisville intended to interpret the term “first-come; first-served” in § 219a(h)(1)(A) as allowing a person or entity to enter the

net-metering queue by announcing an intention to develop a net-metering project. In a filing on April 25 the Department agreed that the statute does not prohibit a utility from developing a net-metering project, but refrained from taking a position on the desirability of utilities so doing. The Department also agreed that the statute and Board Rules allow utilities a degree of discretion in administering the net-metering queue, however, the Department disagreed that a statement of intent is sufficient to secure a position within a net-metering queue. The Department believes that an interconnection application or a CPG application is an appropriate measure for administering the net-metering queue, but that a statement of intent is too ambiguous for the effective and fair management of the queue.

VGS Addison Expansion—Docket 7970- A status conference was held on April 20 with respect to the 4th non-substantial change filing. In addition to the Hearing Officer, the parties participating by phone were the Department, ANR, VGS and the Palmers. VGS believes it has resolved most of the issues with the Palmers and hopes to file an MOU by April 29. If no such resolution is reached, a hearing will be convened in early May. Comments have been solicited on the 5th non-substantial change filing. It was submitted on March 25 and comments are due on April 29. The Department's aesthetics consultant is reviewing. The Commissioner and staff met with representatives of VGS on April 26 to discuss Project status in advance of the upcoming construction season and rate case.

CLF declaratory ruling that amended CPG is needed for the VGS Addison Expansion-Docket 8330- This docket was opened in September 2014 after the first announced capital budget increase and it has been stayed ever since pending the remands. On March 23, the Board issued an order denying VGS's request to close the docket and soliciting comments on what additional process is needed to resolve the petition. The Department, VGS and CLF provided comments to the Board on April 18 regarding process going forward. Reply comments are due May 2. On April 27, CLF circulated a proposed Stipulation of Facts to VGS, the Department, and the Dumont clients-AARP, Broughton and Cuneo-in the hope of reaching an agreement on the facts in advance of the May 2 filing.

VGS-Broughton condemnation-Docket 8641 (Monkton) and Cuneo condemnation-Docket 8642 (Williston)- In Broughton, counsel filed a Motion to Extend all Deadlines by 12 weeks on account of Mrs. Broughton's health. The Hearing Officer immediately sought comments from parties and on April 26, both the Department and VGS suggested that counsel could work together-perhaps with Mrs. Broughton's successor trustee- to advance this proceeding while she is recovering. Also, the Department continues in a discovery dispute with Mrs. Broughton despite the fact that her counsel has not contacted the Department to discuss in over a month. Under the existing schedule, on April 22, Broughton submitted some, but not all, of her necessity testimony. It was a rehash of arguments made in the Remand regarding the lack of economic benefit of the Project. The Department also submitted its compensation testimony on April 22. VGS served discovery requests on Broughton on April 25. A settlement in principle has been reached with the Cuneos, and a Motion to Stay the Proceeding has been submitted on behalf of all parties.

VGS-Town of Hinesburg condemnation-Docket 8643-This parcel is in a park owned by the Town. Responses to the Motion to Reconsider previously filed by the parties denied intervention

were submitted by VGS and the Department on April 15; both filed in opposition to the Motion. The Town, for reasons that are unclear, filed a Motion to Dismiss the docket based upon Vermont law which holds that there can be no condemnation of property dedicated to a public use. Responses to this Motion are due on April 29. VGS continues to work with the selectboard and believes it can structure a new, acceptable deal that will include more public process. The condemnation action will need to proceed at the same time and VGS, the Department and the Town have agreed to a third revised schedule which has been presented to the Hearing Officer. Department counsel continues to interact with Town representatives in an effort to answer questions and otherwise facilitate the process for the Town. The Department's appraiser will visit the property on May 3, accompanied by both Town and VGS personnel. Department testimony on both necessity and compensation is due on May 18 under the current proposed schedule.

PURPA Generally – No Docket – FERC placed a number of PURPA cases on its April 21 Agenda. The way it was structured, it appeared that FERC may be set to make some pronouncements on PURPA that could affect ongoing proceedings in Vermont, such as Docket No. 8684 and the generic Rule 4.100 rulemaking proceeding. As it turned out, the decisions were underwhelming. Importantly, however, FERC dismissed reconsideration of the Exelon Wind case, which has been heavily relied on by Producers for the proposition that FERC does not permit an avoided cost methodology based on LMP. FERC dismissed the proceeding in a way that indicated that it had not yet ruled on that issue and that its underlying decision addressed the similar, but significantly different LIP. The difference is that LMP is derived from a Day 2 market (day ahead plus real-time markets, like in ISO-NE) whereas LIP is derived in a Day 1 market (real-time only imbalance market).

Generic Rule 4.100 Ratesetting Proceeding – Docket 8684 – Testimony was filed by Allco, GMP, VEC and BED. VIPPA filed a motion to enlarge the time for discovery and clarify scope. The Board set April 29 as the day to respond to VIPPA's motion. GMP has already filed a response opposing VIPPA's motion and BED intends to file one as well. Department staff is preparing a modest opposition that supports the utilities and makes a couple of additional points. Utilities have begun serving discovery on Allco.

GMP expiring net metering credits – No Docket – Last week, GMP responded to a Board memorandum seeking the legal justification for allocating 50 percent of the cost of cashing out expiring net metering credits. GMP provided its justification. The Department did not make additional substantive comments but did urge the Board to move quickly so that customers would have clarity on the topic. The Board thereafter approved GMP's request.

VGS Rate and Alt Reg Filings – Docket Nos. 8710 & 8698 – On April 19, Vermont Gas filed a request for an accounting order and indicated that it would support the Department's proposed schedule if the accounting order is approved. The accounting order would allow Vermont Gas to record the difference between whatever the authorized rate increase granted is on Feb 2, 2017, as if it were retroactive to Nov 2, 2016. The Department opposed the request with an April 25 filing. On April 26, Vermont Gas met with Department staff to provide an update on construction of Phase I. The meeting was informative insofar as Vermont Gas characterized a November in-service date, which it bases its rate request on, as a "goal" rather than a firm

expectation. This is important as it indicates that Vermont Gas's expectations re timing of project completion are likely slipping. On April 25, DPS served a 3rd round of discovery in the rate case. On April 26, Vermont Gas responded to the first round of discovery on the alt reg case.

Telecommunications

OCFC-West Fiber Project – The Orange County Fiber Connector West is a middle mile fiber line that extends through Randolph, Brookfield, and Braintree. It was designed to serve mostly last mile locations in those towns. ECFiber will be the primary user of the fiber. ECFiber will bring fiber-to-the-home broadband service to residents of the three towns. The project was completed two weeks ago, and testing came back last week. This week staff anticipates issuing a “notice of availability.”

Mount Snow Tower – VTel would like to co-locate a microwave dish antenna on a tower owned by Public Safety on Mt. Snow. Title 30, section § 227b(a)(1), gives the Secretary of Administration exclusive authority to negotiate and execute wireless telecommunications leases on state land. Generally, BGS has been the “agent” for Public Safety’s telecommunications facilities. BGS has expressed an unwillingness to negotiate this particular lease.

AoT Garages – Fiber splicing crews are currently working to connect AOT garages in Brighton, Canaan, and Bloomfield with fiber to the premises. These connections will allow AoT greater connectivity at these garages. All expenses will be paid by AoT.

Northern Enterprises Fiber – Northern Enterprises wants to wind down its business and give its fiber to a government agency or not-for-profit organization. Staff met with an N.E. representative on Monday to discuss the possibility of the Department of Public Service assuming control of its fiber assets. N.E. provided financial information that can help the Department decide whether it wants to take on the obligation. As of December 31, 2015, N.E. held total assets of \$1,166,990.74, \$170,000 of which is held in cash. N.E. owns 55 miles of fiber throughout the Northeast Kingdom. The fiber is a necessary component of the state’s fiber network and is used by NHOS, VTel, and Vermont Electric Cooperative. Staff will review the information provided by N.E.

Craftsbury Broadband Committee – Craftsbury’s broadband committee has recommended, the Craftsbury Selectboard agrees, that the best approach for improving connectivity within the town is to build a middle mile fiber network that can be leased by an ISP. Michael Birnbaum of Kingdom Community Fiber has stepped up to the plate. The town has filed an application with the Rural Utility Service for a \$100,000 grant. The town will match this grant with \$25,000 in funding and Kingdom Community Fiber will devote an additional \$75,000 to the project. In addition, the town is seeking a grant from Northern Borders Regional Commission. The RUS grant will provide the match for the NBRC grant. Once built, the town’s fiber network will interconnect with the Department’s NEK network.

Burlington Telecom CPG Renewal (Docket 8719) – The Board has scheduled a prehearing conference for the docket on April 27. A group of community access management organizations (“AMOs”) that serve the Burlington community have moved to intervene in the docket.

Department staff is working with BT and the Burlington AMOs to prepare a docket schedule. BT would like the docket to be fully resolved by September, but that schedule may be unrealistic based on the Department's need to complete its community needs assessment.

FairPoint Pole Attachment Complaint (Docket 8470) – The Board has not yet issued a ruling on Sovernet's motion for the full Board to review the hearing officer's decision to deny Sovernet's motion to intervene in the docket. Although the parties to the docket entered into a settlement and the docket has been closed, Sovernet has argued that it should be entitled to intervene in the docket because the settlement included special contract rates that were not part of the initial pole attachment complaint.

WEC Smart Grid Filing (Docket 7810) – Telecom Division staff consulted with Finance Division staff about a filing from WEC that was required by the Board's final order in Docket 7810. WEC prepared a draft report which indicates that it does not intend to implement time of use rates for its customers. Telecom staff communicated concerns about the proposed filing to WEC directly, but the issue will subsequently be handled Finance and PERD staff.

Telecom CPGs – Division staff filed recommendations letters to the Board in response to the following telecom CPG requests:

- CPG 1003 – ECFiber petition for new CPG for the new telecommunications district that it has created – the Department recommended issuance of a CPG that would be contingent on ECFiber filing necessary transfer of ownership forms documenting how assets of ECFiber and ValleyNet will be transferred to the new ECFiber telecommunications district;

VUSF – Staff are working with Solix on what line item information to include on monthly VUSF statements of fund performance as well as on a segregated budget for Connectivity Fund. Senate Appropriations Committee included in their version of FY2017 big bill H.875 language to have \$425,000 for PSAPs taken from VUSF upon passage of the bill, which will be in FY2016. VUSF cash flow as of March 31st strongly suggests that the VUSF cannot accommodate both the transfer of \$425,000 plus the \$1,140,665 that was determined by the fiscal agent as funds available for Connectivity Fund in FY16 (determination was made using audited net financial position of VUSF at 6/30/15). If the effective date for \$425,000 to be deducted from VUSF for PSAP funding remains "upon passage," then there will be two special legislature-directed expenditures from the VUSF during FY16: \$270,000 one-time for Connectivity Division personnel costs, and \$425,000 one-time for PSAP transitional funding. These special legislature-directed expenditures total \$695,000. This situation raises the question that perhaps the VUSF administrator needs to consider not only the audited net financial position at June 30 to determine funds available for the Connectivity Fund per 30 VSA § 7516, but also any special legislature-directed expenditures that are known for the fiscal year beginning July 1? Adding more confusion to the situation is that 30 VSA § 7511 prescribes a priority order of disbursements from the VUSF – none of which include special legislature-directed expenditures.

Connectivity Roadshow: Staff has assembled a collection of examples of presentation materials from its state-wide outreach and town partnership efforts. This compilation was created for the Senate, in the event that they wish to further review and evaluate the division's work in light of

H.870. Each presentation is designed for the individual town and includes mapping data specific to the telecommunication infrastructure available to town residents. H.870 passed the House and is currently with the Senate Committee on Rules.

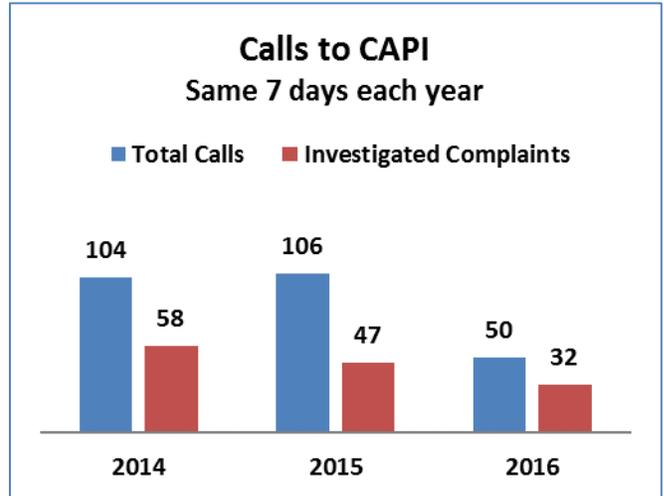
CAPI

Reporting for the period April 17 to April 23, 2016

Lifeline –We are continuing to work with DCF to address processing backlog for Lifeline applicants and are pleased to learn that a majority of the QLink applications are now processed.

Electric Assistance Program - CAPI met with GMP to discuss ideas for program changes and outreach efforts for the EAP program

Cases of the week



Privileged and Confidential
Memorandum

Shumlin
+
Sue

To: Peter E. Shumlin, Governor
From: Hal Cohen, Secretary, Agency of Human Services
Re: AHS Weekly Report
Date: April 29, 2016

Secretary's Message:

I'm still losing sleep over S.107 – an act relating to the Agency of Health Care Administration, and probably won't relax until the legislature is out for the year. In the letter that went to the Conference Committee, there was no written opposition to the \$450,000 that the Senate put into the budget bill to fund the transition of a proposed Agency of Health Administration, which breaks up AHS. I understand that the strategy is to oppose this legislation behind the scenes and verbally deal directly with committees. I can see how this could be a more effective strategy than going head to head against Senator Kitchel. Thank you and your staff for all the support you have given the Agency in this regard.

Short of a major reorganization, there are some internal systems within AHS that could be improved. I have been working with a small team that is putting together a number of proposed structural changes. I'm particularly focusing on our Governance Structure for our Health and Humans Services Enterprise (Portfolio Management Office). We are making significant progress and I'll be able to report to you soon with our proposal.

The Department of Justice Civil Rights Division, by letter dated April 15, 2016, has requested the Agency of Human Services to produce certain information and records relating to the extent to which state licensed, funded or operated residential facilities (such as nursing homes, residential recovery programs, Medicaid Health Homes, etc.) are populated by residents having a "mental health disability." The requests feature as well statistical inquiries around the extent to which release-eligible inmates with mental health disabilities remain in custody in our correctional facilities or are, alternatively, while on State-supervised release, being housed in community-based residential facilities. The Department of Justice is requesting such data for the last three years.

AHS counsel have been in communication with DOJ regarding the requests primarily to address certain initial scope questions, data collection methodologies and the timing of the production. While the lawyers for DOJ have allowed that the Civil Rights Division has conducted similar inquiries of other States in the past, the instant requests were predicated upon a Vermont-specific complaint(s) received by the Department. The questions being asked by DOJ parallel themes featured in complaints filed by advocacy groups (e.g., Disability Rights Vermont) with the Vermont Human Rights Commission and in federal court on behalf of individual clients. The fact that DOJ has made these inquiries is not, to our knowledge, publicly known at this point.

AHS Highlights:

Agency of Human Services Central Office (AHS CO):

New Program in Rutland Aims to Match Volunteers with Youth in Recovery

Chris Hultquist, Executive Director for the **Mentor Connector**, collaborating with Dr. Mark Logan, announced an exciting new program that they are seeking volunteers to participate in a six-month trial run: the Mentor Connector is hoping to match mentors with recovering youth and their siblings. The idea is that the mentors will be able to work with youth to help develop a vision, purpose, or passion for their life. He's also seeking community input (best practices, ideas) on the program.

Vermont Department of Health (VDH):

Vermont's Most Dangerous Leftovers

The Vermont Department of Health created the "Vermont's Most Dangerous Leftovers" campaign in 2014 with a goal of increasing awareness on the safe use, safe storage, and proper disposal of prescription drugs. This spring, Regional Substance Abuse Prevention Consultants will be coordinating with their Health District Office staff to systematically distribute campaign posters, rack cards, and pamphlets to local health care provider offices – including hospitals and emergency departments, private practices, specialty providers, and dental offices. By increasing visibility of this campaign, we will be increasing awareness in the community on prescription drug key messages: safe use, safe storage, and proper disposal. Campaign materials and resources to help prevent prescription drug abuse are located on the Vermont Department of Health's website at <http://healthvermont.gov/adap/RxOTCabuse.aspx>.

Department of Mental Health (DMH):

Vermont Psychiatric Care Hospital

VPCH census is at 24 due to no involuntary adults waiting for admission. Mandating of staff has increased with staff needing to be mandated on overnight shift for over a week straight due to increase in unanticipated time off and continued need for three 1-1's on an ongoing basis.

Emergency Departments

This week saw 27 people in need of inpatient psychiatric admission and 23 were admitted. There were two inmates who were involuntarily hospitalized from DOC and both waited less than 24 hours for their admission to an inpatient facility. Three of the four people who remain waiting this morning have been waiting less than 24 hours.

Department of Aging and Independent Living (DAIL):

DAIL Team Attends Suicide Prevention Training

A DAIL Team attended part 1 of the Zero Suicide Training this week in order to prepare an approach within the Department to the reduction of deaths by suicides among Vermont Seniors. We remain significantly higher than the national average and DAIL is engaged with the AHS effort to embrace the Zero Suicide platform and to apply it to our unique populations.

Department of Corrections (DOC):

Investigation into threat on the President

Scott

On 4/26/216 the Secret Service initiated an investigation in to a threat against the president. The threat originated in a letter from an inmate at the Northern State Correctional Facility. The inmate, Mike Seagren, is currently serving a sentence of 4Y – 8Y for the following charges GL, PSP, UR 1st, Burg Occ and IES. He has a minimum of 9/24/2017 and a max of 9/23/2022 This investigation is just beginning and there are no other details.

Population

The Department's incarcerated population averaged 1739 for the previous week. The Department's incarcerated male population averaged 1600 for the previous week. The out of state population is currently at 236. The female population averaged 139 for the previous week.

Department for Children and Families (DCF):

Foster Bike Program

Tim Matthewson of Vergennes, owner of Little City Cycles, had a foster parent come to his shop to have a bike fixed for a foster child in their home. Tim then wanted to get as many bicycles into the hands of as many foster youth as possible. He has teamed up with DCF Foster Care Manager Pamela Piper to make this dream a reality. Right now he has 20 bikes and 32 helmets ready to go to the first foster youth recipients next week. He has been heralded as a "local hero" on Fox 44/22.

Department of Vermont Health Access (DVHA):

Vermont Health Connect

Legacy Medicaid Renewals: Phone call reminders went out last week to more than 4,000 households who have not responded to multiple notices and are set to have their Medicaid coverage closed on April 30. Medicaid renewal posters and rackcards have also been mailed to Vermont Medicaid providers, with the understanding that providers are well-positioned to encourage recently closed enrollees to reapply for coverage ASAP.

VHC Medicaid Renewals: The first 9,000 VHC Medicaid Renewal (VMR) notices were mailed April 15. VHC expects to be able to provide metrics regarding responses next week.

COC Backlog: VHC's rolling inventory of change requests is 3,757 (as of Monday). Optum staff augmentation resources are to begin working on backlogs this week.

Other Agency Report Items for Consideration:

Agency of Human Services Central Office (AHS CO):

Bennington group meets to being Accountable Community for Health Work

A diverse group of over 30 people from the health care, human services, and other sectors met at Bennington College to begin their work as part of the ACH learning lab. The group discussed priorities that will guide the work of the planning team, which includes staff from the Blueprint, AHS Field Services, the Department of Health, and United Counseling Services. Heidi Klein from the Department of Health presented and provided a comprehensive context for the work ahead. It was an energizing meeting and a great start to this new initiative.

Bennington ACEs Team continues work on building trauma-informed community

The Team was disappointed to learn that they would not be asked to present on trauma at the Judicial College this year. The group started to develop a strategic plan, including activities such as developing

a common definition of what it means to be a trauma-informed provider, reaching out to community stakeholders (such as Supervisory Unions and Select boards), and establishing benchmarks for the community.

New President and CEO at Brattleboro Retreat reaches out to community

The Brattleboro Retreat held a networking event for local service providers where there was an opportunity to meet with Dr. Louis Josephson, the new CEO and President. The event was well attended. AHS Field Services has already connected with Dr. Josephson to talk about better connections between human services organizations and the Retreat; the conversation will be continued with other administrative leaders in the organization. Specifically, there have been concerns about the discharge planning and procedures at the Retreat; they have recently made some changes to their process and all involved want the work to be as successful as possible for the Brattleboro district and statewide.

Health and Wellness Event in Rutland Promotes Self-Care and Parent Engagement

Rutland Building Bright Futures Regional Council is sponsoring a Health & Wellness Event for parents & caregivers. The event "*Celebrate You!*" takes place on Saturday, April 30th. The objective of this event to promote self-care for parents and caregivers, increase parent engagement with their local childcare providers. There will be fun and relaxing activities; Neck & Shoulder Massages, Acupuncture, Yoga, and Breathing for Wellness, Literacy for Children, Nutrition, Budgeting, and Health screenings. Budgeting Tips from Merchants Bank. Community and Resource Information will be available. Snacks and Door Prizes. Childcare will be provided.

Vermont Department of Health (VDH):

VPMS Interstate Sharing

The Vermont Prescription Monitoring System (VMPS) is now connected to the Prescription Monitoring Program Interconnect (PMPi) hub for interstate data sharing. At this time, the VPMS Program Manager is working with individual states to set up access and security rules consistent with each State's authorizing legislation. Of the 34 states currently on PMPi, Vermont is prioritizing agreements with states in our region, specifically CT, NJ, RI and DE. Vermont is meeting with NY to discuss the agreement on Friday and we hope to share daa soon. MA plans to connect to PMPi in the next couple months.

Second Annual Youth Summit in Bennington

The Bennington Youth Community Action Team planned its second annual Youth Summit on Friday, 4/22. The Youth Summit, sponsored by United Counseling Service, was held at the Mount Anthony Union High School and over 50 youths attended. The day included a number of different workshops for youths, including one workshop that allowed for a simulation of the impairments associated with recreational marijuana use and other workshops that covered important, youth-requested issues such as cyberbullying and suicide prevention.

Department of Mental Health (DMH):

VPCH Continued

Advisory committee met on Monday and was well attended by community Advisory members who were given update on hospital operations. VPCH leadership is working with the Department of Human Resources to coordinate renewed recruitment efforts for vacant nursing positions as soon as compensation changes for direct care nursing positions are finalized.

Emergency Departments Continued

There has been one extended wait this week of a 17 ½ year old who had been waiting 7 days, and is now medically admitted and may still require inpatient psychiatric care when medically cleared. Due to this person's medical condition and compliance as a factor in potential future self-harm, the Retreat (who has the only involuntary adolescent inpatient unit in the state) declined admission as they did not feel they could safely manage this person's medical needs and adolescents and youth are not part of the no refusal system of care. As an involuntary patient, out-of-state transfer to another treatment facility is not available. Additionally, all adult units throughout the state continue to decline this youth admission based on the individual not being 18 years of age.

The DMH Commissioner is following up with the CEO at the Retreat to revisit the state's longstanding agreement for adolescent treatment at the facility. The current admission refusal, under its new leadership, appears to be a step back from this longstanding partnership to be the state treatment facility for children, adolescents, and youth.

The adult inpatient system of care this week was averaging 98% occupancy while the child/adolescent inpatient system of care was averaging 97% occupancy.

Department of Aging and Independent Living (DAIL):

DAIL on Across the Fence

The DAIL Commissioner and the Director of Adult Services appeared on Across the Fence to promote May as Older American's Month. In conjunction with the Presidential reauthorization of the Older American's Act, May will a month to honor our seniors and to applaud the work done through the Area Agencies on Aging which touches 60,000 older Vermonters annually.

Legislative Updates

S.66, forming an Advisory Council for the Deaf, Hard of Hearing and DeafBlind appears to have passed and is heading to your desk for signature. This bill has been a collaborative effort for over a year between AHS, AOE, your administration and the Deaf Community to channel their concern over the loss of the Austine School and the Center for the Deaf and Hard of Hearing into a productive approach to creating a viable and sustainable system of care across the state.

H.112 remains alive and DAIL staff continue to actively testify on behalf of the bill, allowing our Adult Protective Services investigators access to certain financial records during a financial exploitation investigation. It looks as if this bill will pass.

H. 40 which deals with the formation of an Adult Fatality Review team appears to be stuck in HHS. DAIL is interested in passage of this bill and has reached out to the Chair. It is possible that advocates and stakeholders will also express their active support for passage.

A Newline bill has been attached to the Telecommunications bill, H.870. Newline is a phone services for individuals who are blind, visually impaired or print challenged which gives them access to both national and local newspapers. It is a crucial link in terms of information, access to community, civic engagement and information. The Department of Public Service has agreed to fund Newline through

the USF at a cost of approximately \$25,000 annually. With the connection to H. 870, it looks like it might not pass this session. We are advocating for movement and hopeful that we may still salvage this important service.

Upon review of the current language in the Budget Bill, it appears that the AHS proposed language related to a delay of implementation for the TBI Act 158 for further study and planning has been added. This will give us time to assess what is potentially a civil commitment clause for individuals with a TBI. In conjunction with the recent interest from the Department of Justice on our community supports for offenders with mental health disabilities, the broad scope of the original Act 158 could create a pipeline directly into expensive community supervision for any offender with a TBI, regardless of severity, with no clear path out of the civil commitment.

Office of Public Guardian Regulations Updates

DAIL has begun the process of updating our regulations related to the public guardian function. Currently DAIL supports individuals with developmental disabilities and older, vulnerable Vermonters in our public guardianship program. The demand is quickly outstripping the available guardianship resources and this was a program area in which we lost staff due to the retirement incentive. With the recognition that this will always be a finite resource and recognizing our philosophical intent related to independence and choice, we will be promulgating a set of regulations that may contain some provocative language. We have begun to share that with stakeholders slowly to build consensus in advance. Issues that may be challenged will include:

- Defining a caseload limit for public guardians thereby creating a “waiting list” for services
- Asserting that there be an asset test to ensure that our public services target those in most need
- The identification of private guardians for hire that can fill the resource gap in Vermont for those individuals, particularly seniors, who have the assets to pay for this service.
- Defining levels of guardianship to avoid, whenever possible, full legal, medical and financial guardianship in favor of a more nuanced approach

We will keep you informed as this promulgation rolls out.

Department of Corrections (DOC):

Offender cited for GNOP

On 4/26/2016 Shane Goodrich was cited for Gross Negligent Operation, Death Resulting to appear in Rutland Superior Court on May 9, 2016. The crash happened on 09/18/2015 when Goodrich crossed the center line colliding with a motorcycle. Goodrich is currently on Parole supervision and has been since December 1, 2014. The offenses he is on supervision for are as follows: DLS, Burglary, PL, PSPM, PSPM, PSPF, PSPM, PM, PRDM, RX Fraud. His current sentence is 1D-7Y with a min of 03/12/2014 and a max of 08/09/2018.



Two High Risk Sex Offender Release

David Rice Jr (DOB 9/29/1966) has a tentative release date of 4/28/2016. Rice will be released on furlough status and supervised by CSS Metcalfe out of the Hartford office. Rice’s case was staffed on 4/20/2016 and was approved for release to an approved residence. Rice will be residing at 2907 North Hartland Rd #5, White River Junction, VT. The residence was run through the “Bright Futures” website and there are no registered day cares in the area. Rice will be released compliant with

treatment as he completed the in house program. CSS Metcalfe has sent the law enforcement notification via email to Chief Kasten and SIU Detective Adams at Hartford PD. CSS Metcalfe will be meeting with them on Tuesday, April 26th to discuss the notification and answer any questions they may have.

Jonathan Amell (DOB 8/9/1992) will be released on probation status on 5/1/2016 and will be supervised by CSS Renfrew out of the Barre office. Amell's case was staffed on 4/20/2016 to determine community notification and to discuss the case prior to release. Amell was on probation in the community and his cases were violated/partially revoked, resulting in a split sentence. Amell was designated high risk on 4/13/2016 based on a pattern of predatory behavior. Amell was not given enough time to complete any type of treatment in the facility on his split sentence. Amell will be released compliant with treatment as he was engaged in treatment prior to release. Amell will resume sex offender treatment in the community upon release. Amell's residence has been run through the "Bright Futures" website. There is a day care in close proximity to his residence, however, Amell does not have child victims and he also does not have a "reside as directed" condition on his probation. CSS Renfrew has notified law enforcement of the release.

Commissioner on Vermont Edition this week

Commissioner Menard spoke with Jane Lindholm from VPR on Vermont Edition this week. The topics included the out of state placement contract with GEO and the St. Johnsbury Work Camp.

Department for Children and Families (DCF):

H.95 Juvenile Jurisdiction Bill

Commissioner Schatz provided testimony to the House Judiciary committee Thursday morning regarding H.95 and the changes the Senate committee had made. DCF's position continues to support legislative changes to juvenile jurisdiction for 16 and 17 year olds. The hope is to align our laws with current brain development science and to respond to youth in a corresponding manner. This includes having them adjudicated in family court, or for lesser offenses remanded to community-based restorative justice programs. Youth are more amenable to treatment and rehabilitation and as such should be treated differently than adults. DCF also supports provisions to extend the age range up to 22 years of age with a delayed start date to accommodate budgetary needs.

Department of Vermont Health Access (DVHA):

Legislative Testimony

DVHA is working closely with the Finance Office on the budget changes in the appropriations bill that passed the Senate on Monday.

Hospital Outpatient Rates

DVHA continues to meet with the Vermont Association of Hospitals and Health Systems (VAHHS) with the shared goal of developing a plan to eliminate clinic provider-based billing by July 1, 2016. DVHA is also analyzing the potential impact of budget changes in the Senate version of the appropriations bill.

All Payer Model

DVHA has developed responses to questions from bidders and is in the process of reviewing and finalizing responses. DVHA expects to post answers to bidder questions by May 4, consistent with published RFP timeline.



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CONFIDENTIAL AND PRIVILEGED
MEMORANDUM

TO: Governor Peter Shumlin *PS*
FROM: Rebecca Holcombe, Secretary, Agency of Education
SUBJECT: AOE Weekly Report
DATE: April 29, 2016

OPR bill

We continue to quietly push Sarah London's suggested language revision in the OPR bill. Condos has been working very hard—much harder than we have time to do, and as a result, various legislators continue to blister on about three basic questions—see the following with our responses.

- **Why we can't just reduce the red tape related to licensing?**

With regard to the licensing of SLPs and other Title 26 licensed professionals who provide educational services in the public schools, this is not about cutting bureaucratic red tape. **However, there is red tape that could and should be cut from this bill. H.562, as currently written, is onerous and duplicative in its demands on Agencies that are already overburdened.** The Administration has repeatedly requested that the bill be revised to strike what was Section 2 of S.217 and now is in H.562 (at Section 21 of H.562). This is because Section 1 of H.562 already contemplates similar work that can achieve the same ends. The current language requires two sets of reporting, when only one is necessary to meet the needs of the AG.

- **Why do SLPs need to go to two places to get a license?**

If SLPs do not want to teach in schools, they only need to go to one place for a clinical license: OPR. As of this year, if they want to teach in schools, SLPs now need to go to two places: OPR for a clinical license and the AOE for an educator license. This is because last year, the legislature decided to move clinical licensing to OPR from AOE, at the request of OPR. As a result, the total licensing fee for SLPs who work in schools went from \$67 per year at the AOE for both the educator and clinical license, to a total of \$100 per year to OPR and \$67 per year to the AOE. (See attached testimony). At the time, the AOE was able to absorb

the loss of revenue associated with the transfer of clinical licensees who do not want education licenses, because of the operational improvements we made simultaneously in our licensing division, which enabled us to operate with lower staffing levels. We understood and supported OPR's logic that the clinical licenses belong at OPR. Please note that other types of educators, such as nurses who also teach, have been required to hold two licenses for decades: one education license from AOE and one clinical license from OPR.

- **Why do SLPs need an educator license from AOE to teach in schools?**

There are several reasons, not the least of which is that educator licensing is so tightly tied to our federal work, not to mention the teacher retirement system, that separating it from the education entity creates cost and risk. In addition, the AOE supports the VT Standards Board for Professional Educators, which was created by the legislature and which sets standards and requirements for licensure for all educators who work in schools. Licensing is an integral part of a larger teacher quality work stream that is highly regulated by the State and the federal government, and that ensures among other things that preparation programs are aligned with licensing requirements, that VT licensing standards preserve reciprocity with licensing in other states, and that licensing standards and data reporting to the federal government are done as required so that we don't jeopardize our federal funding. The tight coupling of licensing and federal policy is why the White House excluded education licenses from its recent report recommending consolidation of licensure.

Moving educator licenses to OPR would increase costs at AOE without meaningfully reducing workload. It would also add new obligations and challenges related to our federal work—work which brings substantial resources to the state of Vermont. In addition, many SLPs in public schools are already getting licenses from the AOE as special educators or classroom teachers. Many of the individuals affected by this legislation (that have commented to the legislature), are adamant about maintaining their professional connection with other educators and the AOE.

State Board of Education

The State Board's strategic plan is focused on equity and sustainability. They are pivoting to focus on PreK, collaboration between AHS and AOE for kids who need mental health services, and the pressures on small schools. Some of this is a response to the Governor's call for greater collaboration between AHS and AOE, and some is a response to concerns and complaints they have heard from school districts about unintended effects of Act 166 and Act 77. We have been emphasizing that PreK in particular is in its infancy, and we lack data yet to systematically evaluate. However,

the Board clearly wants to do some work to gather data on initial implementation. This is a bit tricky.

In addition, they are pushing very hard on greater collaboration with AHS. They have some direct connections with Hal, which is good, but also have some strong feelings that the Education Fund is increasingly picking up the tab for services that should have been provided by AHS. I am meeting with Hal today, and we can strategize how to manage this constructively within the context and hopefully confines of some of our current collaborations. We are inviting also Melissa Bailey of Mental Health to be part of the State Board Retreat. There are a lot of galloping horses on the board, so I am working hard to corral and define more clearly where they are trying to go.

Increasing the proportion of students (especially first generation students) who apply to college

AOE spoke with the American College Application Campaign, which is linked with UNC. The ACAC's goal is to increase college applications for first generation students, and they are also interested in rural students. They appear to have some resources-- they have offered to come here for free. We invited Jeb Spaulding (VSC) and Scott Giles (VSAC) to meet to discuss whether we could use this partnership or campaign to supplement the work currently done by Gear Up, and provide some concrete actions that increase FAFSA and college application rates.

This might also fit with or parallel the Lumina work with DOL and the work we are doing with students in career and tech centers to increase post secondary enrollment. This might expand our collective capacity in an area in which we are really weak statewide, and particularly in some of our most needy schools.

Media Contacts

Rewire Investigations: An investigative reporter with Rewire Investigations requested copies of public records such as emails, letters and other forms of communication sent by the organization Alliance Defending Freedom to all the school districts in Vermont concerning transgender students and school facilities. They also requested any responses from those districts. We are handling this as a FOIA request.

Howard Weiss-Tisman, VPR: Howard emailed from the Act 46 meetings in Southern Vermont to clarify the number of school districts in Vermont, the number of districts that voted to become newly unified districts, the number of SUs in Vermont, and the number of SUs that voted to consolidate. Stephanie shared the 2017 Budget Book with the breakdown of schools, Act 46 numbers from Donna, and some charts showing the

ADM & Consolidation Discussions.

Addison Independent. Dana Anderson of Building Bright Futures emailed Melissa Riegel-Garrett and Reeva Murphy as a heads up that an article planned to run in the Addison Independent paints a grim local picture for the roll out of Act 166. Melissa reached out to the reporter to clarify facts and the difference between childcare and Act 166.

Rick Jurgens, Valley News: Rick called Cassandra Ryan to ask if the AOE has a database with the year of construction on all of the school buildings in the state, and the year of construction on all of their plumbing systems. We do not collect that data. He followed up to see if the AOE has the number of schools in the state, and the dates of when they were built and asked if the AOE has rules for schools regarding lead in drinking water. Rick was provided with the 2017 Budget Book which has the number of schools, supervisory unions, independent schools, etc. We also referred him to the EPA for drinking rules since there is a federal law that requires schools to have clean drinking water. There are no specific State Board rules on this topic.

Alexi Potter, UVM: Alexi emailed Robert Uerz to get permission to use the AOE logo and a quote from Secretary Holcombe on the ABCD Study website.

Lola Duffort of the Rutland Herald emailed and offered to explain the reasons for her repeated FOIA requests for bullying data and indicated she would not withdraw any of her requests. She was emailed back and told that we don't need to know the reasons. She has a right to get data that can be released without violating FERPA, but that giving her what she is requesting would violate student privacy rights.

Rebecca

TESTIMONY PROVIDED TO: Senate Government Operations Committee
 FROM: Rebecca Holcombe, Secretary Agency of Education
 TOPIC: H.562
 DATE: April 22, 2016

Testimony is based on this version of H.562:

<http://legislature.vermont.gov/assets/Documents/2016/WorkGroups/Senate%20Government%20Operations/Bills/H.562/H.562~BetsyAnn%20Wrask~Draft%20No.%201.1,%204-14-2016~4-14-2016.pdf>

Impact	Option 1- Both Professional/Clinical License and Educator License conferred by OPR	Option 2- Professional/Clinical License conferred by OPR; Educator license conferred by AOE	Option 3- Clinical License and Educator License conferred by AOE
Statute	As proposed in current version of H.562 (p.71-74)	No amendment to statute required	Rescind Act 38 and return clinical licensure of SLPs to AOE
Licensees	<ol style="list-style-type: none"> Includes ≈1,000 potential educators about 8% of teaching force; 500 are SLPs Convenience of a single location for license-medium licensing fees <ol style="list-style-type: none"> OPR fee= \$100 per year AOE= \$0 per year Total= \$100 per year Maintain teacher benefits related to contracts and retirement. 	<ol style="list-style-type: none"> Includes ≈1,000 potential educators about 8% of teaching force; 500 are SLPs Inconvenience of two locations for licenses-highest licensing fees <ol style="list-style-type: none"> OPR fee=\$100 per year; AOE fee=\$67 per year Total = \$167 per year Maintain teacher benefits related to contracts and retirement. 	<ol style="list-style-type: none"> 500 are SLP educators, unknown number of clinically licensed SLPs Convenience of a single location for license- lowest licensing fees <ol style="list-style-type: none"> OPR fee=\$0 per year; AOE fee=\$67¹ per year Total= \$67 per year Maintain teacher benefits related to contracts and retirement. Non-educator SLPs may not want this change.
OPR	<ol style="list-style-type: none"> Increased work relative to licensees New costs related to collaboration with VSBPE New costs related to creating data sharing agreements and data transfer New costs related to collaboration with AOE 	<ol style="list-style-type: none"> No change in revenue or work No change in consultation with VSBPE No requirement to share data No increased costs to collaborate with AOE 	<ol style="list-style-type: none"> Loss of revenue from clinical licenses of SLPs² No change in consultation with VSBPE No requirement to share data No increased costs to collaborate with AOE Lost investment on the startup of clinical licensure

¹ Assuming a 3-year license for \$200- \$50 application fee and \$50 for each year (\$150) - as a result the yearly cost is \$67.

² OPR would need to confirm the loss here, based on their fee of \$100 per year and roughly 400 SLPs (clinical and educator) renewing each year, we estimate this at \$80,000 per year.

Impact	Option 1- Both Professional/Clinical License and Educator License conferred by OPR	Option 2- Professional/Clinical License conferred by OPR; Educator license conferred by AOE	Option 3- Clinical License and Educator License conferred by AOE
AOE	<ol style="list-style-type: none"> 1. Continued expenses for supporting the work of VSBPE and investigations with no corresponding revenue 2. New costs related to creating data sharing agreements and data transfer 3. New costs related to collaboration with OPR 4. Lost investment in licensing infrastructure (online) 5. Decrease in revenue of \$70-80,000^{3 4} 	<ol style="list-style-type: none"> 1. No change in revenue or work 2. No change in consultation with VSBPE 3. No requirement to share data 4. No increased costs to collaborate with AOE 	<ol style="list-style-type: none"> 1. Increase in revenue and work relative to licensees 2. No change in consultation with VSBPE 3. No requirement to share data 4. Increase in revenue of \$10-15,000⁵
Other Educators	<ol style="list-style-type: none"> 1. Increase in fees (likely 10%) to offset reduction in revenue 	<ol style="list-style-type: none"> 1. No impact 	<ol style="list-style-type: none"> 1. No impact
Other entities	<ol style="list-style-type: none"> 1. Unclear of the impact to Treasury of having two agencies to interface with related to teacher retirement processes. 2. Unclear of impact on school systems and their negotiations with bargaining units as the definition of teacher changes; could potentially increase costs for school systems- (please see Nicole Mace testimony). 	<ol style="list-style-type: none"> 1. No impact 	<ol style="list-style-type: none"> 1. No impact

³ For the next two years, approximately 1/4 (250) of licensees renew, and then there are new applicants. Applicants pay for their full term of their license at the time of application; some are for 3-year licenses at \$200 each and some are for 7-year licenses at \$400 each. Assuming (150 licensees *\$200) + (100 licensees *\$400)=\$70,000. If all applicants need 3-year licenses the figure would be \$50,000; if all need 7-year licenses the figure would be \$100,000.

⁴ This pattern will hold only for the next two years as the licensing terms recently changed so that we will no longer expect 1/4 of licensees to renew every year as some have 7 year licenses.

⁵ Based on our change in revenue this year when clinical licensure was given up.

Executive Privilege

TO: Governor Peter Shumlin
FROM: Secretary Chris Cole
DATE: Friday, April 29, 2016
SUBJECT: VTrans - Confidential Report to the Governor

NOTES FOR GOVERNOR

Duxbury, VT 100, Bridge 193 over Crossett Brook

There has been significant progress in the development of contract plans and specifications for the upcoming emergency replacement of Bridge 193 since the project was programmed on April 8, 2016. This includes, but is not limited to, resource identification, final hydraulics analysis, development of a temporary utility relocation plan, preliminary plans, NEPA and a geotechnical investigation. The Right-of-Way acquisition and environmental permitting process has also been initiated. Offers are being sent to affected property owners this week. Advance procurement of the precast concrete arches is in progress and bids will be opened on Friday, April 29. The new structure will be a wider open bottom arch with a natural stream bottom to provide greater resiliency during larger storm events and aquatic organism passage. A Public Information Meeting will be held on Monday, May 9 beginning at 6 PM at the Crossett Brook Middle School.

Project Milestones are as follows:

- Open Bids - Precast Arch Structure April 29, 2016
- Final Plans May 9, 2016
- Environmental Permits May 18, 2016
- ROW Clear May 18, 2016
- Advertising May 25, 2016
- Open Bids June 3, 2016
- Project Award June 10, 2016
- Project Completion Date Dec 2, 2016

NOTES FOR STAFF

Federal Legislation

Senate FY2017 THUD passed committee, potentially going floor before end of this week. We are working with Senator Leahy's Office to get additional flexibility for unspent balances from transportation earmarks so we could spend them on the Western Corridor to address structurally deficient bridges.

Federal – MAP-21 Rulemaking

Reviewing National Performance Management Measures proposed rulemaking. Will coordinate with Highway Division on preparation of AASHTO and Agency response. This rule is 400 pages long and consists of Assessing Performance of the National Highway System, Freight Movements on Interstates, and Congestion Mitigation and Air Quality.

Vermont Legislature

- T Bill - H.876
 - Senate ordered Third Reading on Friday, April 29 following amending the bill to adjust the expenditures as recommended by Senate Appropriations and incorporating elements of the DMV Miscellaneous Bill (excluding Saliva Testing and DUI Penalties) as recommended by the Senate Transportation Committee. There were no questions.
- H.877 VTrans Funding Bill – Second Reading on Thursday, April 28; major adjustment in Senate Finance Committee included a recommendation of a 1/2% shrinkage allowance for motor fuels, instead of 0% as recommended by the House, as well as recommending the removal of the Purchase and Use Cap for non-commercial/non-trade related vehicles (principally pickup trucks)
- Bills VTrans continues to follow in the Senate:
 - H.571 DLS Bill – Second Reading in the Senate on April 28
 - H.854 Timber Trespass – no issues
 - H.552 Endangered Species – no issues
 - H.249 – RPC Intermunicipal Service Agreements – Passed both Houses, no issues
 - ½ Acre Threshold on Stormwater Permitting – Not moving this year
 - S.155 Automated license plate recognition (ALPR) systems/use of drones – Passed both Houses, no issues

Aviation

- Morrisville-Stowe Airport
 - Aero & Son were observed performing maintenance on an airplane at the Morrisville-Stowe State Airport on April 15, 2016, in violation of the VERMONT AERONAUTIC RULES, Part XIII AIRPORT OPERATORS, VERMONT STATE OWNED AIRPORTS RULES 13.01 AND 13.02, which prohibit individuals from doing business at State airports without VTrans' permission. Aviation staff have verbally warned, sent a letter, and are now going to formally notice – which is clearing through legal now.
- Northeast Kingdom International Airport

- Aviation staff are reviewing and preparing to update the Northeast Kingdom International Airport Business Plan. In the near future Aviation Director, Guy Rouelle will be meeting with the Newport Rotary Club.
- PPAID Deputy Director is coordinating the staff of the Receiver of Jay Peak regarding the potential use of the NEKI Airport for the National Porsche Rally in June.
- Knapp Airport
A Fortune 100 company which delivers small packages is interested in building a 150,000 sq. ft. package handling facility with parking on the west side of the Knapp Airport. This is a development area slated for mixed use on the airport's 2009 Business Plan. Coordination with ACCD is ongoing. They need 12-20 acres minimum. They would like to start looking at resource mapping, i.e., state and federal wetlands, archeological, etc., to see if it is a suitable site. ACCD has stated this would create close to 100 direct jobs. If suitable, they would like to discuss a long-term lease and would like to be operational by 2018. They said the site is attractive to them due to the location near the I-89 corridor and the fact that the airport has next day air transport.

Shelburne Transload Facility

VTR's proposed transload facility west of US Route 7, just north of the LaPlatte River bridge, continues to generate activity in the courts. According to a report published in the April 28 edition of the *Burlington Free Press*, the US District Court held an emergency hearing on April 27 on the Town of Shelburne's emergency motion to compel production of records from Barrett Trucking Company, Inc. regarding its financial and legal dealings with VTR. The *Free Press* article states that Senior US District Judge William K. Sessions commented that concerted financial and legal cooperation between VTR and Barrett was designed to skirt local and state scrutiny, but might not be illegal.

As previously reported, the US District Court in Burlington has scheduled a three-day evidentiary hearing "on all pending motions" for Tuesday, May 3 through Thursday, May 5, 2016. Since there is no "stop work" order, this has left VTR free to go forward with the project (subject, of course, to the risk of a subsequent adverse court ruling).

The Town had asked the court to enjoin VTR from going forward with the project until VTR complies with municipal zoning requirements, while VTR contended that under applicable federal statutes and case law, it is exempt from such requirements and sought to have the court enjoin the Town from trying to enforce municipal zoning requirements against a railroad project.

Williston Park and Ride Act 250

Since efforts to work out an informal resolution have been unavailing, Dan Dutcher has requested the District #4 Environmental Commission to schedule a hearing on his motion to alter, which requests the District Commission to modify Condition #25 in its

April 1, 2016 Act 250 permit amendment for the proposed Williston Park-and-Ride—a VTrans funded project.

Unfortunately, the April 1 amendment included a problematic Condition #25 imposing a municipal impact fee of \$63,700 on VTrans for the effects of the project on I-89 Exit 12—another VTrans funded project:

The Permittee shall pay a proportional fair-share monetary contribution towards the preferred mitigation (improvements at Exit 12 of I89 – which is a project on the Town of Williston’s transportation impact fee projects). The municipal transportation impact fee has been determined by the Town of Williston to be \$63,700. The Commission has determined that construction of the sidewalk by VTrans will satisfy Act 145 [of 2016 (“An Act Relating to Transportation Impact Fees”)], the transportation fair share and will not assess an additional fee payable to either the Town of Williston or the State of Vermont.

The District Commission’s assessment of a municipal impact was in error. The Town previously agreed that VTrans need not pay the fee because of mitigating measures, including a sidewalk, built into the project. In addition, VTrans does not believe that it is statutorily subject to a municipal impact fee. Further, the fee addresses impacts to a State rather than a municipal capital project. For all these reasons, it would appear that the fee is not constitutionally proportional. VTrans made all these points in a letter it filed with the District Commission last summer, and it is not clear why the Commission disregarded VTrans’ arguments.

The proposed project would construct a new park-and-ride on the westerly side of VT 2A, just south of I-89 Exit 12. The proposed project includes a 146-space park-and-ride with access road, bus shelter, bicycle rack, landscaping and stormwater management system. In addition to the Ramsey acquisition, the project would require acquisition of rights from an adjacent property located to the south, which is owned by Exit 12 Realty, LLC, an affiliate of Keurig Green Mountain, Inc., of Waterbury.

Here is a link to the text of the April 1, 2016 decision:

<https://anrweb.vt.gov/PubDocs/ANR/Planning/4C0699-2/4C0699-2%20Permit%20and%20COS.pdf>

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Deborah L. Markowitz
Agency Secretary

Trey Martin
Deputy Secretary

**State of Vermont
Agency of Natural Resources**

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Deborah Markowitz, Secretary, Agency of Natural Resources
Date: April 29, 2016
Subject: ANR Weekly Report

Governor Level Issues:

Lake Champlain TMDL New York/Vermont MOU: New York DEC does not believe that the phosphorus allocations under the Lake Champlain TMDL are fair and equitable. Last fall, New York DEC threatened to appeal the Lake Champlain TMDL should the allocations not be adjusted. Adjusting the allocations at this time would require Vermont's regulated community to do even more to reduce phosphorus runoff. To avoid this, for several months, the two states have been working on an MOU that would commit Vermont to open its TMDL if New York opened theirs, or in ten years, whatever comes first. New York will commit to not appealing the TMDL. EPA's final TMDL should be released in the coming weeks, following the signed MOU between the states. A three-party agreement between New York, Vermont and EPA would follow later this year. We will provide a briefing to the Governor's Office on this issue before signing.

Pownal Water Commission Votes to Shift to Carbon Filtration for PFOA-Contaminated Fire District #2: Late last week, the Pownal Water Commissioner met and voted to select carbon treatment on the municipal well. APU, the potential responsible party, has agreed to pay for this treatment. The filtration will be completed within two weeks to one month from now.

GMP/LCI Bio-digester Concept: OPP director and ANR Deputy Secretary met with representatives from PSD, VAAF, BGS, Green Mountain Power and James Ehlers from LCI to discuss a conceptual proposal from GMP/LCI for a next generation bio digester that is coupled with pyrolysis/gasifier system that would use a range of fuel sources to produce electric and thermal energy, including cow manure, pre and post-consumer food waste and – most interesting – septate sludge and wastewater treatment facility sludge. The latter is currently trucked to landfills or spread with minimal treatment on farm fields. The project could potentially reduce phosphorus run off in surface waters and save treatment facilities significant costs by avoided

landfill fees and increased capacity at the facility. While promising, the proposal raises a number of policy, economic and scientific questions that are hard to resolve in the abstract. The state agencies indicated support for the concept and encouraged GMP/LCI to take the next step of fleshing out what a pilot project may look like in more detail, but acknowledged the costs and complexity of such a project may impact its viability, at least in the short term.

EVERYTHING ELSE:

Legislative Issues/Testimony:

H.610 Clean Water and Drinking Water State Revolving Funds (CWSRF & DWSRF):

This bill allows DEC to give money to more communities for more water projects, more easily. There is no opposition to this bill. We expect it to pass the Senate this week.

J.R.H. 26 Joint Resolution RE: Federal Toxic Substances Control Act (TSCA): This resolution passed the House last week, was voted out favorably by Senate Natural Resources and Energy Committee. We expect it to pass the Senate this week. The Resolution requests that Congress act on strengthening TSCA.

[H.875 Appropriations Bill:](#) DEC's Environmental Contingency Fund language, lifting the \$100,000 cap for PFOA Drinking Water Contamination, and Vermont Drinking Water Planning Loan Fund language, removing the cap on population (10,000 pop.) so that Bennington will be eligible for drinking water loans, remain in the bill.

H.595 Potable Water Sources from Surface Waters: This bill is back in the House. It:

- **Requires testing of new groundwater sources;** rulemaking must be complete by January 1, 2017 (sections 4-6). HFW&WR will likely convert this requirement into a study.
- **Amends the Environmental Contingency Fund** so that ANR may seek reimbursement from the fund for oversight of voluntary cleanup efforts by a responsible party prior to entering into a written agreement with that responsible party, 10 V.S.A. § 1283(b)(9). (section 7).
- **Authorizes ANR to serve information requests** upon persons whom the agency has reasonable cause to believe are liability for a release of hazardous waste (section 8 & 11).
- **Authorizes ANR to seek natural resource damages** (sections 9-10); rulemaking must commence by January 1, 2017; draft rules to the Legislature by February 15, 2017; and final rules completed by November 1, 2017;
- **Establishes a Working Group on Toxic Chemicals** in Vermont, which will be convened by ANR; report due January 15, 2017. HFW&WR will likely add a provision requiring the working group to address future anticipated deficit in the Environmental Contingency Fund.

S.123 DEC Permit Process Improvement: As passed by the Senate, the bill requires a pre-application, public engagement process for complex projects; limits the issues eligible for appeal

to those addressed by the parties during the permitting process; establishes an electronic notice bulletin at DEC for applications and permit decisions; and consolidates the number of permit routes from eighty-five to five. The Senate dropped on-the-record appeals. DEC is working with stakeholders to finalize the provision that requires preservation of issues for appeal.

H. 878 Capital Adjustment Bill ([spreadsheet](#)): At DEC's request, Senate Institutions restored \$100,000 of state funding to the Drinking Water State Revolving Fund, for a total allocation in FY17 of \$2,738,000. Without the restoration of \$100,000 in state funds, DEC risked losing or delaying receipt of \$500,000 in federal matching funds. At Lt. Governor Scott's request, the Senate Institutions Committee added language giving DEC flexibility to move funds between categories to support the PFOA response: "Notwithstanding any other provision of law, the Commissioner of Environmental Conservation may transfer any funds appropriated in a capital construction act to the Department of Environmental Conservation to support the response to PFOA contamination. If a responsible party reimburses the Department for the cost of any such response, the Department shall use those funds to support the original capital appropriation and shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions of the reimbursement." DEC supports this language.

[H.877 Transportation Fee Bill:](#) DEC anticipates that Senate Finance will take testimony on this bill next week. We support the bill as passed, which would:

- Sections 49 -50. Restructure and re-allocate the motorboat registration fees, which impact DEC's Aquatic Nuisance Program (click [here](#) for expected impact).
- Section 56. Increase the motor vehicle emissions fee from \$1 to \$2. These fee revenues support the work of DEC's Air Quality and Control Division.

Lightly Contaminated Soils Law: This law was passed in 2015, permitting soils lightly contaminated with lead, arsenic and PAHs to be used onsite or moved to other sites characterized with the same level of contamination. The corresponding rule, providing guidance to the development community interested in taking advantage of this law, is due July 2016. This rule will not be ready by this date because: 1) PFOA response and 2) background study data review by EPA and VDH. If we miss the July 2016 deadline, we will not be able to accept applications under this law until the rule is completed, likely until December 2016 or early 2017. We are working to change the July 2016 date in statute to avoid this gap. S.123 will likely be the vehicle.

Energy Siting Bill (S.230): The House moved S.230 off the floor Wednesday via voice vote, following a unanimous roll call on second reading the day before. The bill is now back in Senate Natural Resources and Energy where Chairman Bray has indicated his desire to send back to the Senate a proposal for amendment and avoid a conference committee. SNRE read through the House approved bill with Leg Council and with Rep. Ram yesterday, and plans to vote out a proposed amendment today, which may be optimistic.

H.355: The forester licensing bill, which was voted on and passed by the Senate Government Operations committee and Senate Finance committee. It is heading to the floor for a vote.

Press Issues/Releases:

USDA Awards \$2M to Williamstown Wastewater Facility to Reduce Phosphorus: On Earth Day, USDA Under Secretary Lisa Mensah, Congressman Welch, Commissioner Schuren, ECO AmeriCorps members and Williamstown officials held a media event to recognize \$2M+ awarded from USDA for wastewater upgrades to reduce phosphorus. The event, including cake, balloons and much fan-fare, was followed by a stream cleanup, which Congressman Welch joined. Times Argus press covered the events.

PFOA: Routine coverage continues on this issue. DEC is in close communication with the Governor's Office on new developments.

FWD Press Releases: Youth Hunter Ed Challenge on May 14 to Give Young Hunters Extra Skills; Be Alert to Avoid Moose on the Roadway; Antlerless Deer Proposal Voted by VT F&W Board; and Steelhead Rainbow Trout Runs Are Happening Now

Congressman Peter Welch Sponsors Legislation Promoting Outdoor Recreation: Craig Whipple, Director of State Parks was among the many in attendance at this week's press event in Burlington. He attended the event to support the federal government including outdoor recreation among the industries regularly assessed for their economic contribution to the nation:

Forester Licensing: Commissioner Snyder is quoted in this VT Digger article about legislative bill H.355:

State Parks in the News: The most recent in a series of Fox 44/ABC 22 News stories about seasonal preparations in Vermont State Parks featured Director Whipple and also Park Ranger Aaron Jacobs, who is getting the campground at Smugglers' Notch SP ready for opening.

Significant Events/Meetings:

Onsite Water & Wastewater Tracking System Live, Required: Last fall, the Onsite Regional Office Program was reduced by \$722K in general funds and nine staff. Since that time, efficiency measures have been taken to help remaining staff manage through these cuts, including shifting to an online application system. The program will move from 7% online submittals to 100% as of April 29. This shift will save administrative time because applications will not need to be entered by hand or scanned. In addition, increased deference will be given to the professional engineer's certification that more routine and low-flow projects meet environmental standards. Even with these efficiency measures, as the program moves into its busy time, it is important to still expect delays in permitting (likely from 8-11 days to 30-45 days/permit).

SUMMARY OF KEY DEPARTMENT ACTIVITY

Office of Planning and Policy (OPP)

Ranger Solar (Coolidge/Ludlow): OPP staff continue to meet with Ranger to work through a short list of unresolved issues associated with their 20MW solar project proposal. We appear to be making progress on mitigation for minor deer wintering habitat impacts and on re-drawing several stream buffers to be consistent with the Agency's riparian management area guidance; however, Ranger is being less cooperative on the Agency's attempt to quantify the greenhouse gas impacts associated with the clearing and land conversion of approximately 40 acres of forestland. We have requested Ranger cruise the area to be cleared and provided information on tree species, volume and distribution, the end disposition of the trees that are cleared (e.g. chipped, burn, saw logs, etc.), as well as assumptions around annual output, so we can calculate how long it will take the project to make up for the carbon emissions associated with the clearing and loss carbon sequestration potential from the site. Ranger does appear willing to allow for a grassland breeding bird survey and is considering ANR's recommendation to make voluntary, annual payments into the bobolink fund to mitigate the impacts on the 40-acres of potential grassland bird habitat the project will impact.

The Public Service Board has not adopted a schedule for the proceeding. Wed, April 20 was the deadline for parties to file proposed schedules and the Board has not yet issued a scheduling order. ANR and DPS jointly filed a proposed schedule that calls for ANR and non-petitioner parties to file direct testimony on August 3, 2016 and a technical hearing during the week of December 12, 2016. GMP, VEC, and BED support this schedule. The petitioner filed a competing schedule that calls for ANR and other non-petitioner parties to file direct testimony on June 22, 2016 and a technical hearing during the week of August 22, 2016.

Elizabeth Min Solar MOU: ANR has executed a stipulated agreement in the Elizabeth Mine Solar, which resolves any outstanding issues in the Sec. 248 proceeding. The main contested issues for the Agency in that case focused on protection and maintenance of the cap which covers the Superfund site and ensuring the project has sufficient reserves to adequately decommission the facility at the end of operation. DEC waste management staff were key to negotiating this agreement.

New Applications for the week of April 18: OPP received 6 new Act 250 applications and 1 new Section 248 petition.

Environmental Conservation (DEC)

DEC's New Website Live: We are pleased to report that DEC's new website has gone live: <http://dec.vermont.gov/>

Enterprise Content Management System (ECMS): ANR continues to work with DII towards piloting an ECMS to more effectively manage all records electronically. An Independent Review meeting will be held on the project this week. Once Commissioner Boes approves the project, contract negotiations will be completed.

ECO AmeriCorps Recruitment: Recruitment for the 2016-2017 service year has closed with over 60 applications. Interviews will begin next week and final offers made by late May.

ANR-UVM Team Receives “Engaged Partner Award” from Vermont Campus Compact: Over the past several years UVM Rubenstein School staff and faculty have been working closely with ANR professionals to create a formal partnership focused on engaging college students through service learning. These experiences are beneficial to UVM students because it affords them a chance to apply skills they have learned through formal education to address real-world environmental issues. ANR benefits greatly from the service learning partnership by receiving energetic and enthusiastic interns. The formalization of the program was recognized with this award. The number of ANR interns has increased from seven to nineteen over the last three years.

Diesel Emissions Reduction Efforts: DEC was awarded a grant under EPA’s Diesel Emissions Reduction Act to reduce harmful diesel emissions. The project will provide technical assistance and funding to G.W. Tatro Construction, Inc. for the early replacement of a Class 8 diesel vehicle with a new vehicle equipped with state-of-the-art emissions control systems.

Pike Industries, Inc. Violation: A violation by Pike Industries, Inc. for exceeding particulate matter emission permit limits at their Berlin hot mix asphalt plant has been resolved. An Assurance of Discontinuance was entered into with Pike requiring them to make the appropriate corrections to the plant and retest for particulate matter at the start of the paving season to ensure the limits will be met in the future. The agreement includes a penalty of \$4,500.

“Report Card” for Public Water Systems: In an effort to ensure compliance, DEC is developing a “report card” for water systems, which will take into account sanitary deficiencies and be made available to the public. We are in the design phase.

Stormwater Manual Comment Period Closes: The comment period for the revision to the Vermont Stormwater Management Manual concluded on Friday, April 15. Extensions of time were granted through Friday, April 22. The program has received substantial comments from both internal and external stakeholders, and is also working closely with VTrans to understand and address their concerns for proposed changes. The program will be working through comments and revisions to the current draft over the next month.

Fish & Wildlife (FWD)

Fishing Activity: Since the start of spring fishing seasons, angler pressure continues to be high statewide. FWD Wardens are reporting significant catches of most major species including trout, salmon and perch. Wardens are citing violations that have included license and methods issues, fishing under revocation, and over-limit possessions. Wardens have also been busy assisting with spring stocking efforts that will continue throughout the spring and into the summer.

Youth Turkey Season: Youth turkey weekend was a safe and fun event for all. Wardens reported fielding many questions and shaking hands with both youths and adults alike. There were reports of successful harvests and smiling youths statewide. Violations were reported, unfortunately, and they included shooting from the road, shooting from the truck window, no hunting licenses, no permission and others.

Proposed Research Station on Mt. Mansfield: Staff attended a presentation on the History of Research on Mt. Mansfield and was interviewed by a panel of the Organization of Biological Field Stations to discuss ideas and concerns regarding the proposed Mt. Mansfield research station.

Diversity Training: Staff participated in Cultural Competency and Diversity Training last week. Dr. Maria Avila from UVM College of Medicine was hired by the FWD to provide training to about 25 staff. Dr. Avila taught a half-day session on cultural diversity which was used to help explore the history and current issues surrounding race, culture, and health inequities and disparities. A brief post-training survey was sent out to the attendees and preliminary feedback shows the class was well received and that there is strong interest for additional trainings of this nature.

Forests, Parks and Recreation (FPR)

Ski Areas: We are receiving annual work plans from our ski area partners for work proposed this construction season within the state lease areas. Most of the work proposed by the seven ski areas that lease state land can be characterized as routine maintenance with few new capital projects planned. Killington, Okemo, and Stowe are hoping to build new mountain bike trails (portions of which would be on state land) this upcoming season.

Public Involvement Meeting: Ginger Anderson, Forestry District Manager; Diana Frederick, State Lands Stewardship Forester; and David Wilcox, State Lands Forester assisted State Parks staff in a public meeting in Cabot on April 21 to discuss management options for the new Molly's Falls State Park in Cabot and Marshfield. About 40 people attended.

VYCC Trail Work Grant Funds Management: Final details are being worked out for the transfer of responsibility for managing an annual \$100,000 grant for Vermont Youth Conservation Corps recreation trail work from VTrans to FPR. The funds will be used for trail maintenance and construction, project planning and assessment, and administration of the effort on FPR lands.

Fire News: Jay Lackey, Forest Protection Specialist said that District 4 had reports of fires in Eden (5 acres) and Chelsea (47 acres). With the dry conditions we expect the fire wardens to send in more reports. The dry conditions have been good for controlled burns; State Lands Foresters David Wilcox and Brad Greenough along with Washington County Forester Dan Singleton have all assisted with controlled burns on Fish and Wildlife lands in southern Vermont.



State of Vermont
Department of Public Safety
103 South Main Street
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To: The Honorable Peter Shumlin
From: Joe Flynn, Deputy Commissioner of Public Safety
Date: April 28, 2016
Subject: Weekly Report

Priorities:

DPS Director of Technology Management Dean Hamel attended a meeting at the White House for the Police Data Initiative (PDI). Under the direction of Commissioner Flynn and Colonel Birmingham the Vermont State Police recently joined the PDI becoming the first participating state police agency in the country. The PDI supports the work of President Obama's 21st Century Policing Task Force. As a participant in the program VSP will be exposing sets of data to the general public that are consistent with PDI guidelines. The data sets are non-sensitive collections of information intended for public use. Exposing this data is in support of transparency and accountability to the people of Vermont, which is a guiding principle of the PDI. We are joining this initiative at the very early stages. There are currently 53 agencies in the nation that participate, some present were The Dallas Police Department, The Los Angeles County Sheriff's Department, Louisville Metro Police Department, The City of New Orleans, and The Orlando Police department. There were presentations from Megan Smith – U.S. Chief Technology Officer, and DJ Patil, the U.S. Chief Data Scientist, both from The White House Office of Science and Technology Policy, representing the President. Vermont has much to gain from our participation in this work. Other participating agencies have gotten significant positive feedback from their local communities. This effort is seen as a major step in collaboration and open communication between citizens and law enforcement. We should leverage this project to get some positive media coverage for the good work we are doing. Community involvement in this work will be critical.

Division of Fire Safety Director Desrochers met with BGS Commissioner Obuchowski, BGS Deputy Commissioner Minoli and BGS Facility Director, David Burley to discuss Fire Academy (VFA) Operations. The VFA has two permits in place dating back many years. One is the Act 250 Permit and the other a local zoning permit from the Town of Pittsford. These two permits were reviewed in light of the recent water testing of nearby private wells for POFA, as we train with firefighting foam. The results came back negative which we suspected they would. However, there are some operational issues at the academy that are in violation of the zoning permit and some that are borderline. For example, the initial zoning permit states we cannot train with the Jaws of Life at the academy. We have been training fire fighters on the use of this tool for years and this has contributed to saving hundreds of lives. The Jaws of Life today are less noisy and we have not received one complaint at the academy. In summary we are going to amend the permits to reflect what we are doing at the facility.

The recent Orleans County Court ruling that granted a defense motion to exclude relation back testimony in 25 consolidated DUI cases could have potential implications statewide.

CJS

Forensic Lab-

Drug/Arson Instrument Service/Maintenance (2-4 year contract) ~\$30K [with Contracting]

Digital Imaging System Service/Maintenance (1 year contract) \$1K [with Contracting]

Backlogs (as of 3/31/2016):

Blood Alcohol (0)

Drug Chemistry (766)

Serology (64)

DNA (casework) (154)

DNA (CODIS) (167)

Firearms (38)

Latent Prints (471)

Arson (0)

VOSHA on site 3/23 re: complaint of HR retention of medical records (report still pending).

ASCLD/LAB surveillance visit for accreditation to be conducted May 17th

OTM-

Next steps from PDI described on Priority Page are to define three data sets that VSP will expose to the public. A "data set" would be something like "Traffic Stops"; Present these data sets to VSP for approval; Submit our commitment notification to the PDI Office; Develop a public-facing data portal for exposing this data; Develop the data extract routines that will create these data sets; Make an announcement to the general public, perhaps a press conference? This should be a coordinated between the Administration and the DPS Commissioner's Office.

Kristi Waits (from AOE) has formally accepted the Project Management position and is scheduled to start on 5/16/16. This is a very exciting addition to the OTM staff that will bring a new level of focus to the management and implementation of technology projects for DPS. I expect to see our productivity in this area to ramp up quickly. Kristi has a wealth of experience in criminal justice and law enforcement IT.

e-Ticket

Significant milestones have been reached on the eTicket project!! We are successfully passing data electronically through the Valcour system to VJISS, and through to the courts. The business stakeholders are thrilled. It is an exciting time for the project. We have successfully achieved the mandate put in place by NHTSA that secured the project funding through FY17. Jen Mincar facilitated a stakeholder's meeting on Tuesday, 4/26 that included a full demo of issuing an electronic ticket through Valcour, and having the ticket data get electronically transmitted to the court. The new electronic process takes seconds, the current manual process takes weeks! Remaining to-do's are:

Track 1 (Spillman) – planning on 7/1 Launch with 10 cars

- Pilot agencies are VSP TOPS
- If TOPS isn't ready with more cars we will turn to other Spillman agencies
- Procurement
- TraCS User Agreement complete
- TEG Contract complete
- Spillman contract due in AUGUST 2016 – currently at A/G
- TraCS VCVC online and printed form reviewed and complete
- Starting work on the warning form review

- Servers are being set up

Track 2 (Valcour) – 5/11 Launch (put one ticket through the entire process electronically)

- 10 cars in pilot: Pilot agencies are SBPD, WCSO, and DMV
- Procurement
- Crosswind Contract signed
- Successfully moved a ticket from valcour to the courts in test
- Development near completion.
- Final Testing underway
- Training being developed and scheduled for 5/17; full launch after that.

VSP Body Camera Pilot

VSP will be implementing the new Watchguard in-car cameras, and abandoning the body camera project at this time. The combined scope (in-car and body cameras) was too costly to pursue. The Watchguard upgrade is being paid for primarily with funds from NHTSA. The project is being seen as an upgrade to the existing technology and therefore does not need to go through the usual procurement process, which is a significant savings of time and money for the state.

VCIC-

Attended hearings regarding S.14 (modifications to medical marijuana program) that focused on the following areas: addressing the six-month physician-patient relationship, reducing the fee to change dispensaries, allowing the dispensaries to operate as for-profit entities (from non-profit), adjusting language around qualifying conditions, allowing for advertising, and increasing the allowable possession amount to three ounces.

Summary of Weekly Activities

The NIBRS program has refocused efforts from working with Valcour to troubleshoot technical issues to auditing and training local agencies. This stands in line with recent efforts to improve agency contribution and data accuracy.

Training and testing for non-criminal justice agencies that utilize criminal history information is currently being rolled out as a test program with the Vermont Department of Human Resources. The technology platform is the same that is currently utilized by criminal justice agencies state-wide.

The Vulnerable Population Agency vetting and assignment process (for no cost access to Vermont conviction information online) has been reviewed and is now updated. This was done in light of recent statutory review done relating to homeless shelter qualification.

We continue to work with the AG's Office to review the Tri-State AFIS contract format and then route to the Secretary of State (due to the sole source nature of the Tri-State project). New Hampshire reports some potential additional delay due to administrative changes and Maine continues to report pressure to move forward as they have completed their contracting process. Of additional note, the price for any state to proceed independently is significantly higher than the Tri-State model due to up-front technology and set-up costs, that said, the State's processes are tortuously slow and can affect productive and practical outcomes.

Discussion continue with DCF with regards to expanding the fingerprint-supported background check process to include child-care workers across the state. At this point they have proposed a phased in approach with additional details pending.

DEMHS

Director joined the VTNG TAG and leadership for partnership mission to Dakar, Senegal this week.



Submitted LEOPs are currently at 31% of towns as of Thursday, April 21.

HS Program Manager conducted a Programmatic Monitoring visit to Newport Police Department.

R+M Chief and ANR's Wastewater Management Manager presented at the NEWEA Utility Conference in Marlborough, MA regarding water supply and wastewater treatment infrastructure damage from Tropical Storm Irene.

PA staff introduced FEMA Procurement Trainings in Brattleboro, Mendon, Lyndonville and at the EOC in Waterbury.

HS Chief met with Regional DOJ representative, Mike Barry to discuss Vigilant Guard participation on 4/28.

HS Chief and Planning Chief met with the DOMS and representatives regarding the Airshow Planning Team on 4/29.

CI Planner attended meeting with Town of Plainfield and other federal and state agencies regarding the Marshfield Dam.

Social Media

Facebook (EMHS): 11,703

Facebook (VT Alert): 5,785

Twitter (EMHS): 5,480

VTAlert Notifier Training was provided to Town of Duxbury and VHMRT Chief.

Fire Safety

The Division received \$3 Million in new plan review construction valuation collecting \$18,000.00 in fees.

The electrical installation bill (H.108) will not be acted on by the Senate and I sense this bill will not be introduced again. We have spent considerable time on this testifying and establishing a solar Type S license.

We are optimistic the new burn building grant will be awarded to us this year in the amount of \$500,000. BGS and Jim Litevich are starting on some of the basic paperwork as the time frame to complete the project will be tight. Since we will need a local permit for the building we felt this would be good timing to amend the existing operation permit discussed above.

The purchase order has been signed for the new hazmat pick-up to be housed in the Lyndonville area. This will allow a much needed timely response to incidents in the Northeast.

A swiftwater class was held at Bethel/Barnard Fire Department in conjunction with USAR members. Five members of the USAR team were certified at Technician level as well as 7 members of the Bethel/Barnard Swiftwater team. This was paid for with funds from the USAR LOU with our division and was conducted to train additional USAR and Swiftwater resources for the Bethel area team.

A Boat Handler course for the USAR Team and area departments with Swiftwater Assets started yesterday. The class is being held in Chittenden County. The three day course will certify team members in safe operation of the small inflatable boats we use for flood response.

Vermont State Police

A Troop-

FF
23 Total Arrests, 8 DUI

Williston had 13 Agency Assists.

Troopers responded 3 times in one night to Maple Leaf treatment center for 3 separate patients. There has been a dramatic increase in calls for mental health and drug treatment centers.

An individual confessed to over 60 burglaries encompassing 5 counties.

Troopers were called to a burglary in Duxbury where two intruders had entered the house and were stealing goods. Home owners woke up and the culprits fled on foot. With some solid follow up and leads day shift troopers were able to make an arrest on two youths and recover some of the property.

BCI
Drug case at CRCF. Inmate found with 72 grams of cocaine in her body cavity. Inmate was federally housed by the FBI.

Meeting with SA regarding child drowning in Waterbury. Met with family regarding case. Family does not want criminal charges against the male in charge of child. SA still deciding on course of action.

Background for Trooper applicant.

Assisted NUSI with a sexual assault of an 18 year old female by a known acquaintance. Wire warrant obtained.

Sex Offence reported in the Town of Fairfax. Female alleged she was raped in her bedroom by a male acquaintance. Investigation on going however evidence shows this may be a consensual encounter that was interrupted by the female's boyfriend.

Completed Trooper candidate background. No concerns.

Sex Offense reported in Lamoille Cty. This was a conflict case out of Morrisville. Female alleged she was raped 15 years ago by a known male. Male currently works on police cruisers for Morrisville PD. Det Tpr assigned.

Untimely death in Fletcher. Elderly male found deceased in the early morning hours by his wife. Death ruled natural due to extensive medical history.

Assisted uniform with burglary spree throughout Washington Cty. Two known suspect believed to have been involved in up to 90 burglaries.

B Troop

FF

18 Total Arrests, 4 DUI

Completed an investigation between two families with ongoing dispute. Tpr. arrested both parties for varying charges, such as Simple Assault, Disorderly Conduct, and Unlawful Mischief. The two parties each obtained Restraining/Stalking Orders.

SGT is working with area schools to have a presentation by area K-9 teams.

Assisted TSU with the statewide Active Shooter training along with several troopers attending the training during the week.

Arrested an individual for excessive speed in Ryegate, VT. The individual was traveling at 84 mph in a 50 mph zone on his motorcycle.

BCI

BCI detectives attended Active Shooter Training in Newport.

New case involving an adult male allegedly making a call to someone looking for them to find him a 15 yr old male for sex.

Sex Assault in South Rygate. Male identified as ex-boyfriend from NH. Arrest warrant obtained. Subject in custody now.

One Detective out of state doing background on VSP applicant.

Assisted MCU with Brownington Homicide follow up.

Arson investigation in Johnson, VT.

4 Cases from St. J correctional center.

Sheffield, VT. 72 yr old male with extensive medical history –natural

Sutton, VT 67 yr old male was found unconscious in his barn 4/19. Appeared to have fallen. Transported to Dartmouth where he underwent surgery for serious injury to back of his head on 4/19 and died. VSP was notified on 4/20 by New Hampshire Medical examiner's office. Manner of Death was Accidental Fall.

Barton, VT. 91 yr old female. Natural.

Lyndon, VT. 90 yr old male, possibly declining health and depression, book present at scene regarding suicide, suicide not indicating what medication and how much was taken. Autopsy requested.

C Troop

FF

19 Total Arrests, 3 DUI

Active Shooter Training put on by TSU at Mill River Union H.S.

Fatal Pedestrian Crash in Tinmouth. Arrest made of 57 year old mother, who claimed to be the driver. Confession gained from her, and her 40 year old son was arrested for being the actual driver. Victim walked out of his driveway, on the side of the road and was run over.

BCI

Additional discovery and trial prep for Poultney sexual assault/kidnapping.

Sexual assault of a wife by her husband in Shaftsbury; wife later recanted.

Assist uniform for two days with attempted abduction from Bristol.

New Special Investigation – Rutland.

Hart Meeting and follow-up.

Evidence search and collection in Goshen at site of Hart body dump.

New case – dead body Pownal - 66 y/o male, end stage throat cancer.

New case: Sex offense: 20 y/o female reported her ex-fiancé, a 23 y/o male, sexually assaulted her in January and February 2016 and prohibited her from leaving a residence.

Death investigation. 22 year old male hung himself at a shelter at Spring Lake Ranch.

Work on background investigation. (Baker).

Initiated Sex Offender checks for Rutland County. Enlisted Rutland County Sheriff's Dept., Rutland Town and Pittsford to assist.

Special Investigation Unit quarterly Peer Review.

Interviewed Danny Wood reference missing person Jonathan Schaff.

Status Meeting with Deputy S.A. Peter Bevere on Sex Offense. Advised I know the whereabouts of offender in Illinois and witness in Maine. S.A. working on extradition paperwork. Family updated.

Requested by A.G. Office to attend meeting with Victim Advocate Amy Farr and David Wisell reference on Hubbardton homicide. Meeting pending.

Received and reviewed background on applicant Witkowski. Made contact and arrangement to meet.

Assisted uniform and Fair Haven PD with subject, Richard Lamb, who shot himself in the leg.

Case Follow-Up: Sex Offense. Town of Poultney. It was reported a 33 year old female was sexually abused by her 64 year old male landlord. Case Completed.

Case Follow-Up: Sex Offense. City of Rutland. It was reported a 3 year old boy was sexually abused by a daycare provider. Case Completed.

Case Follow-Up: Sex Offense. Town of Fair Haven. It was reported a 26 year old female was violently sexually abused by her ex-husband. Case Completed.

Case Follow-Up: Sex Offense. Town of Chittenden. It was reported an 8 year old girl was sexually abused by her 12 year old foster brother. Case Completed.

Case Follow-Up: Sex Offense. Town of Fair Haven. It was reported a 13 year old girl was involved in sexual relationship with a 15 year old boy. Case Completed.

Case Follow-Up: Sex Offense/Violation of Conditions of Release. Town of Chittenden. It was reported an 80 year old male who had sexually abused a Vulnerable Adult had violated his conditions of release. Arrested and Charged Richard L. Merrifield (04/02/35). Case Completed.

New Case: Sex Offense. City of Rutland. It was reported a 4 year old girl was sexually abused by her mother. Case Completed.

Teaching at VPA for At Scene class.

Follow up interview for sex offense.

Missing person Shaftsbury VT/ burglary from missing person callout Friday/Saturday during on call.

New case sex offense on 13 yr old boy in Park Street Program in Rutland. Occurred several years earlier in Bennington VT. Interview Scheduled for next week.

D Troop

FF
18 Total Arrests, 7 DUI

Responded to a family fight in Saxtons River; arrested one for Domestic Assault and Cruelty to a Child <10.

During a Distracted Drivers Detail, Tpr. stopped a vehicle on I91 in Guilford for speeding; arrested one for DUI (Drugs), poss of Cocaine, and Poss of a Regulated Drug.

Responded to a crash on I91 in Guilford; vehicle vs. moose; Fish & Game responded also to remove the deceased moose.

Tprs. responded to a report of a self-inflicted gunshot wound. The subject shot himself in the chin, but survived the wound.

BCI
Incendiary fire Bellows Falls.

Non suspicious accidental fire Weston.

Suspicious fire Whitingham.

Accidental fire South Londonderry.

Suspicious brush fire Springfield.

Suspicious brush fire Rockingham.

Suspicious brush fire Putney.

Active shooter presentation Springfield.

Six DRE Evals Reviewed.

New Jail case from SSCF, inmate through bodily fluids on staff member, follow-up interviews done with staff at SSCF.

Death investigation Marlboro, 67 year old male fell at his residence and rescue was called. Male subsequently died from pulmonary thromboembolism due to a venous thrombosis of the leg.

Sex assault investigation, Rockingham.

Sex assault follow up investigation for polygraph for suspect polygraph.

Boston Marathon Bomb Squad assist to MA State Police.

Explosives sweep for Bernie Sanders per Secret Service.

Explosives sweep for US Army Chief of Staff and Norwich University.

FBI electronics course for bomb technicians – Wed, Thur, Fri.

TOPS-

VPA At Scene Investigation instruction.

CCU-

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

Active Shooter Training

Current Cases: 7

Pending Cases: 5

New Cases This Week: 3

OCME-

13 autopsies/1 inspection

Polygraph-

3 PE poly or OPD

Criminal test for CUSI. Male suspect tested. Male passed the exam.

Criminal test for Det Tpr. Male suspect failed test. Suspect was interrogated but would not confess.

Major Crimes Unit-

Build CSST case file for Brownington case.

Follow up in Brownington Homicide-interview suspect, walk thru with suspect in her home, additional interviews, and work with MESP on blood evidence.

Interviews for CSST positions.

Submitted Burlington OIS.

Followed up Gaudette Cold Case –interviewed victim’s mother, follow up with Lyndonville PD.

Active shooter training.

Webster Homicide – interviewed individual who left message on VSP tip line – follow up with information provided - write up.

Rashed Homicide: Case & Discovery review with DSA David Gartenstein – Discovery.

Follow up-Peters' unsolved homicide with Morristown PD.



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Justin Johnson, Secretary

**PRIVILEGED AND CONFIDENTIAL
MEMORANDUM TO THE GOVERNOR**

TO: Governor Peter Shumlin

FROM: Secretary Justin Johnson

DATE: April 29, 2016

SUBJECT: Confidential Report to the Governor

BUILDINGS AND GENERAL RESOURCES

Issue Updates:

Randolph – VAEL – New Construction: Received comments from FEMA on Draft Environmental Assessment, which is ready to be published for public comment. Design Development package should be received on April 25th. Public hearing before the Randolph DRB was held on Tuesday evening for the heat plan re-location.

Exit 7 – Berlin – Public/Private Partnership – Decision: VICD will not sell marketing panels at this site. Lisa, Ed, and Eric Bessette met with architect and Wayne Lamberton at the site. There was some discussion about what VICD's marketing parameters will be. We expect to open in September of 2016. VICD will arrange Ambassador training for staff this coming summer.

The Senate ordered the third reading of the capital bill, Governor's priorities intact.

Risk Assessment for Capital Bill/BGS Construction Projects with Auditor's Office: Discussed questions concerning project management, planning and statutory duties.

Conference Call with Tourism and Marketing pertaining to 511 Call Center: Discussed who is to perform the function of answering 1 800 VERMONT. BGS is not so interested at this time.

Burlington Downtown Development Conference Call: Discussed impacts of the development on the functionality of 108 Cherry Street.

Rutland Multi-Modal Transit Center: Discussed who is responsible for major repairs (SOV) and parking garage consultants who could offer some advice.

Debriefing After the DRB Meeting for the VTC Lab: Discussed strategy after the hearing and concluded full steam ahead until notice of appeal of DRB decision is received.

FINANCE AND MANAGEMENT

Issue Updates:

- 2016 Year – End Closing Instructions have been issued to departments.
- Finalizing the DII ABC form for the VISION upgrade to 9.2 and Managed Services.
- Issued response to Senate on their budget as passed.
- Technical corrections letter has been sent as well.
- Staff in Financial Operations identified a payment that had been incorrectly coded in VISION as 1099 Reportable. Upon further investigation it was determined the payment was made inappropriately to the same gentlemen from Michigan that received a fraudulent check from a claims adjuster in Risk Management for sale of a guitar. Steps are being taken to recover the check.
- Recruitment continues for the 2 vacant Budget Analyst positions.

HEALTH CARE REFORM

All Payer Model:

Federal Negotiation: The negotiating team will meet next week with their federal counterparts as part of the SIM site visit. The meeting will focus on further refining the proposal as it winds its way through the federal clearance process. Two issue to note.

- The State will convene a meeting between the federal team and OneCare Vermont (OCV) for a discussion of ACO operations and risk under a Next Generation ACO payment model. The discussion is with OneCare, and no other ACOs, since OCV hold a federal license to participate in the Next Generation program independent of the all payer model. DVHA leadership and staff will not participate in that discussion given the open ACO procurement.
- We have an intra negotiating team disagreement about the scale targets for the model, i.e. how many Vermonters will participate over time. The team agreed to targets and presented those targets to the federal team last week. The feds provided positive feedback that we are in the ballpark on these estimates. This week, the GMCB got cold feet and substantially reduced the targets. Specifically, the GMCB is representing that they will not commit to targets that include estimates of lives (a) not under their regulatory control or (b) under their regulatory control but not presently participating in ACO based innovation. This would mean that our estimates would not include any progress toward including the self-insured, associations, federal employees, or large group market participants. This will be a major discussion point during the in person meeting.

Federal Programs, Rules, and Guidance: During the past two weeks, the federal government released a brand new primary care innovation program, new rules for managed care organizations, and preliminary rules for a major change in the way Medicare will pay providers starting in 2019, commonly referred to as MACRA. State staff has yet to find anything that would be fatal to the all payer model project; however, these issues together are a distraction for providers and staff.

DVHA Implementation: DVHA is on track given the timeline set forth in the RFP. Next week, DVHA will post answers to the questions submitted by the four bidders.

HUMAN RESOURCES

Legislative/Policy Update:

Testified before House Government Operations on the Labor Board decision and Pay Act – focus was mostly on amendment that would mandate executive to cut 5% of positions across the board in the next 4 years. Not a good proposal. Working to trim it down or kill it.

Significant Events/Meetings:

Classification study consultant on site this week for meetings with various employee groups. Meetings went well. Expecting report end of May. Legislature is very interested in this matter and plan is to report to JFC in November and General Assembly in January.

The Secretary of State requested data regarding Classification on aspects associated with reclassifications over the past three years in AOT, who did the reviews, and who was on the Classification Committee. This stems from Sec. Condos belief that a certain employee at AOT is improperly classified. I am meeting with him on Friday.

The DHR Transition Team will meet the first week of May to go over the items related to off-boarding exempt employees. This will include Fair Notice, ethics, benefits/retirement, HRIS transactions, examples/templates to provide exempts.

Oracle is onsite conducting a two-day interview with various areas of VTHR and DHR. The initiative is called an “insite” and will produce a high level report of things we might consider to help make the system more efficient. Free service provided by Oracle.

VTHR Ops and DHR ops working with DII to identify, prioritize and plan the disaster recovery process so that we may use the DR site. This is in conjunction with effort at AoA level to modernize hardware to minimize risk of future system crashes as we have experienced recently.

INFORMATION AND INNOVATION

Evolving Issues:

Web Updates:

- The Department of Environmental Conservation site is now live at dec.vermont.gov.
- The new ANR Climate Change Website is now live at climatechange.vermont.gov.
- A meeting of the Web Portal Board to discuss the contract extension and amendment was held on 3/11. A vote on the amendments was postponed so that language could be added addressing what would happen if a service for which fees were prepaid was cancelled before launch. The new language is now with the AGO. Once language is agreed by both parties a vote on the amendment will be held electronically.

LIBRARIES

Nothing to report.

TAXES

Legislative Update:

Miscellaneous Tax Bill: At the last minute on Friday, the Senate inserted a very problematic provision regarding AirBnB rentals. It basically requires such platforms to report individual data on its hosts and the “terms” of their rentals. Where to start with the problems. Suffice to say, it would negatively impact our online travel company enforcement action (thankfully, the Senate dropped another proposal to address OTC in statute), and drag us into court with AirBnB, since they fight disclosure tooth and nail (see, New York City – if the NY AG settled for anonymous data, hope for VT seems slim). We sent an email to the committee outlining our concerns, as well as concerns about the unconstitutional nexus provisions, that will also drag us into court and cause privacy outcry. We suggested all of this be postponed by pushing out effective dates. Ironically, Sen. Ashe only heard from the Department about online travel, but assured the Commissioner they would continue working on the rest as it went to conference – and then the House briefly considered concurring. However, it will go to conference and we have prepared a draft letter for the Committee at least getting our concerns on record.

Estate Tax: As one lobbyist astutely observed, one step forward, two back. Ways & Means was gushing in its praise of the bill, and was ready to pass it out – when Rep. Young got the committee to attach a telecom bill, and Rep. Till and Greshin started insisting on indexing the exemption for inflation. Young won. Hopefully, this is not a fatal blow to a bill after finally getting so close – several insiders thought the telecom bill could pass too without too much trouble.

Current Use Lien Subordination: The Department crafted some language to put on our subordination notice that was designed to make clear that any current use lien surviving foreclosure was only for purpose of securing future land use change tax upon future development. Andy Mikell of Title Insurance was very pleased, and was going to pitch it as a solution to his real estate colleagues.

Collections Testimony: The Department is testifying to Senate Finance today on our current collection efforts, improvements in that unit, possibilities for collecting debt of other agencies. Our full report is not due until

Operations Update:

Tax Season: Revenue Estimate: Tax Department processing and forensics of the data continue. In meantime, spoke to the numbers guru for the Federation of Tax Administrators. He confirmed that most states sense they are flat, and still experiencing a backlog of refunding. He speculated about the poor stock market. He pointed to very preliminary IRS data showing they essentially looked on target. Chatted to a local CPA with a lot of high end clients (just as an end of season wrap, not on revenue). He said that the tax changes hit probably 25% of their clientele hard (suggesting it would have been much worse had charitable been capped). He suggested that clients don't tend to move, or even employ strategies such as harvesting stock market losses to avoid tax, they just complain and pay (apparently doubling down on charitable contributions could offset tax too – maybe we could look at charitable line just in case). He said in a refund situation he has clients carry forward enough for two quarters estimates at most (which pokes holes in any theory that end of year carryforwards covered the new liability). And on extension, he adds a margin of safety to the payment – again figuring that overage can be applied to later estimates. In other words, from this conversation nothing in his practice would explain why we

might come up short. Back to the mail – he did say that all of his paid clients send in a separate check by snail mail.

VTax Project: Held our executive steering committee meeting with Brad, Darwin and Michael Clasen. All agreed that project is going remarkably well.

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Patrick Delaney, Commissioner
Date: April 29, 2016
Re: Weekly Report

Vermont Department of Liquor Control

Legislative Issues/Contacts/Updates:

I testified in front of House Ways & Means on April 26 regarding S.250. The Committee took it upon itself to expand the proposed hours for home delivery of beer and wine to 9:00 p.m. to accommodate perceived demand for wine deliveries to BYOB restaurants contrary to the DLCs recommendation. This decision created a real potential for this home delivery option to become problematic in servicing late night irresponsible consumption behavior. The number of BYOB restaurants seems to be insignificant.

Press Issues/Releases/Contacts:

Bill Goggins, director of licensing, education and enforcement, was quoted in a Barre Montpelier Times Argus article regarding the DLC'S policy of granting temporary licensing of a Barre bar that has an ongoing investigation and is awaiting annual re-licensing.

Significant Events/Meetings:

The Department held its Legislative Open House April 22; attendance was good, with several Legislative Committees visiting the DLC Offices and taking Warehouse tours.

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

I met with the Association of Vermont Ski Resorts membership to convey the Department's mission of simplifying liquor laws in the title 7 re-write and to making the licensing and permitting process more business friendly.

Summary of Key Department Activity:

Agency Issues: The Department has identified a new agency contractor in Pownal. The current Pownal store closes Friday April 29, 2016. The ownership of the building which houses the store will require some renovation which will result in a temporary closure. The new owner should be on board in approximately 3 weeks. The local senator has been contacted to assist in communicating the temp. closure to his constituents.

Department staff:

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

Staffing:

The Department is in the process of recruiting for an Administrative Assistant in the Education Division. The posting closed April 20.

IT POS system: the ABC portion of the process has been completed. The RFPs to restart the POS and retail projects are in the final evaluation phase by a consultant. We hope to have this completed by the end of the month.

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

A new license for off premise retailer delivery of wine and beer to adult Vermonters appears to be progressing with questionable changes in hours of service.

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

Commissioner's Commentary:

I plan to visit additional agency stores in the Rutland area on May 10th with board member Julian Sbardella. We will be discussing numerous proposed changes to the Departments business model.

Visited the New Hampshire DLC warehouse facility and several of their retail stores to better understand the New Hampshire business model.

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Chuck Ross, SECRETARY

**STATE OF VERMONT
AGENCY OF AGRICULTURE**

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: April 29, 2016

Secretary's Top Issues

Bird Swap

Animal Health Section attended the season's first bird swap held in Rutland. This was an exceptionally busy bird swap with at least 100 attendees. Staff completed the Pullorum testing, which is required for all birds that are shown/sold/exhibited and collected samples for avian influenza as part of the regular surveillance the Section conducts in conjunction with USDA.

Food scraps fed to livestock

The VAAFM received notice of two instances where food scraps were offered to farmers as feed for livestock. Vermont law does not allow feeding of prohibited food waste to swine or the supplying of the waste itself to others for the purpose of feeding swine. In addition to this prohibition, food waste is not an animal feed, unless it is registered with the VAAFM, and should not be offered as such. The VAAFM is not opposed to farm operators importing food waste, but it is clear that in most instances feeding food waste to livestock does not make it an animal feed, does not constitute "farming," and is not an activity regulated under the VAAFM's Required Agricultural Practices. The Agency of Natural Resources Solid Waste Management Rules addressing Organics Management provides standards addressing the importation of food waste by individuals and farm operators that should be followed. The VAAFM is in the process of defining appropriate guidance to those that would like to engage in organics diversion, and making sure that individuals understand the rules that apply to their operation.

The possibility of Zika in Vermont

Andy Clark from the Rutland Harold contacted State Entomologist Alan Graham about the potential for Zika virus transmission in Vermont. We have surveyed for mosquitoes in Vermont for many years and now have 45 known mosquito species in the state. Graham explained about our mosquito surveillance program and additional measures that we will use this year to look for *Aedes albopictus*, a primary vector species for Zika virus. The recent map provided by the CDC indicates a "potential" range for this species, based on collection data. It is not an actual range until the species is found. Graham stated that it is unlikely that we will see this species successfully establish itself in Vermont because of the winter cold. Graham explained about testing other mosquitoes for "vector potential" for carrying Zika virus. To date, we do not know what other mosquito species may be able to carry and transmit this virus. Graham assumes that this work will be done by other labs with access to mosquito breeding colonies and Zika virus. We know that some mosquito species are much more effective at transmitting a particular disease or group of diseases.

Green Mountain Power digesters

Staff from VAAFM, ANR, DPS, and BGS met with Lake Champlain International and Green Mountain Power to discuss a proposal from LCI and GMP to build two energy projects that address water quality and food waste. The scenario seeks to provide an energy-related pathway for food waste and sewage sludge, and to reduce phosphorus run-off. VAAFM and ANR will provide guidance on regulations and connect LCI and GMP to work now underway, to help GMP get a preliminary assessment of feasibility.

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Chuck Ross, SECRETARY

**STATE OF VERMONT
AGENCY OF AGRICULTURE**

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: April 29, 2016

Status of Governor's Priorities:

Legislative Activities and Issues:

S. 230 was in Senate Natural April 28. Of interest to the VAAFM are possible suggested changes to the Criterion 30 VSA § 248 (b) (5) by VELCO. VELCO expressed a concern about addressing primary agricultural soils (PAS) in a transmission project's CPG review process. This would open up an avenue for interested parties to contest, and is redundant in that PAS are addressed under "no adverse effect on natural resources;" language already under consideration in existing law. The Agency had testified to this fact in the Senate Agriculture Committee when it considered S.205, a bill also addressing PAS in the CPG process, earlier in the session.

Bill reviews are being completed for many bills on their way to the Governor's desk including:

- H. 860 An act relating to on-farm livestock slaughter
- H. 778 An act relating to State enforcement of the federal Food Safety Modernization Act
- H. 829 An act relating to water quality on small farms
- H. 539 An act relating to establishment of a Pollinator Protection Committee
- H. 861 An act relating to regulation of treated article pesticides

NASDA / Other National and Federal Issues:

Press, Marketing and Communications:

Andy Clark from the Rutland Harold contacted State Entomologist Alan Graham about the potential for Zika virus transmission in Vermont. We have surveyed for mosquitoes in Vermont for many years and now have 45 know mosquito species in the state. Graham explained about our mosquito surveillance program and additional measures that we will use this year to look for Aedes albopictus, a primary vector species for Zika virus. The recent map provided by the CDC indicates a "potential" range for this species, based on collection data. It is not an actual range until the species is found. Graham stated that it is unlikely that we will see this species successfully establish itself in Vermont because of the winter cold. Graham explained about testing other mosquitoes for "vector potential" for carrying Zika virus. To date, we do not know what other mosquito species may be able to carry and transmit this virus. Graham assumes that this work will be done by other labs with access to mosquito breeding colonies and Zika virus. We know that some mosquito species are much more effective at transmitting a particular disease or group of diseases.

Significant Events/Meetings:

- Kristin Haas, State Veterinarian, represented VAAFM on the Endangered Species Committee (ESC) and participated in their quarterly meeting this week. Topics of discussion included legislative initiatives of ANR and/or the Department of Fish and Wildlife, a review of takings permits for brown eared bats in VT, NH and MA, and a review of recent research that outlines the potential negative impact that invasive earthworms, some of which have behavior more closely aligned with snakes than with worms, have on soil integrity and populations of threatened and endangered flora and fauna in Vermont. The ESC will be submitting a letter to the Secretaries of ANR and VAAFM on this topic.

- Assistant State Veterinarian worked with the Produce Team on the FDA Cooperative Agreement Application and attended a conference call with the PIs for the Northeast Center to Advance Food Safety (NECAFS) housed at UVM Extension. CA work included draft the budget for the 5-year plan.
- Animal Health Section attended the season's first bird swap held in Rutland. This was an exceptionally busy bird swap with at least 100 attendees. Staff completed the Pullorum testing, which is required for all birds that are shown/sold/exhibited and collected samples for avian influenza as part of the regular surveillance the Section conducts in conjunction with USDA.
- Animal Health Section traveled to Whiting VT to meet with veterinarians from Tufts University's In-Vitro Fertilization program. The meeting occurred at the VT facility located on a dairy farm in Whiting. Staff observed the IVF procedure, toured the facility, and met with the farm owners. Staff also checked the import paperwork for out of state clients. The dairy farm houses their heifers on the same location as the facility in close proximity to the IVF facility. The owners asked AH staff about the facility set up and the Assistant State Veterinarian recommended that the farm not have other animals present and modify the traffic flow to prevent cross-contamination between the farm equipment and visiting trailers. These are all basic biosecurity measures designed to prevent disease transmission.

Evolving Issues:

- FSCP Division managers participated in 3rd quarter budget review meetings with the financial director this week.
- State Veterinarians Haas and Mehlenbacher continue to prepare to host the annual Northeast United States Animal Health Association meeting in Stowe in mid-May. Interest in the meeting to date has been high, and the VAAFM Animal Health section will be welcoming colleagues from 11 northeast states, three Midwest states and two Canadian provinces. Secretary Ross will be making opening remarks at the meeting.
- Kristin Haas, State Veterinarian, is preparing a FDA grant application that will potentially fund expanded education and outreach activities performed by Animal Health section employees related to responsible antibiotic use on farms. If funded, this project will reduce the incidence of violative tissue residues found at slaughter, an issue that most significantly involves VT dairy producers and compromises the safety of the State's food supply. The funding cap is \$125,000 per year for up to two years.
- Animal Health Section communicated with USDA National Poultry Improvement Plan staff about federal forms used in the NPIP program. Some forms are being updated to an electronic version, included the 9-3 form which is the form that is used by participants to ship poultry and poultry products interstate, in lieu of a health certificate. Unfortunately, the e9-3 form at the point can't be automatically uploaded in the Agency's USAHerds database so the AH Section will continue to have conversations with the IT department about possible solutions to avoid hand entry of the data.

Summary of Key Agency Department Activity

Administration:

The VAAFM received notice of two instances where food scraps were offered to farmers as feed for livestock. Vermont law does not allow feeding of prohibited food waste to swine or the supplying of the waste itself to others for the purpose of feeding swine. In addition to this prohibition, food waste is not an animal feed, unless it is registered with the VAAFM, and should not be offered as such. The VAAFM is not opposed to farm operators importing food waste, but it is clear that in most instances feeding food waste to livestock does not make it an animal feed, does not constitute "farming," and is not an activity regulated under the VAAFM's Required Agricultural Practices. The Agency of Natural Resources Solid Waste Management Rules addressing Organics Management provides standards addressing the importation of food waste by individuals and farm operators that should be followed. The VAAFM is in the process of defining appropriate guidance to those that would like the engage in organics diversion, and making sure that individuals understand the rules that apply to their operation.

Agricultural Development:

Staff from VAAFM, ANR, DPS, and BGS met with Lake Champlain International and Green Mountain Power to discuss a proposal from LCI and GMP to build two energy projects that address water quality and food waste. The scenario seeks to provide an energy-related pathway for food waste and sewage sludge, and to reduce phosphorus run-off. VAAFM and ANR will provide guidance on regulations and connect LCI and GMP to work now underway, to help GMP get a preliminary assessment of feasibility.

50-State Technical Session Conference Call for Produce Safety Rule Funding Opportunity

- Produce Program Coordinator Kristina Sweet participated in a 50-State Technical Session Conference Call on the Funding Opportunity Announcement for *State and Territory Cooperative Agreements to Enhance Produce Safety in*

Preparation of Implementation of FDA's Rule: Standards for the Growing, Harvesting, Packing, & Holding of Produce for Human Consumption.

- These cooperative agreements will fund the development of state produce safety programs to implement the Food Safety Modernization Act (FSMA) Produce Safety Rule.
- FDA subject matter experts answered state questions about application content and the submissions process.
- The Vermont Agency of Agriculture is working with the National Association of State Departments of Agriculture on aligning several components of state applications and will submit an application for this funding opportunity by June 3.

Produce Program Call with Northeast Center to Advance Food Safety (NECAFS) and Massachusetts Department of Agriculture (MDAR)

- Produce Program Team—Abbey Willard, Shelley Mehlenbacher & Kristina Sweet—participated in a discussion with NECAFS project directors and MDAR's Commonwealth Quality program.
- NECAFS is a newly-funded FDA initiative to support food safety training, education and outreach in the Northeast for growers and producers impacted by the Food Safety Modernization Act (FSMA).
- The group discussed the center's development plans and the role of state departments of agriculture in advising the center's activities.

Land Use

Act 250

During the third quarter of FY 2016, the Agency's Act 250 Coordinator reviewed and fielded inquiries for a total of 38 Act 250 9(B) projects. The Coordinator sent 31 review and comment letters for projects with complete applications, including projects carried over from previous quarters, 7 projects remain open pending a decision from the District Commission or additional information from the Applicant.

Of the 31 review and comment letters sent:

- 15 projects, in the opinion of the Agency, did not require any mitigation due to no or *de minimis* impacts to PAS;
- 30 of projects are awaiting a decision from the District Commission;
- The Coordinator is waiting on additional materials and/or is developing their position on 7 additional projects;
- Mitigation letters were sent for 3 permitted projects totaling \$199,968.95, of which \$20,498.95 was received this quarter;
- Onsite mitigation is required for 13 of the projects reviewed, which has the potential to result in 94.89 acres of primary agricultural soils set aside should all projects be approved by the District Commission.

The VAAFM is following a possible violation on a conserved property. The primary steward, the Vermont Land Trust (VLT), is leading the investigation supported by the co holders VAAFM and Vermont Housing and Conservation Board. The property is located in Shoreham and supports a beef operation. In 2014, the property owner received an approval in accordance with the conservation easement to operate an accessory use within the farmstead complex in an existing 45' x 250' structure. In the winter of 2015, VLT noted that the light industrial business may have expanded into other buildings within the farmstead complex without an approval of the co holders. The co holders intend to have a site visit to understand the scale of the accessory use, whether building were renovated or expanded to accommodate the use, and what if any approvals or remediation is necessary to bring the property into compliance with the conservation easement. The property owner is also going through the local permitting process for a change of use to the property.

Food Safety and Animal Health and Consumer Protection:

Meat Inspection:

- Meat inspection is working on a request received for clarification of a few points from the self-assessment.
- Follow up: (Compliance Officer was asked by FSIS to follow up on product that was potentially being imported into US – into VT. Product was in question by FSIS and they wanted assistance in potentially tracking down that product.)
- Product was detained by the Canadian Border- USDA investigations are ongoing.
- Letter sent to Westminster Meats for not conforming to their AOD and the conditioned license. They have until May 9 to come into good standing or face a license suspension.- Establishment has not contacted the Agency as of today
- Limited English Proficiency plan was submitted to USDA FSIS

- Pre-hearing with Harlow Farm regarding Notice of Violation was held; negotiations ongoing.

Animal Health:

- Animal Health Field Staff
 - Provided information to a producer with questions about the logistics around participation in the National Poultry Improvement Plan. Also scheduled a first time inspection for a producer who would like to participate and completed an annual inspection for a current participant.
 - Attended the weekly livestock auction at the Addison County Commission Sales to monitor Animal Disease Traceability compliance and complete the livestock market report.

Agricultural Resource Management:

North Lake Farm Survey Initiative:

- Staff are conducting water quality surveys of farms in Franklin and Orleans Counties as part of the North Lake Farm Survey Initiative. Approximately 360 farms have been identified in the survey area and surveys are being conducted by several ARM Division staff members. To date, over 299 farms have been fully surveyed and approximately 59 farms are left to survey as part of this effort. The following number of farms were surveyed within the last week as part of the survey initiative:
 - 13 SFOs (2 of which were determined to no longer have livestock)

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

- Staff conducted complaint investigations on a LFO and a MFO in Franklin County related to manure management. Investigative reports are being written and follow-up will occur as appropriate.
- Staff attended a meeting to discuss the Long-term Financing of Statewide Water Quality Improvements for agriculture. The meeting was hosted by ANR and multiple water quality partners attended the meeting to discuss the need and potential funding opportunities to address agriculture water quality needs.
- Offers have been made to three (3) candidates for open Agriculture Water Quality Specialist I positions. We are working the fill a fourth position.
- Staff are processing applications for the open GIS Project Supervisor position and hope to set up interviews by the end of this week.
- Staff are process annual report submissions from MFOs which are due to the Agency by April 30.
- Staff are preparing documentation for the ARM Division Enforcement Section as a result of review of LFO annual reports. The review included nutrient management plans (NMPs) submitted by LFOs as part of their annual reporting as well as other permit compliance concerns.
- Staff are working with the ARM Division financial management team to review Farm Agronomic Practices (FAP) Program applications for education/outreach grants and develop grants agreements with the applicants.
- Staff are continuing to work on and test the FoodSafety Water Quality database. We are currently working on enforcement actions, permit fees and payments, data tracking and data migration. Releases to the staging environment have allowed for continued testing.

Conservation Reserve Enhancement Program (CREP):

- Staff visited a SFO in Orleans County to delineate a CREP buffer.
- Staff visited a SFO in Lamoille County to review their BMP project to improve water quality.

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To: Governor Peter Shumlin
From: Greg Smith, Executive Director, VT Lottery
Date: April 29, 2016
Re: Weekly Report

Status of Governor's Priorities:

New self service features are being added on our website for lottery agents. This will reduce the need to contact us, and provide working forms and documents to help them.

Legislative Issues/Contacts:

Provided Sen Sears with some information he requested about S.252/amendment to budget bill.

Press Issues/Releases/Contacts:

I answered some questions and provided some taped comments for VPR's Bob Kinsel about the amended language in budget bill for lottery. He had heard the discussion in the Senate earlier in the week.

Significant Events/Meetings:

None this week.

Evolving Issues:

none

Summary of Key Agency Department Activity:

We are preparing to launch updates to our new website with many self service features for lottery agents (reporting, security, problem gambling, game details, etc.). I expect this to go live on Monday. This will save them time and, in many cases, the need to contact us.

We have received applicants for our web marketing position and are preparing to schedule interviews. Our ad agency has stepped up their efforts to help cover the work load while the job is vacant.

DOH and VADAC has responded with approval for the Problem Gambling Grant requirements with the addition of community education for problem awareness, and to specify who is receiving/attending our training sessions (mental health counselors, private practitioners, licensed social workers). Our current service provider, CARTER, and I will attend future VADAAC meetings to further inform them of our efforts and services. Initially this feels like it is headed in a good direction.

Executive Director's Commentary:

The VLC and I feel that we are in about as good a position as we could be in with our attempt to repeal the restrictive language for lottery licensing from last session. Based on how poorly we are received in the House, and not wanting to cause further problems or distraction, I am going to let it play out and only answer questions if asked.

Sent from my iPad