

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

**Sent:** Saturday, April 09, 2016 9:05 AM

**To:** Springer, Darren

**Subject:** Weekly Reports - Executive Privilege 04 08 16.pdf

**Attachments:** Weekly Reports - Executive Privilege 04 08 16.pdf; ATT00001.txt

# WEEKLY REPORTS

Checklist  
4/8/16

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 8, 2016  
Re: Weekly Report

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**PATRICIA MOULTON, SECRETARY**

**GOVERNOR'S PRIORITIES:**

- EB-5: lots of prep this week. Got calls from the Northeast Kingdom chamber director and Mike Marcotte. Have filled them in as best I can without getting too detailed. Marcotte said he heard Burke was running their operating expenses through Jay due to lack of funds at Burke. Just one more thing.
- Berlin Mall: Met this week with the Berlin town manager, Dana Hadley and Michael Rushman consultant s working for the mall owners and the town. The town wishes to pursue a New Town Center designation. The mall owners have a major redevelopment planned to add a hotel, senior and mixed income housing, office and retail. The new town center area will include more than the mall but helps Berlin start to develop a downtown identity. Very exciting long way to go.
- Saint J Auto: Lieutenant Governor Scott reached out and asked me to call John Loschiavo at Saint J auto about his expansion plans. John would like to use new market tax credits for a \$10-\$12 million expansion adding a Chrysler dealer in St. Johnsbury and improvements to one of his other dealerships. Project would add 30 to 40 new jobs. Loschiavo is a good employer with profit-sharing, retirement and above average wages. It is not a perfect fit for new market tax credits. He is working with Vermont Rural Ventures (division of housing Vermont). He is working closely with Dave Snedeker, regional development director in that region.
- PayPal: Kiersten is putting together a package for PayPal and working on a follow up call between the governor and the vice President. Will put our best foot forward for Windham and Chittenden Counties. Colchester has already reached out about space there.
- **Josh Hanford reports: Richmond Creamery Brownfield Clean-up & Re-development:** Challenging discussions on this project continue. Josh and Dale attended a meeting requested by Rep. O'Brien (in her role as a Richmond Community Senior Center board member) with other members of the Senior group, Richmond Interim Town Manager Paul Bohne and developer Jeanne Morrissey. The Senior Center group is still not hearing the message that they are not eligible for a CDBG grant or able to be officially part of the development of this site due to the purchase of the property and the resulting HUD Choice limiting violation. This is very unfortunate as the project was proceeding with the Town & Gristmill Builders /Buttermilk LLC when the Senior group acquired the contaminated property at a higher price than Buttermilk's Purchase Option with the seller.
- **Joan Goldstein reports:** Received a lead from Vermont Chamber. A Montreal based investment bank – Chevreny - has a France based food company with 350mm in revenues and is looking for a food manufacturer in New England. They would consider a joint venture or acquisition in the 20-25mm range. Working with Kiersten to line up a few candidates. Freedom Foods came to mind first.
- **Dan Towle reports: New Captive Licensures:** Seven new captives have been licensed thus far this year. That makes for a strong start to the year and is a good indicator that the growth from last year is ongoing.
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**LEGISLATIVE ACTIVITY**

- **Economic Development Bill** is up for action on the floor Thursday and Friday. A number of amendments will be reported on favorably - most notable is the Ways and Means amendment on the VEGI rewrite. Two issues remain from our perspective. First, we want the sunset eliminated. The amendment sunsets the program after three years. The second issue speaks to who approves requests to increase the caps on the program. Current law brings requests to the E Board. The amendment changes that approval authority to the Joint Fiscal Committee. Argument is that it is more people and bipartisan. Our concern was that the Governor would lose a vote on the decision, which Lucy and Fred shared with the Committee on Commerce and Janet Ancel. However, we then

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learned that he doesn't currently vote on the E Board unless there is a need for a tie breaker. Janet stated that the Governor will still have a role because the recommendations to raise the cap would come from him. We will need guidance on this point. We are otherwise fine with all amendments that have been approved by committees on the bill.

- Joan visited GW Plastics School of Tech with Senators Balint and Baruth. It is a fine example of what we can do with the 10% carve out of VTP funds in the **economic development bill**.
- **Housing Bill:** The "Turf War" between ACCD/DHCD and VHCB for who gets the million dollars to administer continues. Senator Balint wants Noelle and Jen to sit down in a room and figure it out.
- **Threatened and Endangered Species:** ACCD worked with Louis and Catherine to resolve concerns with the latest version of the bill. With the changes that have been made, ACCD is satisfied that our concerns have been addressed.
- **H. 249:** Senate Government Operations took testimony on this bill that establishes procedures that enable Regional Planning Commissions to develop municipal service agreements to purchase equipment or provide shared services like zoning administration or animal control to their member communities. The RPCs requested amendments to allow them to offer services to communities outside their region, along with a few technical changes. The updated language is in the works and will be shared with VLCT and DHCD for review.
- **S.320 Solar Siting:** Noelle hosted a meeting with Ag, ANR, and PSD to discuss concerns DHCD have with the current version of S.320's planning requirements and spoke with Darren Springer. DHCD will draft our ideas to simplify the planning and certification process for those regions and towns wishing to seek deference in the Section 248 process
- **Executive Order 15% for Homeless**
  - **Press event** to announce the EO is slated for April 20<sup>th</sup> in Burlington area and planning is underway.
  - **Implementation:** Noelle hosted first meeting with Agency of Human Services, Housing and Conservation Board and Housing Finance Agency to discuss next steps for implementing and tracking progress. Such a happy and fun group to work with!
- **S.257** received a hearing in House Committee on General, Housing and Military Affairs, which Shaun covered Thursday morning. The bill aims to codify subtenant agreements into statute and address the issue of subtenant agreements that a landlord is not made aware of. There continue to be concerns from the tenant advocates about the exemptions that are created by the bill, but the Committee is eager to vote out something that addresses this issue.
- **H.538 Captive Legislation Awaiting the Governor's Signature:** The Department of Financial Regulation captive legislation was passed by the House and Senate. An amendment was added in the Senate and concurred in the House. The amendment will provide additional clarity to the treatment of cell captives and how they can be converted, assigned and sold. Depending on the timing of the signing, we may be able to make a press announcement during the RIMS Conference.

#### LUCY LERICHE, DEPUTY SECRETARY

- **BACH-DA Training:** A big thank you to David Metraux, Kathy Thayer Gosselin, and everyone who pitched in to prepare this disaster recovery training, and everyone who offered their time and assistance to learn the intake process so that we will be ready for the next disaster. A good time was had by all! :)

#### KIERSTEN BOURGEOIS, SENIOR PROJECTS MANAGER

##### Vermont Quebec Enterprise Initiative

- **Jay Peak Event and Reciprocal Visit:** The VQEI/CQI event that was held at Jay Peak last week was a huge success. Over two dozen businesses attended from the Sherbrooke region and we have several good, expansion leads. Additionally, the B2B Networking resulted in new partnerships being explored by many businesses from the Sherbrooke and NEK business community. The second day's events included tours of Revision and Louis Garneau. Overall, everyone was very pleased with the events and outcome. We are planning a debrief meeting soon and work has already begun on planning the reciprocal event in late fall. (Note: CQI = Sherbrooke equivalent of an RDC.) The fall event TENTATIVELY will focus on wine/spirits/distillers and value-added agriculture products.

At this point, we are talking with customs and logistics professionals/experts about how best to move samples of products over the border. If that proves to be too onerous or costly, we may focus more on the value-added food sector. I had a brief call with Caledonia Spirits to see what they thought of such an event; they already export

some of their gin to Quebec, but the process is expensive. Generally, they think that talking one on one with regulators, agents and brokers in Quebec would be helpful. If we move ahead, that will be an agenda item.

- **Exporting Beer/Wine/Spirits:** Since the Quebec Initiative launched, we have received many requests from VT producers seeking guidance with selling in Quebec. I have had two conversations with FAS, the division of USDA that is responsible for food (and beverage) exports that were generally informative, but it is clear that we need to engage with others. So, I have reached out to an association in Quebec that represents consultants and agents that work with companies seeking to sell to either the SAQ system (roughly equivalent to DLC) or to bars/restos via the SAQ. We also included a \$ request in the most recent STEP grant submission that would support education/training for VT businesses trying to break into the Quebec market. And finally, I have a meeting request in to the Quebec counterpart to our brewers' association – they have to utilize the SAQ system as well.
- **FCCQ Reverse Mission:** Organizing a follow-up IT mission back to Montreal for mid-June. Following our successful IT B2B event that we held in February @ Hotel Vermont with the FCCQ, we actually have companies calling us asking to participate. We will probably limit this to 5-6 companies. We will be asking each participant for specific information on the types of companies, or names of companies/entities that they would like to meet and the FCCQ will work with their (large) membership to assure that the right people/companies are present.

#### **Recruitment/Expansions**

- **Project Patrick Dempsey:** After weeks of scheduling hassles, I have a call with this Covington, GA – based company tomorrow. This is the enterprise that is interested in a New England presence near their parent company in Maine. Project would create about 40 jobs and the most likely 'winner' of this would be Windham County due to the good real estate possibilities and location.
- **Food Producer/Partner:** Working to identify possible partners for a French-based food (dry goods) company with a presence in Quebec and Ontario, seeking to expand production in the US. Presently they sell \$350,000,000 worth of goods in the US. I have a decent list of possibilities that I am refining and will submit later today.
- **Project Soya:** Still working with a Quebec-based company interested in establishing a soy protein isolate production plant in Newport. The principals have identified the Numia facility (all of it) as a possible location. This is essentially a start-up; the company has extensive scientific and technical expertise, some business experience from past ventures (that were sold). They would create 50 new jobs in the area.
- **IBEX:** Trying to corral all possibilities for the IBEX relocation/expansion. Have been in touch with Tony Blake from VT Commercial, who the company retained.

#### **Brownfields**

- **Close-out of Original Grant:** Working through the long process of closing out our original grant with EPA. Should be completed in about 3 more business days.
- **Gevry Mobile Home/Waltham:** Finalized grant agreement with Addison County Community Trust for a \$20k grant to help with hazardous material clean-up.
- **Robertson Paper Mill:** BERA meeting being scheduled for early May to review CAP/CAFI and next steps for redevelopment. BDCC will be taking on a more active role.
- **Fonda:** BERA meeting being scheduled with the EPA (including TSCA) team for late April to discuss recent Johnson Company findings related to re-use of the slab.

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

- **Digital Parcel Mapping:** Noelle joined AOT Deputy Secretary Tetreault in meeting with AAFM's Secretary Ross and IT staff to provide an overview of the proposed parcel mapping program. Chuck was very supportive. Our dog-and-pony show is now complete with support from all the agencies (Admin, Ag, ANR, DEMHS, AHS as well as VAPDA and VLCT).

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

##### **Partner Report**

- **Various State Agency Partners, Walk/Bike Summit:** Richard and Gary presented at the [2016 Walk/Bike Summit](#) at the Paramount Theater in downtown Rutland which brought together community advocates, local and regional leaders, consultants and planners from across the state to share their efforts and learn from one another. Richard kicked the day off with the open plenary discussing how streets spark commerce and build community. Gary spoke in the afternoon on the economic benefits of bike/ped improvements in Vermont's downtowns. To learn more, check out Richard's [VPR interview](#).

- **ANR, Coordinating Water and Wastewater Assistance to Towns:** DEC’s Ashley Lucht and Terisa Thomas met with VCDP, CP+R and DED staff to discuss ways that we can work together to help municipalities secure funding for public water and wastewater facility improvements. DEC has increased its focus on providing towns with technical assistance in applying for funds and restructured some of the ways the State Revolving Loan Funds are issued to provide more opportunities for local water and wastewater solutions. Ashley and Terisa will also meet with the RPC planners at the staff Meetup next week.

**GRANTS MANAGEMENT ♦ Ann Karlene Kroll, Director**  
**CDBG Disaster Recovery Program**

- It is exciting to see all the deconstruction and construction happening at **Hunger Mountain Children’s Center (HMCC)**. They are making great progress working towards meeting a completion of the facility for late summer to meet the school-year opening next fall.



**New siding on 123 and the Connector to 121 South Main for HMCC**

- **The Red Clover Commons Limited Partnership (Brattleboro)** loan agreement project is moving along with its construction of its new apartment building. The new 55,000 square foot, energy efficient building will house fifty (55) senior and non-elderly independent living residents. The site is near a large shopping area, restaurants, a pharmacy and only ½ a mile from a local hospital. They are making great progress.



**Red Clover Commons South West Corner and West Elevation**

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

- **UVM:** Laura and Jamie had a wonderfully successful meeting with the facilities team of UVM to talk about the restoration plans for the Nicholson House and Converse Hall. This is early in the planning stages for both projects. The vinyl siding of Nicholson Hall will be removed and paint analysis done to determine the original paint scheme for the building from the late 19th century period. UVM formally submitted the preliminary plans for this project soon after the meeting. Work on repairs to masonry and the replacement in kind of Converse Hall will be undertaken in 2017.

- **Winooski Redevelopment:** Laura talked with a reporter from WPTZ about the redevelopment along East Allen Street. As part of the Act 250 condition from 2001, all buildings identified as historic must be offered for relocation prior to demolition. Recently, a small Gothic Revival-style house is being offered free to anyone who can relocate it. Although not a common condition for historic preservation, the offer to relocate rather than demolish can be an alternative for buildings that are structurally intact.
- **Brandon Town Hall:** Laura, Caitlin and Yvonne, meeting up with Claire and Josh, attended the ribbon cutting for the recently renovated Brandon Town Hall. The community did a fabulous job bringing this historic building back to life. Our special thanks go to Claire for assisting with the federal funding piece and to Blaine Cliver for volunteering his expertise and insight. Well done Brandon!!

### Grants

- The Barn Grant program has received some great press in recent weeks. A completed grant project was featured on WCAX. You can read the story and watch the segment online at <http://www.wcax.com/story/31568069/vt-man-brings-beauty-back-to-old-jericho-barn>. A recent grant recipient's project was also highlighted in a story by the Brattleboro Reformer [http://www.reformer.com/news/ci\\_29686149/guilford-historic-barn-being-preserved](http://www.reformer.com/news/ci_29686149/guilford-historic-barn-being-preserved)

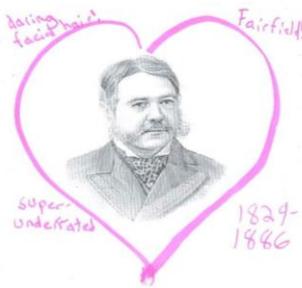
### Project Review

- **Underwater Preserves Meeting:** Scott met with Chris Sabick from the Lake Champlain Maritime Museum to work on a new grant agreement for the underwater preserves management. Efforts in this grant agreement cycle will focus on needed upgrades to hardware supporting access to the sites, maintaining a robust web-based presence, and beginning the preparation for opening a new underwater preserve site in Shelburne Bay on a wreck that is seeing increased diver activity. LCMM will also participate with the VDHP at this year's History Expo with video loops showing footage of some of the preserve sites in keeping with the water theme.
- **Vermont History Day:** Jamie and Yvonne were pleased to participate as judges for Vermont History Day on Saturday at U-32 High School in East Montpelier. The program is affiliated with National History Day and is open to Vermont students in grades five through twelve. Students chose a topic related to the annual theme for 2016, "Exploration, Encounter, Exchange in History", and produce a project related to their topic. Students who place first or second with a superior or excellent rating at the competition are eligible to compete at National History Day finals on June 12-16, 2016 at the University of Maryland, College Park. There were some truly outstanding projects this year!
- **Plymouth:** Yvonne participated in an Act 250 hearing in Plymouth on Monday. The project is acquisition and permitting of land for a stone quarry. The project parcel contains at least two documented lime kilns used for the production of quicklime in the mid-1800s. VDHP is requesting additional time to survey the project parcels to determine if there is the potential for additional sites and to determine what impacts the project may have on these resources.
- **American Flatbread:** The owners are preparing to rehabilitate the barn or the Lareau Farm for use as an art gallery space. The Project Review team is reviewing the documentation in anticipation of a determination of effect letter. Caitlin will be reviewing the project for federal tax credits. This is one of the most successful rehabilitation projects of our Vermont barns and implementation of the Secretary of Interior's Stands for Rehabilitation.



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

- Two projects at the Bennington Battle Monument have hit milestones this week. BGS Project Manager Kevin Henderson reported on Monday that the installation of the new elevator is expected to be completed on Thursday, April 7. Additionally, after a production setback at the contractor's shop, final versions of the new exhibit panels will be heading into fabrication by the end of the week. Our profound thanks to Heather and Erin, who once again stepped in to ensure the high quality of the final product.
- Just in case you thought that President Calvin Coolidge gets all the love, we are happy to report that the Historic Sites program received a \$50 donation this week from G.W. Tatro Construction of Jeffersonville. The note that accompanied the donation indicated that it was intended to be put toward "care for President Chester Arthur's site" and included the wonderful image here. "Daring facial hair" – indeed! Needless to say, this made our day.



- **Coolidge Site:** Tracy and Bill went to the bank in Burlington on April 4 to inventory the Coolidge medal collection – all present and accounted for. We also selected several medals that will be included in the presidential gifts exhibit. That afternoon, Bill spoke to the EEE (Education and Enrichment for Everyone), a life-long learning organization in Burlington. The lecture hall was full – more than 80 people listened to his presentation about Calvin Coolidge and the site; from their response, we’ll be seeing quite a few of these folks at Plymouth this season!
  - Additional exhibit labels were written. One of these involved reconnecting with Reeve Lindbergh, who visited the site two years ago. Reeve directed us to the source of a fine photograph of her grandparents, Mr. & Mrs. Dwight Morrow. (The Morrows gave the Coolidges some 18<sup>th</sup> century silver that will be in the exhibit.) The contract with Charles Gibson Design is fully executed; Chuck Gibson will come this Friday to review objects, images, etc.
  - Bill and Matt Denhart had their regular bi-weekly meeting on April 6. Matt mostly talked about the Coolidge Foundation’s scholarship program – the ten finalists will be invited to Plymouth Notch for interviews in mid-May, and Bill will provide site tours. Bill informed Matt about upcoming maintenance projects and special event details.
  - Last Saturday, Bill served as a judge of “Junior Individual Exhibits” at Vermont History Day in Montpelier on April 2. This Saturday, the Museum & Education Center will be open, 12:00 – 4:00, for the springtime open house, a program in partnership with the Coolidge Foundation.
- **Old Constitution House:** Bill met Judy Hayward, Director of Historic Windsor, at the site on March 31 to discuss this season’s exhibit, *The Lost Architecture of Windsor, Vermont: Masterpieces of Asher Benjamin*. The exhibit, a collaborative effort between the Division and Historic Windsor, will feature a fully furnished, large-scale model of Benjamin’s Dudley Chase House, which we will set up in the front room. Should be a real eye-catcher.

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

- **Cross Country MHP:** Arthur was contacted by the Division of Emergency Management and Homeland Security about a potential mobile home park in a flood hazard area in Wilmington that did not appear to be listed on the Department’s registry or “risk assessment” spreadsheet. Upon gathering more information, Arthur discovered that this is a known park that was exempted from DHCD’s registration requirement in 1999 due to the “seasonal exemption” that was added to the definition in 1998. As we had not looked at this park for many years, we felt this would be a good time to verify that the exemption is still appropriate. Arthur researched the local Grand List and contacted the current owner of the park to try to ascertain if the park should be registered.

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

**Regular VCDP**

**Applications**

- The following applications have been submitted for the June 9, 2016 Community Development Board Meeting, with more applications anticipated to follow:
  - City of Winooski (Hotel Project), \$1,000,000 request
  - Town of Lunenburg (Kingdom Pellets Mill Project), \$692,830 request
  - City of South Burlington (City Center Senior Housing Project), \$590,000 request
  - City of Montpelier (French Block Housing Project), \$510,000 request
  - Town of Bennington (Bennington Rental Rehab Pilot Project), \$500,000
  - Town of Arlington (Battenkill North Housing Rehab Project), \$399,000 request
  - Town of Royalton (VT Veteran’s Legal Assistance Project), \$299,785 request
  - Town of St. Johnsbury (St. Johnsbury Housing Assessment Planning Grant), \$29,535 request

- **Town of Bradford:** The response to the staff analysis of the Town’s \$468,000 Implementation Grant application for a \$5.3 million project proposed by Downstreet Housing and Community Development to redevelop Colonial Village is being reviewed to determine if the need for the project has been documented further. With the overall pressure on VCDP funds, the need for a \$5.3 million investment at this time is the only major issue that would impact the level of funding. The Colonial Village consists of 21 affordable senior and family apartments in four buildings in Bradford Village. The buildings will be rehabilitated (interior work, energy efficiency and site work) and made perpetually affordable. It is not clear that the units are at risk of being lost in the community as affordable units.
- **City of Montpelier:** The City submitted a \$510,000 Implementation Grant application as part of a \$5.6 million project to bring the French Block back into active use (vacant since the 1940’s) as 18 apartments on the second and third floor at 32-42 Main Street, above Aubuchon Hardware. The threshold review is underway and if all goes well, the project will be considered by the CD Board at its June 9, 2016 meeting.

#### **Existing Grants**

- **Town of Randolph:** The Town will be submitting an enhancement request of approximately \$140,000 to its \$434,000 Implementation Grant for consideration by the CD Board at its June 9, 2016 meeting. The grant is to assist the Randolph Area Community Development Corporation (RACDC) in acquiring and rehabilitating the 16-lot Armstrong Mobile Home Park, but the project costs have risen due to USDA-RD requirements. RACDC is still awaiting a decision from USDA-RD on whether it will award any funding to the project. The blend of loan funds vs grant funds from USDA-RD also is a critical unknown. The initial request from the Town was reduced by \$140,000 when awarded last June as the amount of USDA-RD funds anticipated was higher than what is now expected. If the USDA-RD application is unsuccessful, the RACDC likely cannot undertake the project unless the seller has no other buyers when the current Option Agreement expires in July.
- **Town of Brattleboro:** The Town has submitted their award conditions and the grant agreement is ready to be offered. The \$1,000,000 grant that will be sub-granted to the Brattleboro Development Credit Corp. to assist with the acquisition and expansion of two buildings occupied by GS Precision in the Exit One industrial park. The project will allow the precision machining business which currently employs 316 people in the Brattleboro facilities to expand and create up to 100 additional jobs over the next five years.

#### **CHIEF MARKETING OFFICE ♦ Heather Pelham, Chief Marketing Officer**

- **Amtrak Marketing:** As reported previously, VTrans has contracted with a destination marketing firm to promote Vermont and travel to Vermont via Amtrak at over 30 events in NYC over the next six months. In April, three of those events will be ‘Farm Escape Pop-Up Shops’ at the Fulton Stall Market and Seaport. The theme changes each week, but each has a culinary connection (craft beer and cider, cheese, local wines and orchards, etc.) so the CMO worked with VDTM and the Agency of Agriculture this week to create a promotional piece with an agritourism focus targeted at the millennials and young families expected in attendance.
- **Local Food Campaign:** Lots of activity on food and agriculture related marketing activities this week also included the first meeting of the Local Food Campaign Advisory Committee. Led by the Vermont Sustainable Jobs Fund, this group is tasked with providing leadership on the activities of various working groups within the Farm-to-Plate network that are collectively developing a ‘Local Food’ campaign to increase in-state purchases of Vermont food (by 3% by 2021). Draft visual identities for the campaign were reviewed, but ultimately the group decided there was more work to be done on honing the strategy of the initiative and how it would be implemented, so the identity work has been put on hold while deeper questions on how this campaign will fit into larger domestic export and tourism marketing efforts is explored.

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

- **VCGI Imagery Program**
  - **LIDAR:** The USGS state liaison recently reported that the 2013 Rutland/Grand Isle LiDAR data collection has successfully passed the Quality Control process at USGS and will be delivered shortly to VCGI. This data will be integrated into the Vermont Geodata Portal in May. The 2014 “Eastern Vermont” collection, comprised of Chittenden, Lamoille, Orleans and Washington counties, and the 2015 Windham County LiDAR collection are still not slated to be available before the end of the year. However, it is now safe to say the 2013 collection area will be included in the implementation of the LiDAR Web Services Plan (see Table 4. “VCGI LiDAR Data Delivery Services” of the [VT State LiDAR Plan](#)) without delay. Drafts of the Scope of Work and Joint Financial Agreement (JFA) for the 2016 U.S. Geological Survey (USGS) Broad Agency Announcement (BAA) will be forwarded by the liaison before the end of April.

- **Outreach and Professional Development Program**
  - Leslie presented an online mapping workshop to 10 VT realtors at Mt. Snow in Dover.
  - Leslie served as a moderator (reader of questions) at the VT - National Geographic Bee in Castleton.
  - Leslie helped present a workshop about using GPS at the Hannaford Career Center in Middlebury.
- **Projects and Technical Support Services**
  - **VT Open GeoData Portal:** Steve, Ivan, Leslie, and Melissa continue to work on the design documents and are attempting to determine what existing tagging standards might help the design. In addition, they are seeking insight from Maryland Open Geodata to see how they made their portal interoperable with Maryland's Open Data portal.
  - **Statewide Parcel Data:** VTrans legislation creating a statewide program has passed out of the House. Senate Transportation is considering it.
  - **NBRC Parcel Data Project:** Final Report has been submitted. This project has concluded.
  - **Agency of Agriculture:** David Metraux, VCGI staff, and VAAFM staff met on April 5 to determine lessons learned from an ArcGIS Online cloud-based software problem that was addressed during the winter.

**DEPARTMENT OF TOURISM & MARKETING: Megan Smith, Commissioner**

- **Discover New England 21<sup>st</sup> Annual Tourism Summit & International Marketplace:** Megan is participating in the Summit and will provide more detail next week.

**Steven Cook, Deputy Commissioner**

- **Summer Advertising:** VDTM is actively working on the 2016 summer advertising campaign. This summer VDTM has budgeted \$325,000 plus an additional \$50,000 in trade provided by Ski Vermont. The marketing plan is now complete and launches April 11<sup>th</sup>. David Burnell built dozens of creative assets including a :15 second video which will run on YouTube. VDTM's strategy is to begin the campaign 4 weeks earlier than previous summer campaigns and focus on distant travelers traveling by air in an effort to increase the length of overnights.

<b>Online Travel Agencies</b>
Adara
Priceline
TripAdvisor
<b>Online Advertising</b>
Pandora
Google - Search
Google - Display
TubeMogul
YouTube
WPromote
DoubleClick
<b>Out of Home</b>
Cash/Trade TBD

- **1-800-VERMONT Call Center:** Currently 1-800-VERMONT and 511 calls are handled by RDI Services in Newport, VT. There is a statewide contract for those services which expires in June 2016. With the recent updates to VTrans 511 the agency will no longer be taking calls to 511 and will not be renewing their contract in June. At this time, 511 receives the largest volume of calls. Given this announcement VDTM is evaluating our call center needs. Without the need to handle 511 calls the total volume is not enough to benefit the vendor. VDTM is coordinating this service with the Vermont Information Center Division to manage inbound calls and requests for a vacation package.

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

- **East Coast Traveler:** Wrote advertising copy about Vermont events and attractions for spring and summer 2016, to be used in a full page advertisement on The East Coast Traveler publication, which is produced by the New



England Tourism Center in Montreal.

- **Alliance Française of the Lake Champlain Region:** Attended the International Francophone Flag Raising ceremony in Burlington on Wednesday, March 30. Featured at the event were Ernest Pomerleau, the Honorary Consul of France to Vermont, Lise Veronneau, Burlington’s Community Outreach Director for the Alliance Française of the Lake Champlain Region, Burlington Mayor Miro Weinberger, and several members of the French Consul General out of Boston. We posted photos from the event on [Facebook](#) and [Instagram](#), and also shared them with Alliance Française of the Lake Champlain Region.
- **Social Media Channels Utilized:** Used multiple social media channels (Facebook, Twitter and Instagram) to promote Vermont Maple Open House Weekend. On Facebook, our efforts included a boosted post which targeted Facebook users in several nearby states. The campaign reached over 31,000 people, had over 1,100 “likes” and was shared 195 times.

We had multiple other social media posts throughout the week, including promotion of the upcoming Vermont Tourism Summit. We also secured the @VermontTourism handle on Snapchat.

**MARKETING & DESIGN • David Burnell, Marketing Coordinator**

- **Summer Campaign | Concept Development, Design, Production, Media Fulfillment:** David developed the concept for the summer campaign, The Elements Await. This approach connects consumers to Vermont by bridging the gap between the individual and the natural world. Often times our fast food culture creates urgency for immediate gratification – The Elements Await places emphasis on the importance of these basic human necessities which are essential to life. Media placements have been fulfilled, including print, web and broadcast video ([youtube](#)). David has also offered presentation slides depicting the campaign for VDTM’s upcoming reveal,



at the Vermont Tourism Summit.

- **The Big E | VDTM Booth Remodel:** After attending last year's Eastern States Exposition David was able to formulate his own personal experience about the space. In listening to feedback amongst those who had attended many Big E's in the past and combining those with his own perception, David brought suggestions to the table to help maximize VDTM's presence and visibility within the Vermont building. You'll find below, a mocked version of the space, next to the original. These minor modifications will help portray an image of Vermont that is more representative of what we as a destination have to offer, as well as a venue for video placements. David also suggested to the team that vendors could submit video for us to include in rotation, offering added value to those included in the Vermont building. Steve and David will be attending a vendor meeting Monday the 11<sup>th</sup> to discuss next steps. This is an exciting improvement in conjunction with AG related improvements to the space, in preparation for the 100<sup>th</sup> Anniversary of the Big E. Here is a before and after:



THE BIG E, VDTM BOOTH 2015



THE BIG E, PROPOSED VDTM BOOTH 2016

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

- **Pitch Vermont Life:** The latest "Pitch Vermont Life" event was held last week in Middlebury at Stonecutter Spirits. Sky pulled together this hard-to-organize event, and Stonecutter provided welcoming hospitality and a great venue, with 15 presenters making pitches and a "full house" of other community entrepreneurs and supporters attending. Robin Poole Scheu, executive director of the Addison County Economic Development Corporation, was also key in making the event a success. We received enthusiastic follow-up emails, including one from Scheu saying, "I have heard nothing but compliments from everyone who attended. It was inspiring, and simply amazing."
- **Business:** Our publishing assistant position has been filled. Tom Taylor, a resident of Montpelier, comes to us from Dartmouth Journal Services, where he was a copyediting coordinator, handling production of many of the most prestigious scientific, technical and medical journals in the United States. He also worked as the office administrator at a landscape design firm, so he has solid administrative experience. Tom's start date is April 18. Our new ad sales director, Chris McGee, begins April 11. In other business matters, Judy and Paul continued training in VISION.

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

- Met with Karen Ballard - the commercial officer at the American consulate general's office in Sydney. There is an Australian contingent attending Hannover Messe and the June Select USA event in DC. We will coordinate with US Commercial Service if there are contacts we would like to meet at both events.
- Met with Microprocessor Designs in Shelburne as part of our workforce needs assessment.
- Upcoming meetings with Fab-Tech, Harbour Industries, FoodScience Corporation, Union Street Media, Hallam Associates.
- Committed to sponsoring Road Pitch 2016. This event is to be held August 1 through 5. It will include five days and 10 stops - Essex, Rutland, Bennington, Brattleboro, Barre, Randolph, St. Johnsbury, Lowell, Morrisville and Grand Isle. Finalists will gather in October during Chittenden County's "innovation week" (bounded by HackVT at one end and Tech Jam at the other) at Higher Ground for one final pitch off for a grand prize.

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

- **Northern Border Regional Commission (NBRC):** As of April 6th, we have 14 registrants for the voluntary NBRC Applicant Collaboration Session scheduled for April 11th in Hyde Park (United Way of Lamoille County; Craftsbury Public House; Lyndon Institute; Vermont Community Loan Fund; Central Vermont Economic Development Corporation; Northern Forest Canoe Trail; Northeast Kingdom Human Services; Stowe Charities; Town of Charleston; Town of Swanton; Vermont Electric Cooperative; Dailey Memorial Library (Derby); and Northeast Kingdom Learning Services). More should come in by end of week (RSVP deadline is April 8).

- **Clean Energy Development Fund (CED):** Represented ACCD at CED Board Meeting. Sam Swanson and Linda McGinnis elected as new co-chairs (Gaye Symington had been serving as Chair but wanted to step down). Reviewed 2017 fiscal year plan, including a continued focus primarily on advanced wood heating incentives, as that market is at a critical stage of development. Idea that came from Board meeting: exploring possibility of assisting modern wood heat installers via Vermont Training Program. Jared will work with John Young and others.

**BUSINESS SUPPORT ♦ Brett Long, Director**

- Contacted additional companies regarding literature for Hannover-Messe
- Worked on selecting recipients for OEA assessment RFP
- Attended IEDC FDI Seminar
- Met with Mountain Energy Design as a follow-up to a Peak Pitch conversation
- Met with Inntopia

**FINANCIAL SERVICES ♦ Dan Towle, Director**

- **Risk & Insurance Management Society Conference:** Dan Towle, Director of Financial Services, is still busy preparing for the largest insurance trade show in the US, being held next week in San Diego, California. The state will be unveiling its new trade show booth for the first time. Dan has recruited a group of Vermont captive insurance service providers to help the State of Vermont staff this trade show that typically attracts 8000 attendees. Dan will be joined by 5 members of the Department of Financial Regulation. Preparations are ongoing. Advance work on setting up meetings are occurring as Dan coordinates all of the meetings at the trade show booth. Many meetings are scheduled with prospects, existing captives and trade press.

**INTERNATIONAL TRADE (VERMONT GLOBAL TRADE PARTNERSHIP) ♦ Katie Corrigan, Manager of International Trade**

- Still working on booth set up for Aero Montreal Innovation Forum.
- Met with David Campbell from Select USA 4/6
- Attending SIDO Forum in DC 4/6-4/8
- Met with FBI Special Agent Peter Lapp to discuss preparing companies for overseas travel as well as preparing State workers.

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

- Met with Bariatrix Nutrition group at the Franklin County Job Fair and they are thinking about moving a part of their production to the VT plant from Canada. Fred Kenney has contacted them as well to see if their proposed project would qualify under VEGI.
- Northwest Medical Center is going through an electronic medical record software system update and I met with the HR director at the Franklin County Job Fair who wants to meet to discuss VTP possibilities.
- Talked with Richford Wood Products at the Franklin County Job Fair and they are in the process of setting up equipment to produce softwood wood pellets.
- Meeting with Ann Clark LTD in Rutland which is the largest cookie cutter manufacturer in the US to discuss a VTP grant and possibly a VEGI along with Fred Kenney.
- Burlington Bytes is a small website development company who is looking to double in size within the next year. We are starting with a VTP application but may lead to a VEGI discussion as they get a better feel for future growth. They are also looking at a possible move from their Church Street location and I have suggested for them to contact Curt Carter.
- Meeting with NuHarbor Security along with Fred Kenney to discuss their current growth plans and to see how we can help with our programs. They are an internet security company and are seeing very fast growth.

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 8, 2016**  
**Re: Weekly Report**



**Insurance Division:**

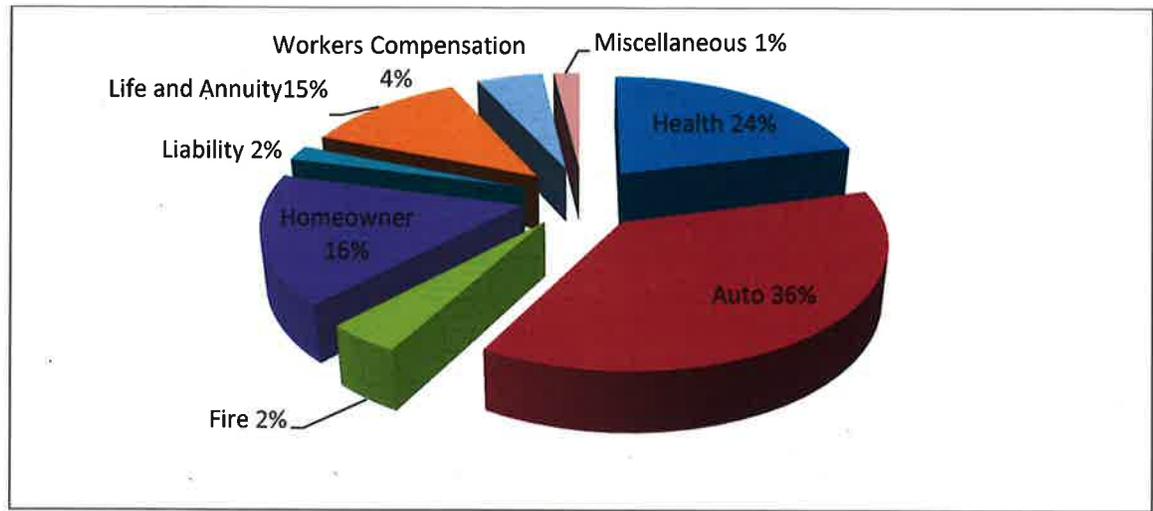
The Consumer Assistance Section of the Insurance Division announced this week the summary of inquiries and complaints received during the first quarter of 2016. Of the 700 inquiries and complaints opened, the largest number related to auto insurance at 36 percent, down slightly from the 41 percent received in the first quarter of 2015. How claims were handled produced the highest number of concerns from consumers at 66 percent. That number was also down from last year's 72 percent. DFR recovered \$188,522 for Vermonters, which was mostly due to a case involving an insurance agent who sold annuities that were inappropriate for his clients' financial needs. The case is ongoing and more reimbursements are expected in the next few months. See chart below.

**Division of Insurance**  
**Consumer Assistance Section**  
**Year to Date**  
**January 1, 2016 – March 31, 2016**

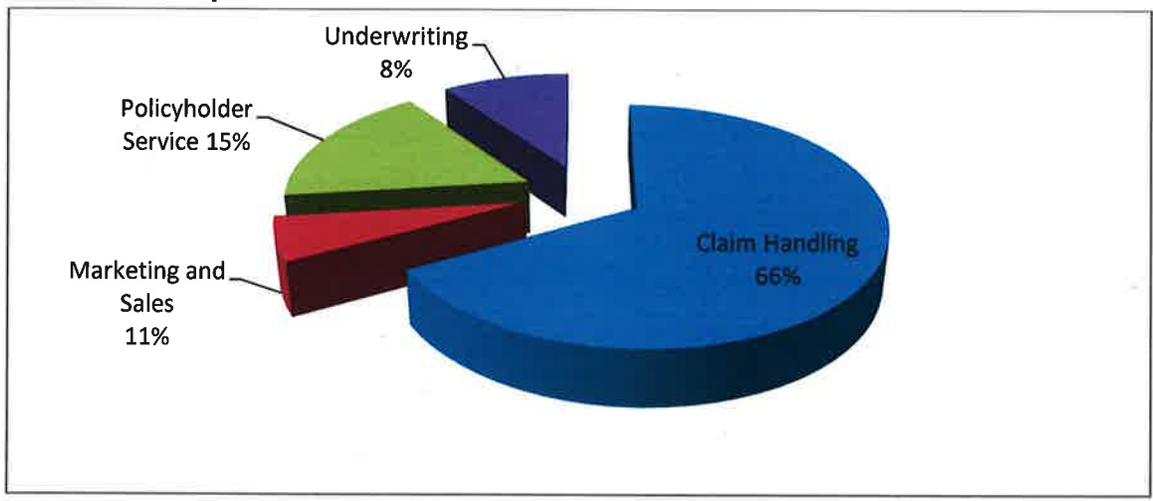
<b>Summary of Written Inquiries and Complaints</b>	<b>Totals</b>
Inquiries Opened	589
Written Complaints Opened	111
<b>Dollar Amount Recovered for Consumers</b>	<b>\$ 188,522.00</b>
<b>Average Days to Close Complaint</b>	<b>29.6</b>



### Complaints by Line of Insurance



### Nature of Complaints





**Privileged and Confidential**

**MEMORANDUM**

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

From: Christopher Recchia, Commissioner

Date: April 8, 2016

Subject: Weekly Report

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**Governor Level Issues:**

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

**VY** - We are working on a response to entergy's counter-offer of this week, which frankly raised multiple core issues that need to be addressed before we offer another document. The documents on payments to the state are virtually done, but the main Agreement in Principle needs work. We will be proposing an in-person meeting to Entergy to address outstanding issues. While the issues are significant, they are not insurmountable, and under Sarah's great leadership, we think we'll get this done.

**TransCanada Hydro Dams** - We had a good internal agency kick-off meeting this morning and are prepared to help the working group assess the options. By next week's meeting, we will compile basic info on the dams, and at Justin's request, I'll reach out to my TransCanada contacts to see if they'll answer three questions up front: 1) Do they have a buyer already in mind? 2) Would they consider an offer on the dams individually or as some subgroup separate from their other assets?; and 3) What is their timeframe for completing a deal?

**S.230** - By Thursday, House Natural Resources has received a full walk-through on S.230, the energy siting bill. Chairman Klein has signaled that he will automatically reject anything that did not receive testimony in Committee on the Senate side and he will have no appetite to consider

We ♥ Tony ↑



items that were proposed and unsuccessful. On the planning construct within the bill, he is concerned about the complexity and making noise about the ability of towns to quickly update plans in order to achieve greater deference in PSB proceedings. The Dept. is working with others on some alternative language and has many other issues it will work through once given the opportunity.

**Senate Health and Welfare on Wind Noise** – The Committee took a full morning of testimony on issues related to wind noise. The focus was on the process nearby residents must go through to file complaints and what follow-up typically takes place. Testimony came from the PSB, GMP, Health Dept, PSD, Martha Staskus, and Annette Smith. A conversation with Senator Ayer on Thursday evening seems to indicate that she plans to draft something related to the complaint process and enforcement. This issue may well be live through the end of the session.

**Net Metering Rule** – A VPR interview with Board Member Margaret Cheney seemed to indicate that the Board will give consideration to a limited grid service fee. This is of significant concern to developers who are already apprehensive about the pricing contained within the latest PSB proposal. The Board will take comments through May 12, with public hearings on May 4 and 5. The Dept. continues to speak with both developers and utilities in an effort to find common ground.

**Low Level Radioactive Waste Site Visit and Texas Compact Meeting, Andrews, Texas** – I spent three days in Andrews Texas seeing the site and talking to WCS (owners of the facility) about getting waste to them and about their plans for the Interim Storage Facility for high level radioactive wastes (the dry casks). WCS is a partner to Northstar and Areva in the option to purchase VY, and while there are some complications about shipping dry casks to this facility if it is permitted, and the ability for Vermont to move up in the cue, I am hopeful we'll be able to negotiate something for Vermont if the third party transaction we're discussing with Entergy occurs.

**Meetings/Calls this Week:**

Apr 04– VTel Meeting

Apr 05 – Commissioner Recchia site inspection @ WCS in Texas for the week, Deputy Copans Finance on Dams

Apr 06 – Deputy Copans hearing at HF & W on New Haven Solar MOU, S.230 Hearing & Solar Siting

Apr 07 – Deputy Copans testify on S.230 with HNRE, VCRD Climate Summit Convo. And S. Health & Welfare on Wind Sound

Apr 08 – Dams Pre-Planning meeting.

**Meetings next Week:**

Apr 11– Governor's Cabinet meeting,

Apr 12 –

Apr 13 – Commissioner Recchia in Washington D.C. for the NEM for the remainder of the week, unless Hydro Dam Working Group meeting conflicts, in which case, that is the priority.

Apr 14 –

Apr 15 –

**Media:** VPR on MOU's, and VPR and WCAX on the new net metering rule.

**Public Official Contacts:**

**Everything Else:**

***PERD***

Renewable Energy Standard/Act 56

- Attended a Tier 1 and 2 workshop focused on how to develop standardized reporting rules for utilities to use when describing their power portfolios before and after REC sales. The group coalesced around the idea that utilities should provide data about their portfolios, including specific contractual sources, before RECs were sold, and data after REC sales and purchases that simply described fuel type and the the percentage of load corresponding with RECs.
- Prepared a list of which types of generators would qualify as new and existing “renewable” under Vermont statute. The difficult issues included biodiesel in existing generators, dormant hydro dams being reactivated, and rules for Tier 1 biomass plants. The list will be sent to other RES workshop participants for use in preparing their April 8 comments to the Board.
- Staff has begun drafting comments, which are due to the Board April 8<sup>th</sup>.
- Tier 3 comments are mainly focused on whether tier 3 resources should be tradable, equitable opportunity to participate in programs between service provider territories, process for VEIC TAG payments (to reverse the recommendation that these payments go through the Department), and the Biomass Renewability Standards (providing an update on FPR progress in developing the standards).

***Regional***

Forward Capacity Market Sloped Demand Curve

- For the past several weeks, members of NEPOOL and the states have been discussing the idea of transitioning to ISO-NE's proposed MRI sloped demand curve, which is a major input into determining the amount of resources to purchase in the Forward Capacity Auction. The previous curve was a straight line from 1.6 times the estimated cost of a new gas-fired resource (slightly over \$17) to \$0. The ISO-NE proposed curve is slightly convex and reflects the fact that the value of capacity is much higher when there is a shortage and much lower when there is a surplus (i.e., the value of capacity is not linear). The transition curve currently being proposed would follow the convex curve for the left side of the curve and then having a “shelf” at \$7.03 (the clearing price for the last Forward Capacity Auction) and then a transition to a straight line to \$0. The transition would occur over three years with the shelf becoming smaller each year.
- The transition would have the effect of immediately implementing the ISO-NE proposal at the Installed Capacity Requirement (the target amount of resources to purchase in the Forward Capacity Auction). The ISO-NE proposed curve would cross the Installed Capacity Requirement at a much lower cost than the existing straight line curve, thereby

benefiting ratepayers. The shelf at \$7.03 would provide some financial support for generators and help prevent retirement of existing resources. The settlement is also designed to reduce litigation risk at FERC by garnering generator support (the majority of the generators support the most recent proposal).

- On March 31, ISO-NE's Internal Market Monitor issued a memo stating that, while it supports the idea of a transition, it does not support the transition being proposed as the shelf each year props up prices for uneconomic resources that would otherwise retire. The Internal Market Monitor expressed concern that this would result in more of a price shock at the end of the transition period when there is higher likelihood that a significant number of resources retire. The Internal Market Monitor is separate from ISO-NE staff, which expressed disagreement with the Internal Market Monitor and supported the proposal.
- As a result of the Internal Market Monitor proposal, NESCOE and the generators developed a slightly revised curve where the shelf is significantly smaller for all three years of the transition. This mitigates the concern regarding too much support for uneconomic resources.
- NEPOOL will be voting on the proposal on April 8. There is expected to be sufficient support for the proposal to pass. The one sector that consistently opposes the proposal is public power (the municipal and cooperative utilities).

#### New Hampshire Transmission Settlement

- State consumer advocates and New Hampshire Transmission have reached an agreement on the terms of a settlement in the FERC proceeding regarding NHT's collection of costs associated with the SeaLink proposal. NHT developed the SeaLink proposal on its own, without a request from ISO-NE or any other entity, and has collected \$9.9 million in costs related to the project through 2012-2014 Regional Network Service charges.
- Under the agreement NHT will refund \$6.5 million to transmission customers and also will not attempt to collect charges that it incurred in 2015, which amounts to approximately \$400,000.
- Vermont ratepayers will see a total benefit of approximately \$275,000.

#### Millstone Generating Station

- There have been discussions in the Connecticut legislature regarding the potential retirement of Millstone, which is a 2,000 MW nuclear facility in Connecticut. It is currently the largest single generating resource within New England and, as a consequence, is often the determining factor as to how much reserves to keep on hand for system operations (ISO-NE keeps 120% of the largest single contingency – such as generator outage – in 10 minute reserves). Additionally, it participates in the wholesale energy market as a settlement only resource – this has the effect of reducing the energy clearing price because it has the effect of the resource bidding into the market at zero cost.
- Although it was widely understood that the smaller, Entergy-owned nuclear units faced significant retirement pressure, it was generally believed that the two remaining large

nuclear stations (Millstone and Seabrook) would not be impacted as severely by low wholesale energy prices.

- It is unclear how much of the discussion regarding potential retirement is related to the owner (Dominion) posturing for possible state support. The impact of Millstone's retirement on New England's carbon emissions, system operations, and wholesale energy and capacity prices would be significant.

## ***Engineering***

### Update on VY Groundwater Management Issues

On 3/31, the State Nuclear Engineer, VDH and ANR officials received an update from VY regarding the Turbine Building groundwater incursions. Incursion water previously stored in industrial grade bladders continues to be pumped to the six ~20,000 gallon holding tanks located just outside of the Turbine Building. Two truckloads (i.e. ~10,000 gallons) shipped to Energy Solutions' disposal facilities last week. An additional ~5000 gallon shipment left site on Tuesday (4/5), with at least one additional shipment occurring later this week. VY also indicated that preparations were underway to drain the remaining (process) water currently held in the reactor vessel. (See item below for further details.)

### Follow-Up to NRC On-Site SAFSTOR Inspection

On 3/31, the State Nuclear Engineer met with two NRC Region 1 Decommissioning Inspectors to discuss the results of their several inspections conducted at VY last week. While no significant issues were identified, the Inspectors will continue to review VY-provided material for the next 1 to 2 weeks. The Inspectors did resolve the radiation source question identified during a recent Security Inspection (see 3/23 report). Two radiation sources now stored in the same VY laboratory must be considered as a larger, single source. However, the combined single source does qualify as a "Category 1" radiation source (which would require additional security measures for the laboratory). For not correctly identifying the sources as a larger, single radiation source, VY will likely receive a low level violation in the NRC's 2016 First Quarter Inspection Summary (due out in late April).

### Holtec Meets with NRC on Proposed Consolidated Interim Spent Fuel Storage Facility

On Monday (4/4), the NRC hosted a public/private meeting with Holtec International to receive preliminary information on Holtec's proposed Consolidated Interim Spent Nuclear Fuel Storage (CIS) in Eddy and Lea Counties, New Mexico. The public portion of the meeting outlined its purpose: Holtec will apply for a license amendment on its current dry cask storage systems to allow them to hold other manufacturers' spent fuel canisters. The license amendment is necessary because Holtec's systems store spent fuel vertically while some others store fuel horizontally. Details of the proposed amendment were not made public because they require Holtec Proprietary Information. While the amendment is not required for VY's spent fuel, it indicates that Holtec is serious about opening a CIS facility for all US commercial spent nuclear fuel by its 2025 target date.

### Drain Down of VY Reactor Vessel Begins

The State Nuclear Engineer was notified on Tuesday (4/5) that VY personnel began draining the last 50,000 to 60,000 gallons of water contained in VY's Reactor Vessel. This water previously

shielded VY staff from highly radioactively contaminated former reactor core components. Detailed reanalysis of the likely contamination levels determined that the components' radioactivity is considerably lower than previously estimated. (Radiation levels are being closely monitored as the drain down occurs.) The contaminated water will be processed through VY's Radiological Waste Clean Up (RWCU) System. It will be subsequently moved to VY's former Emergency Core Coolant System (ECCS) Torus for long term storage as "process" water.

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

VGS contractor, J.A. McDonald Inc., is currently preparing approximately 30 miles of right of way (ROW) for construction of the ANGP between Williston and Middlebury during 2016. Six crews, totaling 50 individuals, are performing actions to clear access to the ROW in multiple locations, installing provisions for environmental protection, cutting and chipping trees/vegetation, removing or grinding stumps, probing for rock, blasting in areas of rock, removing and crushing rock, and replacing the rock with the crushed rock or other back-fill which conforms to project specifications. Approximately 50% of the probing and blasting has been completed and approximately 70% of the tree clearing is completed. Pipeline construction contractor, Michels Corp, is expected to resume pipeline installation in the later part of May 2016.

VGS is continuing to arrange testing and analysis to determine the condition of the ANGP pipeline installed during 2014 and 2015 (11 miles). The company provided the Department a final report to indicate the internal geometry of the pipeline between Colchester and Williston, this report period. Further internal testing is scheduled later this month, by way of inline inspection (ILI) utilizing Magnetic Flux Leakage (MFL) technology. In addition, the company plans to perform pipe coating and corrosion protection system effectiveness testing via methods by close interval survey (CIS) testing from above ground. The CIS testing vendor has not been selected. Similar testing will also be performed upon completion of the pipeline between Williston and Middlebury.

#### Proposed Rebuild of GMP Lowell Substation

GMP provided Engineering with draft testimony to review for GMP's upcoming filing to rebuild its Lowell substation. This was to be an asset maintenance project, and was not driven by load. After requesting additional information, Engineering still isn't convinced that it is the appropriate time to rebuild the substation. According to the information provided, the substation is approximately 40 years old, but the assets are still in functional condition (the transformer oil was tested, and the recommendation was to keep it in service and monitor it annually). Engineering has responded to GMP that, based on the information that was provided, we aren't convinced that now is the appropriate time to rebuild the substation, but we're open to further discussions.

#### ***Public Advocacy***

##### Otter Creek Solar, LLC Dispute Resolution Request under Rule 5.508(D) – No Docket number

On March 15, 2016, ECOS Energy, on behalf of Otter Creek Solar, LLC, filed a dispute resolution request with the Board pursuant to Board Rule 5.508(D), asking the Board to resolve a dispute between Otter Creek Solar LLC and GMP concerning the interconnection procedure for two proposed solar projects in Weybridge, Vermont. The dispute arises out of the fact that the two projects changed location to a different legal parcel after interconnection applications were

filed. GMP believes that the change in location renders the projects different than the projects for which interconnection applications were filed, and that new interconnection applications should be filed. This would affect Otter Creek Solar's position in the interconnection queue. On March 30, 2016 the Board requested comments from GMP by April 13 in response to Otter Creek Solar's dispute resolution request. The Department is required to respond within one week of GMP's comments. The Department understands that at least one developer wishes to share its perspective on the issue before the Department responds.

Vermont AllSun Solar XII, LLC 500 kW Group Net Metered Facility – CPG #NMP-6314 - A technical hearing took place on April 1, 2016. One day before the technical hearing, Janet Bull, a non-intervening adjoining land owner, filed further comments about the project's potential aesthetic impacts on her residential property and the Town of Charlotte more generally. Harold and Jill Abilock, former intervenors, attended the technical hearing, as did a representative of Vermonters for a Clean Environment, and one other member of the public from Vermont Law School. At the technical hearing, the hearing officer's line of questioning focused on an area of existing vegetation to the west of the proposed solar trackers and the landscape mitigation proposed to the west and northwest of the project. The Department expects that this case will provide some insight into the Board's position concerning site control over aesthetic mitigation elements, and the weight to be given to aesthetic impacts to adjoining landowners. The parties are now awaiting the hearing officer's proposal for decision.

Spencer-TGC Westminster, LLC 1.8 MW net-metering facility for Vermont Army National Guard – Docket 8699 - On April 4, the Department and ANR jointly requested a one week extension to file legal briefs on whether the lease arrangements proposed in the Petition meet the requirement of § 219a(m) that such a facility is allowed on "property of" the VANG. The Petitioner does not oppose the extension. The Department understands from initial communications with ANR that ANR plans to file a brief on this issue, and although the Department has not taken a final position on it, it appears likely that the Department and ANR may reach different conclusions.

Green Mountain Power for Approval to offer net metering above the cap – Docket 8652 - On March 31, 2016, GMP filed responses to questions posed by the Board in its procedural order of March 17. Specifically, GMP addresses 1) how each of GMP's four proposed eligibility criteria for net metering systems will affect the costs and benefits of raising the net metering cap, and 2) whether using a lottery selection process will affect the criteria of section 219a(h)(1)(A)(ii) and (iii). Responses to GMP's filing are due on April 14.

Swanton Met Tower Penalty Investigation – Docket 8561 –The Department filed a response opposing Respondent's Cross Motion for Summary Judgment on March 17<sup>th</sup>. Travis Belisle filed a response on April 5<sup>th</sup>, maintaining his argument that the Board had no jurisdiction over Respondent when the met tower was erected.

WEC 248(j) Upgrades to Coventry Landfill Gas Generator– no docket – WEC filed its petition on March 18<sup>th</sup>, requesting PSB approval to construct upgrades to its Coventry facility. These include 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 has not yet set a deadline for comments.

City of South Burlington 1.55 MW Solar Group Net-Metered Facility on the Closed Landfill in South Burlington – no docket – The City of South Burlington filed its § 248(j) petition on March 23<sup>rd</sup>, requesting approval for a 1.55 MW group net-metered facility consisting of approximately 6,768 solar modules. The facility would be constructed on a closed landfill and would interconnect with GMP’s existing three-phase service from Airport Parkway. The Board has not yet set a deadline for comments or requested input on whether the project is suitable to be reviewed as a 248(j) project.

GMPSolar Williamstown – Docket 8682 – The petitioner and the PSD entered into a protective agreement. The petitioner responded to the discovery of the PSD, as well as that of ANR. The petitioner objected to Allco’s motion to intervene. The PSD is working with its aesthetics expert and the Williamston Planning Commission toward the establishment of a more detailed landscape mitigation plan.

VELCO PV 20 Replacement Project – Docket 8604 – In a letter to the PSB, the Division for Historic Preservation concluded the project has no adverse effect on historic sites. The petitioner proposed an April 15<sup>th</sup> deadline for filing an MOU with ANR. The hearing officer granted VELCO’s request to modify the schedule to allow MOUs to be filed by April 15<sup>th</sup>. If no MOU is finalized, the hearing officer requested a jointly proposed schedule be submitted by April 15<sup>th</sup>.

Georgia Mtn. Community Wind Investigation – Docket 8613 – The Department and its sound expert are reviewing information obtained in discovery to determine whether there is evidence that conditions during the McLane’s September 2015 complaint were within 5 dBA of the project’s 45 dBA outdoor sound limit. If so, GMCW is required to offer attenuation monitoring at the McLane residence to determine whether a violation of the projects 30 dBA indoor limit was possible. The Department is facing an April 8 deadline to file a proposed deadline for filing ultimate recommendations to the Board. It will likely seek an additional four weeks to make its recommendations.

South 40 Solar – Docket 8600 – South 40 Solar has requested an extension of time to the schedule to accommodate further negotiation with a homeowner group regarding aesthetic mitigation on the west side of the project site. SFS has also approached the Department about the possibility stipulating on the aesthetics criterion, which the Department is open to entertaining if and when SFS and the homeowner group reach agreement on mitigation. SFS also filed a motion to strike portions of the Department’s aesthetic expert’s testimony. The Department has until April 18 to respond to the motion. SFS rebuttal testimony is due on April 25.

Irasburg/Blittersdorf MET Tower Investigation – Docket 8585 – The Department entered into preliminary discussions with Mr. Blittersdorf about the possibility of arriving at a negotiated resolution to the investigation. Any agreement would require an admission from Blittersdorf that a violation of § 246 took place. The Parties have agreed to extend the deadline to submit a stipulation or litigated schedule to April 27. The Department also met with members of the

Irasburg Ridge Alliance, which includes Ron Holland, the representative of the town in the investigation, to discuss the status of negotiations and to manage expectations in terms of the likely results of negotiation.

Wind Noise Complaints – No Docket – Department staff presented testimony to the Senate Health and Welfare Committee regarding the Department’s policies regarding and handling of sound complaints. The committee asked the Department to provide a follow up memo explaining why the release of wind related data and reports takes as much time as it does.

VPPSA 2015-2034 IRPs – Docket Nos 8626 and 8629 – VPPSA and the PSD are actively working toward filing a MOU. VPPSA requested the MOU deadline for Northfield and Ludlow be extended from April 4<sup>th</sup> until April 12<sup>th</sup>. The hearing officers granted the request.

TDI New England Clean Power Link Project § 231 Petition – No Docket – In a letter to the PSB, TDI requested the status of its 231 petition. Further, TDI requested the petition be granted without a hearing, emphasizing the PSD’s recommendation to do so.

GMP White River Junction Substation Project – Docket 8322 – Pursuant to Rule 5.409, GMP informed the PSB that it anticipates Project costs will exceed those estimated in this docket by approximately 21%.

Chelsea Solar 2.2 MW Standard Offer Project in Bennington - Docket 8302- The parties are asking the Board to grant an extension until 4/29/16 to reply to all pending motions. PSD and ANR spoke to attorneys for Chelsea Solar on 4/6/16 to better understand the position they intend to take with respect to the submission of an amendment to the petition, reducing the height of the panels and shrinking the footprint of the array, given that a final order has already been issued. PSB rules allow for an amendment at any time, unless a party objects within ten days. In essence Chelsea’s position is that the Board’s Order denying the CPG is not final due to other pending motions, and their aim is to have the Board and parties consider the project as amended. PSD continues to review.

Coolidge Solar 20 MW Solar facility in Ludlow - Docket 8685 and Request for Rule 4.100 contract approval- Docket 8586- Petitioner Coolidge Solar has filed oppositions to the intervention of the distribution utilities in the Section 248 proceeding, arguing that their interests are of a competitive nature and therefore are not relevant to the statutory criteria, and that to the extent those interests include the economic interests of ratepayers, the Department of Public Service will represent them in the proceeding. Coolidge also proposes in the alternative, if the Board permits intervention by the utilities, that the utilities should be required to act as a single party. VEC and GMP have filed replies in opposition. The Department will not weigh in further on the issue.

VELCO Connecticut River Valley Project - Docket 8605 –The Department supported VELCO’s draft Proposal for Decision and filed a waiver of rights pursuant to 3 V.S.A. § 811 in support of the Board’s entry of an order consistent with the Proposal for Decision without further proceedings.

Charlotte Solar Enforcement - Docket 8638 –Charlotte Solar filed an admission that they violated the CPG with respect to the timing and quality of the installation of landscape mitigation, along with a revised landscape plan that will put the project in compliance with the original CPG by the summer of 2016. They also proposed a schedule for submission of recommendations on a penalty that requires PSD and intervenors to file recommendations first, reserving for Charlotte Solar an opportunity to respond. PSD and the Town of Charlotte are agreeable to the schedule, but requested that the Board allow an opportunity to reply to the Charlotte Solar filing. Recommendations are due 4/15/16.

Westman and Cambridge 500 kW Net Metering Projects NMP 6045 and 6046 – Petitioner filed a three-way stipulation between that landowner, the applicant, and the Department, which should lead to the issuance of a final order on these two projects.

Elizabeth Mine Solar 5MW Project in Strafford – Docket 8632 – The Petitioner met with PSD to explain that GMP’s underestimate of interconnection costs by approximately \$1 million may threaten the financial viability of the project. PSD is investigating why the cost estimate was so inaccurate. All issues with respect to the Section 248 criteria appear to be resolved. A Technical Hearing is scheduled for 4/29/16.

Grand Isle Solar 5 MW Project in Grand Isle – Docket 8665 – PSD will file aesthetics testimony on 4/8 suggesting ways to ameliorate the impacts of the project, once we are certain that our proposals do not create unacceptable environmental impacts. ANR filed testimony on 4/4 indicating that the project as proposed would have an undue adverse impacts on wetlands. In response, Petitioner has requested a 21-day stay in the proceedings, until 4/27, to determine if the project can address the ANR concerns (most likely through a significant reduction of project footprint) and still remain economically viable.

Generic Rule 4.100 Ratesetting Proceeding – Docket No. 8684 – Discovery on the Department and utilities is coming to a close, with non-petitioner testimony from producers and utilities due April 15. The Department has had informal discussions with counsel for Ranger Solar and VIPPA to determine whether some type of settlement is possible. To date, there has been little, if any, progress.

Rule 4.100 Rulemaking – No Docket – The Board set April 9 as a date for reply comments and specifically inquired about a couple of topics, such as handling long-term contracts on a case-by-case basis, rather than prescribing details about them in the rule. Department staff is considering this suggestion. Department staff has engaged in discussions with GMP, VPPSA, Ranger and VIPPA to gauge whether a global resolution is possible. VIPPA and GMP have raised the idea of modifying the program to allow for a small amount of sub-5MW projects to have some preferential treatment (similar in nature to a standard offer type program), while retaining other aspects of the proposed rule. However, nothing in these conversations will change the Department’s reply comments which will generally express support for the proposed rule.

North Hartland Rule 4.100 Contract – Docket No. 8569 – Settlement talks have generally broken down though some last ditch efforts are being attempted. Competing schedules have been filed. The utilities and the Department have supported a schedule that provides for some initial

discovery on petitioner. The Petitioner has proposed a fast schedule that requires non-petitioners to make the first filing.

GMP expiring net metering credits – No Docket – GMP filed a proposed tariff on March 28. The Department’s response was filed April 4. The Board issued a memo seeking further information from GMP on the amount of expiring NM credits. GMP will make a responsive filing on April 6 or 7.

VGS Base Rate Filing – Tariff No. 8598 – On March 25, the Board issued an order setting a prehearing for April 13. The Board did not resolve the effective date issue, notwithstanding significant briefing on the issue. The Board seems to want the parties to work this issue out. The Department and VGS have discussed the schedule. The Department will propose a schedule that lines up both the alt reg case and the rate case for order by Feb 2017 (technical hearing in early November 2016). The Department will share this with Vermont Gas in the hopes consensus will be reached. The Department filed initial discovery on March 4, Vermont Gas has yet to reply.

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

Great Bay Hydro Rule 4.100 contract – Docket No. 8708 – Great Bay has filed a request for a 5-year non-levelized Rule 4.100 contract without making the section § 248(b) showings required by Rule 4.104(H). The Board has noticed the contract and asked for responses by April 7. The Department will seek a hearing and ask that the proceeding be stayed until the petitioner makes the required section 248(b) showings.

Vermont Gas RNG Program – Docket No. 8667 – On April 1, Vermont Gas filed revised testimony on its RNG program. Department staff is reviewing it. Discovery is due in a couple of weeks.

Rule 5.100 Net Metering Rule – No Docket – On April 6, the Board issued a press release noticing publication of its proposed net metering rule and establishing public hearings in early May (the 4<sup>th</sup> and 5<sup>th</sup>) with comments due by May 12.

VGS Addison Expansion—Docket 7970- The Board has appointed a hearing officer to conduct post-CPG process with respect to discrete issues in the 3<sup>rd</sup> and 4<sup>th</sup> non-substantial change determination requests. At the request of the Board, VGS consulted with the interested parties and on April 1 provided the hearing officer with dates of availability to discuss status and procedural matters.

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

VGS-Sandy Birch Road, Georgia Gate Station-Docket 8679-This is a Section 248(j) petition to refurbish and upgrade an existing gate station in Georgia. On March 31, the Board granted the

petition and issued a CPG. The Department had supported the petition. ANR also supported the petition with conditions which the Board included in the CPG.

GMP-St. Albans Community Digester-Docket 8673- 800 kW methane biodigester generation facility to be constructed in St. Albans. The Department served a second round of discovery questions on April 1; responses are due April 8.

AARP Low Income Program-Dockets 7535 and 8500-On March 31, GMP, in consultation with the Department and AARP, submitted its annual report to the Board with respect to the Fund and the Program. The Report acknowledges that receipts continue to substantially outpace disbursements, although much less so than before the Fee was adjusted downward in 2015.

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

VGS-Town of Hinesburg condemnation-Docket 8643-This parcel is in a park owned by the Town. The individuals who were denied intervention have submitted a Motion to Reconsider Hearing Officer Ruling and the Hearing Officer has requested comments on the Motion by April 15. VGS continues to work with the selectboard and believes it can structure a new, acceptable deal that will include more public process. The condemnation action will need to proceed at the same time and the parties have jointly proposed a revised schedule to the Hearing Officer. Department necessity witnesses will conduct a site visit on April 11 in advance of filing testimony on May 11.

VGS-Peyser condemnation-Docket 8645-This parcel is in Monkton. Following lengthy negotiations, this matter has concluded and the petition will be dismissed shortly. A closing is tentatively scheduled for next week. VGS is purchasing the property outright. As part of the settlement, Mrs. Peyser will not pursue her complaints regarding the 3<sup>rd</sup> non-substantial change determination request.

### ***Telecommunications***

Lifeline Statute Revision – The federal lifeline program provides a subsidy for telephone service for qualifying low-income people. The current Vermont statutes direct the VT Department of Children and Families to determine eligibility based on participation in federal subsidy programs, or the VT Department of Taxes to determine eligibility based on income reported in tax returns. Both of these departments report backlogs in processing applications. Mobile wireless companies provide Lifeline service in most states but because of the backlog, only a small number of the eligible residents receive Lifeline through mobile wireless. The PSD has recommended that the Vermont statutes be changed to follow the practice of most other states where the telecom providers verify eligibility through checking federal databases. VT DCF has determined it would be best to address this situation during next year's legislative session.

Broadband Analysis – Stone environmental continues to process the broadband availability data submitted by various service providers. The data proved to require more processing than anticipated. It is now anticipated that the maps showing availability at various speeds, and the areas eligible for the Connectivity Initiative grant will be available next week.

FairPoint E-911 Network – FairPoint experienced a network problem on January 5, 2015 that caused E-911 calls to be routed over backup networks. The incident report indicates that FairPoint has included infrastructure in the path between the FairPoint public network and the Vermont E-911 Board PSAP network that has effectively move the point of demarcation and responsibility, in comparison with how the E-911 network was configured when it was provided by Intrado. PSD staff has required additional information about the configuration.

Connectivity Fund - Pursuant to 30 V.S.A. § 7516, Solix, as the fiscal agent for the VUSF, has determined that \$3,067,365 is available to the Connectivity Fund as of June 30, 2015. Solix referred to the audited financial statements of the Vermont Universal Service Fund for the years ending June 30, 2015 and 2014. The \$3,067,365 net position of the VT USF includes the \$1,926,700 appropriated to the fund in 2014. Therefore, the \$3,067,365 is the June 30, 2015, total amount available to the Connectivity Fund, which adds \$1,140,665 to the previous appropriation. Fifty-five percent of the \$1,140,665 will be apportioned to the Connectivity Initiative and 45% will be apportioned to the high cost program. The \$1,926,700 disbursement to the fund will be apportioned 50% to the Connectivity Initiative and 50% to the High Cost Program.

Justin

VTel Mount Snow – Vtel wants to colocate a microwave antenna on a tower on Mount Snow. The tower is owned by Public Safety. A small building adjacent to the tower is owned by the ski resort. Vtel would like to execute a lease for space on the tower and sought advice from the Department. DPS staff reached out to both Public Safety and BGS to determine how VTel should proceed. Staff was told previously by Public Safety that BGS negotiated tower leases on behalf of Public Safety. BGS acts as Public Safety's "Agent." BGS had been (and may still be) involved in the negotiations for a lease renewal on the Williston State Police Barracks facility. In an email to PSD staff on April 4, BGS staff told PSD that it lacked the technical ability to negotiate this lease, and suggested that PSD would be responsible agency for negotiating leases on state owned towers. The Department's powers are listed at 30 V.S.A. § 202e (b). There is no express authority to negotiate telecommunications leases on behalf of other state agencies, although the Department is charged with "coordinat[ing] the agencies of the state to make public resources available to support the extension of broadband and mobile telecommunications infrastructure and services to all unserved and underserved areas."

Connectivity Town Meetings – This week, division staff will be meeting with the town of Wilmington. Division staff will also be meeting with Whitingham on the 18<sup>th</sup>. Staff have set a follow-up meeting with Cavendish for the 18<sup>th</sup> and have offered a follow-up meeting to Readsboro. Readsboro has invited the Division to meetings with VTel and FairPoint. Those will be scheduled for May.

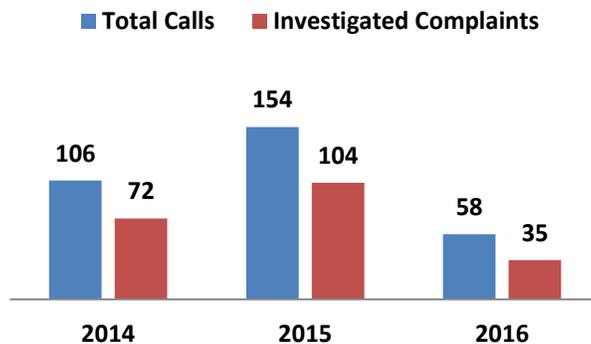
VTRS: Staff met to discuss the impending end date of the current VTRS contract. By contract staff has the ability to extend the current Vermont Telecommunication Relay Service contract with Sprint for an additional two years. Staff reviewed the current program and has decided to move forward with the extension. Staff has also discussed adding a captioned meeting service to the provided offerings of the TRS program. The new service option offers deaf and hard of hearing individual's real-time captioning service for meetings and conferences.

***CAPI***

*Please note that this report covers activity from Sunday to Saturday, March 26- April 2, 2016.*

**CALL DATA**

**Calls to CAPI  
Same 7 days each year**



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

**To:** Peter E. Shumlin, Governor  
**From:** Hal Cohen, Secretary, Agency of Human Services  
**Re:** AHS Weekly Report  
**Date:** April 8, 2016

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**Secretary's Message:**

Senator Westman is now on the Senate Committee on Appropriations as a replacement to Senator Snellings. Senator Snelling was a strong supporter of the Agency and in fact, was the only person on the Appropriations Committee who voted against S.107. Senator Kitchel has assigned Senator Westman to review the budget for the Central Office. We are meeting with Westman on Monday to review what positions have been added and what positions have been moved to the central office. He has asked to see our current organizational chart and the charts from 5 years ago. My paranoid side is concerned that AHS is in for additional cuts and retaliation for going up against Senator Kitchel on S.107. I'll keep you all informed.

The capital funding for the reset for Eligibility Enrollment/Integrated Eligibility is looking much more positive. This week Dan Smith, who was hired by the JFO to do IT consulting, presented his in depth analysis of our reset approach in testimony to both the House and Senate Institution Committees. In his testimony he articulated that our approach has improved greatly, and he provided a basis for analysis on seven specific areas and an overall rating. He let the committees know our overall rating is "Strong" and recommended that we receive the \$5.4 million dollars in capital funding to do the project. He also recommended that the JFO work closely with us and do a further review by August on our progress. At this point, John Stern, Sarah Clark and I have been asked to testify on a weekly basis going forward in the Senate and House Committees on Institutions.

Doing the reset on our Integrated Eligibility procurement has given me the opportunity to further delve into our organizational structure within the Agency. I'm looking at what positions need to be either cut or repurposed. We have already suspended work with a number of consultants. Additionally, I'm looking at improving the organizational structure of the entire Health and Human Services Enterprise, and have begun meetings with individual staff and teams from the IT division and Project Management Office.

**AHS Highlights:**

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

**National Drug Take-Back Day April 30th**

A digital campaign of “Vermont’s Most Dangerous Leftovers,” promoting April 30th National Drug Take-Back Day, is scheduled for April 11-May 1. Campaign messages aim to increase awareness about prescription medication misuse and abuse, promote safe storage of medication in the home, and promote awareness of how to find permanent disposal sites, by calling 2-1-1. April 30th National Drug Take-Back Day will also be promoted with our community partners through the Vermont Prevention listserv, and the Health Department Facebook page.

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

**Vermont Psychiatric Care Hospital**

The VPCCH census remains at full census of 25, with three admissions and three discharges since last week. Staff overtime demands have been less over the past week, as the number of patients requiring 1-1 supervision has decreased. Hospital recruitment for permanent nurses continues, but there were no new hires for orientation this month. The hospital continues to hope that potential compensation increases for nurses, as proposed by AHS workgroup, will lead to more new applicants for permanent nursing positions when finalized.

**Emergency Departments**

This week there were 23 people in need of inpatient psychiatric beds and 21 were admitted. There is currently one involuntary adult waiting in an ED and the person had been waiting less than 24 hours. There are no people waiting in DOC. The adult inpatient system of care is averaging 96% occupancy and the minor inpatient system of care is averaging 100% occupancy for this past week.

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

**Update on Cota’s Hospitality Residential Care Facility Receivership**

DAIL continues work to support the temporary receiver with the ongoing details of receivership of this facility. Placement issues and supports for the residents are a critical detail which the Department, per the request of the receiver, will be taking over fully to ensure stability and safety. There is some indication from the Cota’s legal counsel that they are open to a voluntary closure and DAIL General Counsel and the AG’s office will be pursuing this option actively.

**Survey and Certification Finding at Brattleboro Memorial Hospital**

Survey and Certification investigated a complaint onsite at the Brattleboro Memorial Hospital on March 14 through March 16. We concluded the investigation on March 24<sup>th</sup> and as a result, cited the facility at a Condition Level for violating Emergency Services and Patient Rights Conditions of Participation. The findings were based on the facilities use of the police to restrain a mentally ill individual rather than using properly trained medical staff. A Condition Level finding represents “a severe or critical health or safety breach”.

Please note this is not publically releasable until the facility presents us with an acceptable plan of correction to address these deficiencies. DAIL Survey and Certification will conduct an onsite follow up to assure the deficient practice is corrected. Our S&C Assistant Director did reach out to speak with Commissioner Frank Reed at DMH to apprise him of the situation.

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

#### **Population**

The Department's incarcerated population averaged 1726 for the previous week. The Department's incarcerated male population averaged 1591 for the previous week. The out of state population is currently at 237. The female population averaged 134 for the previous week.

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

#### **Remainder of the DCF Staff move back to Waterbury**

Over the weekend of April 2<sup>nd</sup>, the remainder of the Department for Children and Families staff were moved from Global Foundries back to the new Waterbury State Office Complex. The move went smoothly and generally speaking staff are happy to be back! We are thankful to again be co-located with our sister departments in the AHS.

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

#### **Hospital Outpatient Rates**

Last week DVHA mailed a letter to the hospitals describing the shared goal of developing a plan to eliminate clinic provider-based billing. On Thursday, DVHA held a third meeting with the Vermont Association of Hospitals and Health Systems (VAHHS) on this issue.

#### **All Payer Model**

The project team is finalizing the RFP and working with the DVHA Contract department with the intent of releasing the RFP this week. A Bidders Conference is scheduled to provide information regarding the RFP to potential bidders. This informational session is scheduled for April 15 at the Waterbury State Office Complex.

#### **Vermont Health Connect**

*Medicaid Renewals:* The State and Optum M&O "Surge" project team is working through final process refinement and development of reports and scripts to support execution of Vermont Health Connect Medicaid Renewals (VMR). The target date for sending 9,000 initial notices to the first VMR population is April 15.

*SHOP:* DVHA is sending formal notification to hCentive that it is suspending (not cancelling) negotiations pending a CMS decision about the continuation of direct enrollment for VHC small businesses.

*Call volume:* In March, Maximus answered 75% of calls in under 24 seconds and had an abandoned rate of less than 7%.

**Other Agency Report Items for Consideration:**

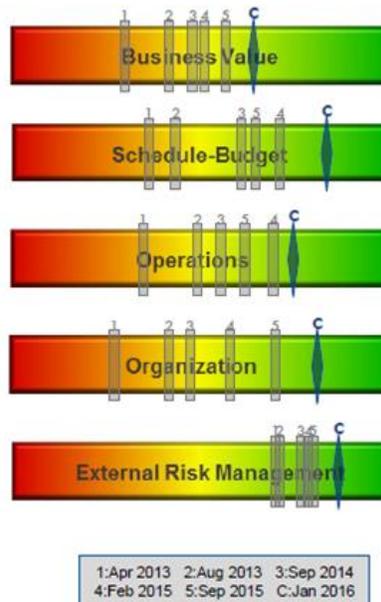
**Agency of Human Services Central Office:**

**Health & Human Services Enterprise (HSE)**

Gartner’s contract with HSE ended February 29, 2016. Gartner conducted a final “Health Check”. In the Health Check they assessed the overall progress and risk level of the HSE from the previous Health Check. The Health Check is based on fact finding activities including documentation reviews, meeting participation, and on-site interviews focused on the HSE issues, risks areas, and progress to-date; and application of Gartner tools and methodologies including defined standards and best practices.

The Health Check focused on the HSE as a whole with specific attention to the following areas: 1) **Business Value** (Benefit Specification; Program Prioritization; Complexity Control; Ongoing Cost Management; Gap Management; Value Management), 2) **Budget and Schedule** (Program Management; Program Plan; Program Resources; Budget Management; Scope & Change Management ; Risk Management), 3) **Operations**(Program Administration; Vendor Support; Information Management; IT Support), 4) **Organization**(Program Governance; Communications; User Involvement; Organizational Change Management), 5) **External Risk** (CMS).

The HSE, pursuant to the final report as of February 26, 2016, is at *medium to low* risk across the five focus areas –Business Value; Budget & Schedule; Operations; Organization; and External Risk. See improvements as designated by letter “C” in the graphic:



**Brattleboro District Leadership team explores support models from Burlington**

At the April District Leadership Team, the group heard about the work of Mike Ohler and David O’Leary from Burlington Housing Authority. They did some role-playing and sharing with the group about their experiences supporting people who are hoarders. They also talked about their housing retention work. Housing retention is not something that housing or case management services have specifically focused on; it gave the group a lot of food for thought. Mike had previously been to Bennington to discuss his work supporting hoarders.

**Bennington Community Care Team Evolves**

The Community Care Team, which has been meeting at Southwestern Medical Center for over a year, discusses ways to support people who are making frequent trips to the Emergency Department. The

group continues to see success in lowering the number of ED/ER visits for the specific clients, as well as ICU and other medical treatments. People discussed at the team level have increased their quality of life and health outcomes in other ways. The next step is to work with the case managers at the hospital on how to support people in ways that gradually decrease the person's reliance on the case manager and build that support into the work of others on the team. It is critical to have the support of the Designated Agency in this next phase of development.

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

#### **Maternal and Child Health HRSA Award**

Maternal and Child Health was awarded \$1,371,223 by the Health Resources and Services Administration for FY16 in support of Vermont's Nurse Family Partnership (NFP) program. NFP is an evidence-based home visiting program that serves pregnant women, mothers and their babies until the child's second birthday. The Health Department has partnered with five home health agencies statewide. Currently, 240 women are participating.

#### **Immunization Registry**

The Vermont Immunization Registry grew by over 1.2 million immunizations in 2015 – with sources ranging from medical provider offices and hospitals to health insurers to nursing homes. In 2015, VDH began importing immunizations from pharmacies, and currently import monthly files from four large pharmacy chains. There are two independent pharmacies directly entering data.

Between 1/1/2015 and 12/31/2015, **pharmacies** sent or entered 12,007 new immunizations into the Vermont Immunization Registry.

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

#### **VPCH Continued**

The hospital continues to hold monthly trainings. In the coming year, the emphasis will be on trauma including the prevalence and effects of trauma on patients, as well as the effects of vicarious traumatization on staff who experience violence in the workplace. The hospital has also been working with NAMI-VT to bring in volunteer peer recovery speakers at the hospital. A group of 8 volunteers are finishing their training and will be starting a biweekly group for patients at the hospital.

#### **UVMC Psychiatric Inpatient Renovations**

The DMH Medical Director was notified that Shepardson 6, one of two psychiatric inpatient units at UVMC, renovations are slated to begin April 25<sup>th</sup>. The renovations are expected to extend into late July before completion. As a result, the inpatient census will officially be reduced to 14 beds (a one bed reduction). This planned reduction, in combination with periodic closure of beds due to acuity, may impact system flow. As we have seen over many months of tracking, any minor disruption in current bed capacity for an extended period of time is likely to impact Emergency Department patient movement and wait times. Shepardson 6 capacity is anticipated to be 16 beds upon completion of renovations.

#### **Northeast Kingdom Mental Health Services**

In a joint communication to the NEKHS CEO and Board Chair, DMH along with VDH and DAIL have requested information that would be responsive to complaints made against the organization. The Departments will review the response and materials received in order to determine if additional inquiry is necessary. Notification of this communication to the agency was also provided to the Chairs of Senate Health and Welfare, Human Services, Senate and House Appropriations, and Rep. Toll as

planned. Responses back from legislators appear positive with regard to the early notification and the cross-departmental coordination efforts.

#### Legislative

The DMH Policy Director, Nick Nichols, offered brief, neutral testimony to the Senate Health and Welfare Committee regarding DVHA's proposed pre-authorization requirements for outpatient therapy following 24 sessions. DMH Commissioner testimony for House Corrections and Institutions regarding the "Stepping Up" Initiative and J.R.S.35 on the same was cancelled.

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

##### Testimony on S. 66- VT Council for the Deaf, Hard of Hearing and DeafBlind

DAIL testified to HHS this week related to the redraft of S.66 and the formation of an official Advisory Council for the Deaf, Hard of Hearing and DeafBlind. Current members of the existing task force, including the Deaf community, have come together to support this version of the bill. In an advisory role, it is hoped that the Council can provide a voice to stakeholders and advocates to promote a strong system of care for individuals.

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

##### College Level Courses for Inmates

On Friday April 1<sup>st</sup> the commissioner, deputy and program services director met with Kathy Fox from UVM. Kathy has a long standing relationship with the department in several capacities. Kathy (with the support of UVM) is researching how college level courses could be taught to inmates inside the facility. Other states have similar programs. A pilot with CRCF is the potential first step. Kathy is researching grants for this project.

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

##### DCF to Implement a Worker Safety Committee

In response to the VOSHA investigation after Lara Sobel's murder, the Department for Children and Families will be implementing a department-wide safety committee. This committee will work collaboratively with the already established Family Services and AHS safety committees. The DCF committee will have representation from all divisions within the department, including district office staff.

##### New Fuel Director Hired

DCF is happy to announce the hiring of Robert Arnell, esq. as the Economic Services Division (ESD) Fuel Director. "Bobby" has been an ESD Policy Analyst since July 2013. He has worked with the policies, regulations and statutes that govern ESD, has LIHEAP block grant expertise, and has strong relationships not only with our ESD staff but also with our federal partners. Prior to work with ESD, Bobby also worked with the Office of Child Support, the Neighborhood Assistance Corporation of America, and the Vermont Law School Clinic as an Immigration Clinician. We are very excited to have Bobby in this role.



219 North Main Street, Suite 402, Barre, VT 05641  
(p) 802-479-1030 | (f) 802-479-1835

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

TO: Governor Peter Shumlin   
FROM: Rebecca Holcombe, Secretary, Agency of Education  
SUBJECT: AOE Weekly Report  
DATE: April 8, 2016

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**Emerging Issues**

**Congressional Delegation**

When in DC, I met with staffers from our congressional delegation. They offered their strong support on issues related to ESSA and ESSA implementation and rule making. They have offered to encourage USED to release a template for our state plan ASAP, so that we can begin drafting the state plan. They will also work to encourage the Department to not privilege waiver states over non-waiver states with respect to expedited review – something that was requested by some waiver states. We have asked them to push on a few technical issues, and also asked them to push USED to not make regulations more restrictive than the law. And, there are a few places where USED can offer guidance, based on its own experience with administering competitive grants.

We explained that under ESSA, as we will make implementation decisions, we will be guided by three decision criteria:

1. the implications for equity and for our most vulnerable subgroups
2. alignment with VT goals and priorities
3. achievability – we want to take on what we can accomplish.

They were very supportive and have already followed up with questions and information.

I also had a good conversation with Sec. King of USED about our unique structure and needs as a small rural state with small districts. I appreciate his clear and concretely presented commitment to equity. He seems to understand that addressing our shared goals might have to look different in VT than in a larger, more urban state. It was nice to hear a little more flexibility from USED. It is a new regime.

**Act 46**

Several mergers are up for a vote next week. We expect one to go down, and the other may go down in one town, where there has been strong, organized opposition. It is surprising that so many votes to date have been successful. There were more systems eager to move quickly than we anticipated. As we hit more politically complicated regions, there will be more challenges. We can explain publicly if these votes fail that this is how democracy works. There are five more proposals coming before the State Board at the next meeting, all hoping to vote to merge before June.

## Meetings

Congressional delegation in DC  
CCSSO meeting on ESSA

## Media Contacts:

**Tiffany Pache, VTDigger:** Tiffany emailed on Monday looking for information about federal Pre-K expansion to build a full-day program. She wanted to know how many schools have done this. Melissa Riegel-Garrett provided the information (8 SUs, 3 SDs, and 3 Head Start programs) and that information was passed along to Tiffany.

**Tiffany Pache, VTDigger:** Tiffany emailed Stephanie looking for the AOE's response to Barbara Crippen's allegations related to educator licensing. Stephanie sent Tiffany a copy of the letter by Crippen and a statement from the AOE related to educator licensing and ESSA.

**Tiffany Pache, VTDigger:** Tiffany emailed with questions about the money aspect of the OPR bill. She also wanted to know what the federal requirements are for teacher licensing and quality. Tiffany then sent a quote from the AOE's ESSA page that states that as of February 29, 2016, the Agency will no longer be processing HQT status of educators. She wanted to know if teacher licensing is the only way to determine if an individual is highly qualified. She asked if Title II still has expectations that states need to meet, and wanted to know how states are held accountable for teacher quality now. Tiffany pulled a quote from Greg Glennon's testimony for her questions on the OPR bill, and Stephanie recommended that Tiffany attend Amy Fowler's testimony on the bill to hear answers to a lot of her questions since Amy was out of town for a conference. Tiffany later emailed to inquire why licensing fees went up. Stephanie again urged her to listen to Amy's testimony.

**Nancy Remsen, Seven Days:** Nancy emailed Secretary Holcombe about a story she is writing about the big differences between what high schools have to offer. She wanted to know how serious the problem is, if school consolidation is the remedy, and if there is an ideal size of high schools to achieve economies of scale. Secretary Holcombe forwarded Nancy's questions on to Stephanie, who referred Nancy to Amy Fowler. Nancy emailed again on Thursday looking for data for specific schools. That request was sent to Brad James.

**Matt Hongoltz-Hetling, Valley News:** Matt emailed looking into a plan involving the school librarian in Hartford. He said the school has a plan in place to certify their existing worker. Stephanie explained to Matt that we can't go into detail about an educator's specific licensing application or plan, except what is publicly available in our Educator Database. She sent him a memo from the Licensing Office that outlines licensure requirements and the responsibilities of the superintendent. She also explained the steps a superintendent would take to apply on behalf of an educator for a license.

**Howard Weiss-Tisman:** Howard emailed with some questions about Act 46 updates. He was looking for the number of proposals to be voted on April 19, which districts are voting, if any other plans have been approved yet that will be voted on in July, if the AOE expects any other plans to be presented to

the State Board, etc. His questions were forwarded to Stephanie who handled Act 46 media inquiries for the communications team. She provided Howard with the most recent merger update from Donna and said Brad James would work on some ADM numbers on Thursday and that she would send as soon as possible.

**Sarah Yahm, VTKids:** Sarah called looking for some information about the AOE's new guidelines for transgender and gender non-conforming students. She was provided with a copy of the guidelines and the AOE's statement about them. She sent some follow up questions about how similar or different Vermont's guidelines are to MA and NY, who was consulted for these guidelines and who helped write them, and what kind of response the AOE was getting from districts and school administrators. Those questions were forwarded on to Clare O'Shaughnessy who provided responses.

**Lola Duffort, Rutland Herald:** Lola called Brad James regarding income sensitivity. Lola is hoping to get something in the paper that refutes the statements ex-Representative Mark Young made at an Orwell meeting. Brad explained that those taxpayers paying based on income do get the benefit of consolidation incentives in their household income percentages. He explained how he makes those calculations and they discussed some possible wording to get the idea across. Alyson Eastmen recommended that Brad also call John Flowers at the Addison Independent to explain this to him as well since Orwell residents also receive the Addison Independent. Brad called John on Thursday, who said he had talked to his editors about running a "correction" but they agreed instead of a story, a letter to the editor from the AOE responding to those misstatements would make more sense. Brad was going to draft a letter on Thursday.

**David Corriveau, Valley News:** David emailed regarding a story about the progress that some local schools are making with the process of establishing personalized learning plans. He was hoping to get in touch with someone at the AOE who is monitoring that process. He was referred to Heather Bouchey who can also talk about the EQS as there is an intentional alignment between EQS and Act 77 which includes the personalized learning plans. Heather and David will chat on Friday afternoon.

**Several Outlets:** Asking for response to the April 7 School Choice press conference at the statehouse. Robert was able to refer them to our recently released Op-ed about "Only the Voters Decide."

**John Flowers, Addison Independent:** Brad James sent a Letter to the Editor regarding clarification about the Act 46 incentive discussion at the Orwell meeting on April 4. Rather than print a correction to their story, the Addison Independent asked for a letter clarifying misstatements from an attendee.

**Executive Privilege**

**TO: Governor Peter Shumlin**  
**FROM: Secretary Chris Cole**  
**DATE: Friday, April 8, 2016**  
**SUBJECT: VTrans - Confidential Report to the Governor**

**NOTES FOR GOVERNOR**

**Mandatory Ignition Interlock**

I'm going to try and advance the provisions of H.560 that deal with mandatory ignition interlock, for 2<sup>nd</sup> and 3<sup>rd</sup> DUI convictions and for first time convictions where there was significant injury or death resulting. I will not be requesting any additional positions or resources; Commissioner Ide and I will figure out how to get this done. Three out of the four bicycle deaths this past year were the result of impaired drivers and this legislation is a reasonable response to address the issue head on. The Senate Transportation Committee doesn't like the House passed language on vulnerable users, the four foot passing language, and this proposal should address the families who lost loved ones along with the statewide bicycle community.

**Springfield Airport**

I have spoken with our Aviation Director about the costs associated with rehabilitating the old piece of equipment versus purchasing a brand new piece of equipment and for various reasons I won't bore you with, it will be significantly cheaper to purchase a brand new piece of equipment for \$30,000. I have authorized this purchase and the sweeper will be ready to sweep snow next winter at Springfield.

**State Plane**

The initial test flights have occurred, a few bugs have been solved and we are waiting for a clear day to conduct a three-hour continuous flight, the last test flight prior to resuming passenger service.

**NOTES FOR STAFF**

**Vermont Legislature:**

- T Bill - H. 876
  - The Senate took testimony this past week on the following T Bill elements:

- Vulnerable Users – VTrans will be providing follow-up testimony next week
  - Digital Parcel Mapping - VTrans working with individual Committee members, their concern is they want all state agencies that use the data to assist with match payment with federal funds
  - Senator Westman introduced language to direct \$400K of Agency Bike/Ped program funding to the Lamoille Valley Rail Trail in FY17 and another \$1M in FY18 – Committee concurred with request – staff will present to House Transportation Committee next week.
  - S.1 – Likely to be amended to the T Bill – allows towns to place signs referring to census designated places.
- H. 877 VTrans Funding Bill – STC reviewed the bill this week with Commissioner Ide – they expressed some concerns over having some fees which were not updated over the past several years. The STC has also indicated that they are going to recommend to Senate Finance to cut the administration’s shrinkage proposal from elimination to .5%, a \$600,000 reduction in revenue. We have a proposal to reduce our budget to accommodate their request.
- Bills VTrans continues to follow in the Senate:
  - H. 854 Timber Trespass – no issues
  - H. 552 Endangered Species – no issues
  - H. 571 DLS Bill – to date, Senate Judiciary Committee has not engaged much with the bill although they have scheduled testimony for Friday.
  - H. 560 DUI Bill – no activity yet (see above)
  - H. 249 – RPC Inter-municipal Service Agreements – no issues
  - ½ Acre Threshold on Stormwater Permitting – DEC has indicated that Senate Natural Resources may amend the language to H. 595. VTrans grandfathering language will be included if the bill moves.
- Bills VTrans will continue to follow in the House:
  - S. 225 DMV Misc. Bill – HTC continues to take testimony – no controversial items to date although Representative Potter indicated he thought they would add the saliva testing provisions they have been taking testimony on to this bill.
  - S. 155 Automated license plate recognition (ALPR) systems/use of drones – no issues
  - S. 241 An act relating to the regulation of marijuana

**Commuter Rail Feasibility (Legislative) Study**

The Agency will be finalizing a letter and study summary to go to the Study Advisory Committee (SAC) organizations requesting representatives for the SAC. We are planning for a couple of public information meetings with an open house style format to present the purpose and scope of the study. The meetings will be held on April 13<sup>th</sup> in the Pavilion Auditorium and April 14<sup>th</sup> at the Contois Auditorium, Burlington City Hall.

### **Duxbury Culvert**

On Wednesday March 30<sup>th</sup> a depression was noted in the northbound travel lane over Bridge 193 on VT 100 in the Town of Duxbury. This bridge is a large multi-plate steel culvert. On Thursday, March 31<sup>st</sup> and Friday April 1<sup>st</sup>, crews made several attempts to stabilize the road surface to no avail. On Friday, April 1<sup>st</sup> the northbound travel lane was closed and a temporary one-way signal was installed.

On Wednesday of this week, crews began to prepare the site for the installation of a two-way temporary bridge. The plan for this weekend is that VT 100 will remain open to one-way traffic while the temporary bridge is being installed and the road will be reopened for two-way traffic by Monday morning, April 11<sup>th</sup>. This schedule is dependent on the weather in the coming days.

An expedited effort has been initiated for the long-term replacement of the existing metal culvert with a precast concrete bridge. While there are many challenges to overcome including a municipal water line, environmental permits/concerns, right of way acquisitions, contracting and material availability, the VTrans team is committed to installing this structure in the Fall of 2016, Spring 2017 at the latest.

Since Thursday of last week, staff has continued to monitor the site morning, noon and night to ensure that the site is stable and safe for the travelling public. We continue to communicate with the Towns, schools, first responders, residents and motorists as to the changing traffic patterns and upcoming expectations.

### **Public Transit Route Performance Reviews:**

Transit providers have received the SFY15 annual route performance review. The performance review identifies various performance indicators including cost per trip, cost per hour, boardings per trip and boardings per hour. Six routes were identified as underperforming transit services. VTrans staff have contacted their providers to address underperforming routes.

Overall, in SFY 2015 Vermont's transit services met the performance standards set by peer systems. The majority (85%) of the 118 transit services evaluated across the state met the Acceptable standards for **both** productivity and cost-effectiveness.

### **Newport Airport**

Porsche Rally – We have authorized 1-day set up, 1-day event, 1-day tear down – April 15<sup>th</sup> is the deadline for a proposal to be submitted by Q Resorts, the event is June 22. Casella has agreed to give up a day of construction and the damages for loss of work that day are to be paid by the event sponsors. I'm not confident that Q Resorts will meet the April 15 deadline, based upon their track record.

**Berlin Pond Access**

At ANR's request, VTrans AG's reviewed the Town of Berlin's proposal to use ANR grant funds to construct a non-motorized access to the north end of Berlin Pond within a highway easement "relinquishment area," where Town of Berlin controls an easement for highway purposes and the State of Vermont owns the underlying fee. We are satisfied that the Town's proposal is consistent with the general, common-law understanding of proper use of a highway easement. Moreover, given that the proposed access is within the scope of continued highway use, there is no need for the Town of Berlin to consult with VTrans or obtain any kind of permit or approval from VTrans.

**Shelburne Transload Facility**

Earlier this week, VTrans completed a response to a request by the law firm representing the Town of Shelburne in its pending litigation with Vermont Railway, Inc. (VTR). The request sought records relating to VTR's proposed transload facility project, including but not limited to the project's access to US Route 7/Shelburne Road (a state highway). Because of the number of records, as well as the need to review records for claims of privilege and confidentiality, VTrans invoked the "10-day rule" of the PRA to gain extra time to respond.

✓  
Sarah

1 National Life Drive  
Davis 2  
Montpelier, VT 05620-3901

Tel: (802) 828-1294  
Fax: (802) 828-1250

[www.anr.vermont.gov](http://www.anr.vermont.gov)



Deborah L. Markowitz  
Agency Secretary

Trey Martin  
Deputy Secretary

**State of Vermont  
Agency of Natural Resources**

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Trey Martin, Deputy Secretary, Agency of Natural Resources**  
**Date: April 8, 2016**  
**Subject: ANR Weekly Report**

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**Governor Level Issues:**

**Clean Drinking Water Supplies for North Bennington & Pownal:** DEC continues active assistance for the communities of North Bennington and Pownal in an effort to find clean drinking water supplies after PFOA was found in more than 104 wells in North Bennington and the municipal supply for roughly 450 residents in Pownal. DEC staff met with the North Bennington and Saint Gobain engineers to discuss a municipal line extension. The company still has not committed to assuming costs for the project. 51 point of entry treatment systems were put into homes suffering from PFOA contamination. DEC staff also met with the Pownal Water Commissioner to discuss new water options. Options include switching supplies to a well at the nearby race track, bringing water in from Williamstown, MA, or putting on a point-of-entry treatment system onto the existing municipal supply. Water and soil test results around the formal Warren Wire facility, landfill and Pownal Tannery should be back soon. 58 private drinking water well samples were collected in Pownal. Once we see the results, we will decide if we have enough information to pursue a responsible party.

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**EVERYTHING ELSE:**

**Legislative Issues/Testimony:**

**H.625 Sunset Extension for Title Encumbrances Due to Transition Stormwater Permits:** The Senate read H.625 for a third time and passed the bill in concurrence last week. This bill will go to the Governor for signature. This bill gives property owners with pre-2004 stormwater permits two more

years to obtain stormwater permits under current rules without a cloud on title. DEC supported passage of this bill.

**H.531 Above ground storage tank (AST) red-tag bill:** The Senate read H.531 for a third time on Tuesday this week and passed it in concurrence with proposal of amendments. DEC anticipates that the House will concur with the Senate's proposal of amendments. This bill requires ANR to promulgate rules for the inspection and "red tagging" of non-compliant fuel tanks; requires ANR to maintain a database of non-compliant fuel tanks; and requires owners of ASTs to remove the fuel tank and associated piping when converting to natural gas or propane. DEC supported this bill, which came out of work of the Petroleum Cleanup Fund (PCF) Advisory Committee.

**H.517 Water Classifications:** This bill was reported on the Senate Floor by Sen. Campion this week. This bill will further the goals of the federal and Vermont Clean Water Acts by allowing the state to identify and protect lakes and river segments that exceed baseline water quality standards. This bill is a high priority for DEC.

**H.674 CSO Notification Bill:** SNRE was scheduled to vote on H.674 on Wednesday this week. The committee took testimony last week from various witnesses on this bill, ranging from Jeff Wennberg of Rutland Public Works Department to James Ehlers of Lake Champlain International.

**Report on lowering the threshold for stormwater operating permits from one acre to ½ acre:** SNRE took testimony last week from Padraic Monks for DEC, Jeff Nelson for ACEC, Katie Taylor for the Lake Champlain Chamber, Katrina DeLaBruere for Vermont Realtors, Warren Coleman for VELCO/VEC, and Jon Groveman for VNRC. VNRC and DEC testified in support of lowering the stormwater operating permitting threshold for new development in order to distribute the costs of phosphorus reduction more equitably between existing development and new development. VNRC supported the lower threshold. The other witnesses were neutral. SNRE did not make a decision whether to pursue lowering the threshold, but indicated that the vehicle for the initiative would be H.595, the potable water from surface waters bill.

**H.595 Potable Water Sources from Surface Waters:** This bill would allow owner-occupied residential homeowners to draw from surface waters for drinking purposes. SNRE has indicated that it will hold this bill as a possible vehicle for other initiatives that may come forward over the next month, including proposals related to Drinking Water and Toxics.

**Drinking Water and Toxics:** On Monday this week, SNRE took testimony on proposed amendments to H.595. The first set of amendments, from environmental stakeholders, included:

- Well testing required at time of drilling, based on S.77 (2011);
- Citizen suit provisions similar to federal law; (SNRE will send this to Senate Judiciary)
- ANR Report on Toxic Chemical Use in Vermont (all sites where toxic substances or hazardous materials are used; proximity to public water supplies and private wells; any risk assessments to water; any action that ANR plans to take in response to risks). Some of the issues raised by

this proposal are: how to define toxic substances, how to define risk assessment; and how much will this cost. SNRE might propose a working group instead.

The second set of amendments, proposed by ANR, include:

- ECF technical amendment (allowing reimbursement for oversight of voluntary cleanup efforts without written agreement with responsible party)
- Administrative information requests and judicial enforcement (need to limit persons; add confidentiality); and
- Natural resource damages.

SNRE will take additional testimony on Friday, April 8. Senator Bray expressed interest in pursuing: (1) administrative information requests, (2) natural resource damages, (3) well testing, (4) working group.

**H.610 Clean Water and Drinking Water State Revolving Funds (CWSRF & DWSRF):** H.610 was moved from SNRE to Senate Institutions last week. This bill would modernize and simplify DEC's revolving loan programs; expand the types of projects eligible for CWSRF loans consistent with federal law; consolidate three grant programs (combined sewer overflows, dry weather flows and wastewater treatment facilities) into one program; adopt a single priority system for both grants and loans; and mandate a study to evaluate CWSRF loans to private entities. Under this bill, CSOs would be eligible for grants up to 35% of the project cost, compared to 25% under existing law.

**FY2017 Budget:** ANR provided budget testimony to Senate Appropriations this week.

**H.855:** Steven Sinclair, Director of Forests testified before SNRE on this bill regarding the fire warden program.

**H.857:** Steven Sinclair also provided testimony to SNRE on the timber harvesting bill.

**H.854:** Commissioner Snyder provided testimony on the timber trespass bill to the Senate Judiciary committee.

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

**PFOA Stories:** Stories on PFOA continue. DEC is working closely with the Governor's Office to coordinate the message.

**Williston Lab Loses PA Certification:** Joel Baird of the Burlington Free Press talked with DEC about the Pennsylvania DEP suspending its certification for the approved methods for cryptosporidium analysis at the Analytical Services, Inc. laboratory located in Williston, Vermont. The only public water system to use Analytical Services for cryptosporidium analysis is Rutland City, but they have not done so since May 2015. This matter is still under

investigation by other state lab certifying authorities, so we remain unsure what the impact for Rutland City will be, or for the lab.

**F&W Press Releases:** Canine Distemper Sickens a Gray Fox in Washington County - Pet Owners Urged to Keep Vaccinations Up to Date; 2016 Conservation Camps Still Have Openings; FWD announces 2015 Master Anglers - 2015 program report published, new challenge added for 2016; Youth Hunter Ed Challenge on May 14 to Give Young Hunters Extra Skills

**2016 Venture Vermont:** Vermont State Parks is happy to announce that the 2016 Venture Vermont Outdoor Challenge is on! The [Venture Vermont Outdoor Challenge](#) is a statewide outdoor scavenger hunt where participants earn points by completing fun, outdoor activities and can earn free entry to Vermont State Parks for this year, and all of next year.

**Ticks Thriving After Warm Winter:** Trish Hanson, Forest Protection Entomologist, was quoted in this recent article that appeared in The Boston Globe.

**FPR Fined for State Parks Sewage Permit Reporting Violations:** Channel 3 News interviewed Commissioner Snyder about FPR being fined for permit violations due to improper testing and inspection of sewage systems 2 years ago at Lake Carmi and Button Bay State Parks. There was no discharge and no environmental degradation.

**NE Biomass Heating Expo Tours:** Paul Frederick, Wood Utilization Forester, is mentioned in a Biomass Magazine blog post about visiting biomass heating installations as part of last week's expo.

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

**Dowsville Headwaters Property Added to Camel's Hump State Park:** The Trust for Public Land and State of Vermont are thrilled to announce the expansion of Camel's Hump State Park by 2,085 acres in Duxbury through the protection of the Dowsville Headwaters property. This acquisition will protect critical wildlife habitat, recreational trails, and the headwaters of Dowsville Brook, an important tributary of the Mad River. The expansion of the State Park will benefit mountain bikers, hikers, backcountry skiers, snowmobilers, anglers, and hunters, not to mention wildlife, watershed quality and flood retention.

**FPR Forestry Director Appointed to Board:** The American Forest Foundation has begun a new initiative entitled "Take Root", and has established a board of directors made up of individuals across the forest products sector to coordinate efforts to develop a messaging platform to harness the power of social media to tell the positive story of forestry. The research from AFF makes clear that we have a great deal to do even inside the forest sector to effectively project the environmental, economic and social value that forests, forestry and forest products created every day. Steven Sinclair, Director of Forests, has been chosen to represent all state forestry agencies in this effort.

## **SUMMARY OF KEY DEPARTMENT ACTIVITY**

### **Office of Planning and Policy (OPP)**

**Ranger Solar (Brandon):** Ranger Solar filed a 45-day notice with the Public Service Board on April 1 for a 20MW solar facility in Brandon. Ranger did not engage ANR in any substantive pre-file discussions regarding this project as is typical for projects of this scale. DFW staff have identified the project site as a critical location for wildlife habitat connectivity between the Green Mountains and Adirondacks. OPP will meet with DFW program and legal staff to discuss the project next week and then follow up with Ranger once the scope of issues is clear.

**Verizon Cell Tower (Waterbury):** OPP and DFW staff attended a site visit on Wednesday, April 6, at the proposed cell tower site in Waterbury with representatives from Verizon, abutting landowners and the towns of Waterbury and Stowe. After the site visit, DFW staff presented a proposal that would accommodate the tower on the host parcel in a location that staff believe meet the Section 248 regulatory criteria. Verizon did not reject the proposal out of hand and will analyze the proposed site to determine if the coverage resulting in that location will be acceptable.

**BDE/VEC Solar (Grand Isle):** ANR filed testimony with the PSB on 4.4 in the above referenced matter – a proposed 5MW solar facility in Grand Isle being developed by BDE for Vermont Electric Coop. Testimony was limited to the wetlands criteria, as the project proposes solar arrays and clearing in almost the entire buffer of a significant Class II Wetland which the project surrounds on three sides. The wetlands program's testimony was that the project as currently proposed would pose an undue adverse impact to wetlands and would not receive a state wetlands permit. OPP and the wetlands program have been working directly with BDE for some weeks in an effort to negotiate a resolution of these issues, but BDE has not agreed to all of the modifications needed for the project to avoid wetland impacts.

**New Applications for the week of March 28:** OPP received seven new Act 250 applications and no new Section 248 petitions.

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

**Rutland Enters Program to Reduce Fine Particulates:** Rutland has the highest particulate pollution in the Northeast. To help address this issue, DEC sent a letter to EPA expressing our intent to enroll Rutland (City and Town), and other potential valley locations to be determined, in the voluntary Particulate Matter Advance Program. This program, intended for areas that are currently in attainment of the National Ambient Air Quality Standards (NAAQS) for fine particulate matter (PM<sub>2.5</sub>), will be a partnership between the DEC, the U.S. EPA, Rutland, and relevant stakeholders to focus available resources on maintaining compliance with the NAAQS

for PM2.5, cultivating actions to reduce PM2.5 and other air pollutant emissions, and increasing public awareness about PM2.5 as an air pollutant.

**Unpermitted Drinking Water Distribution Line Replacement (Windsor):** DEC confirmed that 2,000 linear feet of distribution main on Main St, Vermont Route 5 in Windsor was in the process of being put in without a permit. We discovered the issue from an anonymous caller. We paused the construction, talked with the consultant and Town Manager, and advised both that a construction permit was needed ASAP.

**Revised Total Coliform Rule:** The EPA's Revised Total Coliform Rule took effect on April 1. A total of approximately 1400 community water systems will need to submit new sampling plans for coliform. Approximately 400 plans have already been submitted and approved.

**Outreach to Seasonal Water Systems:** DEC is piloting an auto-dialing service to make phone calls to remind the owners of seasonal systems of the need to submit startup forms and to sample monthly in the months in which they open. The auto-dialing service will play a recorded message alerting seasonal owners of this need (approximately 200 systems).

**GS Precision Assistance (Brattleboro):** DEC staff worked with GS Precision to help address the management of a waste stream that comes from their manufacturing process. Staff helped the Operations Manager characterize the waste stream, and worked with Solid Waste staff to close the loop by writing GS a letter approving the use of the inert material for beneficial use.

**Governor's Awards for Environmental Excellence:** Staff reviewed 21 applications for the Governor's Awards. Finalists were selected and now their compliance history is being screened before they are announced.

**PFOA Science Exchange:** Geology organized a PFOA Science Exchange which brought together staff and managers from DEC, F&W and IT to discuss the data and results being obtained from studies of the PFOA contamination in North Bennington. An overview was provided and surface water, groundwater, and air transport models were reviewed and discussed. The exchange provided a forum for a comprehensive look at the North Bennington area, data integration, and communication between all parties.

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

**Fishing Activity around VT:** Ice fishing is done throughout the state. Open water fishing beginning with reports of a few of the typical license/boating related violations being found. Trout season opens this coming Saturday so things will be particularly busy this coming weekend.

**ATV Activity:** Wardens issued tickets and warnings into the double digits for ATVs. Violations ranged from unregistered ATV's, operation on the road and private property. Wardens received complaints of illegal ATV traffic picking up with the advent of spring like conditions.

**Winhall Solar Project:** Staff visited a recently constructed solar project in the town of Winhall that was built around three sides of a large vernal pool. It was built with 100-foot uncut buffers, but loss of surrounding year-round habitat may have a negative impact on it. Staff plan to monitor amphibian egg masses for five years to learn if the project causes a decline in use of the vernal pool. Attached is an aerial photo showing solar panels surrounding a wooded area that has the vernal pool in its center.



**Establishing a Winooski Basin Conservation Commission:** Staff aided with the first regional meeting of Conservation Commissions within the Winooski Basin. Commissioners from 12 towns, plus many partner organizations, were present. Goals included establishing a basis for collaboration among communities, collecting (and eventually redistributing) information about "who's doing what where" and providing resources. It was a successful evening.

**Grant Proposal for Endangered Lake Sturgeon:** Staff submitted a grant proposal to the USFWS to fund a research project with State Wildlife Grant funds which will evaluate the use of remote sensing equipment for estimating lake sturgeon abundance in Lake Champlain or its spawning tributaries.

**Collecting Data from Bow Fisherman:** Staff composed a volunteer creel survey diary for bow anglers. There is currently limited data that exists regarding this method. Harvest rates, species composition, and biological information will be useful information to help inform management strategies.

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

**Preview of Forest Legacy Video:** State Lands Administration Division staff previewed a preliminary rough-draft video documentary of the Forest Legacy program, being produced under contract by Peregrine Productions. The documentary is intended to commemorate the 25<sup>th</sup>

anniversary of the Forest Legacy Program and highlights Vermont's role in establishing this important program. The documentary includes interviews with current and former FPR commissioners and staff, project partners, and landowners, along with some dramatic shots of several Forest Legacy projects in Vermont and several other states. The documentary will be finalized later this spring.

**Land Transactions:** We closed last week on two significant land acquisition projects, Jim Jeffords State Forest and Dowsville Forest parcels. A public event for Jim Jeffords State Forest is being planned for later this spring. Work continues on the Muckross and Davidson donations, multiple Forest Legacy easement projects, sale of Lafreniere homestead property, Duxbury town forest project, and other transactions.

**Town Fire Departments Receive Wildland Firefighting Equipment:** This week Forest Resource Protection staff began delivering wildland firefighting equipment and PPE (personal protective equipment) to town fire departments throughout the state. This year 28 towns purchased fire-fighting class A foam and 49 towns purchased equipment through this federal grant. The towns pay 50% of the cost and the grant pays the other 50%. This annual program has encouraged many rural departments to become better equipped to respond to wildfires, and is a direct benefit to Vermonters.



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**State of Vermont**  
**Department of Public Safety**  
103 South Main Street  
Waterbury, Vermont 05671-2101  
[www.dps.state.vt.us](http://www.dps.state.vt.us)

**To:** The Honorable Peter Shumlin  
**From:** Joe Flynn, Deputy Commissioner of Public Safety  
**Date:** April 8, 2016  
**Subject:** Weekly Report

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Priorities:

Working with the Secretary AOA DPS met with E911 Chair and Vice-Chair to address the controversy resulting from the E911 press release claiming DPS had arrived at actionable decisions regarding call-taking functions. All sides agree that coordinating and cooperating in the way forward is paramount to maintaining the integrity of the program and meeting public expectations.

We participated in a call with Denise Ross from the White House regarding President Obama's Task Force on 21<sup>st</sup> Century Policing and the Police Data Initiative (PDI). DPS Director of Technology Management will be attending a meeting later this month at the White House. Based on conversations with Ms. Ross the SOV through VSP would be the first State Police agency in the Country to participate. All others involved are municipal agencies. DPS and Rutland City PD also discussed the PDI as Rutland is participating as well.

Administration

There are two slightly varying drafts addressing VSP Vehicle funding from the Transportation Fund. The latest version of the language reduces the amount to \$2.1M from \$2.5M.

David Beatty: Called this morning to let us know that he has been told that DPS will indeed have the E.911 funding cut by \$90k in both FY16 and FY17. He said that Andy Pallito mentioned that any budget issues we anticipate should be noted in our Pay Act request.

Attended a meeting with Commissioner Pallito at his invitation this week with other Business Directors to discuss improvements to the budget development process. There seemed to be much consensus among business offices on areas of opportunity.

We have a number of contracts held up at the AG's currently.

We have just heard that FEMA wants to see a copy of our MOU with E 911 for match and are holding up our EMPG application because of this. The MOU has not yet been completed. They have not requested this kind of match documentation before so we are going to set up a conference call with FEMA to discuss.

CJS

Forensic Lab -

Backlogs (as of 3/31/2016):  
Blood Alcohol (0)  
Drug Chemistry (766)

Serology (64)  
DNA (casework) (154)  
DNA (CODIS) (167)  
Firearms (38)  
Latent Prints (471)  
Arson (0)

VOSHA on site 3/23 due to complaint regarding HR retention of medical records, awaiting further communication from them.

Testimony in House Transportation scheduled for 4/7 regarding H.228.

#### Communications-

The radio shop and staff had been working primary on the Westminster project.

We met with the 911 staff and Fairpoint at Westminster this week to plan / coordinate the installation of the 911 equipment at the site.

We have been working with Sovernet to test the new high-speed service at Westminster. The Westminster site will use fiber service instead of the traditional microwave approach for interdepartmental backhaul. On Monday April 11th we will be reconfiguring the microwave baseband to incorporate the new facility. We do not anticipate any disruption in service to our other facilities as a result of this work.

We have completed our acceptance of the new Xybix radio console furniture at Westminster which was purchased to support the radio, Cad and 911 operator equipment.

The State Police is relocating their outpost currently located in Morrisville to the Jeffersonville Fire Station. We are coordinating telephone service at the new facility and removing service at Morrisville.

We have completed the contract with Carousel Industries for Westminster telephone system. We are working with the vendor to get equipment ordered and the project started.

We are assisting VCIC with various aspects of FBI CJIS audit related to operations of the VLETS system, user validations, security, and user policy.

We continue to assisted local and county agencies with user and device accounts for their Valcour devices to access VLETS system services.

We are working with the CPI on Message Switch (VLETS) system sizing and capacities of the replacement hardware project. Our goal is to increase data storage capacity and improve system administration and management functions.

We met with AOT staff at their offices in Berlin to discuss the potential for locating a back-up dispatch center at their facility. We collectively identified potential space within the building and are currently evaluating the space to determine if the size of the room is adequate for our needs.

VCIC -

A brief meeting was held with Commissioner Menard (Corrections) to prepare for the approved WCAX interview on 4/8/2016.

The primary weekly event for most VCIC sections this week involve participating in the FBI triennial audit. At this time the IT Security (ITS) and National Instant Criminal Background Check System (NICS) have been completed, the National Sex Offender Registry (NSOR) and National Incident Based Reporting System (NIBRS) are ongoing with the National Identity Services (fingerprint) and National Crime Information Center (NCIC) to be conducted over the remainder of the week. A summary of audit activities will be provided once complete.

A discussion was held with OTM, SEARCH, and related staff concerning leveraging VJISS to support NIBRS data collection and submission as part of the Open Justice Broker Consortium (of which Vermont is a member).

One of the Marijuana Dispensaries (Grassroots/Brandon) report beginning delivery to patients with no significant issues reported at launch. The other dispensaries have filed plans with the registry but have yet to begin offering the service. Vermont Patients Alliance (Montpelier) has filed a request with the department to add a cultivation site (Waterbury) while maintaining their current dispensing/customer service location.

#### DEMHS

Entergy and SOV negotiations continue with DPS, PSD, ANR, VDH, and the Governor's General Counsel. DEMHS reviewed updated language to the agreement this week ahead of a submission deadline this coming Monday.

DEMHS Director provided briefings to Senator Leahy and Representative Welch and met with FEMA Director Fugate while attending the National Emergency Management Association (NEMA) meeting in Washington DC.

HMGP applications for DR4232 were due on 04/08/16. Two complete applications were submitted by Barry City, which has been working with the SHMO, for acquisitions identified as priorities in the Barre City VERI report. If approved by the selection committee, funding these projects will utilize all of the available DR4232 HMGP funding.

VTALERT Notifier Training at the Grand Isle Water District and Lamoille County Sheriff's Department.

Public Information Officer worked to establish more redundancy for press release distribution. Updated outlook contact group with email addresses from media listservs. Media email addresses were uploaded to Vermont Alert as a notifier group - will work regardless of email or listserv operability (web based) Public Information Officer met with PIO for Department of Environmental Conservation to advise on next steps in water contamination communications - and share best practices.

Emergency Preparedness Conference page (<http://demhs.vermont.gov/conference>) is operational.

#### Fire Safety

The Division received \$6.7 Million in new plan review construction valuation collecting \$37,000.00 in fees.

A company is going to build a new 79 unit residential care facility in Hartford this spring. We have a municipal inspection agreement with Hartford but we retain jurisdiction over Residential Board and Care

facilities. Hartford is upset with us because I advised them we would be reviewing the plans and issuing the permit thus we will collect the \$135,000 permit fee. They have asked/requested they be able to keep 50% of the fee. I do not have the authority to turn over 50% of the fee to Hartford. You may hear about this in the future.

Last year a condominium fire in Warren caused 11 million dollars in property loss. Locals and town members have been disputing over an ordinance proposal which would require only masonry fire places in new residential construction. There is language restricting pre-fab heating units and there is some added language regarding the frequency and type of inspections required. I have a meeting with the planning commission tomorrow here in Berlin because we are not going to get involved in matter. Requiring masonry fire places is over board and may be in conflict with energy efficiency standards. We accept listed and approved heating appliances provided they are installed by a certified technician in accordance with the manufacture's installation requirements. Plans are being completed to replace the burned building.

S.108- Electrical Installation Bill- Testified yesterday the Bill has some issues and there was enough concern it may not go through.

H.434: Safety Committee Bill for the Academy- There will be no creation of a safety committee the governance committee will simply add this to the existing annual reporting requirement.

S.217: Professional Regulation- Will require a detailed report on our licensing program. Will oppose this.

#### Vermont State Police

A Troop

FF

17 Total Arrests, 4 DUI

LSA case on I89, located vehicle in park and ride and while speaking with operator observed a male in another vehicle injecting heroin.

Bomb call in Johnson assist to LCSD.

Incident involving suicidal male from St. George, BCI, FF, HNU responded.

Troopers spent several days wrapping up a burglary ring in the valley recovering many stolen items and making two arrests. The majority of the property was returned to the rightful owners.

BCI

Untimely death in Westford. 85 year old male died at his residence. Victim fell three weeks prior and suffered injuries. Male also had multiple pre-existing health concerns.

Assisted MCU with homicide in Brownington.

Toddler drowning case sent to SA Williams for review.

Arson unit worked on arson case in St Albans and worked on training for Carbon Monoxide exposure

Background assigned to Det. Tpr. sworn position

Death investigation in Enosburg. Male found deceased in his bedroom from an apparent gunshot wound. Investigation showed the male was cleaning his gun and firearm accidentally went off with a round in the chamber striking the male in the head. D/Sgt assigned.

Male presented at the emergency room with a gunshot wound to the foot. Male refused to talk to uniformed officers. Male was admitted to the hospital after surgery. D/Sgt spoke with the girlfriend of the male who admitted to her friend the male accidentally shot himself in the foot. D/Sgt followed up the next day and the male admitted that he attempted to commit suicide, however when he was trying to shoot himself in the head, he slipped and the gun went off striking him in the foot. Male only had one bullet.

Numerous sex offender photos.

Background assigned. D/Sgt assigned. Sworn position

Female alleged that she was sexually assaulted by her Pastor when she was younger. Case referred to NUSI.

Untimely death in Grand Isle. 61 Year old male with significant medical concerns and health issues. Male was found deceased in the living room by his wife. Wife alleged she was aware her husband was going to pass away soon. Wife is a nurse and had been taking care of her husband routinely. D/Sgt investigating. Death ruled natural.

NUSI accepted a case of a 13 year old male who disclosed to his school counselor that his father assaulted him the night prior. Juvenile was in a safe location for the weekend and there is some indication this could have been made up. Juvenile has a long history of anger management.

Assisted MCU with homicide in Brownington

Completed Sworn position background.

Assisted Uniform with a search warrant in Waitsfield. Uniform arrest male and female for multiple car break-ins and possession of stolen property.

Started evidence room audit paperwork.

Civilian background assigned to D/Sgt.

SIU open position interviews.

B Troop

FF

13 Total Arrests, 5 DUI

Responded to NVRH where he met with a registered nurse who confessed to diverting medication (Narcotics) from a patient. Tpr. was able to get a confession related to one incident where the nurse was supposed to destroy medication not used by a patient, but instead kept it for herself. NVRH personnel were the complainants and aware of the issues. NVRH will conduct an internal audit to check for any potentially missing narcotics and alert the Board of Nursing. The RN resigned.

Trooper responded to a drug overdose in Coventry where a 20 year old male who was deceased.

Troops responded to an incident in Brownington where a female called advising she found her boyfriend in their home with a knife in his chest. BCI handling investigating, case is considered a homicide.

Troops responded to a domestic assault in Charleston and arrested the accused.

BCI

One Detective in Alabama for the week instructing at the Bomb school.

Background investigations.

Assist Major Crimes with Homicide investigation in Brownington.

Coventry, VT 26 yr old male found deceased in his vehicle. Possible Drug OD pending autopsy  
Brownington, VT –Homicide (major Crimes)

Topsham, VT 82 yr old female with extensive medical history. Natural No Autopsy

Bradford, VT 72 yr old female with extensive medical history. Natural No Autopsy

Irasburg, VT 91 yr old male. Natural No Autopsy

Glover, VT 65 yr old male. Natural No Autopsy

New intake where Inmate is alleging that a Corrections officer assaulted him.

New Intake report of one Juvenile fondling another juvenile.

Arrest (Citation) for Luring a child and dissemination of indecent materials.

Arrest (citation) sex assault.

Bradford were called out to a reported domestic in Bradford. A neighbor called reporting yelling between a couple in a downstairs apartment and heard glass breaking. Troopers arrived on scene and no one would answer the door. The Troopers also find 2 broken windows. The Troopers walk around the outside of the apartment looking in windows and see a female lying on a bed, breathing, but otherwise unresponsive. The Troopers make entry and find the female is high and drunk. The female doesn't know what happened and there is drug evidence in the residence. Tpr. applies for a warrant for the apartment. The search reveals bong and pipes, a little weed, some pills and a stolen gun. Arrests pending.

Tpr. responded to a complaint involving a cognitively challenged 17 year old. The individual had an altercation with his mother at Huggets Store in Thetford, and took off running towards VT 113. Tpr. located the individual at the intersection of 113 and 5.

C Troop

FF

21 Total Arrests, 7 DUI

All day meeting reference the May Full-Scale Exercise concerning Rutland Regional Airport and the ER of Rutland Regional Medical Center.

A missing hiker, local resources mobilized and subject was located unharmed.

Trooper identified two suspects responsible for more than 15 felony counts of car breaks, fraud, etc. throughout Bennington County.

NIU and ATF working a high risk target (guns/drugs) who resides in Bennington County.

BCI

Sex offender registry photo update (2).

Witness interview regarding West Rutland stabbing.

Meeting with prosecutor regarding Poultney kidnapping/sexual assault.

Assist uniform with preservation letters and warrants on phones.

New search warrant (non-disclosure extension) for Google on Hart homicide.

CSST for Justin Stone Volvo (Hart homicide).

New case 39y/o female alleging her 85y/o great-uncle sexually assaults her while she's having alcoholic blackouts.

CSST activation – Homicide in Brownington (Derby Barracks).

New Case– Sex offense – 5 y/o male juvenile spending time alone with 58 y/o male who has been substantiated by DCF.

Assigned new case: Sex Offender Registry Photograph.

New Case; Untimely of 34 year old male visiting his sister in Arlington.

Continued investigation into Schaff missing person case. Followed up on new tip, conducted additional interviews.

Completed discovery for Agg. Domestic, Agg Assault, kidnapping case in West Rutland  
Assisted uniform with theft/burglary cases in the Manchester, Arlington area.

Completed and delivered supplemental reports for death investigation of 4 year-old from Castleton.

Contacted People's Bank Corporate Security in Connecticut to obtain video from West Street location.

Meeting with State's Attorney on Castleton untimely.

Meeting with Deputy State's Attorney reference 2003 sex offense. Still determining prosecution limitation.  
Discovered possible witness died in car accident two years ago. Updated family.

Inmate found with contraband in his cell at Correctional Facility. Investigation continues.

Death investigation of 58 year-old female with lung cancer from Wallingford. Medical Examiner's office signed death certificate. Nothing suspicious.

Suspicious complaint at Marble Valley Regional Correctional Facility. Vehicle parking outside of fenced area and leaves when approached. Investigation continues.

Three sex offense cases in Rutland that were handled by D/Tpr.

Attended Fire Unit training at the Vermont Fire Academy. Training consisted of deposition/court room testimony.

New/Sexual Offender Registry case.

D Troop

FF

20 Total Arrests, 6 DUI

Report of a subject taking checks (22 of them) from her grandmother, forging & cashing them (in total \$4500) to support a drug habit.

Tpr. responded to a home invasion/trespass in Peru; arrested one for Simple Assault.

Tpr. responded to the theft of 63 gallons of maple syrup from a farm stand in Dummerston.

Sgt. arrested two for Possession of, Importation of, and Trafficking of Heroin (830 bags) as well as Possession of Cocaine; search warrant done.

Investigated a vehicle vs pedestrian motor vehicle crash. The pedestrian was transported to the hospital with non-life threatening injuries.

BCI

Two hour conference call with evidence bar code company FileonQ reps in preparation for Westminster evidence.

Child Pornography- Dropped Phone off at ICAC for search warrant execution.

New Background Investigation started – Rhode Island applicant.

Court; testify re: TRO violation - Jeremiah McMahon.

Three DRE Evaluations Reviewed

Background Investigation – NY State – Interviews by phone. Evaluation write-up.

Missing Person continued investigation (Lynn Perry) – Andover – Meeting with polygraph unit.

Follow-up interviews.

New Sex Assault case – Bethel – 12 yr. old female victim reporting she was sexually assaulted by a friend of her parents.

Follow-up interview with sex assault victim at Manchester PD.

Offender Interview in Chester, interviewed mother/offender in L&L with child case, offender denied allegations, will refer for polygraph.

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

Bethel Daycare, DCF intake L&L w child, additional victim, interview at CAC.

Bethel Daycare, DCF intake L&L w child, another additional victim, interview at CAC.

Meeting with Windsor County States Attorney for Sharon Academy failure to report case.

TSU callout in Williston for suicidal subject.

Bomb Squad assist to Secret Service – Sanders arrival.

Traveled to Whitman MA for victim sex assault interview.

Chicopee MA for applicant background.

Bomb Squad assist to Secret Service – Sanders instate activities.

Bomb Squad assist to Secret Service – Sanders departure.

Lectured at SANE Nurse conference in Montpelier.

TOPS

Assists to NIU.

Assist to St. Albans.

Federal prisoner transport.

Sanders detail / escort.

CMV and child seat details.

OCME

14 autopsies.

Response to Brownington scene to transport body to OCME, evidence collection/prints from body 1 inspection.

CCU

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

Assisting with a drug related agg. assault in Lincoln/Bristol.

Polygraph

4 PE polygraphs for OPD

Criminal exam for Det. Tpr / Suspect failed polygraph / Investigation continues.

Unit meeting with D/Sgt regarding missing person's case.

Major Crimes Unit

Brownington homicide; several days' investigation, CSST response. Evidence transport to Maine SP lab - assisting with blood stain pattern analysis. Meeting scheduled for Wednesday at OCME with SA and investigators.

OIS (Burlington) – reports being completed/formatted onto MCU digital format.

Assist to D1 on reported home invasion/trespass

Assist NIU with Cellebrite – three phones.

Follow up on Bristol assault case/Hart homicide, numerous electronic warrants obtained by USAO. Analysis of cell phone records/tower records coming in. Coordination between MCU/FBI/DEA going well.



**State of Vermont**  
**Agency of Administration**  
**Office of the Secretary**  
Pavilion Office Building  
109 State Street  
Montpelier, VT 05609-0201  
[www.adm.state.vt.us](http://www.adm.state.vt.us)

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

*Justin Johnson, Secretary*

**PRIVILEGED AND CONFIDENTIAL  
MEMORANDUM TO THE GOVERNOR**

**TO: Governor Peter Shumlin**

**FROM: Secretary Justin Johnson**

**DATE: April 8, 2016**

**SUBJECT: Confidential Report to the Governor**

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**BUILDINGS AND GENERAL RESOURCES**

**Issue Updates:**

Decommissioning of VIT Sites: Awaiting legislative direction on disposition of stored assets.

DEW – Barre – Security in OCS Space: AHS management has followed up with the tenants and will integrate their needs into the AHS field plan for all their offices. We are working on a parking plan once 195 Colchester: Is ready to be transferred to UVM. Title issues surfaced and need resolution, UVM wants and needs are being addressed by the DFM – written response has been received.

Waterbury: Too much glass to take care of in New Office Building – It takes one person all day just to keep up with the glass work.

Waterbury State Office Complex: On April 4<sup>th</sup>, DCF employees from the DCF Business Office, the DCF Commissioner’s Office and the DCF-Family Services Division moved into the 1st floor of Buildings G & H in the North Historic Core. **This move completes the AHS moves scheduled for Waterbury and fills the 200,000 square foot AHS building with approximately 830 State employees.**

State House Lawn – August Farmers’ Market: Prepared to approve the request to include permission to sell alcohol and provide samplings after input by Risk Management.

Surplus Property – Warehouse Is Bursting at The Seams: State Surplus will be contacting municipalities/non-profits in an effort to relieve the glut of surplus property that has come in from Chittenden County.

Exit 4 – Randolph – Sammis: Sam Sammis contacted the Commissioner on March 8<sup>th</sup>. Collaborating with Conservation Law Foundation (“CLF”), the Vermont Natural Resources Council (“VNRC”) and Preservation Trust of Vermont (“PTV”) with plans to proceed with the project (future scope to be defined). Expects to be able to provide update in 60 days. Has withdrawn Act 250 application.

## **FINANCE AND MANAGEMENT**

### **Issue Updates:**

- Budget Analyst - In the process of setting up interviews for the week of 4/15
- ERP System – VISION, VTHR and VANTAGE were all unavailable for 2 plus days this week as we experienced our 2<sup>nd</sup> hardware failure in the past 2 months.
- “Dear Jane” Letter – On Tuesday, April 5<sup>th</sup> we submitted our letter to the Senate Appropriations Committee on issues we have with the House version of the appropriations bill.

## **HEALTH CARE REFORM**

### **All Payer Model:**

DVHA is scheduled to release an RFP to contract with an ACO for certain Medicaid services on Thursday, April 7<sup>th</sup>. The SOV negotiating team is formulating its final offer to CMMI for the Medicare waivers needed to operate an all-payer model. The team is targeting April 15<sup>th</sup> for providing CMMI with its offer. Major open issues include the financial floor, the quality requirements, money for Blueprint payments, and the scaling up of attributed lives.

The Blueprint issue is of particular note, because it includes the Services and Supports at Home program, which will otherwise shut down without the payments. The Blueprint might be able to limp along for a year without Medicare participation, but SASH would not be able to, because all their funding is Medicare dollars. SASH has gotten very good outcomes in the federal evaluation, has a lot of support from Senator Ash and Kitchel, and the delegation. Robin spoke with the new CEO from Cathedral Square who is getting nervous that the program will end this year and is also worried about staff attrition from the uncertainty.

### **SIM/VHCIP:**

We continue to work intensively on several different federal deliverables due at the end of April: Year 3 Operational documents and Quarterly Report, plus Site Visit planning. We also submitted a reallocation of our Year 2 budget to ensure we maximize the federal dollars we have available. April is the busiest month for us and we are seeing some strain as staff and contractor resources are stretched to meet so many deliverables in a compressed time frame.

Next week, the Core Team will approve our Year 3 budget noting that the vast majority of Y3 funds are already in contract vehicles and there is very little remaining. The remainder is earmarked for sustainability as required by the Feds.

### **Legislative Issues:**

H. 620—Contraceptives/LARC—still in SHW.

H.761 – Alignment on primary care provider quality measures-- still in SHW/

H.812—ACO oversight and protections-- SHW taking testimony on Friday. FQHCs offering amendment to H.812 limiting review of ACO budgets to risk-bearing ACOs or ACOs with over 100,000 attributed lives, but providing for certification of all ACOs. FQHCs want to ensure that the regulatory system maintains the status quo if the APM does not move forward and that they are not subject to the budget review if they don't grow too big. Susan Barrett told me that GMCB is opposed to this amendment, but we need to check in on why. If they want less regulation than what is proposed in the FQHCs amendment, we may not agree with them. If they want more regulation, that seems fine.

S. 216— Rulemaking around Prescription Drug Formularies—SFC reached out to Devon to explain prescription drug limit via e-mail. HHC heard testimony last week.

S. 243—Opioid Bill-- Bill currently includes a Dept. of Human Resources study on acupuncture and pain relief using state employee data. SoV doesn't have enough data to do the study. Robin talking with Pugh to try to get this language out-- will likely testify next week.

S.245—Notice of Provider Affiliations and Reimbursements to Recently Acquired Hospital Providers. HHC heard testimony about this Thurs morning. Heard from Ashe, HealthFirst, Jill Olson at VAHHS, and Costantino for DVHA.

S. 255—MCO Oversight—Devon testified in HHC on this last week. Donahue offering an amendment that would make hospital board meetings open to the public. Hospitals are very opposed to this & will change their position on the bill if this is included. Also, Health Care Advocate asked for more data on complaints, which was not the deal they made with DFR.

S. 256—Home Health Agency CONs—this is a GMCB issue. HHC heard testimony on this today-- wanted to know how long it would take GMCB to do the HHA CON standards. GMCB said they could do it in a year. Committee seems okay with the bill.

Large Group Market Report/S.214-- Eliminating option for large group insurers to join VHC—GMCB presented its report. Committee seems okay with the bill. BCBSVT erroneously noted that adding large group would increase small group and individual premiums rates. Devon clarifying with committee.

Ambulance Provider Tax in Misc. Tax Bill—no update

Employer Assessment in Misc. Tax Bill—no update

Dr. Dynasaur Study & Universal Primary Care Study—SHW will hear about this on Friday.

### **Other Meetings:**

Michael partnered with Selina Hickman of AHS to present on the all payer model and Medicaid Pathway to several SIM work groups.

## **HUMAN RESOURCES**

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

Testified on H. 530 in Senate Gov Ops and opposed an amendment to the bill which would have blocked the administration from pursuing privatization of the Worker's Compensation office. Committee moved the amendment off of H. 530 but added it to H. 434 (which addresses fire safety training) We intend to file an Unfair Labor Practice charge against VSEA with the VLRB.

Hearing before VLRB regarding contract negotiations/last best offer is today. Board has 30 days to make decision, although anticipate it will be sooner.

### **Communications:**

Request from Heinz re: hiring/salary for John Campbell as executive director for states attorneys and sheriffs. Coordinating with Dave Cahill.

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

Working with DII on most recent system disruption, with our VTHR, VISION and budget systems currently down.

Configuration Analysts are working on business mapping projects in Recruitment and Classification in preparation for changes in those areas of our work. Also preparing for the nurse reclassification effort which will result in adjustments to over 300 positions. Met with DHR Operations, Labor and the Field to create a plan for managing the extra work.

Conducted process mapping/improvement meeting with DPS regarding Trooper recruitment. Interest in the process improvement is evidently important to their command as Major Sheets attended. We facilitated and DPS was pleased with the discussion and our attention to their needs and concerns. We are going to develop recommendations based on the process map and have a follow up discussion with them.

Work completed on moving PSAP consolidation positions to the pool. 24 positions total.

A team of HR staff will be working on developing communication materials and guidance for exempt employees off-boarding and onboarding. The team met on March 31<sup>st</sup> and went over the Team Charter. The team also discussed the task items, reorganized the list chronologically and added to the tasks. The first set of tasks that will be developed will be associated with current exempt employees leaving their positions to be completed the first week of May. This includes materials associated with things like the term ending process, rights to return to classified service, and transactional topics associated with HRIS. Also working on orientation handbook for elected/appointed officials.

AoA/Finance fixed an accounting error in the Med plan, that Harold had found. This increased the bank balance for the med plan by \$5.4 million. Harold will be asking Stephanie Fuller about their internal controls.

## **INFORMATION AND INNOVATION**

### **Evolving Issues:**

#### **ERP Outage**

- ERP systems – VISION, VTHR, and Budget experienced an outage beginning 8:22am on Wednesday 4/6
- The outage was caused by a storage hardware failure.
- Preparations to invoke the Disaster Recovery systems for VTHR and VISION were completed Wednesday night, in advance of a Thursday 8am decision point.
- HP was able to restore functionality to the SAN early Thursday morning.
- The production environments are being restored with backup / replication data from the Disaster Recovery Environment
- At the time of this update
  - the VTHR production environment is operational and being tested by VTHR personnel
  - The VISION production environment is being populated with the replication data from the DR region, Initial access to production is expected later this evening.
  - Budget production backups have been identified and will be used to re-establish the production environment
  - The restoration of the non-production regions of the ERP systems has been prioritized and will commence after the production systems are fully operational

#### **Web Updates**

- The new Integrating Family Services website is now live at [ifs.vermont.gov](http://ifs.vermont.gov).
- The Department of Environmental Conservation has completed its new site and has requested that it be made live. It will launch in the next several days.
- The new Information Center Website is now live at [informationcenter.vermont.gov](http://informationcenter.vermont.gov).

## **LIBRARIES**

### **Issue Updates:**

**RFP: Statewide Resource Sharing System:** We received 4 vendor responses for the replacement of the Vermont Automated Library System, and we are now setting up three vendor demos for the last week of April. Cost projections vary widely, but we believe we can get a system that works for us., within the budget in our DII business case. We have invited a team of librarians from around the state to the vendor demos so we can get their input in our final vendor selection.

### **Other:**

**Scheduled: Testimony in House Government Ops:** (to discuss the restructuring of our Department): 4/14. (Senate Gov Ops has not yet been scheduled).

## **TAXES**

### **Issue Updates:**

**Miscellaneous Tax Bill:** The Commissioner walked Senate Finance through the Department's comments on the House passed bill, focusing on the caution of triggering constitutional litigation on

Quill rather than supporting the efforts of other states in this area. Finance also heard testimony on the Burlington TIF extension and exemption of municipally owned garages, with the Chair expressing frustration that the House did not deal with provisions it claims to support. We also asked Finance to put the Estate Tax back in Misc. Tax in the event the House does not move the Senate bill.

Agricultural Exemptions Bill: The House Ag Committee called Candace in just to thank her for her assistance in getting them to a solution. The Bill was sent right to Senate Finance, and Candace testified in favor.

Current Use Lien Subordination: The Commissioner and staff met with a large group from the lending community to discuss concerns around current use liens. Several years ago, upon request of lenders, we sought and got authorization from the legislature to subordinate current use liens, and since then have approved nearly 400. The problem is that the lenders interpret “subordination” to mean the lien is extinguished if there is a foreclosure – our interpretation was simply that the state would stand second in line, but the tax could still come due at some later date of development. In today’s world, the lenders claimed that a lien that could not be extinguished would dry up lending because of the requirements of the secondary market. During the meeting we brainstormed possible solutions short of going to the legislature again.

### **Operations Update:**

Tax Season: Refunds: Senator Ashe volunteered that Rep. Turner and Tom Pelham had suggested that the Tax Dept held refunds in order to help the budget – Committee realized was illogical, but it might account for why we got some random press calls but no stories. In general, we have received relatively few complaints and in any event, at this point, we are caught up in refunding to previous years’ level of activity. (We were interrupted in both depositing and refunding this week with the VISION breakdown.) At present, despite additional filters and review, we have found less fraud to date than in previous two years, but we will not have final figures until the fall. Staff concern is that the sophistication of the fraud is outstripping our enhanced review. Next year, with implementation of personal income tax into VTax we will have better processes for fraud screening.

VTax Project: James Harrison, one of the principals of FAST, was in VT. There is agreement that the project remains on track. We debriefed on some of the pain from the elevated level of phone calls during Phase II go-live, but agreed that the culprit was more the scope of changes to the underlying taxes rather than the software itself. Phase III, personal income tax, is on track to go live in December. The team is wrapping up the initial design meetings, and development will actually start next week. We had an in depth discussion with Mr. Harrison about the pace of payments to FAST – the bulk of contract payments will be made from enhanced revenue traced to the project, so we discussed various programs using the software to increase tax compliance. We also discussed additional functions outside the scope of the project that Vermont want to explore after completion, including network hosting by FAST.

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Patrick Delaney, Commissioner**  
**Date: April 8, 2016**  
**Re: Weekly Report**

**Vermont Department of Liquor Control**

**Legislative Issues/Contacts/Updates:**

The House General Committee took testimony April 5 on S.250.

S.217 was taken up by Senate General April 6, attended by Deputy Commissioner Gary Kessler.

Senate Finance takes up H.872 April 8; I am scheduled to attend.

**Press Issues/Releases/Contacts:**

**Significant Events/Meetings:**

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

The Department's first Communication Committee meeting was April 4; 12 Liquor Agencies sent representatives. Topics included proposed agency store incentive evaluation criteria, surety bonding, POS concerns, listing codes, programming, special orders retailers manual guide, and shipping manifest. Our next meeting is scheduled for May 9, 2016.

Two product trainings, sponsored by the Gallo company, took place this week. One occurred in Rutland and the other in South Burlington. Both were well attended, and the training was excellent and timely.

**Summary of Key Department Activity:**

*Agency Issues:* The Department has identified a new agency contractor in Pownal. The ownership of the building which houses the store will require some renovation which will result in a temporary closure. The new owner should be on board in 4-6 weeks.

The Bradford store issues have been resolved to the satisfaction of the Dept. and the current contractor has been maintained

The Board has chosen the candidate to award the contract for the Board Counsel position/ They have chosen to maintain the incumbent and has him on a short term contract while the finalized long term contract is completed.

*Staffing:*

Two Warehouse positions are in the final stages of recruitment.

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

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

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

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

**Commissioner's Commentary:**

An analysis of the Department's product listing classifications has been commenced. A sales and profit analysis has also commenced to evaluate current levels of product programming .

116 STATE STREET  
MONTPELIER, VERMONT 05620



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

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 8, 2016

**Secretary's Top Issues**

**On Farm Slaughter in the press**

Meat Inspection Chief Randy Quenneville contacted Peter Hirschfeld of VPR to discuss inaccuracies in his article concerning the on-farm slaughter statutes. The article was also published by the Times Argus. Mr. Hirschfeld stated that he corrected the on-line version at VPR but, at this time, there is no indication whether the Times Argus will print the corrected version or not. Also, editorials were printed by the Barton Chronicle, VT Digger and Newport Daily News written by constituents unhappy with federal and state laws concerning on-farm slaughter. Editorials contain erroneous statements and personal interpretation of federal law, quotes taken out of context and misleading content.

**On Farm Slaughter in the State House**

AAFM delivered Red Meat Slaughter process charts to Senate and House Agriculture Committees. Senator Sirotkin inquired about the workings of the Meat Inspection program. Program Chief gave a brief explanation that inspected plants get daily inspection, custom plants get monthly inspections and exempt operations do not get inspected unless there are reports of non-compliance.

**Statewide Produce Safety Rule Workshops**

Produce Team with Water Quality staff presented three educational workshops on the Produce Safety Rule. Workshops took place in Montpelier, Burlington (in conjunction with the Department of Health and also covering the Preventive Controls Rule), and Rutland. Participants seemed well-informed of the rule and were interested in and supportive of the Agency's plans for implementation.

**Educational meeting on animal drug residues and ear tag availability**

Animal Health Section field staff participated with the informational meeting held at The Abbey in Sheldon and sponsored by Cold Hollow Vet Clinic. The meeting concerned drug residues in cull dairy cows and bob veal calves and presentations were given by Isaac Carney from FDA and Amy Bartholomew of Cold Hollow Vet Clinic. Animal Health presence was in the capacity to supply producer tags to producers for accurate animal identification. Three farms obtained tags at this location. Producers were made aware of the availability of tags from our Agency by all presenters.

116 STATE STREET  
MONTPELIER, VERMONT 05620



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

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 8, 2016

**Status of Governor's Priorities:**

**Legislative Activities and Issues:**

- Produce Team continued conversation with Senate Agriculture Committee and legislative counsel around inspection wording in H778. Senate Ag has included wording that limits inspection times of produce growers and a requirement for notification prior to an inspection.
- Produce Team with Water Quality staff presented three educational workshops on the Produce Safety Rule. Workshops took place in Montpelier, Burlington (in conjunction with the Department of Health and also covering the Preventive Controls Rule), and Rutland. Participants seemed well-informed of the rule and were interested in and supportive of the Agency's plans for implementation.
- Produce Team met with lab director to discuss the capacity for the testing of water samples as required by the Produce Safety Rule. Team also met with VDH Food and Lodging staff to discuss overlapping jurisdiction over commodities, including and beyond on-farm processing of produce.
- AAFM delivered Red Meat Slaughter process charts to Senate and House Agriculture Committees. Senator Sirotkin inquired about the workings of the Meat Inspection program. Program Chief gave a brief explanation that inspected plants get daily inspection, custom plants get monthly inspections and exempt operations do not get inspected unless there are reports of non-compliance.

Testimony on S. 169, regarding H. 828, in House Ag.

1. Representative Johnson
  - a. Read through bill and was supportive. Noticed there was nothing in bill about Universal Meals, which she knows Sen. Starr and Rep. Partridge are supportive of. It was noted by Theresa Snow of Salvation Farms that the advocates of the bill are still supporting the Universal Meals program pilot, even though the language is not in the bill that was passed out of Senate.
  - b. Johnson noted an extra \$375 general fund money available, \$175 of which has already been claimed for a study on Health Connect. The rest could feasibly be used for the Universal Meal Program and other ag committee priorities.
2. Laurie Colgan, Director of Agency of Ed Child Nutrition Programs
  - a. Agency of Education is supportive of this bill. Gave overview of CEP, the federal program that reimburses schools to run free meals for all students. The funding for a Universal Meals pilot would help with administrative work at schools to collect data and other duties associated with CEP participation. Food service managers and staff will also get training to help with program viability.
3. Theresa Snow, Salvation Farms
  - a. Testified about "gleaning" being added to priority of farm to school program. She noted that she was not involved in crafting the version of the bill that included gleaning. Acknowledged that NOFA Vermont is

not supportive of gleaning as a solution to increasing local food procurement in schools, as it threatens the market for wholesale-market value products, which could hurt Vermont farms.

Snow suggested adding a 5% goal of procuring gleaned product for Vermont school meals, in addition to the goal that is already in the bill, that was developed by the Vermont Farm to School Network, calling for 50% local food by 2025.

#### **4/6/16**

Senate Agriculture heard from legislative counsel on the On-Farm Slaughter Bill H. 860. Counsel reiterated some important points:

- USDA made it clear to Leg counsel that multiple owners of animals would be considered selling meat.
- USDA made it clear that the numbers were ok, but an increase of too many too fast could be perceived by USDA as trying to circumvent the slaughter exemptions.

Testimony from Rural Vermont and supporters:

- extend numbers, sunset, etc. whatever they can get

Testimony also from Teresa (Royal Larocque), NEK processing, Sharon Beef, Boyden, Kemp

- all wanting to end the bill or at the most only extend the sunset, but not increase numbers

Food Safety was the underlying worry

The revised bill increased animal numbers as well as added a punitive statement allowing the Agency to suspend their ability to use the exemption.

The Agency distributed the slaughter chart for clarification to members of the committee.

House Ag Committee were interested in reviewing Farm to School bill S 169 as opposed to the originally introduced H 828 bill. Testimony on the bill was accepted from the following:

- Michael O'Grady from Leg Counsel on the bill's history and intent as it was drafted.
- Senator Starr presented the bill from the Senate and demonstrated their support for this bill. He also stated that he plans to find resources to support this bill through the Senate Approps committee process
- Partner testimony was then taken from Abbey Willard, VAAFM; Anore Horton and Fay Conte, Hunger Free VT; Abbie Nelson and Betsy Rosenbluth, VT FEED; Theresa Snow, Salvation Farms.

The House was clear that they have passed a budget and are therefore unlikely to complicate the process with House Approps. Challenge was given to Senate Ag committee to find the funds and not to pull it from WLEB or 2+2 program.

#### **Press, Marketing and Communications:**

- Henry Marckres, Consumer Protection Chief, was interviewed by Colin Nickerson of the Boston Globe on Monday about the maple industry in Vermont.
- Marc Paquette, Weights and Measures Specialist, was interviewed by Leslie Engle of ABC 22 & FOX 44 on gas pump skimmers. They are setting up a date to accompany Marc on a gas station inspection.
- Meat Inspection Chief Randy Quenneville contacted Peter Hirschfeld of VPR to discuss inaccuracies in his article concerning the on-farm slaughter statutes. The article was also published by the Times Argus. Mr. Hirschfeld stated that he corrected the on-line version at VPR but, at this time, there is no indication whether the Times Argus will print the corrected version or not.

- Editorials being printed by the Barton Chronicle, VT Digger and Newport Daily News from an individual unhappy with federal and state laws concerning on-farm slaughter. Editorials contain erroneous statements and personal interpretation of federal law, quotes taken out of context and misleading content.
- State Entomologist Alan Graham had several interview this week, including with Sara McCloskey ([Channel 22 News](#)) and Cat Viglienzoni ([WCAX News](#)).

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

- Animal Health Section received pre-award letters for both cooperative agreements that the Section/VAAFM has with USDA Veterinary Services. This means that while the work-plans have not been approved, staff are still able to conduct activities and charge time to the agreements.
- Animal Health Section field staff participated with the informational meeting held at The Abbey in Sheldon and sponsored by Cold Hollow Vet Clinic. The meeting concerned drug residues in cull dairy cows and bob veal calves and presentations were given by Isaac Carney from FDA and Amy Bartholomew of Cold Hollow Vet Clinic. Animal Health presence was in the capacity to supply producer tags to producers for accurate animal identification. Three farms obtained tags at this location. Producers were made aware of the availability of tags from our Agency by all presenters.
- Animal Health Section staff participated in the informational meeting at held The Eastside Restaurant in Newport and sponsored by Cold Hollow Vet Clinic. The meeting concerned drug residues in cull dairy cows and bob veal calves and presentations were given by Isaac Carney from FDA and Amy Bartholomew of Cold Hollow Vet Clinic. Animal Health staff supplied producer tags free of charge and two farms obtained tags at this location. Producers were made aware of the availability of tags from our Agency by all presenters.
- Animal Health Section handled a request from a farm to replace RFID tags in 20 cows purchased from another farm in VT. The reason for replacement was the location of the tags near the base of the ear would not work well with the automation the farm had in place for feeding and other needs. Obtained information from Sheila Foster, USDA and forwarded it to the vet clinic for them to provide to their client. Removal of official identification can only be done under certain circumstances following federal regulations.

### **Evolving Issues:**

- Animal Health Section is working with legal counsel on a continuing non-complaint deer producer.
- Assistant Director of the Food Safety and Consumer Protection Division is setting up the Agency account to use interpretation services when Limited English proficiency persons are encountered on the phone or in the field. This will facilitate communication with all citizens in VT.

## **Summary of Key Agency Department Activity**

### **Administration:**

The Agency continues to participate in the Vermont Housing and Conservation Board (VHCB) LEAN process. The VHCB is working towards implementing its future state, which includes changes to the application vetting process, the role of the Agricultural Advisory Committee, two VHCB documents that guide farmland conservation eligibility, and other process modifications to increase efficiency, ensure there is a pipeline of viable projects, and to address water quality and configuration concerns at the beginning of the process.

### **Agricultural Development:**

#### **VAAFM Farm to School Coordinator, Zipparo, Met with Betsy Rosenbluth of Vermont FEED and Dawn Ellis, a Management Consultant, Regarding Farm to School Network Evaluation**

- Ellis has a diverse background in project management, including projects related to education, equity and collective impact. She also has a personal interest in farm to school, because her children have been transformed through programming at Sustainability Academy in Burlington.

- VAAFM and Vermont FEED will be working with Ellis on measuring the progress of the Vermont farm to school network's progress in reaching its goal: By 2025, 75% of Vermont Schools will lead the cultural shift to a values-based food system that: engages 75% of our students in integrated food system education, community-based learning, nourishing universal meals, and the experience of self-efficacy; purchases at least 50% of food from a socially just, environmentally and financially sustainable regional food system.
- Zipparo, Rosenbluth, and Ellis will work in close collaboration with the Vermont farm to school network steering committee and an ad-hoc interdisciplinary research team on this project, to ensure transparency and collective action is employed. The research team is comprised of an economist, nutritionist, rural sociologist, and representatives from VT Department of Health, UVM Extension, UVM Community Development and Applied Economics, and VAAFM.

### **VAAFM and Vermont FEED (a collaboration of Shelburne Farms and NOFA Vermont) Meet to Discuss Statewide Priorities in Farm to School**

- The team discussed the 2016 Vermont Farm to School Conference goal, which is to strengthen the farm to school network, using the momentum established over the last year during the system mapping and strategic planning process.
- The Vermont Farm to School Grant Program Technical Assistance, which is coordinated by Vermont FEED, was analyzed by the group, to assess challenges and successes for the 2015 grant cycle.
- Updates on S. 169 and H. 828 were shared, which are bills that update the Roza McLaughlin Farm to School. The bills modify the statutory language to reflect the current climate in Vermont, which has been built on the success of the 2006 legislation.

### **Produce Program Team Participation in 50-State Meeting on FSMA Implementation**

- Produce Program Team—Abbey Willard, Kristina Sweet & Shelley Mehlenbacher—participated in a 50-state meeting on implementation of the federal Food Safety Modernization Act (FSMA) Produce Safety Rule on March 22 & 23 in Orlando, Florida.
- The team also attended a Produce Safety Alliance pilot training for growers covered under the Produce Safety Rule.
- The Vermont Agency of Agriculture has provided national leadership on preparing for implementation of the FSMA Produce Safety Rule; this meeting provided an opportunity for all states to begin the process of developing state produce safety programs.

### **Specialty Crop Block Grant Program (SCBGP) Review Committee Meeting**

- Produce Program Coordinator Kristina Sweet convened a SCBGP review committee meeting—including both internal and external reviewers—to discuss letters of intent (pre-applications) for the Vermont SCBGP.
- Vermont SCBGP funds enhance the competitiveness of specialty crops including fruits and vegetables, honey, maple, hops, Christmas trees and nursery crops. Vermont will award approximately \$200,000 in SCBGP funds in 2016.
- The committee recommended inviting full applications from 13 of 32 university, nonprofit, and producer applicants.
- The review committee will meet to discuss full applications and make funding recommendations in May.

### **NASDA State Produce Safety Implementation Planning Call**

- Produce Program Coordinator Kristina Sweet participated in a National Association of State Departments of Agriculture (NASDA) planning call on the development of State Cooperative Agreements to Enhance Produce Safety. These cooperative agreements will be the mechanism by which states will implement FDA's Produce Safety Rule.
- The calls will continue weekly until the application due date of June 3; many states will focus on one or more sections of the application and share these sections as templates for other states.

### **Meetings with IT & Lab on Produce Safety Program Needs in Preparation for FDA Cooperative Agreement Application**

- Produce Program Team—Abbey Willard, Kristina Sweet & Shelley Mehlenbacher—met with VAAFM IT and lab staff to discuss the development of a Vermont state produce safety program.

- FDA has announced a competition for states to apply for cooperative agreements to build programs that offer education, outreach, and technical assistance to growers and conduct inspections and regulatory actions under the FSMA Produce Safety Rule.
- The team discussed specific IT and lab needs as well as estimated costs in order to build a budget for the cooperative agreement application.

### **Produce Program Team hosts FSMA Educational Workshops**

- Produce Program Team—Abbey Willard, Kristina Sweet & Shelley Mehlenbacher—hosted a series of three workshops on the FSMA Produce Safety Rule for producers, service providers, and nonprofits in Montpelier, Burlington & Rutland.
- The workshops were covered by WCAX and offered an overview of the Produce Safety Rule, key requirements, and the development of a Vermont state produce safety program.
- Producers asked questions to clarify whether they will need to comply with the rule as well as how the rule will be implemented on the state level.

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

#### **Meat Inspection:**

- Food Safety Assessments have been completed for several plants and are on-going for others. They are required after a new plant has been operating for 90 days or for cause such as positive product sample results for contamination with pathogens.
- Still working with Arlington processing plant to get Hazard Analysis Critical Control Point plans approved. Individual has been hard to reach and is inconsistent with his communications to the Meat Inspection Section.
- Grand Isle plant has been given clearance from USDA to proceed with a conditional Federal grant of Inspection.
- Working with farm in Westford for development of an on-farm custom slaughter and processing operations.
- Consulted with Fairfax farmer interested in upgrading current poultry slaughter operation.
- Working with individuals concerning creative measures for establishing a retail outlet that could also travel to fairs and farmer's markets.
- Assisted distributor in finding contacts in MA and NY concerning the marketing of Alpaca products from VT that are processed under a voluntary inspection program. Alpacas are an FDA regulated product.
- Working with FSIS to provide relief inspection under the cross-utilization program at several plants while they try to fill vacant federal positions.
- Consulting with USDA civil rights to determine why the states need to translate documents into the three top languages while USDA materials only translate into two.
- Asst. Director FSCP has been elected to a working group to help initiate a change in the Public Health Information System for State inspection programs to be able to input their microbiological testing data into the system. This would allow for great ease of data storage and use in analytics.

#### **Animal Health:**

- Animal Health Field Staff
  - Received a request for poultry testing for an upcoming 4H show located out of state. Caller did not have specifics as to what testing was required and will be back in touch once that is determined. Any out of state travel to a show will require the animal to meet both the state of destination's requirements and the fairs requirements, which can be stricter than the state import requirements.
  - Completed an HPAI assessment at a poultry processing facility that does not have birds at this time.
  - Working with Tunbridge Fair to schedule poultry testing for September.

- Contacted Cold Hollow Vet Clinic in reference to their upcoming informational meeting concerning drug residues in cull dairy cows and bob veal calves scheduled for 4/4/2016 and 4/5/2016.

## **Agricultural Resource Management:**

### **Water Quality:**

- A large farm operation in Swanton will receive a corrective action letter for violations of Vermont's Large Farm Operation Rules and the Farm's LFO Permit. A barnyard and feedbunk were not being managed in a way to prevent the runoff of wastes to surface water, and a stack of wastes, including manure, was stacked within 17 feet of a conveyance that has the potential to convey significant nutrients to surface water.
- A large farm operation in East Montpelier will receive an Assurance of Discontinuance to resolve two separate Notices of Violation issued for violations on two different facilities managed as part of the LFO. A pre-hearing settlement conference was held on the first Notice which included one count of production area/permit violations, but no resolution was reached. A hearing was to be schedule on the merits of the case. In the meantime, the Agency became aware of additional violations on the other facility and issued an Amended Notice of Violation that added the new infractions (six counts of field practice violations) to the one count of production area violations outlined in the original Notice. A pre-hearing was held on the new violations and a reduced penalty was proposed by the Agency but was not accepted by the Farm. However, shortly after the pre-hearing, the Farm contacted the Agency and stated that they would pay the full penalty for the one count of production area violations and would also pay the proposed reduced penalty for the six counts of field practice violations. No hearing will be necessary. The checks have already been received by the Agency.
- The Water Quality Team continues to work on testing, refining and finalizing the enforcement penalty matrix which will be used to determine penalties for water quality violations and will ensure that monetary penalties are assigned in a consistent and defensible manner.
- ARM has received three complaints to date via the web-based environmental violation reporting tool, which has been up and running a little more than a month. Receipt of complaints in this manner is being tracked on the Enforcement Tracking Spreadsheet so we can evaluate the usefulness of this tool in enabling the public to report alleged violations to the Agency.

### **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 287 farms have been fully surveyed and approximately 71 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:
  - 3 SFOs
  - 1 MFO

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

- Staff conducted the following internal referral investigations and investigation reports are being drafted:
  - Three (3) SFOs in Rutland County for RAP compliance.
  - One (1) SFO in Grand Isle County to evaluate a manure pit that appeared to be at capacity and overtopping.
  - Two (2) MFOs in Franklin County. One investigation was for a full manure pit and one investigation was for silage/heavy use runoff.
- Staff conducted a compliance follow-up on a LFO in Addison County in regards to an Assurance of Discontinuance (AOD) issued to the farm in 2014. The farm needed to maintain/properly manage structures for two years as required in the AOD. During the follow-up it was documented that one of the farm's manure pits was at capacity. The report is currently being drafted and next steps are being discussed.

- Staff conducted a complaint investigation on a MFO in Addison County related to manure spreading prior to the end of the winter manure spreading ban. The farm had spread manure prior to April 1 and the investigation report is being drafted and next steps are being discussed.
- Staff conducted a complaint investigation on a LFO in Orleans County to evaluate silage leachate spreading.
- Staff met with a custom manure applicator from Addison County to discuss the 2<sup>nd</sup> draft of the Required Ag. Practices (RAPs) and how it may impact their business operations.
- Staff attended a public information meeting about the Missisquoi Basin Watershed plan in Enosburg.
- 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 three (3) SFOs in Chittenden County to delineate buffers and to conduct pre-plant visits with a contractor and Partners for Fish and Wildlife.
- Staff visited a LFO in Franklin County inspect damage to a field with NRCS, river management staff and the farm owner to brainstorm possible approaches, collect GPS data and to photo document damage.
- Staff visited a SFO in Orange County to meet with a CREP planting contractor.

#### **Entomology:**

Alan Graham and Patti Casey began to analyze the 2015 tick surveillance data from ticks that were tested by Kristen Needham at the VAAFAM lab in Burlington.

Ticks were collected by flagging along 100-meter transects. We surveyed 68 transects in 7 counties, representing 19 towns. The area sampled was 6800 m<sup>2</sup>, or in linear miles, 4.2 miles. Averaged town tick densities were variable, ranging from 0.25 to 0 ticks/m<sup>2</sup>. One site in Bennington had a tick density of 0.49 ticks/m<sup>2</sup>. Ticks were tested for 3 tick-borne pathogens: Lyme disease (*Borrelia burgdorferi*), Anaplasmosis (*Anaplasma phagocytophilum*), and Babesiosis (*Babesia microti*). All 3 pathogens were found in Vermont. We believe that our finding is the first report of *Babesia* in Vermont. Here is a summary of the infection rates in the 659 ticks tested.

- *Borrelia burgdorferi* – 58.2%
- *Anaplasma phagocytophilum* – 10.5%
- *Babesia microti* – 0.8% (5 ticks from a single site in Bennington)
- 56 ticks had co-infections with 2 pathogens
- A single tick had all 3 pathogens

+CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin  
From: Greg Smith, Executive Director, VT Lottery  
Date: April 8, 2016  
Re: Weekly Report

**Status of Governor's Priorities:** .

none

**Legislative Issues/Contacts:**

Spoke with various senators about S.252 as possible amendment to bills relating to liquor that have passed the house.

I testified in House General on S.252 on Wed. I think it was a courtesy and expect no action from it.

**Press Issues/Releases/Contacts:**

None.

**Significant Events/Meetings:**

None this week.

**Evolving Issues:**

none

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**Summary of Key Agency Department Activity:**

We have a dept meeting scheduled for Tuesday to review the recent employee survey results and goals and strategy suggestions from the lottery staff. Each staff member was given explanation about what goals and strategies are and required to submit an idea. These have been assembled and we will now vet them and prioritize them. Hopefully a good exercise.

**Executive Director's Commentary:**

I expect that Sen Sears will be adding language from S.252 to the budget bill in SAC soon. He has been very helpful and supportive to the lottery, and we both feel that this is the best chance the lottery has to overturn the restriction.

Lawa

## Department of Labor Weekly Report

### Workforce/Business:

Vermont Yankee: We received the list of employees who will be laid off from VY, and are moving forward with our outreach strategy to the Vermont worker. Our staff liaison to VY, Morgan Sailer continues to connect with VY management, and we've identified a group of previously laid-off workers who have not yet found other jobs, so we are doing a new session for them. VY's contract with Securitas appears to be supplementing the unionized security workers there, and these new employees will be covered by the union contract. The VY security workers are scheduled to remain onsite until 2020.

GS Precision: We began actively marketing the TACCT grant positions with GS Precision yesterday and we have met with 30 individuals who are recent hires at GS precision to complete our paperwork requirement under the CDBG grant.

Rutland Regional Chamber of Commerce sponsored a job/career fair on 4/5/16. VDOL staff reported 30 employers in attendance, but very few job seekers (40-50), and employers were very upset (the chamber had charged them for their table, too). I will reach out to the Chamber to discuss how they might work with VDOL staff to improve their attendance at such events. Addison County Career Fair: 32 employers participated, but again, only 43 job seekers. Employers included Porter Hospital, International Paper, Middlebury College, Carrara. VDOL Middlebury office sent in an interesting note relating to unemployed Veterans: they are reporting transportation barriers. We are going to look to partner our resources to assist with this issue.

Central Vermont Job Fair 4/6/16 (sponsored by a \$5K grant from VDOL WETF), had 63 businesses and about 650 job seekers. GW Plastics was pleased with finding some people to interview for their 37 open positions. We are doing a hiring event for them on 4/13/16. VDOL participated in the UVM Networking event 150 students and 60+ alumni. VDOL Middlebury Office reports that the veterans they are working with are having transportation barriers impeding their employability. VDOL staff is looking at potential funding resources to address those issues.

### Legislative:

Rep. Dave Sharpe is trying to move authority/jurisdiction for high school career technical education programs to the Vermont State Colleges, with what appears to be minimal recommendation from AoE, ACCD, VDOL or school boards. Rep. Sharpe is looking for testimony from Rebecca, Pat and me on 4/14/16. I am scheduling a conference call for Monday to figure out our collective response.

Misclassification: House Commerce is still taking testimony (it's 1:30pm on Friday afternoon, and I am sitting in Commerce listening to people from out of state give testimony on behalf of Vermont labor). The line in the sand, from labor, continues to shift, and legislators assigned to broker a deal and 'find a solution' is being changed daily by the Speaker's office. Here are the highlights as of this afternoon:

House Commerce members are clearly annoyed by continued testimony, particularly by people from out of state who have absolutely no idea what the Vermont law does, or does not, provide,

but are offering up broad comments. This morning, UPS/Teamster woman testified from Atlanta, Georgia, and even the ever-calm Chair Botzow and VC Marcotte "went off" on the woman, demanding to know what sections of the House Commerce bill she thought the committee 'got wrong'. Ben Johnson (Vermont AFL-CIO/AFT) gave testimony yesterday that was about as incoherent and rambling as any testimony I have ever heard in my 32 years in this building. It's as though the labor unions are trying to self-destruct on this issue, as well as constantly moving the bottom line. As you have probably heard, my blow up with Adam Necrasson was primarily around the fact that he said labor's 'most critical issue is ensuring that the nature of the business test does not change'. I told him that the legislators, as well as labor AND his lobbyists, had moved away from that position in January (!), and that putting it back on the table now, and putting it in the list of things that must be changed in House Commerce bill, meant that the bill has no path forward. Summary: there is no way that this bill will survive the senate, and so the house should just drive a stake in the heart of the bill and move on to other issues.

Anne M. Noonan  
Commissioner  
Vermont Department of Labor

Sent from my iPad